



THE KANSAS UNION FARMER

Organization

Education

Co-operation

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Co-Operative Agriculture Strongly Intrenched in the Old World

Samuel Adams, President American Agricultural Editors Association, Tells Interesting Story of a Summer's Study of Farming Conditions in Europe

During the past summer I was representative in European countries, studying their agricultural organizations and laws relating to agriculture. I was even more appreciative of the honor when I found that my credentials opened to me the door of the officers of agricultural organizations of these countries, and gave me the opportunity to talk freely and frankly with members of the cabinets of Great Britain, Norway, Sweden, Finland, Denmark, Germany, Switzerland, Holland, Belgium and France.

Needless to say, with such opportunities for investigation, I came back with a broader vision of what a farmers' organization could and should do for its members.

Time will not allow me to tell you in detail of what I learned on the trip, so I will confine myself to one or two of the dominant facts that came to my attention in each of these countries.

In England, the first country visited, I found a strong association in the English Farmers' Union with more than 100,000 members. In England, however, agricultural cooperation has not been a success, due very largely to the cooperatives having been organized from above, by government appropriations through the Agricultural Organization Society, and not from the ground up through a demand from the farmers.

In every other country, without exception, cooperatives were paying big dividends through increased prices for the products farmers sell, and lower prices for the articles farmers purchase.

Norway has a lesson for us in the way she has solved the problem of farm tenancy. With less than 6 per cent of tenant farmers, she has given a most satisfactory answer to this vital question. The land law of Norway provides that in purchasing a farm, the new owner shall agree to live on the farm and personally operate it as a farm should be operated, for a period of at least five years.

If the owner moves away during the period, he must sell his farm to some one who will undertake to become an actual farmer for at least five years. This tends to take the speculative value out of farm lands, and to bring them down to their actual income earning value, thus permitting the men of moderate means to own and operate a farm.

It would be well for this association to make a study of our tenancy problem. About 40 per cent of our farmers are tenants, and such a large percentage of the remainder have heavy mortgages, that they are in worse financial shape than our tenants, and many will soon become renters thru foreclosure.

Sweden, notably up-to-date in every respect, has the Farmers' Political Party of Sweden which is quite a factor in protecting the interests of the farmers of that country. Nils Wohlen is its leader, and he is one of the really big men I met. I just wish you could all have spent an evening with him, as I did. I know that after talking with him and learning what he has done and what he hopes to do for Swedish farmers, you would feel it well worth while to devote your time and energy to helping solve the problems of agriculture in America.

In the countries I visited, I found all kinds of government organizations ranging from the coalition government of Great Britain to the clericalism of Holland and the socialists of Germany. In Finland it was a business government, formed after the overthrow of the Reds in 1918.

Finland seems very far away. It lies at the very verge of Soviet Russia. Here was a most interesting experiment in land ownership. The large land owners, fearing greatly the return of the Reds to power, induced the government to purchase their property in exchange for Finnish bonds. They realized that under existing conditions of unrest, they must either do this or run the risk of the land being forcibly taken from them without any financial compensation.

At the time of my visit the government had surveyed and sold to the former tenants or laborers, more than 50,000 farms. The remaining 30,000 farms will soon be surveyed and transferred to the former tenants who will thus become land owners. When this is done, farm tenancy will be of the past in Finland. Efforts will be made to keep the land in the possession of the men who the radical workers on one hand and the reactionary capitalists and nobility on the other, this explains why in almost every European country, drastic laws have been passed that transfer the farms from the large estate owners to the former tenants or laborers.

I found in Denmark a perfect laboratory for the study of agricultural co-operation. There, over 90 per cent

of the farmers' products are sold through cooperatives, and a very large percent of his purchases are made through his coops. The liberal made through his coops. The liberal made through his coops. The liberal made through his coops.

A recent law of Denmark provides for the making of entailed estates into freeholds. By this method more than 8,500 additional farms have been provided for agricultural laborers.

Industrial Germany was in a flourishing condition when I went there. So much so that the expected demand for farms by soldiers and industrial workers had not materialized, and the law that provided for the cutting up and distributing of large estates was seldom used.

German farmers are thoroughly organized and are divided into several groups. The industrial workers are also active in cooperation. There are more than 49,000 cooperatives of various kinds in Germany.

The grain law of Germany is a favorable piece of legislation as favoring the industrial worker at the expense of the farmer. The law required the German Farmer to sell a large portion of his grain to the government Grain Board at fixed prices, these prices being far below what could be obtained in the open market.

At the time of my visit, the price set for wheat was 7,400 marks per ton, and as it took 1,800 marks to equal a dollar, it made a return to the farmer of just about 12 cents per bushel. A few weeks later the mark was worth \$3.00 to the dollar, and when the government, in view of this drop in value, wished to raise the fixed price of wheat, the united socialist parties served notice that they would overthrow the government if the farmers were given an increase. Cheap bread for industrial workers at the farmers' expense, is perforce the policy of the government.

If we think that we have trouble in building up farmers' organizations in this country, let us consider some of the conflicting elements among the farmers of Europe. In Finland, you have the Finnish speaking Finns and the Swedish speaking Finns with their separate farmers' organizations and cooperatives. In Holland and Belgium, you have the protestant and Catholic farmers' organizations and cooperatives. In Switzerland, the German speaking, the French speaking, the Italian speaking, the Swiss speaking, the Romansh speaking, the French speaking, the Italian speaking, the Swiss speaking, the Romansh speaking, the French speaking, the Italian speaking, the Swiss speaking, the Romansh speaking.

This brings me to the most remarkable man in the farmers' organizations of Europe. I refer to Ernest Laur, president of the Swiss Farmers' League for the past 25 years. The French, German and Italian speaking Swiss not only have different languages, but different religions. In our country, with all speaking one language and with religion not a distinguishing factor, we have not been able to get the farmers together. But in Switzerland, through the wonderful leadership of Ernest Laur, the farmers are united in one big central organization at Bruges.

The saying in that country is, "Switzerland has no king, but Ernest Laur is king of the Swiss farmers." Another saying is, "The Swiss cabinet is composed of six members, but it has a seventh member in Ernest Laur who dictates its policies."

Whether he does or does not make the laws of Switzerland, it was rather interesting to hear of the way the Swiss dairy farmers was saved from bankruptcy. During the war, and after, the farmers were urged by the government to increase their dairy products. They they patriotically did. Then came the slump in the price of milk products. The Swiss farmers' cooperatives held large quantities of cheese produced with expensive cows and high-priced feeds.

To save the farmers from ruin, the government appropriated 20,000,000 francs and agreed to stand four-fifths of the loss on all export shipments of cheese during 1922. Another appropriation will probably be made for 1923, by the end of which time it is expected the Swiss dairyman will again have a profitable market for his products.

There are some disadvantages in having the clericals in power, as in Holland. Here has taken place a very unusual coalition, that of the protestant and catholic political parties. This coalition was formed to keep the socialists out of power. One of its laws allows as many as three public schools in a community, one for the protestants, one for the catholics, one that might be called neutral, while the socialists are greatly incensed because a fourth school is not established to teach socialism to their children.

This school system has caused an increased cost of 40,000,000 guilders, or more than \$16,000,000 dollars in this little country of fewer inhabitants than several of our big cities.

Holland has a most interesting system of selling farm products by auction. Through the innumerable canals, the articles for sale are pulled through the market shed on barges. The buyers have seats equipped with an electric button that connects with

a dial in full view, covered with numbers. As the arm on the dial reaches the price a buyer is willing to pay, he punches his button and his bid is instantly registered.

Belgium farmers and their organizations are divided largely on language, religious and race lines. The Catholic Walloons, or German speaking Belgians have very strong organizations and are doing excellent work for their members. The French speaking Belgians are not very well organized, though strong efforts are being made to bring them up to the organization standard of other parts of the country.

There is so-called universal suffrage in Belgium, but it does not include women. Until recently, there was a cumulative voting system, now it is called universal, with minority representation in their parliament.

I will not speak of the devastated regions of France and Belgium beyond saying that conditions are much worse than anything you have read or heard.

France was the last country visited. Here I found the Union Centrale des Syndicates de France, with a membership of 1,800,000 and 11,000 affiliated societies. You can appreciate the strength of this organization from these figures, and they do an immense business in almost all lines that are of value to the French farmer.

I am not hopeful of the French farmer as regards progressive agricultural methods. There I found only 71 schools teaching agriculture, with 2,200 students, while in Germany there are 1,708 schools teaching agriculture to 7,072 students.

In conclusion, any of you who think the light wine and beer countries don't use heavy alcoholic drinks are badly mistaken. The sale of light wine and beer was one of the subjects I investigated on my trip. I found that in countries such as Norway, Sweden, Belgium and Finland, where the sale of whiskey, gin, brandy, etc., was prohibited, or where the sale was supposed to be controlled by a permit system, or sale allowed only in bottles not to be opened on the premises, that the strong alcoholic drinks were sold illegally and freely at cafes, hotels, beer gardens and other places that were licensed to sell only light wines and beer.

My investigations show that it is impossible to separate the sale of light wines and beer from that of the strong alcoholic drinks and that in places where light wines and beer were permitted to be sold, there were places where light wines and beer were sold, and many immoral women who frequented them to secure their victims.

In other words, the places that could legally sell only light wines and beer, were flagrantly violating the laws of their country, and were securing a large part of their revenue and profit, from the illegal sale of unlawful liquors.

Samuel Adams, Wardman Park Hotel, Washington, December 12, 1922.

THE SCHOOL CODE COMMISSION

Some time ago this office had the opportunity to place in the hands of the local Secretaries, the report of the School Code Commission which cost to the Kansas Farmers' Union.

Now I hope that every local will have this report read at their meetings and give this matter their serious consideration, as it is of much importance. I think the farmers of Kansas should thoroughly study the matter of surrendering all authority over the county school.

Inasmuch as you have the opportunity to consider the proposition allow me to suggest that you do so and when you have determined whether you are for or against the proposition do not hesitate to let your member of the legislature know in no uncertain terms what your wishes are. C. E. BRABSTED, Sec'y.

3,700,000 BALES POOLED

A recent estimate of the cotton pooled by the state associations federated into the American Cotton Growers' exchange places the total at 3,700,000 bales. Officers believe this will be increased to more than 4,000,000 bales in 1923.

Stockholder Profits Are Exempt

Ruling By The Department Makes This Point Absolutely Clear and Final

Statement on "Liability of Co-Operative Associations for Federal Income Taxes" by L. S. Hulbert of the U. S. Department of Agriculture.

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What Regulations Say "Cooperative Associations—(a) Co-operative associations acting as agents for farmers, fruit growers, dairymen, etc., and turning back to them the proceeds of the sales, less the necessary selling expenses, on the basis of the produce furnished by them, are exempt from the income tax. Thus co-operative dairy companies, which are engaged in collecting milk and disposing of it or the products thereof and distributing the proceeds, among their members upon the basis of the quantity of milk or butterfat in the milk furnished by such members, are exempt from the tax. If the proceeds of the business are distributed in any other way than on such a proportionate basis, or if the association deducts more than necessary selling expenses, it does not meet the requirements of the statute and is not exempt. The maintenance of a reasonable reserve for depreciation or possible losses or a reserve required by state statute will not necessarily destroy the exemption.

From the act, the regulations, and the letter of the secretary, the following deductions have been made: 1. If an organization qualifies as a member of the exempt class, no part of its income is subject to federal income tax. 2. If farmers' cooperative sales or purchasing association, which is otherwise exempt, does business for non-members, and deals with such non-members upon the same terms as it deals with its members, including the payment to non-members of patronage dividends on the same terms as members, such an association is exempt from federal income tax.

3. "The maintenance of a reasonable reserve for depreciation or possible loss or a reserve required by state statute will not necessarily destroy the exemption, nor will the payment of a fixed dividend amounting to the legal rate of interest," provided that all the capital stock of the association is owned by farmers, destroy the exemption. 4. If an association which is not exempt returns sums of money to its members as patronage dividends, such sums being simply refunds on the amount of business furnished by each member, and also makes profits on the business done for non-members

which it retains for reserve or surplus, or distributes among the members, such profits are taxable, and in addition to all sums derived from the business of members which are also set aside as reserves or surplus are taxable.

5. In the case of an association which is not exempt, all net income received in the form of income from business done for members or non-members and which are set aside as surplus or reserves are taxable, not because such sums have been so set aside, but because they were received as income.

Even though an association is not in the exempt class, it does not necessarily follow that it would be required to pay an income tax. This would depend upon whether or not it had net taxable income.

Special attention is called to the fact that under the regulations of the Treasury Department, it is necessary for each association to submit the matter of its eligibility for exemption to the collector of internal revenue in its district. Copies of the letter of the secretary of the treasury may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

AGRICULTURAL MEETINGS AT TOPEKA

Two important agricultural meetings will be held in Topeka next week, the State Farm Conference and State Agricultural Convention. Following is the program of the two meetings.

State Farm Conference, January 10-13, 9-30 a. m.

Subjects: Transportation: railroads, rates, highways, and motor trucks.

Farm Credit: For crop and livestock production and marketing.

Marketing: Cooperative marketing associations, cooperative elevators, etc.

Production: Crop and livestock production problems, diversified farming and farm management.

State Agricultural Convention, January 10-13, beginning at 7:30 p. m.

Session: Organization meeting of delegates and members at 5:30 p. m., January 10. 7:30 p. m., addresses by Mayor Corvine, Governor Davis, President Avery and Francis Blair, Supt. of Public Instruction of Illinois, a brilliant speaker.

Thursday, morning session: A symposium on county and community fairs, particularly valuable for all interested in fairs as community builders. Plenty of time for discussion.

Afternoon session: "The Relation of Railroads to Agriculture," by Chas. Dillon, representing the railroads and Claude M. Reed representing the producers. Both well posted authorities who will lay bare the facts as relating to their respective viewpoints. Prof. Green, of the State Agricultural College, who has been closely studying and investigating the subject, will discuss the "Wheat Marketing Situation."

Evening session: "Rural Women and Community Development," by a Kansas farmers' wife with a real message, Mrs. Will Sellen, Cunningham, Kansas. "Possibilities of Radio to Agriculture," by Maj. Gen. J. G. Harbord, who achieved world fame as a soldier, and who left the War Department the first of the year to become President of the Radio Corporation of America. Gen. Harbord is a Kansas man and understands the great service radio can render agriculture.

"The Agricultural Outlook," by Sherman P. Houston of Missouri, prominently mentioned for Secretary of Agriculture in President Harding's cabinet, and Chairman of the Agricultural Credits Committee of the National Farmers' Conference called by Secretary Wallace last winter.

Friday: Morning session: "Conserving the Pasture Resources of Kansas," by Dean F. D. Farrell, of K. S. A. C., as one-third of the area of Kansas is in native grasses, the importance of this subject is apparent. "Increasing the Yield of Corn," by M. L. Mosher of Illinois, who has achieved remarkable results. He says, "What the Scow and Babcock test have done for dairy cattle improve.

(Continued on page 2)

The Record of Kansas in Agriculture and Live Stock the Past Year

The Year Shows an Improvement Over 1921, But the Price of Farm Products Keeps the Farmer a Long Ways From Normalcy

The State Board of Agriculture today issued its final inventory of agricultural production and livestock in Kansas for the year 1922, as follows:

Production and Values

The gross value of this year's farm productions in Kansas, exclusive of livestock on the farm, amounts to \$357,256,744, as against \$311,121,242 in 1921, or an increase of slightly more than \$46,000,000. Both in the aggregate and acre-yields, crop production averaged less than last year, although the acreage in crops was increased, and the gain in crop values this year is due to better prices received for all farm crops with the important exceptions of wheat and potatoes. Corn has been selling at a price this fall averaging 54 cents a bushel, while a year ago, it was 29 cents. Oats brought 12 cents more a bushel than in 1921, barley 12 cents more, kafir 35 cents more, alfalfa \$1.60 more a ton, and prairie hay, \$1.00 more. Wheat, however, which is the state's principal crop in respect to acreage, has averaged 6 cents less per bushel, and potatoes 32 cents less.

This year's wheat yield of 116,744,459 bushels is the state's fifth largest crop, and ranks seventh in value. The corn yield of 95,311,582 bushels was slightly under last year's but is 6,700,000 bushels more than the annual average production for the five years, 1917-1921. Oats is the smallest crop since 1916. Alfalfa shows another decrease in acreage, and for the first time in a decade has fallen below a million acres, the total now being 910,631 acres. A larger acre-yield, however, held up production to 2,313,023 tons, or about 50,000 tons less than in 1921, and the prairie hay yield of 957,839 tons is less by 81,500 tons. The total value of all field crops is \$246,309,608, as against \$221,353,161 last year.

LIVESTOCK PRODUCTS: The total value of these products marketed in Kansas for the year ending March 1, 1922, was \$110,947,165, the smallest since 1916, and as against \$128,458,587 in 1921. Unlike the field crops, which produced less and brought more livestock products during the

period indicated were greater and sold for less. More than 53,000,000 pounds of butter made in the year ending March 1, 1922, was worth \$19,838,299 as against 48,749,164 pounds, worth 26,209,372 in the year preceding. The largest single item in these products, however, animals slaughtered or sold for slaughter, amounted in value to 60,541,487 as against \$59,402,741 in 1921, while the surplus of poultry and eggs sold from Kansas comes next, amounting to \$19,853,562 as compared to the record value of \$22,573,114 in the year before.

LIVESTOCK: There has been a falling off in numbers of horses, other cattle and sheep, in the year ending March 1, 1922, while mules, milk cows and swine have increased. The horse population of 962,323 is less than any year since 1909; the 2,121,193 other cattle is a decrease of about 15,000 head while the 220,550 sheep reported is less by about 48,000. Mules gained nearly 25,000 in the year and milk cows nearly 5,000. Swine increased more than 400,000 and the 1,671,336 on farms March 1, 1922, the values of horses, mules, milk cows and other cattle decreased, while sheep and swine increased. The estimated value of \$46 per head on horses is \$9 under the year before; the average of \$63 for mules is less by \$9; \$46 for milk cows is 4 less, and \$23 for other cattle is \$2.16 less. Sheep and swine each increased in value \$2 per head. The total value of the livestock on hand March 1, was estimated at \$173,896,471, as compared to \$184,154,817 in the preceding year, or a decrease of \$10,266,000.

Except where otherwise noted, the values in this report are based on the averages of farm prices for the year 1922.

While this year's agricultural inventory for Kansas shows improvement over the low ebb of 1921, it should be borne in mind that so long as the disparity between the prices of farm products and the prices of farm necessities so great, the farmer is a long ways from "normalcy."

KANSAS CROPS AND PRODUCTS, 1922

The yields and values of this year's crops and products are as follows:

	Yield	Value
Winter and spring wheat, bushels	116,744,459	\$105,444,103
Corn, bushels	95,311,582	51,648,465
Oats, bushels	29,723,001	11,560,425
Rye, bushels	808,352	585,365
Barley, bushels	17,800,448	7,512,371
Emmer (Speltz) bushels	2,676	1,070
Irish and sweet potatoes, bushels	5,134,420	4,505,404
Sugar beets, tons	7,403	69,609
Cowpeas, tons	112,132	197,334
Flax, bushels	5,709,034	560,235
Broom corn, lbs.	114,535	733,331
Millet, tons	38,909	252,384
Sorghum for syrup, gals.	191,519	162,791
Kafir, bushels	17,523,272	12,318,709
Milo, bushels	2,757,115	2,029,115
Fetaria, bushels	1,185,657	797,339
Sorghum hay, forage and stover, tons	4,426,021	15,829,420
Saccharine sorghum for seed, bushels	232,459	580,797
Alfalfa hay, tons	2,313,023	22,948,730
Alfalfa seed, bushels	45,206	818,429
Time hay (exclusive of alfalfa), tons	232,097	2,167,196
Prairie hay, tons	957,839	5,841,676
Wool clip, lbs.	685,993	116,619
Cheese, lbs.	196,797	31,753
Butter, lbs.	53,056,113	19,838,299
Condensed milk, lbs.	21,700,864	1,855,078
Ice Cream manufactured, gals.	2,622,157	3,415,481
Milk sold other than for butter and cheese		2,431,917
Animals slaughtered or sold for slaughter		19,858,562
Poultry and eggs sold		3,005,677
Horticultural products		68,552
Honey and beeswax lbs.	311,282	90,742
Wood marketed		357,256,744

Total value of all farm products

NUMBER AND VALUE OF LIVESTOCK

	March 1, 1922	Value
Horses	962,323	\$44,267,134
Mules and asses	291,514	18,365,382
Milk cows	624,128	28,709,888
Other cattle	2,121,193	59,393,124
Sheep	220,550	1,433,575
Swine	1,671,336	21,727,368

Total value of live stock

ANNUAL STATE MEETING

Will Be Held

at

TOPEKA, KANSAS

January 17-18-19

in

Memorial Hall

The first session of the Jobbing Association convention will be held at the Throop Hotel at 10 a. m., January 16, 1923.

REST ONE-FOURTH OF YOUR LAND

Champaign, Ill., Dec. 1st, 1922.

Editor Farmers Union:

Live stock, grain or mixed farming, as it is done today, exhausts the soil for we plow under little, and sell much to command the price needed. By resting one-fourth of all our tillable land, taking nothing from it but grass seed, we would get more money than we do now, and we would add nitrogen to the soil, and have money to buy lime and phosphate to keep up our soils, and it would take less help, and save us money in every way.

Organized labor and capital under our emigration law and high tariff will maintain their present prices. Seventy per cent of the people live in the cities, with thousands more going there as it means less work and more pay. The cities are prospering at our expense. With the high taxes from which there is no escape, and all lines of endeavor organized, we

too must organize to save our soils and ourselves from ruin.

The grain belt farmer is the most intelligent and greatest skilled workman in the world today, and we can organize without expense as we can do it ourselves, we need no salaried officials. We have the power to make our calling the best in the land. Organized in less than five hundred counties will make this plan a success, and it will mean millions of dollars to us. Think it over, talk to your neighbor about it, advocate it in your local paper. Let us show in the world that we can command a price, and that we do not need to work twice the hours for less than half the pay.

We can do it, let us do it now. Be the first man in your county to start the ball rolling. This is the second of a series of letters that I am sending to every farm paper in the grain belt, asking for their help to get this message to the farmer. W. S. VAN DOREN.

