

The Crisis in Iceland

VERY LITTLE was heard about Iceland before the British and then the Americans established military and naval bases there. Somehow the Icelanders rubbed along pretty well, hardly ever making headlines. Since the friendly invasion, these 118,000 hard-working farm and fisher folk seem to be having difficulties.

Twice in sixteen days last month the Cabinet resigned because of economic problems raised by the presence of the foreigners.

One problem was the abundance of money brought in by the visiting soldiery. They didn't bring beans, they brought money and bought up whatever beans the country had. And the Icelanders learned a lesson in economics: you can't eat money.

In fact, they learned that when there's a lot of money around and not a lot of beans, somehow the beans become scarcer, harder to get. They learned, too, that soldiers, no matter why they are where they are, do not produce beans. The money they have to spend does not represent any store of beans they may have produced in the past; the money is merely a claim on the existing stock of beans.

Perhaps sometime the Icelanders who got hold of these dollars (or pounds) will swap them for beans produced by the then working workers in America (or England). That won't do the present farm and fisher folk any good. They are hungry now. And the Premier cannot feed them. So, there is a "crisis" in bean-poor, money-rich Iceland.