

WORLD NEWS

Japan acts to curb land price spiral

By PETER HARTCHER, Tokyo, Monday

Take some scissors, clip this page, and come to Tokyo. Put the piece of paper down in the main street of the Ginza shopping district. If you can scrape together \$A100,000, then you can offer to buy the land underneath the paper.

This simple exercise demonstrates why Japan's new Prime Minister, Mr Takeshita, has declared land prices the country's most urgent problem. He has put himself at the head of a special task force to find a solution.

The average Japanese must spend eight to 10 years' salary to buy a home, compared with three years in most OECD countries. Some Japanese will be counting on their heirs to pay off their mortgages.

Home seekers are not the only ones who wish Mr Takeshita well in his new task. Law-abiding citizens everywhere can suddenly find themselves at risk simply because they

own or lease a desirable piece of land. The huge profits to be made from land speculation have drawn criminals into the real estate business.

Anxious buyers, keen to buy several adjoining blocks in pursuit of quick profits, usually offer huge cash sums as a first step. When this doesn't work, the sharks call in the thugs.

The thugs, in a technique called *jiage*, intimidate the owner into selling — by backing a truck into his store or setting his house alight.

Residential land prices in Tokyo increased by 93 per cent in the year to 30 June, a rate of return which is driving land sharks to new lengths.

Unfortunately for home seekers, any solution provided by Mr Takeshita is unlikely to be of much use.

First, more people have gained from the extraordinary land price spiral than have suffered.

Second, property speculators and developers were one

of the biggest contributors to Mr Takeshita's party, the Liberal Democrats, last year. More profits for the developers means more money for Mr Takeshita.

Third, the problem thus far has been restricted to the cities. The national average residential real estate price hike was a modest seven per cent last year.

The first public statement of the responsible minister in the new Takeshita Cabinet, the Home Affairs Minister Mr Seiroku Kajiyama, was to the effect that the challenge was to prevent the problem spreading outside the cities.

It is no secret that the Government is heavily dependent on rural seats for its electoral base.

And fourth, one of the most obvious and effective short-term solutions to the land price problem would alienate precisely that electoral base — the farmers. At the moment, there is an incredible 68,000 hectares of farm land inside Ja-

pan's urban areas. This is land which would have been developed as high-density housing or commercial space years ago if not for the tax breaks which encourage the farmers to hold onto their land.

Turning this inefficient farmland into residential land would instantly add 10 per cent to the nation's housing supply, providing considerable price relief.

Already, land prices have lost their violent momentum. The Government simply asked banks to stop lending to speculators. The banks complied.

And speculators are important players. Sixteen per cent of all plots of land sold last year were sold again within a year, despite punitive capital gains taxes.

The indications are that the Government lacks serious incentives to bring prices down. A halt to the dizzying rise seems to be the best the aspiring Japanese housebuyer can hope for.

UN troops halt women in Cyprus protest

Nicosia, Monday

Hundreds of Greek Cypriot women braved minefields to storm a UN-controlled buffer zone yesterday and reach the Turkish Cypriot north for the first time in 13 years.

UN peacekeeping troops surrounded the women after about 350 penetrated 50 metres into the north and talked to Turkish Cypriot journalists.

They were blocked by lines of Turkish soldiers and Turkish Cypriot police. The demonstrators, protesting at the division of Cyprus, dispersed peacefully at dusk.

Five women broke through the UN cordon before being hauled away by mainly British and Canadian UN troops. Hundreds of other women with banners saying they came in peace spent a sunny afternoon sitting in the buffer strip.



The erotic Cicciolina show upsets Portugal

By JILL JOLLIFFE, Lisbon, Monday

The Italian MP, Ms Ilona Staller, better known as Cicciolina, has caused new outrage abroad, soon after being howled out of Israel. During a three-day visit to Lisbon in which she held an "erotic show", the Italian Radical Party deputy aroused fury by baring her breasts in the Portuguese Parliament.

Cicciolina's political slogan, which she takes literally, is "Make Love, Not War" and she describes herself as a "fluffy little thing" — a ray of liberated sexuality lighting a joyless world. However, she has also been denounced as a slur on womanhood and as an MP contemptuous of parliamentary democracy.

Her first scandal in Portugal was perpetrated wearing her prettiest, flouciest laffera dress, with her hair wispy-gold, when she visited Parliament. She tried to enter the plenary chamber in her role as