The Earth Eaters

by SYDNEY MAYERS

 $\mathbf{F}^{ ext{OR}}$ over a thousand years it was known as Persia; now it is called Iran; but more than a mere change in nomenclature is involved. The new name is a reflection of the almost hysterical process of modernization which is currently transforming this ancient country into a twentieth-century nation. In the course of replacing a feudal society with today's system of industry and commerce, this transformation has brought with it chaotic economic upheavals and frightening political problems. Iran's government is hard-pressed to find a solution, but both the source of the trouble and the means of its alleviation must be quite evident to the knowledgeable.

Normally, great changes in economic systems extend over many years, so the intense rapidity of the Iranian metamorphosis presents an unusual opportunity to observe scientifically the practical application of natural economic laws. Iran, as it were, lies under a microscope through which can clearly be seen the dire effects resulting from the continuing prevalence of the system of private land ownership which has long been discredited by far-seeing political economists.

In a recent New York Times article, Harrison Salisbury writes, "One of the manifestations of the country's painful transition has been a land boom, perhaps the greatest since the Florida madness of the Nineteen Twenties. It carried Iran to the brink of financial disaster." Needless to say, the disaster has borne the inevitable concomitants of uncontrolled land speculation: unemployment, depression, poverty, misery and social deg-

radation—for all but the land monopolists who have judiciously deposited their inordinate profits in Swiss and American banks. Since land speculation stems from increasing land values, which in turn develop from the growth of population, another of Mr. Salisbury's comments is most revealing, "The physical transformation of Teheran, its growth from 600,000 people to almost 2,000,000, has set in motion speculative gyrations, the consequence of which even now cannot be wholly foreseen." (Henry George foresaw them 83 years ago!)

Interestingly, the residents of Teheran seem instinctively to understand the cause of their present woes; they even have a name for the culprits concerned, whom they call "the earth eaters." These were the first modern Iranian land speculators, who, shortly after World War I, acquired countless acres of land in the deserts near Teheran, mostly via bribery and other trickery. "Then," Mr. Salisbury casually says, "the earth eaters sat back and waited." They waited patiently until 1953, when Iran's revolt against feudalism reached its peak with the overthrow of Premier Mossadegh. The advent of a new regime (plus oil profits and large-scale credit from the West) was the signal for the wildest kind of speculative orgy. Mesmerized businessmen borrowed heavily in the real estate bubble.

Now that bubble, like so many others, has burst. One hesitates to labor the point, but the reaction is unavoidable. How obviously Iran's economic path has paralleled the road charted by Henry George! Every milestone is there: the acquisition of land by force or fraud, the landowners' sitting and waiting, the growth of population, the need and demand for land, the mad scramble to get it, the savage speculation—and then, the collapse. As the French so neatly say, the more it changes, the more it remains the same.

Iran's earnest efforts to emerge from backwardness into modern civilization are surely commendable, but it is regrettable that this ambitious descendant of a magnificent ancient kingdom has not learned from economic history. It is to be hoped that some day, perhaps, a new nation conceived in economic as well as political liberty will adopt the one economic principle that complies with natural law—the abolition of the private appropriation of rent. It is not difficult; after all, Progress and Poverty has been translated into many tongues.

"THIS LAND IS MINE"

Leoane Anderson, director of the Denver Extension, has observed with interest the extensive news coverage on a 77,000-acre plot involved in a "range war", and writes that it is making Colorado land conscious and aware of the fact that even with all that expanse there still may be, for some people, "no place to about?"

The disputed hand was originally a Mexican grant. In 1844 a Justice of the Peace for Mexico pointed to a mountain range and told two young men a million acres was theirs. This has always been known as the Sangre de Cristo (blood of Christ) land grant—an appropriate name, for much blood has been spilled over it. Congress confirmed ownership of the land in 1853 and levied taxes. Large sections have subsequently been sold and resold.

Legal action presently involves Jack T. Taylor, owner of the 77,000 acres for which he paid \$500,000. He wants to be free to sell the land or use it as he wishes, but charges that residents, many of them claiming to be descendants of original land grants, refuse to accept his ownership. They feel they have grazing and timber rights, if not under terms of the grant, then because of "adverse possession"—a legal term which means uninterrupted use of land for more than 20 years.

"The land will cost you 275,000. Did I say 175,000? Sorry, that was yesterday's price!" From Vejen Frem, Denmark

