

ROULETTE BY MARKETS

WHEELS

ROULETTE BY MEN

YALE BROZEN

Practically every individual has some advantage over all others because he possesses unique information of which beneficial use might be made, but of which use can be made only if the decisions depending on it are left to him or are made with his active cooperation.

F. A. HAYEK

MARKETS do an unbelievably detailed and effective job of utilizing information drawn from millions of individuals. They digest the information, signal the appropriate action to be taken in utilizing the available economic resources, and motivate individuals in the most remote corners of the world to take the necessary action.¹ Markets are also the most democratic institution operating in the world

today. They minimize tyranny, maximize opportunity, and eliminate special privilege.² And free markets are the most efficient means for accomplishing both of these objectives.

In contrast, the attempts of a few men using the power of the state to order economic affairs have

¹ Friedrich A. Hayek, "The Use of Knowledge in Society," *American Economic Review*, September, 1945; reprinted in *Individualism and Economic Order*, (Chicago: University of Chicago Press, 1948).

² Harold Demsetz, "Minorities in the Market Place," *North Carolina Law Review*, February, 1965; Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1962), Chap. VII.

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produced ludicrous spectacles of misallocated resources manifested in forms such as monuments masquerading as steel mills and power dams which frequently do as little for their economies as the great pyramids of Egypt. The attempts of men to rule economic affairs have been accompanied by or resulted in the most despicable tyrannies in which "terror, sadistic cruelty, and constant insecurity have been the lot of all save a privileged few."³

Rather than dealing with these propositions at a general level — a task which has already been effectively performed by Mises, Knight, Hayek, Jewkes, Wright, and others in recent years as well as by eminent predecessors—this paper analyzes specific instances of the operation of the invisible hand. These are drawn primarily from American experience, although it should be kept in mind that other economies provide striking examples, some of which I will mention. Even the Union of Soviet Socialist Republics, once the great enemy of market methods, is rediscovering the efficiency of markets as contrasted to the inefficiency of men in guiding economic activity. Determining the appropriate goods to produce

and the appropriate technology to apply in production and motivating the efficient production of the most efficacious goods is too complicated a task for central planning. The days of central determination of production quotas, of technology, and of pay and profit rates are beginning to fade in Russia because of the cumbersome and the ludicrous inefficiency of that system of coordinating economic activity.

The Russian attempts to motivate high productivity and output by rewarding output in excess of a quota of *X pounds* of nails, for example, led to a large output of spikes and roofless houses for want of shingle nails. A shift to a quota of *Y number* of nails resulted in a great output of tacks and loose rails for lack of railroad spikes. Also, the fiction produced as accounting records in order to earn bonuses became an open scandal.

Market Coordination to Meet Unpredictable Needs

In this country, the extraordinary capacity of the invisible hand to coordinate economic activity, particularly where the coordination must occur in a complex and unpredictable situation, is implicitly recognized in some of our regulatory legislation. The transportation of agricultural commodi-

³ John Jewkes, *Ordeal by Planning* (New York: The Macmillan Company, 1948).

ties by truck is exempt from regulation. Only the free market provides the service required at the times needed at minimum cost.⁴ For this reason, agricultural interests insist that their shipments by truck be exempt from regulation. They learned from their nineteenth century success in putting railroads under regulation that service is worsened and rates increased by such controls.⁵

The regulated set of enterprises operating in agricultural transportation demonstrate by their behavior what enormous losses of produce would occur and what costs would be incurred if all agricultural commodity haulage were centrally controlled or regulated. Shortages of grain cars and the resultant necessity to store grain in the open with the consequent spoilage are a recurring phenomenon. This is a result of the regulation of railroads — a phenomenon

which would not occur in the absence of regulation.

It is fortunate that truck movements of agricultural commodities are exempt from regulation. Otherwise, we would find ourselves in the Brazilian situation where one-third of the crops produced in the interior rot for lack of expeditious and adequate transportation.⁶

Expediting the Harvest

A crisis in the wheat harvesting season in 1952 illustrates how open markets can meet even very short term emergency situations. The market did a job at that time which could never have been handled by central planning or by regulation as expeditiously or as efficiently.

Unusual weather in late May and early June ripened almost all of the 15 million acres of Kansas wheat simultaneously by the middle of June. Usually, wheat ripens about the middle of June in south central Kansas. The custom cutting crews with their combines begin harvesting there and move toward west and north Kansas in July, finishing in the northern and western areas in August and September.

⁴ The contrast between the costs of transportation under regulation and that in a free market is shown to be very marked indeed in an analysis of experience under the two sets of conditions by Stewart Joy, "Unregulated Road Haulage: The Australian Experience," *Oxford Economic Papers*, July, 1964.

⁵ George W. Hilton, "Barriers to Competitive Ratemaking," *I. C. C. Practitioners Journal*, June, 1962; Paul W. MacAvoy, *The Economic Effects of Regulation: The Trunk-Line Railroad Cartels and the Interstate Commerce Commission Before 1900* (Cambridge: The M. I. T. Press, 1965).

⁶ J. K. Dunn, "Grain Storage Needs in Brazil," *Brazilian Technical Studies* (Washington: Institute of Inter-American Affairs, 1955), p. 395.

With almost all of Kansas ready to be harvested by June 16, in 1952, it appeared that only a few farmers would be able to get their wheat in before losing their crop to hailstorms, fire, wind, and other causes. "At this point, the pull of the price mechanism came into action, as the services of available machines were snapped up at rates of four to five dollars an acre (as compared to the usual three dollars an acre). Across the prairies the long distance telephones were busy; . . . spot radio announcements of 'combines urgently needed in Kansas' . . . at generous prices [were sponsored].

"Unsold combines disappeared from dealers' lots all the way to Canada; and from Texas to the Dakotas farmer-operators dropped their farm work, loaded their machines, and set out for Kansas. Added to the solid core of some 3,500 full-time professionals . . . came almost 5,000 extra outfits eager to dig their cutter bars into wheat at four and five dollars per acre. They came just in time and in just ample quantity. Almost no machines were to be seen waiting for jobs, yet in almost every field there was at least one big combine knifing its dusty way through the wheat."⁷

⁷ C. M. Williams, "Enterprise on the Prairies," *Harvard Business Review*, March-April, 1953.

The market mobilized equipment and manpower from the far corners of the country in an amazingly short time to meet the emergency. It mobilized those pieces of equipment and that manpower which occasioned the least sacrifice of alternative product. It avoided ordering equipment and manpower into the crisis area which would have entailed unduly large costs and sacrifices. Could any central planning bureau do nearly as well? Could any set of regulations of price or usage have done anything but reduce the expeditiousness and efficiency with which the job was done?

The story of India's attempt to improve agricultural practices illustrates the point by an opposite experience. In 1959, agricultural agents were sent out by the government to persuade farmers to adopt new practices to improve their yields. The agents did an outstanding job of persuading farmers to prepare their fields for the use of new seed varieties and for the application of fertilizers. Unfortunately, the seed did not arrive on time and the fertilizer was delivered to the wrong places. Fields went unplanted with considerable damage to peasant income and the Indian food supply.

A complaint made during the late April 1965 floods along the Mississippi in Illinois illustrates

the power of the market to direct activity to meet crisis situations. The city engineer of Rock Island complained that sand bags were being trucked into the area threatened by flooding and offered at 15¢ per bag. He felt that such profiteering should not be permitted since the price before the flood threat occurred was 12¢ per bag. One may wonder how he would have felt if no one had anticipated the great demand for sand bags or been motivated to truck them in. How would he have protected the property for which he was responsible if no sand bags had been supplied? He had not prepared for the emergency by accumulating an inventory of bags, but the market remedied his lack of foresight.

While impersonal markets succeeded in coordinating activity even to meet short term, unpredictable emergencies, central planning by men often fails to meet predictable, longer term needs. The Indian situation cited above is one illustration. Another is that described in an April 28, 1965 U.P.I. story from Moscow based on information in *Pravda*. The newspaper lamented that several 16-story apartment houses in suburban Moscow were finished, but nobody could move in. No elevators! The situation was not unique to Moscow. *Pravda* said that "in many cities of the country tall

buildings are being put up and everywhere there is a shortage of elevators."

Market Coordination in Changing Circumstances

However, let us turn to the coordinating and directing power of impersonal markets in a situation which is not a short-term harvest crisis or flood threat. Let us take the somewhat longer period from 1939 to 1946 when the American economy was dominated by the necessity of mobilizing for war and demobilizing on the return of peace. One group of industries was completely dominated by this set of circumstances. The munitions industries (as segregated by the Census of Manufacturers and the Bureau of Internal Revenue) doubled its capital in 1940, again in 1941, and in 1942 quadrupled its capital. In 1939, assets in the munitions industries were \$0.6 billion; in 1943, they amounted to \$13.4 billion. The subsequent decline was equally abrupt; within three years the capital of the munitions industries had fallen to \$2.4 billion.

The magnificent response of the munitions industries to war demands and their subsequent rapid adjustment to the decline in demand was a result of the effectiveness of the profit incentive. Some may think that the directives of

the War Production Board produced this result. These people should talk to the men who staffed the War Production Board. The WPB found that the stick could slow production and asset formation in some lines of production, but the carrot had to be dangled to obtain increased production. The actual profit record—the incentives which produced this result—is shown in the table below.

Average Rate of Return

Year	All Industries	Munitions
1941	8.56%	11.67%
1942	7.30	12.12
1943	7.30	9.65
1944	6.59	6.18
1945	5.43	4.39
1946	8.13	-2.65

Source: G. Stigler, *Capital and Rate of Return in Manufacturing Industries*, (Princeton University Press for the National Bureau of Economic Research, 1963), p. 36. Rates of return in the munitions industries are on midyear assets except 1946.

As long as the rate of return in munitions exceeded that in all industries, the assets of the munitions industries increased without detailed direction from the men in Washington. After 1943, when the rate of return in munitions fell below that in all industries, assets employed in these industries decreased.

Following World War II, the American economy shifted from war to peace with relatively great-

er ease than the European economies, despite the lack of direction from governmental authorities. England and other countries which used government boards to redirect resources, and price controls and rationing to prevent chaotic consumer markets, had much greater difficulties (aside from those caused by war damage). Areas in which governmental controls in the United States were continued, such as housing, suffered from the same difficulties common in Europe.

Wartime and Postwar Adjustments

No one told the managers of U.S. enterprises which products they should produce. How, then, did we avoid the calamity of too many firms rushing into some industries and not enough into others in the shift from war to peace production? The market mechanism, profit, and other income incentives did for us the job which state planners attempted to do in other countries. Where products were in short supply relative to demand, prices went up, profits were attractive, and capacity was built or shifted to meet needs. Where products were available in relatively more than adequate quantities, prices dropped, profits declined or turned into losses, and labor and other capacity were released to alternative uses.

Differences among rates of return on capital not only attracted capital from the low-return to the high-return industries; they also attracted labor. High-return industries attracting capital bid for labor to operate the additional capital equipment. Low-return industries, producing goods for which consumers were not willing to pay much, could not afford to meet the bids of the industries producing the preferred goods.

The more rapidly expanding manufacturing industries grew by producing goods relatively more attractive to consumers in design and price. By improving design, raising productivity, and cutting price they made themselves profitable to both their suppliers of capital and to their labor force. The more profitable industries were also high-wage industries. The four highest-return industries paid wages exceeding \$5,000 annually (1957). They were bidding labor as well as capital away from the industries producing less preferable goods. The four lowest-return industries paid wages under \$4,000 annually and were losing labor to the high-wage industries.

In a few industries, men rather than markets set wage rates. In these industries, job opportunities were restricted by the overpricing of labor. Coal-mining was a prime example of undue increases in

wage rates with a consequent loss of jobs and movement of people out of high productivity work into low productivity occupations, the reverse of the movement which occurs in free markets. In the mid-forties, coal wage rates were 18 per cent above factory rates and 380,000 men were employed. By 1960, wage rates had been pushed to 40 per cent above now higher factory rates, job opportunities decreased to 170,000, and we became concerned about unemployment in Appalachia.

Regional Adaptation

Higher incomes in free markets act as an incentive to owners of resources (labor and capital) to move their resources not only to the industries where they produce the most desirable products, but also to the regions where they will be most productive. As we can see in the accompanying table, per capita income in Southeast United States in 1929 was only 52 per cent of the national average. Evidently, people in this region were only about half as productive as the average U.S. resident. This was partly because of lack of capital for each industrial or other worker, partly because of regional handicaps such as poor markets and transportation, and partly because of lower levels of skill. On the other hand, Mideast U.S. per

capita income was 138 per cent of the national average. Evidently, there were very productive uses for labor in this area.

Regional Per Capita Personal Income (as Percentage of U. S. Average)

Region	1929	1966	Relative Change
Midwest	138	113	-18%
Far West	129	115	-11%
New England	125	110	-12%
Great Lakes	114	109	- 4%
Rocky Mountain	85	91	+ 7%
Plains	81	96	+18%
Southwest	67	85	+27%
Southeast	52	77	+48%

The average U. S. per capita income, in terms of 1966 prices, was \$1,370 in 1929 and \$2,950 in 1966. Source: *Survey of Current Business*, April, 1967.

Workers migrated from the Southeast to the areas where their labor could be used more productively. This movement left fewer workers on the land. The increase in land per farm worker raised productivity. Capital migrated into Southeast U.S. and made its contribution to increased productivity. Proportionately, more investment was made in the Southeast than elsewhere since labor could be bid away from the inferior alternative uses at lower costs. As a consequence, per capita income in the Southeast rose to 77 per cent of the national average by 1966 in spite of a great rise in the national average which occurred simultaneously.

A Voluntary Response

The voluntary movement which has occurred out of the Southeast U.S. and into regions such as the Far West may be contrasted with the involuntary movements forced upon people by the men operating the Resettlement Administration in the 1930's. An illustrative story is the experience of a group of Ozark tenant farmers. Their farms were bought by the Resettlement Administration. They were told the farms would no longer be rented to them. The Resettlement Administration was intent on moving people from low productivity areas where they produce little income to high productivity areas where they could produce higher incomes. The Ozark tenant farmers were in effect forced to move from the farms in Southern Missouri which provided them with little income to farms in Northern Missouri which provided much better incomes.

Within a few years, however, most of the people involved had drifted back to Southern Missouri. When asked why they preferred poverty in the Ozarks to better living in Northern Missouri, the replies summed up to, "We missed the coon hunting and the hills."

The voluntary movement which has taken place in response to market incentives has been of self-selected persons. The people

who chose to move were those to whom higher income was more important than "coon hunting and the hills." Those who preferred their current surroundings did not have to move and did not. Yet, they did not lose by staying behind. Those who moved left behind capital and land which increased the resources per man of the stay-at-homes. This increased the income of the stay-at-homes.

The voluntary process of resettlement works better than the centrally directed, involuntary process. It selects, by self-selection, those people to whom the sacrifices or costs entailed by movement are minimal and to whom the gains are relatively more important. Usually, those who voluntarily move are those who can make relatively greater net gains. The voluntary response to the incentives of the open market does more to raise average productivity than managed moves of nonvolunteers administered by a government bureau.

The TVA Experience

The events I have described above should warn us to go slowly in enacting special aid and subsidy measures for low-income areas in the United States, as has already been done to some extent and more of which are being proposed as part of the Great Society

program. If these measures take the form of subsidizing people to stay put, the incentive to transfer resources to superior uses is removed. As a result, per capita incomes — aside from subsidies — in distressed areas will remain low relative to the average for the nation.

This is perhaps best illustrated by analyzing the TVA area experience. The area has been and is heavily subsidized. Capital is provided by the Federal government (that is, by the rest of the country) for many projects at a price of $2\frac{1}{2}$ per cent. All the capital for some projects is provided at no cost to the TVA area. Electricity is furnished to many buyers in this area at substantially lower prices than in neighboring areas whose suppliers must bear a heavy tax burden. The power company in Arkansas pays out 24 per cent of its revenues as taxes. The TVA makes payments in lieu of taxes, but these amount to only 2 per cent of its revenues. That is quite a substantial difference in the tax burden aside from the direct subsidization of the capital supplied to the TVA.

Presumably, in these circumstances, the people of the TVA area should have gained enormously.

An analysis made by the Kentucky Utilities Bureau in this re-

gard turned up a very surprising result. The Bureau was asked to determine whether it would be wise to invite the TVA to extend its operations further into Kentucky. In order to answer the question, it studied the TVA area and eight surrounding areas. It measured the change in various welfare indices such as per capita income, longevity, level of education, freedom from incidence of certain types of disease, and so on. As a result of the study, Kentucky decided not to invite the TVA to further extend its area of activity. The surrounding areas had, on the average, done as well as the TVA area.

When I heard of the study, I was puzzled about the results. They seemed paradoxical to me or, to put it bluntly, I found them hard to believe. It was only after a number of students had done some further analysis that an explanation emerged which made the study credible. The data on migration made the pieces fall into place. What TVA does is to subsidize people to stay put who otherwise would migrate. Voluntary migration of people out, and of capital in, and a change in the rural-urban balance did for the surrounding areas what the subsidies did for the TVA area.

In essence, what TVA has done and is doing is to subsidize people

to stay put in an area of lower productivity than the areas to which they would move. This means that we are keeping people in low productivity jobs instead of letting markets work to move them to higher productivity jobs. To this extent, average productivity in the nation is lower and per capita income is lower than it would be in the absence of the TVA. Also, income per capita in the TVA area is lower than it would be without the TVA. The capital drain from the rest of the nation has kept per capita income from rising as rapidly as it otherwise would. This has reacted to cause a less rapid rise in the TVA area than would have occurred in the absence of TVA, the very opposite of the result which our fallible legislators were presumably attempting to produce.

Market Coordination of Research and Technology

At this point, I want to turn to a more difficult and less analyzed area, the role of open markets in directing research and development. I will do this by discussing some examples.⁸

In 1950, we had an enormous rise in the demand for benzene.

⁸ See Y. Brozen, "The Role of Government in Research and Development," *The American Behavioral Scientist*, December, 1962, for a general analysis.

The price had been 14 cents a gallon. Since it was an ingredient in the making of certain explosives, the outbreak of the Korean War greatly stimulated the demand. Since the price was still free to move, price ceilings not yet having been imposed, the price moved to 50 cents a gallon.

The price rise was an expression of the great new demand for benzene for certain overwhelmingly important purposes. It also served as an incentive for people to conserve the use of benzene in less important applications and release it for the more important.

The price rise created an additional response. It presented an opportunity to obtain a pay-off from the development of new technology for producing benzene from a new source. Benzene had been produced primarily as a by-product in the extraction of coal chemicals. Because of its by-product status, the elasticity of supply from the then available sources was very low. At the old price of 14 cents, it would not have paid to develop new sources by creating new technology, and there was little need for new sources since the supply was ample. The 50 cent price was a signal that the supply was no longer ample. Also, it was an incentive to develop a new source.

Universal Oil Products re-

sponded to the signal. It did some work on the plat-forming process for handling petroleum hydrocarbons. In three months it developed a process for producing benzene from petroleum. The price of benzene then dropped to 25 cents. This provided the signal that further research and development was not needed unless it was likely to create a process more efficient than the plat-forming method.

The open market responded to the benzene scarcity. It directed research to do a job to the extent that resources devoted to research could do the task with a smaller resource requirement than putting resources into conserving benzene and substituting other materials.

The opposite of open market direction is exemplified by the reaction of the Federal Bureau of Mines and of Congress. The Bureau of Mines said to Congress and the Defense Department, "We will be running out of petroleum soon. How are you going to move military equipment such as planes and tanks which depend on petroleum products?" The Bureau asked for a \$400,000,000 appropriation to work on the hydrogenation of coal and extraction of oil from shale. It almost frightened the Defense Department and Congress into pushing the appropriation through.

The oil industry is as much interested in providing liquid fuels for military equipment as the military establishment is in obtaining the fuels. To the extent that it would be cheaper to produce the fuels by coal hydrogenation and by extraction of shale oil, the industry would move in that direction. The industry had maintained a continuous program of research on a small scale to be ready to move when the state of science was appropriate and the scarcity of alternate sources of hydrocarbons made it necessary.

The time was not ripe, however, and the industry indicated this in congressional testimony. Nevertheless, Congress did appropriate \$100,000,000 and the Bureau of Mines built a pilot plant at Carthage, Missouri, and increased the scale of work at Rifle, Colorado. Both plants were shut down and have sat idle for a decade. We have wasted \$100,000,000.⁹

There is the difference between the open market response and the controlled market response.¹⁰ Those in the open market were forced to operate on the basis of

economical use of resources since they could not call on taxpayers to pay for their mistakes. The controlled market operated on the basis of scarce headlines instead of the realities of resource availabilities and economy.

Conclusion

Central planning by man has been praised as a superior technique for organizing the use of resources, selecting techniques, and directing production because presumably it employs man's capacity to reason and is rational. However, this is an argument for planning as against no planning. The issue thus drawn is false.

Free markets are a method of co-ordinating the decentralized planning of many organizations and individuals. Each plan can be fitted to local circumstances employing local knowledge in such a way that the total is coordinated under the constraints imposed by total resources and total needs. The issue is not plan versus no plan. It is centralized versus decentralized planning; limited initiative by a few, or widespread initiative by many.

This nation has attempted to maintain widespread initiative and, at the same time, intervene in markets with special programs to benefit politically powerful blocs and presumably worthy persons

⁹ The Plant near Rifle was re-activated in 1965 with a governmental appropriation and is being used for research purposes under contract to six oil companies.

¹⁰ For other examples, see Y. Brozen, *The Role of Technology in Conserving Strategic Materials* (multilithed, 1951).

who are not receiving "fair shares."

Where these interventions have changed the signals, such as wage rates and prices, or forced reallocations of resources among areas or lines of production, such as the subsidizing of certain activities like agriculture and certain areas such as the TVA region and Appalachia, the results are frequently the opposite of those intended.

One example of a result opposite the intent has been described (the TVA instance). In that case, the intended beneficiaries are worse off than if the intervention had not been undertaken. Additional examples which illustrate the same point can be named. The tariff, which is supposed to protect the levels of living of American workers from the competition of low-paid foreigners, has simply monopolized low-paying jobs for Americans and prevented them from obtaining better-paid jobs which would have been available in the absence of the trade barriers we have imposed.¹¹ The imposition of the minimum wage and its subsequent increases have caused a loss of better-paying jobs by many of the in-

tended beneficiaries and forced them into lower-paying jobs or unemployment.¹² The subsidies provided for agriculture through such devices as the Rural Electrification Administration have depressed rural wage rates and increased poverty while enriching the already well-to-do.¹³ The Federally sponsored and subsidized urban renewal programs which some believed would benefit poverty-stricken slum dwellers have instead forced them to pay higher rentals, reduced the supply of housing at their desired rental levels, and destroyed the livelihoods of hundreds of small business people.¹⁴

Free markets have done a magnificent job of eliminating poverty,¹⁵ of improving the status of

¹² Y. Brozen, "Minimum Wage Rates and Household Workers," *Journal of Law and Economics*, October, 1962; M. Colberg, "Minimum Wage Effects on Florida's Economic Development," *Journal of Law and Economics*, October, 1960.

¹³ D. G. Johnson, "Output and Income Effects of Reducing the Farm Labor Force," *Journal of Farm Economics*, November, 1960.

¹⁴ The Chicago Housing Authority, *Rehousing Residents Displaced from Public Housing Clearance Sites in Chicago*, 1957-58; J. Segall, "The Propagation of Bulldozers," *Journal of Business*, October, 1965.

¹⁵ A century ago, practically everybody in the United States fell below what has come to be called the line between poverty and non-poverty—a \$3,000 per year income measured in 1962 dollars. By 1947, the incidence of poverty as

¹¹ See Y. Brozen, "The New Competition—International Markets: How Should We Adapt?" *Journal of Business*, October, 1960.

Jews, Negroes, the Irish, and other minority groups, and of providing opportunities and outlets for the creative use of the energies of even the most deviant persons who are frequently jailed or shot in less open societies. Such markets make it impossible for the few to monopolize power and

defined by this standard had fallen from nearly 100 per cent of all families to 32 per cent. By 1964, those falling below the \$3,000 standard had diminished to 18 per cent.

tyrannize their fellow countrymen. This, of course, is the reason that those with a lust for power are the enemies of the free market and the encouragers of intervention and central planning. As Trygve Hoff remarked, in an editorial in the Norwegian weekly, *Farmand*, "The hallmark of the 'planned economy' is not planning. It is that it aims to concentrate . . . power in the hands of the State." ♦

BEAUTY and COMMON SENSE

MOST Americans respond characteristically to the appeals for beautification of our country. They want to have their cities improved, to remove scars from the landscape, to have an attractive countryside.

Conservation and preservationist groups have been preaching this gospel for years. They have done an effective job. They have aroused the innate decency of our people; they have appealed to American love of nature and re-

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