

experience a return to unregulated industry and to the wasteful competitive system, at least in part. But while this reaction may take place in directions of temporary character, there are other directions in which Government control will have shown itself so superior as to suggest its continuation. May we not expect that if these activities are successfully carried on there will be arguments developed for carrying on at least *some* of them beyond the war?

The control of public utilities has been under discussion long before the war, and now we shall gain experience as to how efficiently the Government can manage enterprises such as railroads, shipping, munition work, mines, not to mention the food control and control of profits.

Before the war it would have been by most statesmen considered Utopian to undertake to regulate, as we do now, production, distribution, and even consumption. Now, we attempt all these things, cutting out competition as a factor in regulating prices and substituting a co-operative system. Are we bound to return to the wasteful system of competition? Or shall we have learned that, at least as far as the natural resources that are exhaustible are concerned, communal management is the only rational method.

There is no doubt that the war and its incidental requirements have forced us into abandoning at least temporarily long-cherished theories of individual *versus* communal functions; and the opportunity for making the change permanent, for making radical changes in industrial and economic conditions after the war, will never be better, provided the opportunity is seized immediately and the pendulum is not allowed to swing back too far.

Will Competition Lessen?

For many of the Government activities which the war has developed convincing arguments can be brought forward in favor of abandoning them to more or less unrestricted private enterprise after the exigencies of the war, which called them into existence,

have ceased; but we may assume that the general attitude favorable to an extension of Government functions will remain and the *public* interest will more than heretofore be considered in the new adjustments.

Can we not make use of this attitude in furthering the public interests in our own special business—the conservative use and management of our forest resources? Is it not timely to point out that, if anywhere, in the handling of these resources communal interest is paramount and calls for Government control?

The arguments for such State control are familiar to you. They may be summed up in one sentence, namely, that forestry—the management of forests for continued production—is not attractive business for private enterprise for various reasons.

At any rate, the idea of using our forest resources so as to produce continuous wood crops has so far gained little acceptance in America—none at all among the holders of the bulk of our remaining standing timber. Indeed, we may agree with Coolidge's statement, that "individual ownership has proved eminently uneconomical, and even destructive of the permanent productivity" of their lands. He does not, however, draw the proper conclusion when declaring that "there is no economic necessity for State production of timber."

Nor do we agree with Professor Toumey, who also pins his hope on private ownership, although admitting that "it is far more important to the *nation* that the second growth be adequately safeguarded than it is to the individual."

Profits too Far Distant

He proposes "by liberal tax laws and technical assistance to help the private owner to attain a protected reproduction, etc."

We, on the other hand, do not believe that there can be enough incentive created by these means for private forestry.

In vain have we striven for decades to interest the lumberman and timberland owner in a more conservative