

Labor and Farm Economics

By WALTER E. SPAHR

Professor of Economics, New York University

The economics of labor and the economics of agriculture are supposed to be segments of economics in general and to conform to the same scientific standards and premises that must characterize general economics if it is truly scientific.



General economics is both a science and an art. As a science, it seeks and explains the principle of human behavior as people make a living and spend their income.

As an art, the principles are applied to raise the standard of living. The point of view is that of society as a whole; the question of welfare relates to society in general.

The economics of labor, like the economics of agriculture, usually departs from these standards. Labor "economics" is little more than a description of labor organizations, a history of laborers' efforts to increase their share of the social income, and a series of arguments as to why labor should get more of the social income. Just how much labor should get is rarely made clear.

Some so-called "labor economists" leave the impression that laborers should get all the social income if they can. In short, the principles set forth in "labor economics" are usually vague, foggy, or nonexistent. The art aspect of "labor economics" is little more than advocacy of a class struggle. Labor "economists" rarely, if ever, look at the economics of the problem as a whole. They do not give equal consideration to consumers, employers, and owners of capital. In general the consumers are ignored, the employer and the owners of capital are regarded as the enemies of the laborer.

Most labor "economists" are in fact labor leaders in a class struggle, rather than economists in the proper sense of the term. The one-sided, unfortunate Wagner Labor Act is a natural result of the efforts of labor "economists" who generally fought for it and subsequently defended it. One could probably count on the fingers

of one hand the genuine economists in the field of labor who stick to economics and view labor's problems in the light of social welfare as a whole. Such men are not welcome in the circle of those labor "economists" who are really little more than pro-labor agitators.

The consequences of this unfortunate situation are that both labor and society in general have been made to suffer unnecessarily. The real economics of labor is not widely understood, and the labor problem has been reduced to a matter of class struggle. This leads nowhere except to trouble, and reveals relatively little intelligence in dealing with these matters.

Almost exactly the same things can be said about the so-called "economics" of agriculture. Proof of this can be conclusively demonstrated by scrutinizing the agricultural programs which this nation has seen advanced for many years, but particularly since 1933. In general, economic principles have not only been largely ignored, but vigorous efforts have been made to set up programs which run counter to economic laws. The results ought to be obvious by this time. Just as the so-called "labor economists" have perpetuated a huge unemployment, so have the so-called "agriculture economists" perpetuated agricultural distress. Look at the following prices of four principal agricultural products at leading markets:

	1933	1938
	May 15	Oct. 29
Wheat (per bu.)	75.75c	66.75c
Corn (per bu.)	45.00c	32.37c
Oats (per bu.)	27.37c	27.00c
Cotton (per lb.)	8.85c	8.93c

The prices of hogs, steers, butter, eggs, and wool were higher on the latter date than in 1933; nevertheless, there is an important lesson to be found in the prices listed above.

The lessons of price-fixing are clear. Restriction of production increases costs to consumers. Subsidies perpetuate maladjustments. Agricultural programs which raise prices so that exports decline, or which increase the use of machinery and unemployment, or which invite more people to engage in agriculture, or which increase social costs so that the demand for agricultural products declines, all lead to trouble.

Economics is one thing; politics and dope are something else.

Rainbow Comes Down to Earth

The rainbow has come down to earth—to sell products, help health and brighten life. Color, in fact, is coming of age, report James McQueeney and Edward Podolsky, M.D., in the current Rotarian magazine, submitting evidence to prove that it affects buying moods, working or fatigue moods, amusement, social, and educational moods, and even certain moods associated with pathological or psychological disturbances.

Color, in a word, has burst like a rocket in the merchandising world, they declare, for it is used not only in packages and containers, but also in the products—green gasoline, red mercurchrome, purple anti-freeze, and many others. Business is exploring and exploiting the possibilities of color in 10,000 novel and interesting ways.

"Color is coming to be used in a thousand ways to induce other

than buying moods: to promote, for example, efficiency, or mental health and quietness, or relieve eyestrain, or to give a favorable setting for producing almost any desired mood," say these writers. "Metabolism and muscular activity have been found to be stimulated under certain kinds of colored lights, hindered under others."

Inspection tables in certain hosiery mills, for example, are painted blue to relieve eyestrain, according to McQueeney and Podolsky. A manufacturer of radio tubes painted workmen's benches blue to offset the feeling of heat created by a welding process—blue is a "cool" color. The operating room with blue-green walls is restful to the surgeon's eyes, and lessens fatigue, and to that extent makes him surer with the knife. Concrete road colored dull orange or marigold has at least 40 per cent less sun and headlight glare than ordinary white roads. As time goes on, we may buy only books or magazines printed on yellow or green paper, and baseballs of a brilliant yellow hue may replace those now used.

"As for our homes, there seems

ALL ABOARD



The Grace Line "Santa Maria" has shipped a lot of freight during its ten years of service between New York and the west coast of South America. But this camel, trying under difficult circumstances to maintain his dignity, is probably the strangest of all.

Stuffed Dates Traditional For Christmas Time



STUFFED dates, pasteurized and plump with a variety of tasty fillings, are traditional for Christmas time. Nutmeats; plain or colored fondant; quartered marshmallows; apricot paste and shredded coconut are popular fillings for pasteurized dates. Sugar them by shaking a few dates at a time in a paper bag containing about three tablespoons of granulated sugar.

to be no end in sight to the possible uses of color," they assert, "whether for orchid or cool blue tiles in the bathroom; or cheerful reds, greens, and oranges in the kitchen; or walls toned light to secure the

maximum light reflection in certain rooms or dark to reduce reflection in other rooms. The use of a light color on radiators may increase heat radiation as much as 25 per cent, thus saving fuel costs."