

PROCEEDINGS
OF THE
THIRD INTERNATIONAL CONFERENCE
OF
AGRICULTURAL ECONOMISTS

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ADDRESSES OF WELCOME

President, L. K. ELMHIRST.

DR. SERING, Dr. Warren, Professor Meyer, ladies and gentlemen, I wish to welcome you all to our Third International Conference of Agricultural Economists.

I would like first of all to convey to our hosts our thanks for the wonderful arrangements they have made here for us and for their great trouble and pains in organizing not only much of the programme but also the tours before and after the Conference. Only one who has had, during the last three years, to discuss the programme to its fifteenth revision, now with Dr. Warren in America and then with Dr. Sering and Professor Zörner in Berlin, can fully appreciate the efforts these gentlemen have made on your behalf.

I should like also at this opening session to thank the German Government for all the assistance they have given and for sending to our Conference to-day their representative in the person of Professor Konrad Meyer.

Why are we assembling in this place to-day? May I remind you of the objects of our Conference as laid down in the Constitution.

'The object of the Conference is to foster the development of the sciences of agricultural economics and to further the application of the results of economic investigations of agricultural processes and agricultural organization in the improvement of economic and social conditions relating to agriculture and rural life.'

That is a very good and sufficient reason to-day and needs no explanation. If I may draw a simile, one thing that always interests me when visiting Germany is that outside the shops of your barbers there still hangs a small brass plate. This is the relic of the days when, if we fell sick, our families would have quarrelled among themselves as to whether we should be bled or not. Having decided for the operation the barber would have been called in bringing his little plate with him. To-day when we are sick, we do not leave it to our families to argue about the diagnosis and cure, and we do not allow ourselves to be treated surgically in barbers' shops. We go to hospital, where a group of specialists examine, consult, and decide on the cure appropriate to our sickness—seldom blood-letting but not infrequently blood transfusion. I offer that for your consideration. Many of you can call to mind, as I can, the innumerable cases where

in the problems of sickness in agriculture and rural life, methods analagous to the obsolete custom of blood-letting are still being used. People still argue rural problems this way and that on sentimental and emotional grounds, and readily hand over the patient to quacks of all kinds. Very rarely are our agricultural problems tackled by the scientific method of diagnosis, economic, psychological, and sociological, and too often even the data and records which are available are completely disregarded by the party politician. The new wisdom of figures and science is only just beginning to be applied here and there in the treatment of those economic and social ills from which the world suffers to-day. That to me is adequate reason for inviting you all to meet here as specialists, to approach the problems before you with a scientific attitude, and to exchange frankly and freely your expert knowledge and experience. Thereby alone can we bring about that sharing of views and consultation, as the doctors call it, out of which the new wisdom must be born. It is only in this way that we are going to be able to offer some hope of certain recovery to a very sick world.

I wish to convey to you a personal message from H. A. Wallace, U.S.A. Secretary of Agriculture, who was present at our first meeting in Devon five years ago. He very much regrets, he writes, that he cannot attend this Conference, and expresses the hope that we should discuss principles and try to find out some new rules for the game of international trade and some solution for the disagreements that arise between nation and nation. I agree with him that it is up to all of us to try to discover a new set of rules for this game of international exchange of goods and credit. For all exchange between nations is based on 'credit'. The word, as you know, comes from the Latin *credo*, 'I believe'. I believe in you and you believe in me. That is the basis of all trust between persons or between nations and mutual trust is the basis of credit. I would like then to open this Conference on these two notes, (*a*) the need for the scientific approach and diagnosis, and (*b*) the need for good fellowship and mutual trust, as the basis for frank discussion and consultation.

May I recall to you our experience at the two earlier conferences. At the first, fifty of us met in rural England. By our conference sessions we learned of each others' work and ideas. But by our recreation we learned to know each other. We played international cricket—even Dr. Warren and Henry Wallace acquired something of the art—and the cricketers among us tried our hands at baseball. Out of our games came a new understanding, and I was compelled to arrive at the second Conference at Cornell carrying from England

six cricket stumps, four bails, some bats, and a ball. Many of you who are here to-day will be able to count up the number of happy and useful personal contacts which you made as a result of our two earlier conferences and which have borne rich fruit these last five years. For myself, these conferences have meant a continuous enrichment in knowledge and fellowship, and I have been brought into direct touch with new developments, new countries, and new minds in a way which would have been impossible without them.

Therefore, while I emphasize again that our main task is to share our special knowledge and experience in the formal sessions of our Conference, we must not forget that the personal friendship and mutual understanding born of a week spent together will enable our discussions to bear rich and positive fruit. When, therefore, newcomers feel some surprise at the open spaces in the programme, they will learn that they are there for a very good reason. They are to be spent in the wide open spaces of the garden, the tennis courts, the swimming-pool, the golf course, and elsewhere. I think you will agree by the end of the Conference that some of your most profitable meetings have been held informally in this way.

I have no more to say, except to call on our Vice-President, Dr. Sering.

Vice-President, PROFESSOR MAX SERING.

Ladies and Gentlemen, on behalf of the German Group I bid you all a hearty welcome, and thank you for the interest shown in our work by coming here. Many of you have not hesitated to undertake a long journey, in order to participate in our Congress and get to know our country. We hope that you will be as happy in Germany as we were four years ago at the beautiful Cornell University with its deep and lasting impression, or as were the Members of the first meeting in the parent-house of our Conference, the stately country home of our President, Mr. Elmhirst. We wish to do everything to repay to a modest extent the hospitality which we enjoyed in America and England.

There are gathered together in our Conference representatives of economic and social research from twenty-seven civilized countries. Research institutes have put their services at the disposal of this international organization. Our conference, therefore, seems specially called upon to obtain by systematic discussion a picture of the causes of the economic crisis common to all civilized countries, to learn of the remedies chosen and of their success or failure.

In order to prevent too much material burdening the lectures of the

coming week, our experts have sent in written reports on agrarian policy and the position of agriculture in their own countries. The Officers thank them all most heartily. I myself have fallen in with their wishes and submitted to the Members present a report which supplements the picture of German agrarian policy by detailing its historical and geographical basis, for many of you are in Germany for the first time and will gladly avail yourselves of the opportunity to get a more thorough knowledge of our country and its people. Unfortunately there has not been enough time to get an English translation ready, but, if possible, we will let you have one afterwards.

In addition, I have ordered the distribution of a second pamphlet published two years ago entitled *World Crisis and the Reorganisation of Europe*, because it contains documentary material which, in my opinion, will be of importance to our deliberations.

We shall, however, obtain the best results from the verbal discussions based on the many-sided experience and conclusions of the research of our members. Once more, therefore, a very hearty welcome to you all!

DR. K. MEYER, *Ministry for Public Instruction, Berlin.*

Mr. President, ladies and gentlemen, on behalf of the Minister of Public Instruction of the Reich I have the great honour to offer you greetings and best wishes at the opening of this International Conference of Agricultural Economists. The Reichsminister regrets sincerely that he is unable to be present in person and to participate in the various discussions and follow your important work.

I venture to express the hope and the wish that you, gentlemen, who are our esteemed guests as the representatives of agricultural research of foreign nations, will find your stay in Germany as agreeable and at the same time as stimulating as possible, and that the expectations with which you have come to this Conference will be justified to a high degree.

You may be assured, gentlemen, that all of us, and especially the Reichsnährstand, welcome you sincerely on our German soil. We regard you as emissaries of those nations which show a keen interest in the great political and intellectual reorganization taking place in these days in Central Europe. By stressing the fact that the Minister will follow closely the progress and work of this congress I should like you to realize the paramount importance which the German political leaders of to-day attach to agriculture and agricultural research.

There can seldom have been a congress which commenced so much

under the impress of great political events and of a new spiritual era as this third meeting of agricultural economists in Eilsen. Hence follows its special importance and the special character as well as the particular problems of the work of the next few days.

Unfortunately, the world of to-day shows in the most different departments a reciprocal shrinking of the various and deepest connexions between the nations and their economic life. Every balance of international trade exhibits year after year in dry figures the constantly growing decline of these valuable exchanges. But it is equally clear and unmistakable to every observer that this falling back on one's own resources takes place also in all the other activities of the nations.

Science and research, until recently but little nationalized and crossing national borders with hardly any difficulties, are not exempt from this development. You may regret this development, but if one believes that race and soil form the foundations and conditions of the racial life and the well-being of the peoples, one cannot help recognizing that science and research too should primarily find their strength and their fulfilment in those nations whose members are cultivating them. You cannot very well transfer directly the civilizations of different nations, and there is no more reason to expect that all results of scientific research will be universally approved of by all nations. This applies especially to the science of agricultural politics where you find, as the name already suggests, an absolutely necessary connexion between politics and science. This science, therefore, can never deny that people and soil are the reason and the source of its life.

Who among us would ever deny, for example, that it is not the principle of research for the sake of research which is guiding his scientific work, but much rather the proud consciousness of serving his country best by his work? And who would assert that this truly patriotic spirit lacks moral greatness?

But you should not expect from science political actions which lead to immediate revolutions. Revolutions are always made by people with political minds, who are full of uncompounded force and natural instinct. The fruit on the tree of science, on the other hand, only ripens slowly. Hence the noble task of science to penetrate to the fundamental real existence of the political events, and to help to realize for the people and the state an order of life and an attitude of mind which has been gained by this experience.

But it would be futile to believe that an exchange of thoughts beyond the national frontiers becomes superfluous once we acknow-

ledge that science has got national ties and frontiers. On the contrary, just because every nation tries hard to form a unity of its own in its cultural functions, the exchange from nation to nation will have a still more impressive and more useful result for the common life of the peoples. For an international exchange of mutual experiences and judgements like the present one is no longer concerned with convincing the others of the correctness or falsity of one's opinion or even with imposing on them one's own dogma, but as the problems are common to all of us, we will try to understand and to appreciate the efforts of others to solve them and to turn these efforts to a common account.

The problem which to-day is facing all nations represented at this conference and which shows in its connexions and effects so many common features is the concern for the maintenance of a healthy and efficient peasantry.

May this congress be of special value in solving this foremost agrarian problem by making us realize that we will have to be courageous and to begin in nearly all respects a new abstract elucidation and systematization.

Further, may this exchange of thought lead beyond that to points of contact and common interests wherever these can be found. The meeting in this particularly rural district of our fatherland, which in the progress of centuries has sent its surplus of strong and healthy sons not only to other German regions and German towns but also across the seas—May your meeting, gentlemen, in this secluded spot serve to discover and to strengthen old and valuable ties of blood between the nations!

May the work of the next few days, helped by the vivid impressions and sentiments which you gained on your journey through the regions of Germany, give you primarily the feeling that here is a people desperately struggling for the maintenance of its particular sort of national culture and civilization—still very often misunderstood and calumniated in the rest of the world—with but one will: to assist the recovery of the world and the pacification of the nations by solving its internal problems in a way suited to its conditions. For only healthy and confident peoples are a true guarantee of a peaceful life in the community of nations helped and strengthened by a mutual cultural and economic exchange!

Vice-President, DR. G. F. WARREN.

It is a great pleasure once more to have the opportunity to greet those members whom I have met at previous Conferences, and whose

work I have come to know and respect, and an additional pleasure to meet so many new members and add the wealth of acquaintance with them. I believe that through these meetings we will further the facilities of research work in our fields, and extend our knowledge and increase our zeal for such work.

Personally I feel a debt of gratitude to the country that is acting as our host. I was fortunately a student in an American university in the nineties at a time when a flood of young Americans were coming to Germany to study science, and I had the opportunity to study under some of those who returned with new laboratory methods for teaching and research in psychology, electricity, chemistry, and bacteriology. American universities received a great stimulus in the humanities from the English universities and in science from Germany. For the past twenty years economic troubles have interfered with research and the free exchange of ideas; we now hope that the torch of learning may replace the rifle.

The object of this Society is to present the results of our research work and increase the zeal with which such work is pursued. Science knows no boundaries, needs no passport, passes all tariff walls, and does not have to register with the police. Any scientific work which we do becomes the heritage of all men.

We are often told that our recent economic difficulties have arisen because we have violated economic laws. Economic laws cannot be violated any more than physical laws. If an engineer builds a bridge that is supposed to carry 30 tons but breaks under 10 tons, he has not violated any of the laws of mechanics nor the law of gravitation, he has merely made a mistake. When a man jumps out of a window he does not violate the law of gravitation, he uses it unwisely. Only a little of the laws of economics has yet been discovered, and what is known by economists has not yet become general knowledge, so that our acts bring many surprises.

A public official recently said to me that when the economists tell us that if we do a certain thing then a certain result will follow, we often get an entirely different result. Personally I think that for every mistake that comes from a wilful desire to injure any one, many mistakes are made from not knowing the results that will come from our action.

We all appreciate the great amount of work that Professor Sering has done in the preparations for this Conference. I have wondered how he could do so much; probably it is because he has the help of a wife who never grows old in spirit or in courage.

When the first Conference met in England, private conferences

were so numerous and persistent that a means had to be found for checking these and for bringing the general conference into session. It happened that once upon a time a cow on the Plains of Salisbury had a bell for keeping the herd in proper co-operation. She lost her insignia, and I don't know what chaos may have resulted; but Mr. Elmhirst found it and made use of it so successfully in the conference that it has become the insignia for this Conference—you will find a cut of it on the back of the volumes of our proceedings. Its tongue has been silent for three years, but we will now release it.