

Again We Go "Boom!"

by SYDNEY MAYERS

THE explosion of an atomic missile is a shattering detonation, but it is rivaled by the impact resulting from intense land speculation. Perhaps it is not merely a semantic coincidence that each of these phenomena is vernacularly called a "boom," since both are explosive in character, violent in action, and sometimes devastating in effect. In fact, it might be intriguing to consider the relationship between the two types of "boom," based on the causal connection between economic disaster and war. However, for the present we will leave to scientists and militarists the boom of the nuclear bomb, while we investigate the other.

In recent weeks, there have appeared in various periodicals (notably U. S. News & World Report, and The Wall Street Journal) a number of articles concerning the spectacular growth and development now taking place in the nation's southwestern states. The very title of U. S. News's seven-page report is revealing: "Boom in the Desert — Why It Grows and Grows—The Success Saga of Nevada, New Mexico, Arizona." In its interesting account, the magazine covers in depth the story of how the "American desert, long a vast area of forbidding wasteland, is being transformed in a variety of ways that spur growth in three states."

Essentially, these enterprising commonwealths are busily developing increased prosperity by encouraging the influx of population. Nevada offers around-the-clock gambling and entertainment, the governmental proceeds of which provide a "haven for the tax weary." New Mexico presents appealing opportunities in farming, mining, cattle raising and industry. Arizona entices newcomers with manufacturing facilities attractive to both entre-

preneurs and skilled workers. All offer a salubrious climate and pleasant living conditions. It is no wonder that a new breed of pioneers is again taking to the trail followed by the covered wagons of almost a century ago.

Unfortunately, while such commendable energy and drive are making possible the building of a new business empire, land speculation is rampant—inevitably so under the circumstances. As the French say (in French, of course), "the more it changes, the more it remains the same." Runaway land prices have become prevalent. In Arizona, a plot of 160 acres that sold for \$350 in back taxes twenty years ago is now valued at \$300,000. Desert land that brought \$1.50 an acre in the 1940's now sells for \$100 to \$300 an acre. Better land that cost \$200 an acre before World War II currently brings upwards of \$5,000 an acre. But such statistics are no surprise to anyone familiar with the concomitants of the private appropriation of rent and the speculative fever it engenders. Always, as we see in today's burgeoning of the southwest, increasing population and mounting productiveness act as magnets to draw the land speculator, into whose pockets flow an inordinate share of the wealth produced by labor and capital.

Somewhere, someday, somehow, there will be widely learned the economic lessons that Henry George has taught so well, but which so few have absorbed. Only then, when "right action" has followed "right thought," and land value taxation has become a reality, will the evils of private land exploitation disappear. And only then will there no longer exist the fear that the "boom" of land speculation will lead to the "boom" of the weapons of war.