



A Page Devoted to the Interest of Haywood County Farming



COUNTY AGENT'S COLUMN

W. D. SMITH

The following statement from Secretary Henry A. Wallace should have the careful thought and study of every citizen:

"Every spring for many years the Bureau of Agricultural Economics has published estimates of farm land values for the different states. The figures are always given in terms of percentages, with the years immediately before the World War representing 100. Before I became Secretary of Agriculture, I made it a specialty every spring to watch for these land value releases. I watched Iowa land values go down from 213 per cent of pre-war in 1920 to 136 per cent in 1925, to 98 per cent in 1931 and 80 per cent in 1932. Within a month or so after I became secretary of agriculture in 1933, I discovered that Iowa land values were only 58 per cent of what they had been before the war."

Last Thursday the Bureau of Agricultural Economics made its regular annual release on farm land val-

ues. As usual I picked it up with great eagerness to see what had happened during the course of the year. For the United States, as a whole, farm land values between the spring of 1936 and the spring of 1937 had increased only three points. They were 82 per cent of the pre-war in 1936 and 85 per cent in 1937, and these figures compared with 73 per cent at the bottom of the depression in early 1933 and 170 at the top of the boom in early 1920. From the bottom of the depression to the present time, farm land values in the United States seem to have gone up 16 per cent. The small amount of increase astonishes many people who are familiar with the fact that gross farm income is now nearly twice as great as it was in 1933 and net farm income is three times as great. If farm income doubles, why shouldn't farm land double? Again it is pointed out that industrial stocks on the New York Stock Exchange are about 100 per cent high-

er today than in early 1933 and, therefore, farm land should have increased 100 per cent in value instead of only 16 per cent. It is also pointed out that industrial stocks today are nearly 100 per cent higher than in 1925. Why should corporation values soar and land value drag?

I can't answer these questions, but before I comment upon them, I would like to call attention to the different sections of the country. During the past year, for instance, land values have gone up much more in the eastern cotton and tobacco sections of the United States than in the corn and wheat regions. In 1936 eastern cotton and tobacco land averaged about 96 per cent of pre-war, whereas in 1937 it averaged about 103 per cent. The western corn belt stayed steady at 71 per cent of pre-war in both years while the eastern corn belt advanced four points from 72 per cent of pre-war to 76 per cent. The western cotton belt like the western corn belt has not made much advance. Looking over the entire United States, I see no evidence of a disastrous speculative land boom getting started except possibly in some of the tobacco states.

I hope farm income continues to increase, but, if it does, I hope city people do not drag farmers into a land boom as they did from 1915 to 1920. Thousands of people have not finished paying for that speculative spree. The advance in land values between 1915 and 1920 caused millions of headaches between 1920 and 1935. Mortgages were doubled, expensive school houses were built and taxes went up to two and even three times what they were previously. It is important to remember that higher land values almost inevitably mean a heavier interest and tax burden. Of course, I know there are many old people who like to see higher land values so that they can sell out and move to town, to California or to Florida.

It seems to me that when farmers' increase it would be well for them to use the money to improve their living conditions—to build better homes, better barns, better physical improvements, rather than to bid up the prices of farm lands in an effort to add to their land holdings.

It would be a fine thing if all the farm land in the United States could be as steady in price as that in New Jersey and Southern New England. This land did not go anywhere near as high in 1920 as the land in the corn, cotton and wheat belts. But neither did it go anywhere near as low in 1933. In New Jersey, for example, farm was only 30 per cent higher than pre-war in 1920, and in 1933, it was still 10 per cent higher than pre-war. Today it is 15 per cent higher. Real estate boomers were not able to lead these eastern farmers so badly astray as they did the farmers of the middle-west.

Between 1900 and 1920 many farmers of the middle-west got the idea that the way to make money was out of the rise in land values. They preached the idea that there was only so much good land, that population was rapidly increasing and that the thing to do was to buy no matter how high the price might be.

I hope that land values more and more will represent capitalized earning power and not speculative prospects. Somehow I doubt if it is a wise thing for most farm land to sell for more than twenty times net rent after paying taxes. In other words, if cash rent is \$5 an acre and taxes

are \$1 an acre, I wonder if it is wise for the land to sell for much more than \$80 an acre. In some cases where the land is likely to go down rapidly in fertility, I doubt if it should sell for this much. In other cases where the fertility is easily maintained and where there is an unusually high social value, it may be that farms can safely sell for 30 times the net rent instead of only 20 times.

And, of course, you always have to think of the future. What will be the net rent of an Iowa farm after paying taxes in 1940 and 1945? What will be the net rent of a cotton farm or a wheat farm? Who can tell what will be the price for cotton, wheat and corn in 1940 and 1945? Who can tell about the weather and the European demand? Who can tell whether or not we will have functioning at that time a practical form of the Ever Normal Granary which will protect the farmer from price slumps in case we have several years of unusually good weather?

Yes, on the whole, I think it is a good thing that farm land values in the United States in the spring of 1937 are only 85 per cent as high as they were before the World War and only 16 per cent higher than at the bottom of the depression in 1933. If farmers get their fair share of the national income during the next ten years, farm land values will and should advance. But I hope they never advance beyond a fair relationship with farm income. Farmers and especially young farmers don't want a repetition of the 1920 foolishness. They want stability and security. They want to go ahead steadily year after year, feeding and clothing the people of the nation, and getting a fair price for so doing. They want to make their money by farming and not by speculating in land. I hope the United States Department of Agriculture and the Land Grant Colleges can cooperate with these young farmers in building for security and that we shall never again be afflicted by the excesses of a land boom. Fortunately there is no evidence of such a boom at the present time. Land values are recovering in a sensible and conservative fashion.

FINES CREEK CLUB BOYS ENTER CONTESTS

Fines Creek club boys take part in the district livestock judging and public speaking contest which will be held at Swannanoa Test Farm next Saturday, May 22.

Jack Bramlett and Frank Rathbone will judge livestock and poultry. Spencer Walker will speak. The subject of his speech is Agriculture in the Southern Mountains.

Signed: B. G. O'BRIEN.

Today's Market

The following cash prices were being paid Wednesday by the Federation here:
Chickens, heavy weight
Eggs, dozen
Corn, bushel
Wheat, bushel

—GET YOUR— AGRICO FERTILIZER

Manufactured Especially For—
Tobacco - Corn - Potatoes and All Other Crops.

—From—
HYATT AND COMPANY
Waynesville, N. C.

EDWIN FINCHER
Clyde, N. C.

Manufactured Only by—
The AMERICAN AGRICULTURAL CHEMICAL COMPANY
Spartanburg, S. C.

MR. THOMAS BALL OF MARSHALL SAYS:

"I used Agrico on 14 acres of corn and made an average of 61.3 bushels an acre on steep, mountain land. So when time came to plant my tobacco, I fertilized the whole crop with Agrico. I don't have to tell you I'm pleased with results—the figures speak for themselves. After taking out enough for my personal use, my 2.2 acres averaged 4114 lbs. of tobacco which sold for \$2303.84—an average of 56¢ per pound. I don't know of anyone in this locality who averaged so much on their crop."

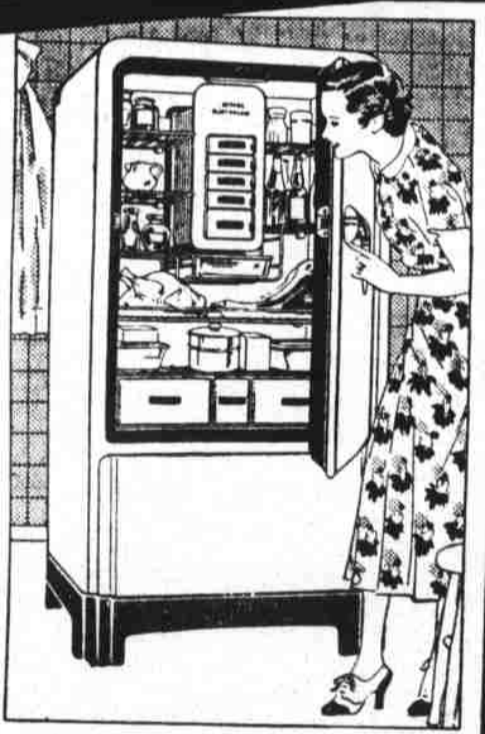
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Announcing GREATER HAPPINESS AND SAVINGS FOR FARM HOMES

with this modern city refrigerator!

SERVEL ELECTROLUX
runs on kerosene (Coal Oil)
for a few cents a day

- Keeps food fresh for days
- Freezes ice cubes—desserts
- Saves steps, work, money
- Needs no daily attention
- No water or electricity
- Has no machinery to wear



Happy owners report that this ideal refrigerator for farm homes actually pays for itself!

OWN IT ON EASY PURCHASE PLAN

IF YOU'VE always wanted the convenience and economy of modern city refrigeration, here's good news! Today you can have it no matter where you live—at low cost. Servel Electrolux, the Kerosene Refrigerator, duplicates in all important respects the famous Gas Refrigerator which has been the choice for hundreds of thousands of

fine city homes and apartments during the past ten years.

This marvelous refrigerator for homes beyond the power lines assures plenty of ice cubes at all times... makes possible new dishes and more interesting meals... protects food perfectly year-round... and lightens kitchen work. Clip coupon.

MAIL THIS COUPON NOW

MARTIN ELECTRIC CO., Waynesville, N. C.

Gentlemen: Please send me, without obligation, complete information about Servel Electrolux, the Kerosene Refrigerator.

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Street or R.F.D. _____

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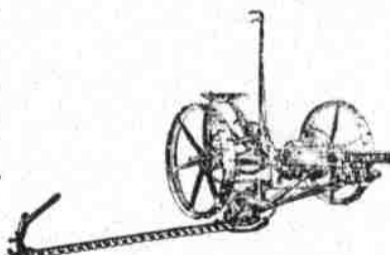
Martin Electric Co.

"WE SERVICE ANYTHING WE SELL"

PHONE 31

CHURCH STREET

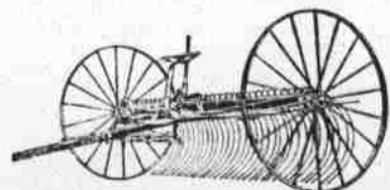
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Until you ride the Oliver "Clip-Cut" you'll never know what smooth, quiet mowing is. It cuts all crops easier and faster. With all gears running in oil, and the "Clip-Cut" bar cutting easily through the heaviest crops, the Oliver mower is much lighter in draft.

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This sulkedump rake is built for hard usage, and it dumps the hay the instant pressure is applied to the dump pedal.

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Get your roof in A-1 condition before summer storms begin.



GARBAGE CANS

A new, tight garbage can will do a lot to cut down on flies this summer. We have many sizes—made by Wheeling.

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PHONES 43 and 157

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We have the supplies.

Paint-Up



We have paint and brushes.

Plant-Up



We have the tools, fertilizers and seeds

Repair



We have the materials

Build Now



We have the lumber and builders supplies.