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Are Land Sales to Foreigners Wise?

FOREIGN investors are buying into America on an increasingly large scale, agriculturally and industrially.

Saturday Review magazine (SR) recently published a report on developments, saying that agricultural tracts of thousands of acres are being sold to aliens.

It was stated that "overseas firms own two million acres of American land, hundreds of thousands of acres of coal and ranch lands, and a sizeable amount of urban land."

The writer noted that farmland is "the property foreign investors are most interested in."

Oklahoma has not been ignored in the scramble for land, although a state constitutional provision and laws make it illegal to convey land ownership to aliens.

State realty dealers have received inquiries from European countries, however, and some sales apparently have been made to buyers from abroad, who may have qualified for ownership by becoming citizens or

residents.

Federal law does not prohibit land sales to aliens but about one-third of the states have prohibitions or restrictions.

The Nov. 15, 1977, issue of Forbes magazine reports that foreign interests also are making extensive investments in U.S. industries. It published a list of 125 of the largest foreign investors, showing percentages of companies owned, revenues, assets, and profits or losses, where available.

The Department of Commerce was the source for a statement that "total direct foreign capital in U.S. manufacturing and service businesses had reached \$27.7 billion in 1975."

The following year, the figure went up 9 per cent, and through the first half of 1977, new capital from abroad amounted to \$1 billion, plus a large sum in reinvested earnings.

"The enthusiasm of Europeans for American farms is unbelievable," one resident manager involved in

buying land was quoted as saying in the SR article.

In many countries, land is not available for private ownership or amounts that may be bought are limited.

Resident owners of land often resent sales of nearby tracts to outside nonagricultural interests, whether alien or not. They say outsiders do not support local businesses, do not contribute to civic or church activities, do not practice conservation, and force out people who do.

Another frequent objection to alien or outside ownership is that buyers bid up land prices excessively, making it more difficult for farm boys to acquire farms.

This nation's agricultural production long has been recognized as a powerful force in world affairs. It is not surprising that people in other nations want to own part of it.

The question is: Are we wise to sell?