



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

1170
c2048
1942

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington, D. C.

AGRICULTURE - WHEN THE WAR ENDS

Address by F. F. Elliott, Chief Agricultural Economist, Bureau of Agricultural Economics, before the 20th Annual Agricultural Outlook Conference, Washington, D. C., October 21, 1942

Although the end of the global war in which we are presently engaged is not yet in sight, already there is keen speculation as to what the agricultural situation will be when the war ends and peace has been restored. There seems to be a genuine interest, if not an underlying anxiety, on the part of farmers and farm people with respect to this. They see the tremendous outlays for war purposes, the rising public debt, the large increases in production being called for, and they wonder what it all means - where we are headed - how the whole thing is going to end. Next to winning the war itself probably no question is of greater concern to them than this.

Farmers have a vivid memory of what happened after the last World War. They want to know if that situation is likely to be repeated - if we again are to have inflation followed by depression - or whether there is reasonable expectation that we shall be able to work things out so that markets, prices, income, and employment will be maintained at reasonable levels. They want to know, in short, what use we will make of our victory. Apart from the stimulus which positive ideas and concrete proposals with respect to these things will have in intensifying support for the war effort, is the importance of anticipating, if possible, what the probable trend in developments will be so as to be ready with workable programs of action when the need arises.

Obviously, it is not possible for anyone now to say just what the actual situation will be when the war ends. There are too many unknowns and imponderables in the picture to permit a categorical answer to the question.

What the actual situation will be depends upon a number of developments. It will depend, first of all, upon how long the war lasts and what happens during the remainder of the war period. It will depend also upon what policies we follow in liquidating the war and restoring the peace - upon how rapidly we demobilize and convert back to peacetime industry - upon how successful we are in maintaining national income and employment and in preventing inflation and its counterpart, deflation - upon the sort of fiscal and commercial policies we follow - upon the degree and kind of international political and economic collaboration we pursue - in short, it will depend upon the kind of post-war world we are going to have. We thus can only speculate about it - we cannot give a final answer.

If we are to be reasonably realistic in discussing the problem, we should not start, it seems to me, with the post-war period itself; rather we should start from where we now are, or with the immediate past and follow through the analysis sequentially, step by step, until we come to, and cover, the post-war period proper. This is the procedure we are following in an analysis of this general problem now getting under way in the Bureau of Agricultural Economics and it is the approach I shall use in the discussion this afternoon.

There is considerable logic in distinguishing three periods in the analysis. (a) From Now Until Hostilities Cease, (b) From the End of Hostilities Until the Accumulated Demand For Durable, Semi-durable, and Consumer Goods Has Been Met, and (c) The Post-war Period Proper. The overall situation that will prevail and the pattern that agriculture will assume in these three periods is likely to vary considerably. Let us consider, briefly then, what the probable developments will be in each of them; or more specifically, what the situation would be assuming certain alternative developments take place.

Situation At End Of Hostilities Conditioned
By Developments During The Remainder Of The War Period

Let us begin by considering, first, what the probable situation will be from now until hostilities cease. In doing so it will not be necessary to forecast just when the war will end; but it will be desirable to make certain assumptions as to how it will end. In this connection, it seems reasonable to assume that the war will not end abruptly - rather that it will come to a close first in the European theatre and that another six months to a year or more will be required to end hostilities in the Pacific area following the European armistice.

Regardless of when hostilities cease, it seems clear that the situation that will exist at that time will be determined in the main by the developments that take place between now and the end of the war period. It is important, consequently, that we give consideration to the probable nature and extent of these developments.

You are all familiar with the developments that have taken place to date - of the tremendous increases in production that have occurred in agriculture, particularly in livestock and livestock products, in oil crops, in certain types of vegetables, dry beans and peas, sugar beets, etc.; also of the sharp increases in price and in agricultural income. After the discussion this morning, you also are familiar with the problems and "bottlenecks" with respect to labor, machinery and materials, marketing, processing and transportation with which we presently are faced. You, likewise, are aware of the tremendous supplies of food products that we are sending abroad under Lend-Lease, the growing demands of our expanding Army, the increasing expenditures and tempo in the war effort, the possibilities of opening up a second front, and related matters.

Will there be an intensification of these same developments on ahead or will there be a slowing down or a possible reversal in some of the trends now under way? Will the requirements for agricultural products continue to rise? Can we step up production to keep pace with these requirements or will the scarcity of labor, fertilizer, and other materials prevent such increases? What changes, if any, in administrative techniques and procedures will be needed to maintain or increase present levels of production? When will we reach the peak of our war production effort? These are the type of questions we shall need to consider in estimating what the probable situation will be and the level of production, prices, income, and debt we will have reached when the war ends.

We clearly are not now at the peak of our war effort. We are continuing to convert civilian industry to war purposes, to expand plant capacity, and to step up war expenditures. We are now spending for war purposes at a rate of around 6 billion dollars a month. This is expected to increase possibly to 8 or 9 billion dollars a month at the peak of the war effort, which probably will not be reached until 1944. It also is expected that at the time of the supreme war effort employment will have risen to 54 or 55 million as compared with an estimated 52.5 million employed on July 1, 1942. (This, of course, is exclusive of the number in the military service.) With these tremendous increases in expenditures, in employment and production, the national income also will further increase. Some estimates put it as high as 140 to 150 billion by 1944. Along with these changes are coming very rapid increases in our military forces. We now have approximately four and one-quarter million men under arms in the Army alone - by the end of 1943 this number is expected to increase to seven and one-half million, and reach eventually possibly an even higher figure. If the

men in the Navy and Marine Corps are added to this, the total becomes even greater.

These tremendous changes in the war effort necessarily will affect agriculture. With the large losses of territory suffered by Russia, much of which was their most productive agricultural land, and the sharp drop in United Kingdom and United States imports as a result of aggression in the Pacific area and elsewhere, there unquestionably will be a need for all the agricultural products (with the possible exception of wheat and cotton) we shall be able to produce. We undoubtedly will be called upon to supply increased Lend-Lease shipments of food and other products. The extent of the actual increase in supplies that will be sent abroad will be determined primarily by the availability of shipping. The need unquestionably will exist, the problem will be to get the food and other products to the points where they are most needed.

An additional demand will arise in connection with second-front operations. As we progressively retake present occupied territory, we shall be called upon to feed and clothe the repatriated peoples. We also shall need to consider the relief needs of these as well as of the under-nourished and starved peoples of other countries when hostilities cease, and make provision for them between now and when the war ends. We, likewise, shall need to take into account possible further losses of territory to the aggressor nations, and build up contingency reserves and stock piles against such possible developments; also to build up reserves to guard against possible decreases in yield as a result of drought. We have been blessed now with a series of good crop years, obviously, we cannot assume that such will continue indefinitely.

With these various demands and requirements in prospect, we clearly shall need to put continued emphasis upon the production of the essential war crops we

have been encouraging - upon dairy, poultry, and meat products - upon oil crops, certain vegetable and canning crops, dried peas and beans; long staple cotton as well as hemp for fiber. I would assume, therefore, that the pattern of agriculture for the year ahead would not vary a great deal from the pattern that production followed in 1942. Whether the same levels of production are achieved, or whether there will be increases, however, is one of the unknowns that we cannot now determine. It will depend, in part, upon weather and, in part, upon how successful we are in solving some of the "bottlenecks" with which we are faced, particularly of manpower.

In looking on ahead into 1944, due to the further dwindling of labor and scarce materials, we may find it necessary to exercise a higher degree of selectivity in our production than we have heretofore found necessary. It even may be necessary to establish priorities on the production of essentials and discourage or prevent altogether the production of the non-essentials; that is, to use labor and scarce materials only in the production of those products for which there is absolutely an essential need.

In this connection it seems to me that we should give serious consideration, even in 1943, to the meeting of some of the increased requirements for food and other products, both for current consumption and for building up reserves, by imposing allocation and consumer rationing programs rather than attempting to meet them entirely through increasing production. Such a policy, in addition to economizing on scarce materials, would assure a more equitable distribution in consumption among the different income groups and would render less difficult the maintenance of price ceilings. The maintenance of such ceilings, at best, will be very difficult unless we develop more effective measures than now appear

in prospect for siphoning off the excess purchasing power that prevails in the economy. Such a policy, furthermore, would mean that we would not need to push production to such extreme limits as might otherwise be necessary. Obviously, the higher production goes, the greater the downward adjustment may be when peace returns.

Thus, it seems clear that we still face some rather important adjustments ahead during the remainder of the war period. I would assume that the pattern of agriculture we reach in 1944 will characterize, in general, the pattern for the remainder of the war, even if the war continues beyond this date. This does not mean that there will be no further adjustments - there undoubtedly will be such in certain items. But, in general, the pattern reached at that time should continue for the remainder of the war period and, hence, also should characterize the situation when hostilities cease.^{2/}

While not now ready to characterize this probable pattern in specific terms (this must await more detailed analysis), I would assume the situation in general would be about as follows: When hostilities cease we shall find ourselves geared to a high level of production - higher in certain items than it is today - notably in hogs, beef cattle, poultry and possibly dairy production; also higher in feed grains, hemp, long staple cotton, and certain of the vegetable crops. Reserves also will be high, particularly for the Lend-Lease products and stocks for most products in general probably will be considerably above levels usually maintained during peacetime. We also will be possessed with an agricultural plant possibly somewhat impaired but still capable of continued production at

^{2/} I am speaking here and also immediately below of the situation as it would exist when hostilities cease in the European theatre - should the war continue for another six months or a year in the Pacific area, as seems likely, these levels probably would be reduced somewhat.

high levels. Prices of certain products, likewise, probably will be higher than today as will total agricultural income.

On the non-agricultural side, industry will still be geared to war-time production, but faced with a large accumulated demand for durable, semi-durable and consumer goods and with a greatly expanded and efficient plant awaiting conversion back to peacetime production. In this connection, the potentialities are substantial. The nation, for example, "will emerge from this war with capacities for making plastics, synthetic fibers, nitrates, hydrocarbons, high octane gasolines, and literally scores of chemicals and other raw materials on a scale that only two years ago was beyond our comprehension.

" By the end of 1943, our production of aluminum, for example, will be at a rate almost seven times greater than was attained in 1939 after 50 years of intensive development it will furnish in one year metal enough to build three times the number of passenger cars now operating on all American railroads. To produce this aluminum alone will require more electricity annually than was consumed in 1940 in 27 of our 48 states. We also will be recovering from brine, sea water, and other sources approximately 100 times the amount of magnesium that was produced in 1939 when the magnesium industry in America was 24 years old. After the war, the Nation's capacity for producing this lightest of all structural metals (it is about 60 percent of the weight of aluminum and one-fifth the weight of steel) will be more than double the output of aluminum in 1939.

"In turn, steel is challenging the light metals. Low alloy steels and new modifications of the higher alloy steels are bidding for expanding uses in aviation and wherever lightness and strength are requisites. In the steel

industry today, technicians speak confidently of monster aircraft that will be largely steel. These new alloys are three times the weight of aluminum and almost five times the weight of magnesium, but their tensile strength approximates 190,000 pounds to the square inch. This advantage permits weight to be shed by reducing bulk and eliminating needless supports."

"Equally significant are the developments that have taken place in petroleum and plastics. Whereas before the battle of Britain it was thought the ultimate in motor fuel was reached by the creation of a gasoline with an octane rating of 100, now we are producing fuel with octane ratings of 110 and 115 or higher. They deliver one-half again as much power as the 100 octane fuel. Plastics, likewise, were of sensational promise before Pearl Harbor. The newest and most versatile of plastics will be available after the war on a scale beyond all previous conceptions. The high pressure synthesis of ammonia, for example, will have taken on an industrial status that, in terms of new producing capacity, will be phenomenal. The amount of fertilizer chemicals that this new capacity could supply farmers will be so large (if permitted to function) that the basic trends of agriculture even might be affected. And this comprises but one group of a hundred or more products stemming from this high pressure synthesis, which utilizes air, water, and coal as its building blocks. Metals, fuels, and plastics thus are now ready not only to complete the revolution in transportation, begun early in the century, but also to contribute to improved construction and other equally important developments." 3/

In addition to these potentialities in production and techniques, industry will have available the greatest number of skilled and semi-skilled laborers in the history of the country. The problem will be how to organize our economy so
3/ "Molders of Better Destiny" by Dr. Charles M. A. Stine. (Reprint from
Chemical and Engineering News.)

as to permit these skills and other resources to function most effectively. The task of converting back from war to peacetime industry will not be easy. It will take time - some maladjustments and unemployment undoubtedly will result in the interim. Taxes will be high and the debt burden heavy - all of which will add to the task.

What Will Likely Be The
Situation During The Transition Period

Faced with productive resources, levels of production, stocks, prices and accumulated demands when the war ends of the order and magnitude indicated above, what adjustments will be needed and what will the agricultural pattern likely be in the transition period - the period from the end of hostilities until the accumulated demand for durable, semi-durable, and consumer goods will have been met?

The situation that will develop in this period will depend in part upon how long the war lasts - how rapidly we demobilize and convert war industries back to peacetime production - the extent of the European demand for food and other materials we are called upon to fill - the policy we follow with respect to trade, our stock position with respect to particular commodities in surplus, etc.

The longer the war lasts, the greater the accumulated deficits in civilian goods presumably will be, and hence, the longer it will take to fill them. The longer the war lasts also the greater will be the strain and drain upon labor and other scarce materials. The length of the war, likewise, will have a bearing upon the length of time required to convert back to peacetime production. This is particularly true in case machines and tools presently set aside awaiting the return of peace, have to be scrapped completely to meet the extraordinary demands of the war for metal.

The rapidity with which we demobilize, in turn, will be determined by the way the war ends and the psychology of the country at the time. If the war does not end abruptly, as has been previously indicated seems likely, then presumably demobilization would be more gradual. On the other hand, the psychology of the country may be such as to force a more rapid demobilization than would be wise. The strains of the war upon the population generally will have been severe. Practically every family will have had either a close relative or friend in the conflict - casualties may have been high. The urge will be to get them home and out of the Army as soon as possible even though a rather large force undoubtedly will be needed for occupational and policing purposes. Conceivably the pressure may be so strong upon Congress and whatever administration that is in power as to force too rapid a demobilization. Associated with this will be the urge to abolish economic controls upon production, prices, wages, rents, etc., all of which conceivably might add up to a bad situation.

While it obviously is a guess, I would be inclined to assume that we will run into a moderate or possibly even a sharp recession in business activity and employment, the first few months after hostilities cease. This to be followed almost immediately by a marked and rapid recovery in which business activity and employment would go back up near to the peak period of the war but not reach it.

It seems highly probable that we shall not be able to come out of this war and convert back to peacetime production without dislocations and some recession in business activity and employment. Even with the best of intentions and with the most careful planning, there is not sufficient elasticity in our institutional set up to permit the making of the precise adjustments that would be necessary to bring about this much-to-be-desired goal. Lags inevitably will develop out of the myriad complementary, supplementary, and competing relations in our economy and

these, in turn, will produce dislocations and "bottlenecks" resulting in some temporary, if not prolonged, unemployment. We already have seen how these "bottlenecks" developed in the reverse situation while we were converting to wartime production. That they will recur and probably to a great degree, seems to me almost certain.

This is not to say that such a recession would be prolonged - it probably would not be since the general demand side of the picture would be so favorable to a rapid recovery. There accordingly should be little if any necessity for elaborate relief and public works programs at that time. Because of its expected temporary nature and because of the accumulated purchasing power in the hands of workers as a result of enforced savings during the war, labor and others generally should be able to weather the storm without being disadvantaged too much.

The effect of such a temporary recession upon agriculture should not be too severe. It would have some affect upon the prices of those products which vary with business activity. It also probably would mean some decrease in the prices of agricultural products generally, particularly of those in heavy supply. The affect, however, should neither be severe nor prolonged. It may be, in fact, that agriculture would be affected less than some of the other segments of the national economy. This arises from the fact that there will be a tremendous demand for food and other agricultural products for relief the moment the war is over. The demand for food will come first. It will have priority over all other demands. We not only shall have to feed the repatriated nationals of the United Nations but undoubtedly we shall be called upon to help feed the under-nourished and starved, peoples of the defeated nations as well.

Regardless of how this is handled, whether under Lend-Lease, through the advance of long-time loans, or on a gratuitous basis, we probably will find that

our stocks and reserves of food products particularly will melt away quite fast. There would appear to be little danger of any surpluses we may have at the time becoming burdensome. The question rather will be, Will we have enough?

For the first 6 to 12 months after the war these relief needs should continue high. There should be a very strong demand for fats, dairy products, meats, and other types of protective foods. Wheat and the other bread grains also will be in considerable demand as will cotton.

After the full flush of this relief demand has been met, it would be reasonable to expect some levelling off. The various European and other countries will have reorganized their domestic economies and agricultural and other production will begin to rise. Competition from other raw materials countries will increase. Business activity in the United States, however, should be gaining momentum in the meantime so that the demand for our own agricultural products should continue at a high level. It would be reasonable to assume that this situation will continue until the limits of the accumulated demand for durable, semi-durable, and consumer goods is approached or has been reached. The situation, of course, will not be uniform with respect to all commodities - the limits for some of them will be reached earlier than for others and downward adjustments in production in such products probably will be in order and necessary.

Just how long the recovery phase of this transition period will last, of course, is problematical. Some economists are assuming that it will continue for at least as long a period as the years we were in the war. Its duration, it seems to me, will be determined in large measure by the way we manage our affairs after the war. It will depend upon how successful we are in liquidating the war and restoring the peace - particularly upon the sort of fiscal and trade policies we adopt and the kind of programs we develop in modernizing our economy. There does

not appear to be any fundamental reason why it could not continue for an indefinite period assuming we are willing to pay the price and do the things that would be necessary to have it continue so. We certainly will have the resources, the skills and the techniques for keeping our economy on an expanding basis. The question is whether we shall provide the policies, the organizational framework and the institutional adjustments that will permit it to so function.

What Will Likely Be the Situation
In The Post-War Period Proper

This brings us forward to the Post-war Period proper. What will be the situation in this period? Obviously, the problems and questions surrounding and inherent in this period are the most difficult and complex of all to answer. I certainly do not presume by any means to have the answer. In the brief time remaining I shall attempt only to outline an approach which seems to me to offer an intelligent basis for analyzing the problem.^{4/}

When the post-war period proper is reached things presumably will have settled down - peace will have been restored - industry will have been reconverted to peacetime production and many of the overall policy decisions will have been made providing the general framework within which our post-war economy must function. Just what will be the nature of these overall policies (national and international) we, of course, are now in no position to indicate. They, however, will govern, to a much greater degree than in either of the other two periods, the pattern that agriculture will follow.

Faced with these unknowns, what type of analysis shall we undertake? Two possible approaches might be used: (a) We might set up a definite working hypothesis of the expected trend of events and seek to forecast the pattern that agriculture is most likely to take in the post-war period, or, (b) we might set up

^{4/} This approach is the same as that being used in the analysis of this problem now getting under way in the Bureau of Agricultural Economics referred to above.

a series of alternative assumptions, embracing a rather wide range of possible or desirable developments, and seek to indicate thereby what the pattern would be under the different situations.

Of these two approaches, the second appears much the more fruitful for our purposes. There are obvious difficulties in attempting a forecast of the character that would be necessary under (a) even under the best of conditions. With the many unknowns now in the picture, it would be extremely questionable, if not foolhardy, to attempt it.

The second approach has the advantage of showing what the pattern would be under a range of alternative developments, wide enough possibly to include or approximate the real pattern itself, whatever the course of events. It should yield results, furthermore, that would be quite helpful as a guide in formulating policy. By indicating the probable patterns that would result from a series of alternative situations, administrators and others in policy-making positions certainly would get a broader perspective and would be given an awareness of problems and difficulties which the other approach simply would not yield.

Accepting the second of these approaches then as the basis for our analysis, what alternative situations shall we assume? Three such are suggested:

1. Let us assume, in the first place, what may be termed a "Back to Normalcy" situation - a situation in which selfish interests will dominate. That is, assume that we would return to all of the maladjustments in our domestic economy that existed prior to the war: also assume that international trade will be stymied - trade barriers lowered but little, if any, or even raised - and attempt to indicate what the pattern of agriculture likely would be under this situation.

2. Let us next go to the other extreme and assume what may be termed a "Long-time Desirable" situation - in which a forthright effort would be made to revamp not only our own, but also the economy of the world, with the view of achieving certain long-time desirable goals for agriculture as well as of working toward or achieving the objectives set forth in the Atlantic Charter, and the third of the President's Four Freedoms (Freedom From Want).
3. Let us assume lastly a situation in between the other two - in which an effort would be made to develop programs that would achieve or move in the direction of achieving only the more important and most pressing of the Long-time Desirable Goals in (2).

The first of these alternatives obviously is far from the situation we all would like to see emerge in the Post-war Period. There certainly is sufficient intelligence, foresight, and statesmanship in this and the other countries of the world to prevent it from happening. But there is no absolute assurance that it will not happen. Conceivably we might win a military victory, but because of both domestic and international selfishness, petty jealousies, bickerings, etc., lose the economic victory. Let us hope that such will not be the case and that we shall achieve a better ordered world than this. (An assumed recurrence to such a situation is included in the analysis merely to show by contrast the sort of thing we do not want.)

The second of the alternatives goes to the other extreme and is designed to show what the pattern of agriculture would be under a more or less assumed ideal situation. In developing the analysis under this alternative it becomes necessary to set up certain goals that might be assumed to reflect the long-time desirable situation that we would like to see.

Without presuming to give a final answer to what these goals should be, or more specifically, what the farm group wants and will accept, the following are suggested as tentative goals for use as a basis for the analysis:

1. That (a) prices of all agricultural commodities for domestic consumption be maintained at such levels as to yield parity income (either parity income as defined in existing legislation or under some other definition if a better one can be found), without, at the same time, pyramiding and freezing surpluses in storage at high government loan rates, or (b) prices of all agricultural commodities for domestic consumption be maintained at about current parity levels and that prices for that portion of export crops sold abroad be maintained at one-half to two-thirds of current parity.
2. That not to exceed 20 percent of the total national population, or 30 percent of the population on farms in the period 1935-39 (whichever is higher) be maintained in agriculture for the primary or sole purpose of farming.
3. That agricultural production be maintained at such levels and in such patterns as to permit adequate nutritional diets - adapted to the economic resources and food habits of the different income groups in the population (that is, an adequate diet, say, (a) at minimum cost for the lower one-third, (b) at moderate cost for the middle one-third, and (c) at high cost (liberal) for the upper one-third).
4. That agricultural production be distributed among the different regions, states, and areas so that: (a) Production will be maintained on a sustained yield basis, (b) The crops and livestock grown in each area will be those

best adapted to the physical and other conditions existing in the area; and on size of units large enough to permit efficient operation and to yield incomes adequate for a decent standard of living.

5. That land not suited for farming (cropping) be kept in forests, (public and private) parks, grazing and game preserves, watersheds, etc. with the view of bringing about the most effective utilization of all our resources and of assuring the nation an adequate supply of forest products, water, and recreational facilities.
6. That facilities and services (housing, hospitalization and medical care, schools, electrification, etc.) be maintained in rural areas at levels necessary to result in reasonable parity treatment with other groups in the population.
7. That the marketing system be so organized as to (a) process and distribute agricultural products at the lowest possible costs, thus making it possible for farmers to receive a parity income without placing an undue burden upon the consumer; (b) provide an efficient mechanism whereby market prices at all stages can be correctly determined and known; and (c) broaden market outlets so that farmers can dispose of unrestricted output of the farm plant as a whole without having to accept "surplus" prices for the entire volume of production.

In the third and last of the alternatives, a middle course situation is assumed. Obviously, it would be quite difficult to effect all the necessary adjustments in our agricultural and industrial economies to realize all of the goals set forth in the second alternative. Considering the heavy financial burdens that undoubtedly will be faced by the Treasury after the war, the reluctance and inertia of the

public, in general, to accept reforms, and the political uncertainties of international agreements and undertakings, it may be that the goals actually realized will fall somewhat short of the "ideals" we have discussed.

Let us assume that this is the case and modify the "ideal" goals accordingly, and work out the pattern that agriculture would assume under this modified situation. In such an analysis we would need to estimate specifically what adjustments in production, consumption, marketing prices, incomes, etc. that would be involved under this situation in the same way and manner as under the other two alternatives.

I am fully aware that an analysis of this kind would not tell us specifically what the actual pattern of agriculture will be in the Post-war Period Proper. It, however, would show what the pattern would be under a range of alternative developments that possibly are broad enough to set the limits within which the true pattern may fall, whatever the course of events. At any rate, this is about as far as we can go with a situation so beset with unknowns and imponderables as is this one.