

Background Digest

How will war affect U.S. agriculture?

Burr says no reason exists for expansion of American production

BY W. W. BURR.
(Dean of the college of agriculture.)

What effect the European war will have upon American agriculture is a prominent question before the farmers and all who are interested in American agriculture. Will there be another food shortage? Will there be high prices like those following the last war? And when are they likely to come? These and other questions are important not only to American agriculture but to American consumers.

The effect of the European war on our agriculture will depend largely upon the intensity with which the war is carried on and its duration. If the war should be thrown into high gear and prosecuted with intensity, large amounts of equipment and materials will be needed and, in common with the general price level agricultural prices will doubtless advance. If the war is draggy or is of short duration, there should be no rapid change in agricultural prices.

Much food, fiber.

There are at the present time large supplies of food and fiber crops. This is true of world supplies as well as supplies within the United States. It is generally understood that the warring nations have adequate food supplies for the present from the point of view of supplies, therefore, there is no reason for prices to advance materially.

If the war is long drawn out agricultural prices must and will advance. With so many men under arms agricultural production is sure to be reduced. Knowing this, countries as well as individuals will probably become more or less panicky regarding the food supply and attempts will be made to "lay in" food supplies and agricultural prices will advance. There is probably no way to avoid this because as the war continues there will be an increasing feeling of instability and danger of food shortage and all who can will probably attempt to guard against it.

No reason now for change.

As matters look now we see no reason for any great change in agricultural prices or any big change in the demand for agricultural goods. There is no reason for American agriculture to plow up grass land or to expand its production. With the present setup for anticipating need and changes in demand there will be plenty of time to adjust our agriculture to increased demand if that should become necessary. At present European currency is cheap in comparison with ours and that will make it more difficult for warring nations to buy.

We are a creditor, not a borrowing nation; the opposite was true in 1914-1918. In this connection the rate of exchange is very much in favor of South America. We are probably better organized to maintain reasonably stable price levels than ever before and this can no doubt be accomplished unless the fear of food shortage causes individuals and nations to begin to purchase supplies for a considerable time in the future which, of course, will affect food prices.

(continued from column 3.)

Whatever, the precise form of development, it seems clear that countries heretofore considered chiefly as primary producers must become more self-sufficient or buy from the United States.

This golden opportunity to supplant Britain, Germany, and France in the finished goods markets of Latin America and other countries is considerably beclouded by the fact that the economies of the latter countries are not perfectly complementary to our own. It is possible, however, that Americans may overcome their well-founded distrust of South American investments in which case the wherewithal to finance a heavy export surplus will be forthcoming. Much of the capital so invested will probably be lost in the next post-war slump,

War sees economic interdependence

Oldfather sees effect of history

Dean and professor views past as related to the present conflict

BY C. H. OLDFATHER.
(Dean of the college of arts and sciences and professor of ancient history.)

The task of presenting, from the Department of History, the "historical factor" in the present war has been turned over to the teacher of ancient history. The thought was that he would be the one best qualified to pass judgment upon the present conflict "sub specie aeternitatis." And the thought—irrespective of the outcome—was logical enough.

For if the problem of war is to be squarely faced, with any hope of its solution, its essential or universal and "eternal" nature must be sought out. The inescapable fact is that war is an expression of human emotions which are scores of thousands of years older than civilization. It was only by killing, by beating other predatory animals to the prey, by holding them away from the kill, by keeping the kill for himself, by snarling his threat and being willing to follow his snarl by actual fighting—only by these means and by weapons he devised was man able to survive the struggle of the jungle, against animals and against mankind. It was quite slowly that man learned that he could exist more easily and more happily by making peace with



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PROF. C. H. OLDFATHER.

(domesticating) certain animals and by co-operating and living at peace with his fellow men.

Historically, nations from clans. But who are his fellow human beings with whom man can live at peace and by so doing enjoy greater wellbeing? Slowly man has widened the circle of his fellows, from family to clan, from clan to tribe, from tribe to larger groups not connected with him by blood, from such groups to nations. This is the stage where man is today, with but few exceptions; his ideas of co-operation are limited by emotional and age-old prejudices of blood and language and religion of the nation.

No more fateful apple of discord was ever rolled into the midst of mankind than President Wilson's insistence upon the sacred principle of "national self-determination." Just at the time when peoples were being drawn together as never before, little nations arose over Europe with ambitions and aspirations which could never be satisfied. Nationalism, which has been rightly called by Dr. Fossdick the supreme enemy of Christianity and so of the noblest aspirations of the human mind, gained new life. For the time being emotion continues to rule intellect and real self-respect.

but the long-run result might be a permanently improved South American market.

Commodities rise sharply

Long war will bring great changes in trade

BY E. A. GILMORE, JR.
(Assistant professor of economics.)

The economic interdependence of the entire world was spectacularly demonstrated by the immediate reaction of the American economy to the outbreak of war in Europe. Results that government economists had been striving for years to achieve came about virtually overnight, and official spokesmen quickly changed their tune from the evils of under-employment and idle capital to the danger of frenzied price rises.

In three weeks the wholesale prices of corn, wheat, butter, lard, steel scrap, rubber, copper, tin, zinc, and a host of other commodities rose sharply in amounts ranging from 14 to 44%. Activity in the steel industry increased by more than one-third with plants operating at 88.6% of capacity this week as compared with 63% at the end of August. Coal, long one of the sickest of industries, took a new lease on life with shipments for export exceeding all recent records and mine operators in the Appalachian fields broadcasting daily appeals for miners.

The index of industrial production in general jumped from 102% of 1923-25 levels in August to 110% at the beginning of October. It now stands at about 115% with good prospects of exceeding the 1937 peak of 118% before the end of the month. Export figures for September, when available, will probably exceed the \$251,000,000 shipped abroad in August by more than 50%. These random facts show that in the short space of 44 days a force wholly beyond our control can profoundly modify the course of economic life here in America. The immediate effects are no doubt exhilarating. The ultimate effects, dependent as they are upon events abroad, are likely to prove much less exhilarating.

War will bring changes.

In the field of international trade proper a long-continued war will bring about profound changes. The belligerents having access to the seas must increase their purchases of raw materials and, so far as they are permitted, of arms. At the same time their manufacturing industries will be shifted over to a large extent to war production with the result that goods normally exported will become scarce. Thus lacking the usual means of payment for imports these countries must turn to their financial resources abroad.

It is estimated that foreign cash and security investments in the United States exceed \$3,000,000,000. Most of this belongs to Great Britain and France, and it will be gradually liquidated to pay for imports from us and other countries. When these funds are exhausted there remains only the liquidation of permanent property investments here and in other countries, and finally the possibility of borrowing. With public opinion in this country strictly opposed to repeating our sad experience with war loans the allies may be forced to turn more completely to countries where they can buy on credit, probably to the Dominions and Latin America.

Aggravated inflation.

Since none of these governments possess great financial strength, the effect of such a policy will be an aggravated form of inflation in those countries similar to that experienced in the United States in the last war. Business may boom on the strength of paper credit secured by the promises of the allies, but the inevitable collapse will be terrific.

It is entirely possible, however, that some industrially backward nations may consider the chance for rapid industrialization to be worth the subsequent slump. Industrial capital never accumulates more rapidly than in periods of violent boom. Lacking adequate coal, the extensive development of heavy industry in South America is likely to be at best precarious.

(continued in column 1.)

Walker finds censorship part of war

Journalist explains restrictions placed on communications

BY G. C. WALKER.
(Director of the School of Journalism and professor of Journalism.)

Main aspects of the impact of the European war on American daily newspapers are: first, the imposition on all warring nations and some neutral ones of iron-clad censorship; secondly, the great increase in the cost of collecting and transmitting what censored news is available; and third, increased cost of domestic operation owing to rises in the costs of raw materials.

Complete control of news was practiced in the totalitarian countries long before the outbreak of the current struggle, but, though forecast, actual censorship among the western powers began in full force only shortly before the beginning of the fighting.

Germany on top in paper war.

In the paper war of propaganda Germany has had much the better of it. Particularly in the Polish campaign the German censors were fairly liberal in passing news and pictures. American newspaper men report that they were given great assistance in covering the war. As a result the German propaganda—and any "slanted" news is propaganda—was much more effective in the early stages of the conflict.

The French censorship was complete, and apparently remains so.



—Lincoln Journal and Star.
PROF. GAYLE C. WALKER.

News of French operations is practically limited to laconic communications.

The British ministry of information has been reorganized as a result of the anguished protests over the "blackout" of information which prevailed from the start of hostilities. A more lenient policy has now been adopted, but only the other day were any American newspaper men officially assigned to the British expeditionary force.

News print imports down.

The blockade of Scandinavia has probably stopped importation of approximately 300,000 tons of news print annually, or one-tenth of American consumption. Set over against that, though, is the fact that Canadian pulp mills are running below capacity. The war undoubtedly will give impetus to the development of a domestic source of supply.

Lead, tin and antimony, used in type metal, soared in price as frenzied buying of these war stocks marked the early days of the war.

One thing this thing promises to do—mark the end of the old war correspondent of the Richard Harding Davis type. No longer is it likely that a Floyd Gibbons lose an eye in the thick of front line fighting. But the dangers of war correspondents have been increased, for now they, as all living things, are likely targets for bombers, no matter how far behind the lines they may be billeted.

Insecurity leaves mark on literature

Raysor tells position of imaginative thought when men hate, fear

BY T. M. RAYSOR.
(Chairman of the department of English and professor of English.)

The obvious position of literature and the arts in time of war is that of victim. The spiritual and imaginative life of human beings is a superstructure which cannot exist except upon a foundation of at least a temporarily secure physical life. And though the foundation of a house is not



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as important as the rooms in which human beings live, it must necessarily come first.

The effect of the present war will be added to that of the last war and will increase the devastation in literature. The literature which appeared in Europe since 1914 has been much inferior to that of any preceding generation for at least a century. Not only had many young writers or possible writers been killed or injured, but many others had lost the economic opportunities which might have permitted a development of their intellectual life. And of those who remained, the prevailing tendency has been toward a destructive type of literature, naturalistic, satiric, denunciatory. The writer is necessarily a man of profound imaginative sympathies and acute perceptions; and how can such a man look at the world in which we live without repudiating it? If literature is a perception of the real values of human life, what else can the literary man do with the kind of society which produces world wars, or the kind of society which is produced by world wars?

No proof of more pacifism.

But this does not mean that the man educated to love literature is more pacifist than other men. He must necessarily and instinctively regard the individual human personality as the criterion of all other values, must judge society as a whole by its concern for the individuals which are its parts, must oppose a philosophy which sacrifices the individual to the state. Whatever his criticism of any individual democracy, whatever his sense of the general shortcomings of a democracy as a political system, he is likely to think that it approaches more nearly the purposes to which he is committed than a totalitarian state, and that it is capable of fuller and richer political development.

If he feels this deeply, he is not likely, it seems to me, to sneer at a merely "ideological war," to take pride in complete impartiality between democracies (at least partial democracies) and totalitarian states, to think that neutrality demands legislation favoring dictators, to attack fiercely as "not worthy of being an American" those who feel that the United States have an interest in the survival of other democracies, to denounce as propaganda any expression of sympathy for democracy, to call totalitarian the centralization for defence which a democratic state is obliged to undertake in an emergency.