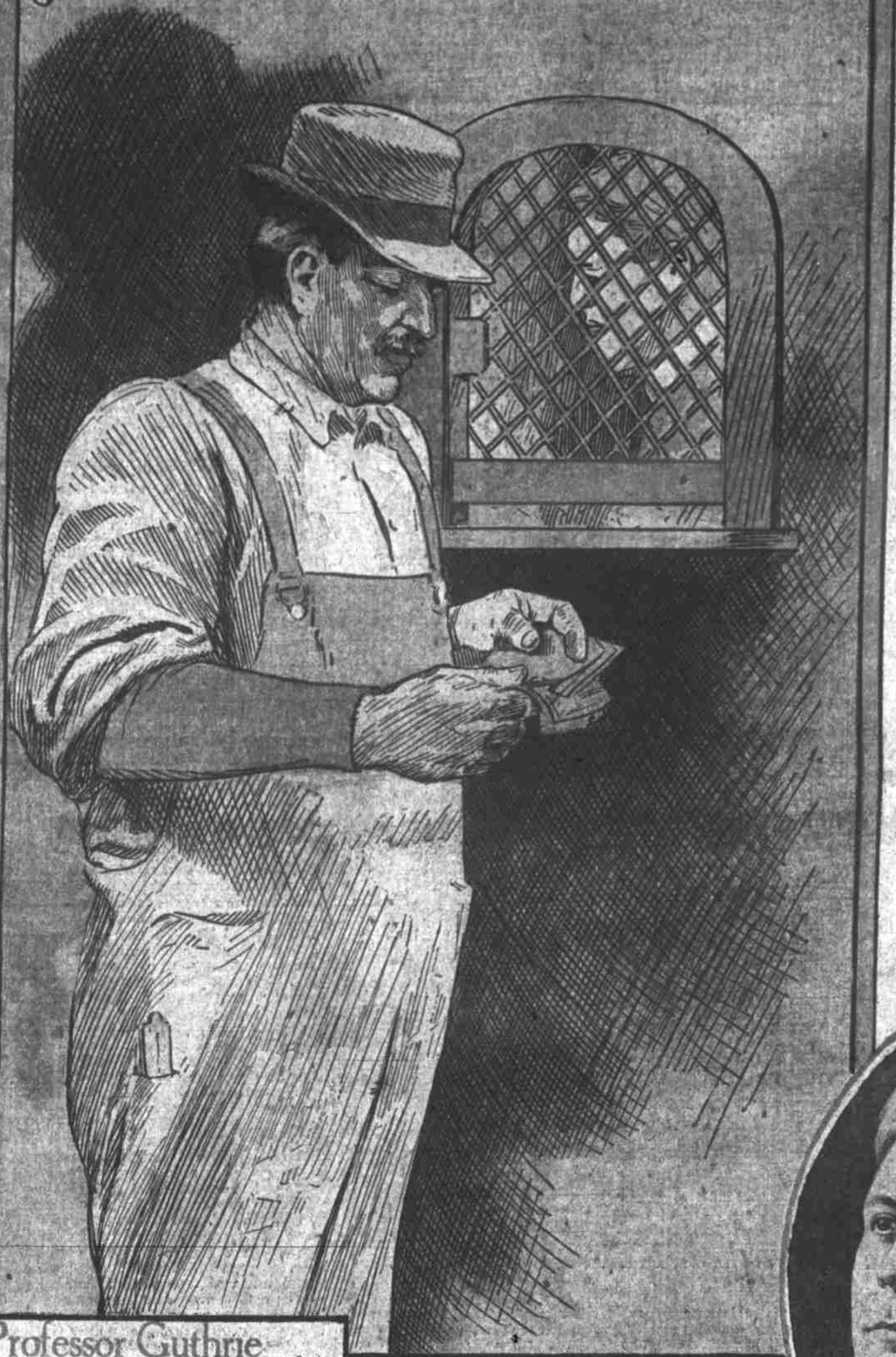


PORTLAND, OREGON, SUNDAY MORNING, JANUARY 23, 1910

# PRODUCE MORE SPEND LESS

**WAGES RAISED  
20%  
SINCE 1896**



**Professor Guthrie  
Sounds the Note of  
Imminent Warning to  
the American People**

**C**OST of living, increased out of proportion to the increase in wages, has had its most complete and acute analysis at the hands of Professor William B. Guthrie, who holds the chair of economics at the College of the City of New York.

Professor Guthrie has studied, worked and lived the subject from the position of the practical farmer as well as the philosophical investigator. In the comprehensive interview which follows he finds four main items in our living's cost which demand thorough investigation: foodstuffs, rents, carfares and clothing.

He finds many complex causes for the discrepancies between incomes and expenses, but with one fundamental factor keeping prices high now and, unless radically remedied, bound to keep them high in the future. That factor is the bare, bald

**I**F ALL incomes were to rise as the cost of commodities rises there would, of course, be no problem involved in the cost of living. Incomes, however, have not kept pace; and the discrepancy has precipitated a discussion that is bound to lead somewhere in those employments where the incomes are not in proper proportion to the

truth that our farms are not producing enough for us all to eat.

Three other influences have played major parts in the rise in prices: the effect of the tariff, the increased amount of cash in circulation and the broad influence of combinations and trusts.

Professor Guthrie does not condemn the trusts unreservedly; indeed, he finds that combinations of one class have markedly cheapened costs to the consumer. In dealing with all such organizations he emphasizes the necessity of legislation which will restrict rapacity while conserving to the people all the advantages.

The remedy, at bottom, lies in greater production of foodstuffs, for the entire industrial and social structure is upborne by the nation's husbandmen. The problem of their economical distribution is more easy of solution, difficult though it be. Meanwhile, those who are now teaching the people at large to expend most wisely and economically the incomes at hand are doing the most immediately valuable work.

Professor Guthrie's opinion, in full, follows.

essential needs of the masses.

Since 1896 there has been a general rise in wages approximating 20 per cent.; but the rise in prices during that period is very close to 45 per cent. There follows, of course, a discrepancy between the money measure of a wage income and the money measure of what the wage can buy; and the difference is large



**PROF WILLIAM B. GUTHRIE,**  
Expert Economist of the College of the City of New York

enough to fix attention.

There are four items which I would advise dealing with from the standpoint of thorough investigation. They are:

- Foodstuffs.
- Rents.
- Carfares.
- Clothing.

The enhancement of the cost of living, in the main item of foodstuffs, has been very apparent during the last two years. Inasmuch as from 45 to 55 per cent. of the income of the family receiving the average pay goes to the purchase of food, the importance of that phase of the general question becomes emphasized.

If we seek the causes of the relatively immense increase in the cost of our foodstuffs, the first, essential feature that presents itself is the decrease in the volume produced. To illustrate:

In the United States the production of corn fell in 1909 to 2,767,316,000 bushels, as against the country's biggest yield of corn, recorded for the year 1901, of 2,927,410,916 bushels. That year, 1901, was the record year for wheat and oats as well. The wheat of 1901 was 745,400,216 bushels, against the esti-

**PRICES RAISED**

LIVE STOCK-116% HIGHER THAN 1896  
BREADSTUFFS-100% HIGHER THAN 1896  
GENERAL SUPPLIES-45% HIGHER THAN 1896  
COMMODITIES GENERALLY-  
11% HIGHER THAN 1908



mated crop of 724,768,000 bushels for 1909, while the oats of 1901, amounting to 987,000,000 bushels, exceeded the 983,000,000 bushels of 1909.

The average decline of all cereals, taking the largest year of each one, is 4 per cent. in 1909. The problem, obviously, becomes a question of the absolute supply of foodstuffs.

Assuming an index figure of 1, as the total cost of living, we find some disconcerting increases in the foodstuffs generally.

Breadstuffs, representing .0524 of the total cost in 1896, have risen to .1011 in 1909, or just about double the price for breadstuffs.

Livestock, representing .1855 of the total cost in 1896, have risen to .4010 in 1909, or more than double.

Taking all food supplies, the increase is about 45 per cent. since 1896.

The wage for any typical industry—say, railroad employes—where normal influences have applied, has had an increase of about 20 per cent.

It becomes apparent that this first problem, of the increase in prices of foodstuffs, is vital. We simply must keep the production increasing in proportion to the demand. Let us look for the causes.

One leading factor is readily identified in the large amount of land which, formerly productive, has passed into non-productiveness. New England and a large part of New York state are notable examples.

A second great factor is to be found in the increasing amount of land which has gone into stock raising. It includes large areas in Kansas, Iowa, Minnesota and Wisconsin, formerly devoted wholly to grain, now given over

to livestock because of the exaggerated prices applying to all meats.

A third factor has been the increasing demand on our grain supply from foreign countries. England may be cited as the most exigent user of our grain, fully one-third of her own arable area being abandoned for agriculture, and the burden, falling largely upon the United States, and next upon Argentina.

The most salient feature of our American husbandry is that it is what the Germans accurately designate as raubkultur—robbing the farm. We take everything out of the soil, and then it is done for all practical purposes practically profitable, whether in corn or wheat or oats. We have taken away the cream of our land and then abandoned it. The return of a more careful class of farmers to New England might redeem the soil; but there can be no question that our system of agriculture, like our utter disregard of the plainest principles of forestry, is among our most flagrant prodigalities.

We have simply exploited the United States. I was a farmer for twenty years, and I have seen that national carelessness and extravagance in the use of land from New England all the way to the Mississippi. The agitation now going on in regard to the conservation of our forests is equally applicable to the condition of our farming soil. One of our urgently needed national movements is that which shall devote itself to the conservation of our soil, in order to insure an adequate production of food.

It is worth while to note that in Iowa, a typical western state, the wages paid farm

(CONTINUED ON INSIDE PAGE)