

Mound Valley Returns to FU Co-op Charter

Association Reorganizes From Stock Company to True Co-operative

A revival of the spirit that dotted the Kansas plains with Farmers Union Co-operative Associations in the early days of the organization in this state, is showing itself in several places. The feeling that the name, "FARMERS EDUCATIONAL & CO-OPERATIVE UNION" is still worth following, in that education and co-operation should go together in a farmers' organization, is growing.

The Farmers Union Co-operative Association at Mound Valley, Labette County, Kansas, is the latest to come into the strictly Farmers Union co-operative field. Reorganization on a membership, non-stock plan has just been completed. President E. K. Dean and Field Organizer Paul G. Erickson having assisted from the state office. Amended articles of incorporation have been filed, and this association will again be a full fledged co-operative, controlled by Farmers Union members.

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KFU Backing Poll Tax Repeal

A discharge petition for poll tax repeal bill, H.R. 7, has again been started in the House of Representatives. The signatures of 218 members of the House will bring the bill out for a vote. The Farmers Union has always battled for the full right of franchise. The following telegram was sent to all six of Kansas' Congressmen:

WOULD APPRECIATE YOUR PROMPT SIGNATURE OF H.R. 7, THE DISCHARGE PETITION FOR POLL TAX REPEAL BILL. APPRECIATE YOUR PAST SUPPORT, BELIEVE FULL FRANCHISE IS ESSENTIAL TO OUR DEMOCRACY.

KANSAS FARMERS UNION,

E. K. DEAN, PRESIDENT.

Replies have been received to date from Hon. Frank Carlson, who indicates intention to sign the petition and support the bill; from Hon. Clifford R. Hope, who will support the legislation; and from Hon. Edward H. Rees, who states he has always favored such legislation.

Kansas Union Farmer

Organization

Education

Co-operation

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Lobbying Is Big Business

Most farmers these days appreciate the need of their being represented in the legislative halls of our state and national capitols.

It's doubtful if many realize, however, what an immense machine for lobbying is operated by the big business interests, a business that is estimated by those "in the know" as being in excess of 100 million dollars a year.

If farmers would contribute to the BUDGET FUND of their Farmers Union in the same ratio, it would mean that their organization would be lavishly financed for the tasks that must be performed, if the place of agriculture as a free way of life is to be properly represented.

Practically every "interest" has its "representatives" in Washington. Both Big Business and Big Agriculture are there, with the latter often claiming to speak for little farmers. Business, labor, farmers, consumer groups and other organized interests have legitimate reason for maintaining their representatives in Washington—supplying views and information to congressman—and most of the Senators and Repre-

sentatives appreciate having information concerning the views and needs of the various groups. But in order to maintain a proper balance, it is necessary that all groups be represented.

It is generally acknowledged that the farmers Union is the only organization that truly represents the "little" farmer, the family-type of farming. We don't have millions of dollars to work with, but we do have an honest program designed to protect the interests of working farm families.

To support this program with the facts and figures needed involves a great amount of work for our Washington staff. They must know where to obtain needed information, watch the legislation being introduced, prepare or assist in preparing legislation which will aid our program, be present when hearings on legislation of importance are held, and many other tasks.

Supporting your Farmers Union, a peoples movement, with your membership, your Budget Fund donations, and by inviting your neighbors to join with you in your own organization will insure that American farm families will be honestly represented in the places where big decisions are made.

Farm Ownership Is Next Move For Family Given a Hand by FSA

EDITOR'S NOTE: The Farmers Union alone among farm organizations has consistently supported the Farm Security Administration program. This story, which can be duplicated thousands of times out of FSA records, is the reason why, for it is the story of a disadvantaged farm family restored to security, independence and a decent living on the land with farm ownership their next move upward.

Walter E. Jacobs, big, ruddy-faced farmer on an 160-acre farm near Maize, in Sedgwick County, Kansas, was one of those hard-up farmers seven years ago with a bank debt and nothing to farm with.

At that time, he and his wife were worried not only about themselves, but about their three small girls—then five, eight and ten years old. It was a problem even to dress them well enough to send them to school. Getting the right food for growing youngsters also was a problem. The only thing that eased the situation was the fact that lots of other farm folks were in the same fix—but that was small comfort.

Now, the Jacobs—living on the same

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Budget Fund Has \$271 Start On 1945 Total

Box Suppers and Entertainments This Month Expected to Boost It

The Farmers Union Budget Fund total stands at \$271.70 on March 7, as the Kansas Union Farmer goes to press.

While this is far below our goal, it is a substantial start and reports from Budget Fund Month entertainments are just beginning to come in.

To date, only four locals have remitted a contribution, and scores are expected to do so.

The National Board of Directors set Feb. 15 to March 15 for the annual Budget Fund box supper, or other entertainments to raise funds.

Many Kansas locals are holding their entertainments at this time. If your local has not yet planned its fund-raising program, do so at once. It's much better to be late than never to have one.

All funds should be sent to Kansas Farmers Union, Box 131, Salina, Kans. They are divided by the State and National organizations.

Contributions to March 7 were as follows:

Mr. and Mrs. Walter Bartlett, Stockton	1.00
Erwin D. Goodson, Thompson, Nebr.	1.50
W. E. Roesch, Quinter	2.00
Esther Voorhies, Salina	50.00
John Shirkey, El Dorado	11.50
Wheaton Slyter, Paola	6.50
Parsons Local No. 1304	101.20
Fanny E. Pickering, Minneapolis	2.00
Bob Laubengayer, Salina	15.00
Waterville Farmers Grain Livestock, Waterville	1.00
Aurora Co-op. Assn., Aurora	10.00
Farmers Union Co-op, Clifton	25.00
Allen Center Local No. 2155	5.00
Excelsior Local No. 606	10.00
C. W. Emig, Solomon	5.00
North Side Local No. 1061 Lindsborg	25.00
TOTAL	\$271.70

Investigators Charge Private Plan to Control FU Insurance Firm

JAMESTOWN, N. D.—A story of a "collusive and corrupt agreement and plan" under which a one-time Farmers Union Mutual Insurance Association was finally to be converted into the private property of a few individuals, was laid before the North Dakota Legislature late in February by a special investigating committee.

Oscar E. Erickson, formerly commissioner of insurance in North Dakota, has been suspended and faces impeachment trial before the Senate as a result of the committee's charges.

A revealing chapter in the history of the Farmers Union Life Insurance Company of Iowa is contained in the committee report and the impeachment charges.

Founded by Reno

Founded in 1913 by the late Milo Reno as a mutual insurance company, the FU Life of Iowa was re-organized during the depression as an old-line stock company, to meet the demands of the Reconstruction Finance Corporation, from whom it had sought a loan. Old time Farmers Union members exchanged their paid-up values in insurance policies for stock,

An Important Story for Kansans

Kansas Farmers Union members will read this story about a Farmers Union institution which was converted from a co-operative to an old-line stock basis and now is in danger of control by a single man and his immediate associates with interest because we have similar problems. Eventually, Kansas Farmers Union must take some action to prevent the misuse of its name by institutions which no longer have any real relationship to it or the Farmers Union movement.

It is also important because there are many stockholders of Farmers Union Life of Des Moines in Kansas. HOLD ON TO YOUR STOCK! DO NOT GIVE A PROXY TO ANYONE AT THIS TIME! It has both intrinsic value and voting power, and the voting power might ultimately help restore the Iowa life company to a co-operative basis.

Watch Kansas Union Farmer for developments.

hoping to rebuild the company and eventually reconvert it to a mutual, co-operative basis.

However, according to testimony before the Investigating Committee, L. M. Peet, an official of the company, entered into a scheme to gain stock control of the company for himself and his close associates in 1937 or 1938.

It was charged by the investigators, and in the impeachment pro-

ceedings, that Commissioner of Insurance Erickson and Peet had a plan whereby Erickson placed North Dakota insurance business with two Fort Scott, Kansas, companies, which in turn paid the agency commissions to a Kansas City agency that turned them over to Peet. Peet, in his turn, was to use the money to buy up control of the Iowa company for himself and Erickson.

Otto R. Vold, a former Erickson

employee, testified that Erickson had an arrangement with Peet whereby the stock purchased was put in a safety deposit box in Des Moines which neither could open without consent of the other. Vold testified that more than \$34,000 in commissions were transferred to Peet in this manner from the Kansas companies.

The committee was unable to trace where another huge commission, on a policy bought from Lloyd's of London for \$124,000, finally landed. R. N. Crawford Co. of Chicago refused to let the North Dakota investigators inspect their books.

NFU Company

The National Farmers Union, recognizing that the FU Life of Iowa had lost its co-operative characteristics, several years ago organized a new fraternal life company, National Union Security Association. The Iowa company, although an old-line stock company, has repeatedly sought to get support and business from state Farmers Unions and some of its of-

(Continued on Page 2)

La Harpe Co-operative Has Another Good Year; Report Shows \$125,000 Volume in '44

The Farmers Union Co-operative Association, La Harpe, Kansas, reported another very successful year at their annual stockholders meeting held Feb. 22 at the Methodist Church in LaHarpe.

The organization, which has developed into a very successful Local Co-operative, both in purchasing supplies for their members and in the marketing of grain and produce, got its start as a Livestock Shipping Association. Starting very small, it served its patrons shipping livestock to the Farmers Union at Kansas City, and purchasing their cream, eggs, and poultry and handling feeds.

In 1938 the Association had outgrown its original place of business and acquired additional facilities. The grain elevator across the street was purchased and the Association now uses two buildings. It buys poultry, cream, eggs and grain and sells a large variety of farm supplies. It is considering entering the oil business.

Jim Moore, manager for several years, resigned during the past year to go into the grocery business for himself at LaHarpe. Clarence Morrison, a young farmer and a board member, was employed to succeed Mr. Moore. Clarence has, in the short time he has served as manager, demonstrated his ability successfully to carry on the steady progress that has been made for the past several years.

The association handled a \$125,000 volume last year, showing a net saving of more than

\$4,800. This year, as has been the case for the past three years, the association declared a 3 per cent patronage refund on the total volume of business.

The organization started as a Farmers Union co-op and has maintained close affiliation with the Kansas Farmers Union all during its existence. It is served by two large active Farmers Union Locals, with a total membership over two hundred.

Ben Barr, auditor for the Farmers Union Auditing Association, was present for the meeting and read the report of the audit he had made of the association. Mr. Barr told the stockholders that the records were in splendid shape. Mr. Barr discussed thoroughly every phase of the audit so every stockholder was thoroughly acquainted with the business operation. E. K. Dean, President of the Kansas Farmers Union was guest speaker at the meeting.

The following three board members' terms expired: Geo. Rose, Phil Ensminger and Stanley Harris. Both Mr. Ensminger and Mr. Rose had been appointed to fill unexpired terms. Mr. Rose was filling the unexpired term of Mr. Morrison, who resigned to become manager. All three members were re-elected. Stanley Harris, who has served as president for several years was re-elected. Harold Remsberg, a member of the Board of Directors, and secretary for about ten years, was re-elected.

The other member of the board is Irvin Baptist, vice-president. The LaHarpe organization is

Wheeler Local Enjoys Meeting

A stormy night greeted the regular meeting of the Wheeler Local, Clay County, Friday, Mar. 2, but attendance was good.

The hit of the evening was the "Take It Or Leave It" directed by Mrs. Edward Kamphaus. The participants were bright folks, answered the \$64 questions and won prizes of Co-op Soap and Co-op Jello. The stunt that involved spoons and aspirins was also much fun, and all enjoyed the following by Reserves: Songs by Carolyn and Joan Schields, reading, "Grandma's Radio," by Alice Lee Meek, and recitations by Alice Jean and Thelma Jane Marsh.

There was discussion of the proposed Farmers Union elevator and feed mill for Clay Center, and Mrs. Esther Voorhies of the State Office led a discussion on school legislation.

Pie, sandwiches and coffee were served.

Pottawatomie County Meeting

The Pottawatomie County Farmers Union will hold a meeting Wednesday evening, March 21, at Swamp Angel Schoolhouse. Special features will be a speech contest, the rules for which were listed in the last issue of the Kansas Union Farmer.

another of the many co-operatives organized by the Farmers Union, of which Farmers Union members throughout the state of Kansas can be proud. The association has, and continues to enjoy sound management, both in its board of directors and its active business manager.

At some future date we will carry pictures in the Kansas Union Farmer, giving more of the story on this very successful FU Co-op.

Equalization Is Destroyed In School Bill

The Elementary School Bill, No. 190, has been passed by the House and at this writing is now being considered by the Senate Education Committee.

The bill calls for a division of school reorganization in the State Department of Education, and county reorganization committees to be appointed by the County Commissioners. Within a period of four years, according to the bill, the county committees shall have a plan of district reorganization completed. The reorganization section of the bill also provides that, by March 1, 1947, the county committee shall disorganize all districts which had no children attending an elementary school during the preceding year, and attach that territory to other districts. This latter provision is to get all land under taxation.

For finance, the bill sets up a 4-mill district levy. If the 4 mills plus funds from tuition, the state school fund, general fund revenue, sales tax residue, and like taxes doesn't make \$1,000 per credit unit (10 pupils), the difference will be made up thru state aid.

Financing Changed

The original financing proposal was a 2-mill county levy and a corresponding 2-mill district levy. The elimination of the county levy in the present bill, in our opinion, destroys the equalization desired in school taxation. Under the plan of House Bill No. 190, the rich districts will stay rich, and the poor will stay poor. High valuation districts, those with utilities, oil properties, etc., will continue to get by with little or

no taxation for schools. The interests that sap much of the state's wealth will absorb little of the school tax load.

A letter to locals from the School Committee urged all to write State Representatives in protest of the change from a county levy to an all district. Now with the bill past the House, our protests can still be heard in the Senate.

Senate Bill

In the Education Committee of the Senate is a bill, No. 276, also for the reorganization of the State Department of Education. The bill expands the powers and raises the qualifications of the State Superintendent, and makes the State Board largely an advisory body. The bill provides that the members of the board shall be "seven competent citizens" none of whom are engaged in school work as a teacher, principal or superintendent. The Farmers Union has taken exception to a board of all lay members. Our recommendation has been a board of half professional teachers and half lay members.

The bill provides that text books used must be selected from those recommended by textbook advisory committees, and that text books for grades 1 to 8 inclusive may be printed by the state. That "may" is the important word. At the present time all books used in elementary schools must be printed in the state printing plant. That sounds good on the surface, but it often means books inferior in subject matter. The complaints on text books from teachers and parents are many.

A bill has been passed by both the House and the Senate raising the salary of the State Superintendent from \$3,000 to \$5,000. The salary increase will not take effect until the next term of office.

Investigators Charge Private Plan to Control FU Insurance Firm

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ficers have attempted to discredit the national association.

A conference of so-called "Farmers Union" insurance executives was held in Des Moines last summer, at which plans to stop the national program, were discussed. A Kansas insurance executive attended.

The upshot of their campaign against true Farmers Union companies, however, was a complete flop.

NUSA Sustained

Invitations to meet at the Brown Palace Hotel in Denver, during the November national convention, were sent out by C. N. Rogers, a director in the Iowa Life Company. But when the party arrived in Denver they were confronted with a conference report, which showed that the real FU life insurance association had a ratio of assets to liabilities of 131 per cent—31 per cent more assets than all liabilities. The "putsch" proved a complete flop, and the old line insurance executives withdrew from Denver before the convention ended. The proof of NUSA's financial soundness could not be scratched.

Commissioner of Insurance Erickson, who had vehemently denied an interest in the old-line Iowa company for some time, has contributed to the efforts to embarrass the National Farmers Union Company. During the past two years he declined to renew NUSA's license in North Dakota, although not prohibiting its operation in the state. At one time, he threatened prosecution of a Farmers Union member who ran a newspaper advertisement warning his friends that the FU Life of Iowa was NOT any longer an FU affiliate. Erickson thus attempted to protect the old-line Iowa company in its efforts to get Farmers Union business although no longer affiliated with the movement.

In With Peet

According to the Legislative Investigating Committee report, Erickson was at the time engaged in a "collusive and corrupt agreement and plan" with L. M. Peet and others to get control of the Iowa company.

The North Dakota House of Representatives in impeachment proceedings approved by a vote of 70 to 41, charged:

"Specification 1. That between May 1st, 1937, and December 31st, 1938, the said Oscar E. Erickson, as Commissioner of Insurance of the State of North Dakota, did enter into a corrupt, collusive and fraudulent agreement and plan with one O. R. Vold and one L. M. Peet, and other unknown persons, being officers and agents of the Western Fire Insurance Company of Fort Scott, Kansas, Western Casualty and Surety Company of Fort Scott, Kansas, and The Kansas City Insurance Agency of Kansas City, Missouri, whereby it was understood and agreed that in consideration of the negotiation of certain re-insurance contracts with the said insurance companies on behalf of the State Fire and Tornado Fund and The State Bonding Fund, all commissions on such insurance and re-insurance contracts were to be paid to the said Kansas City Insurance Agency of Kansas City, Missouri and by it paid to the said L. M. Peet, to be by him used for the purchase of a controlling interest in the Farmers Union Life Insurance Company of Des Moines, Iowa, for the joint benefit of the said Oscar E. Erickson and the said L. M. Peet, and for the benefit of the said O. R. Vold; that in furtherance of such corrupt, collusive and fraudulent purpose and plan, the said Oscar E. Erickson, as Commissioner of Insurance of the State of North Dakota, did, wilfully and unlawfully participate in, and aid and abet in the negotiation for and the making of the following insurance and re-insurance contracts, to-wit: (1) That between August 1st, 1937, and July 30th, 1942, and at divers times between said dates, the said Oscar E. Erickson, did participate in, and aid and abet in the negotiation for and the making of a group of re-insurance contracts on behalf of the State Fire and Tornado Fund with the Western Fire Insurance Company of Fort Scott, Kansas, at a total premium cost of \$64,015.91, of which amount, the sum of \$22,405.56, representing so-called commissions thereon, was paid to the said Kansas City Insurance Agency

of Kansas City, Missouri; that said commissions in the amount of \$22,405.56 were distributed by the said Kansas City Insurance Agency, from time to time, as received by it, to the said L. M. Peet, and that said moneys were, with the knowledge and consent of the said Oscar E. Erickson, used by the said L. M. Peet to purchase stock in the Farmers Union Life Insurance Company of Des Moines, Iowa, for the joint benefit of himself and the said Oscar E. Erickson; (2) that between May 1st, 1937, and May 15th, 1943, and at divers times between said dates, the said Oscar E. Erickson did participate in, and aid and abet in the negotiation for and the making of a group of re-insurance contracts on behalf of the State Bonding Fund, with the said Western Casualty and Surety Company of Fort Scott, Kansas, at a total premium cost of \$50,909.60, of which amount, the sum of \$11,705.53, representing so-called commissions thereon, was paid to the said Kansas City Insurance Agency; that said so-called commissions, in the amount of \$11,705.53 were distributed by the said Kansas City Insurance Agency, as received by it, to the said L. M. Peet, and that said moneys were, with the knowledge and consent of the said Oscar E. Erickson, used by the said L. M. Peet to purchase stock in the said Farmers Union Life Insurance Company of Des Moines, Iowa, for the joint benefit of himself and the said Oscar E. Erickson; that the said Oscar E. Erickson, did, wilfully, unlawfully, knowingly and corruptly accept, receive and retain an interest in the stock of the said Farmers Union Life Insurance Company of Des Moines, Iowa, so purchased in his behalf by the said L. M. Peet.

Vold's Story

Otto R. Vold, former manager of the North Dakota fire and tornado insurance fund, a former employee of Erickson's, testified in detail about the plan to get control of the Iowa company. He told the investigators:

"At various conferences and consultations had with L. M. Peet of Des Moines, Iowa, Mr. L. M. Peet at

different times in Bismark and elsewhere stated that the commissions on the premiums owed to the Western Fire Insurance Company and the Western Casualty and Surety Company from the State Fire and Tornado Fund and the State Bonding Fund in the form of premiums were to be paid to the Kansas City Insurance Agency . . . and that the commissions . . . were to be paid to him, Mr. L. M. Peet of Des Moines, Iowa. . . .

"According to the statements given you before, these commissions totalled \$34,111.99, and I am informed that the Kansas City Insurance Agency admits receipt of commissions in that amount.

In Safety Box

"At different times since late 1938 when we stayed together at the McCleary's Clinic, Mr. Oscar Erickson and myself have had conversations regarding these commissions which were then in the possession of Mr. L. M. Peet in Des Moines, Iowa. Shortly after my return from St. Paul the fore part of 1942, I had a conference with Mr. Oscar E. Erickson, regarding this subject as to whether or not he had anything to show for his interest in this set-up with L. M. Peet in Des Moines, Iowa. He said he was going to have a conference with Mr. Peet in that regard shortly and at a later date, I can't tell you the exact date, he made a trip in which he conferred with L. M. Peet in Des Moines, Iowa, and he mentioned the fact that he was also with him on a trip to Chicago.

"When Mr. Erickson returned he told me that he made a set-up at Des Moines, Iowa, regarding the loose way of having all that money and securities there and which arrangement was satisfactory to him. He told me that in conversation that the stock in the Farmers Union Life Insurance Company consisted of the major portion of the value, and that this stock had been placed in a safety deposit box in Des Moines in a sort of escrow or trust proposition, and that neither he nor Mr. Peet could take the stock or other values out of this box without consent of the other."

Stockton Co-op Has Been Leading Builder of FU Program

Founded in 1911, It Has Grown, Helped Others

Was FUJA's No. 1 Customer; Supports KFU; 250 at Annual Meeting

In March of 1911 the Farmers Union Mercantile and Shipping Association of Stockton, Kansas, had its beginning as a Farmers Union Co-operative. The organization was originally a stock company. In 1911 there were very few stockholders left and it was reorganized as a Farmers Union co-operative. Today it is one of the outstanding co-operatives in Kansas.

In addition to buying grain, one of the chief functions of the organization in early days was the shipping of livestock, particularly hogs. It continued an active livestock shipping business until sales barns and trucks brought an end to this activity.

In 1912 the Association started a cream station, and about the same time they started buying groceries for their members in case lots. Eventually many of the members wanted to buy canned goods in less than case lots and shelves were added to the facilities of the cream station. Out of this humble beginning gradually has grown one of our very successful co-operative stores, which is now managed by Mrs. Eva Oyer.

Good Surplus

W. E. Ross, president of the association and the only member left on the Board who has served since the beginning of the organization, says that as nearly as he can remember they started out with issued capital stock of approximately \$20,000. The association has outstanding capital stock, and capital stock credits at the present time totaling approximately \$21,000. They have a surplus built up behind this capital stock of over \$49,000.

About fourteen years ago the association started handling petroleum products under the management of Forrest Van Horn, who still serves as manager of this department. At first they handled just a few barrels of lubricating oil at the elevator. The department has grown steadily and in the past thirteen years the association has paid back to its patrons a total of \$67,250 in patronage refunds. In this department they now operate a bulk station with farm delivery trucks and an up-to-date modern station.

Co-operative elevators through-

The Kansas Union Farmer

50 Cents Per Year

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E. K. Dean, Salina, Kans., Editor

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Stockton Co-op Board of Directors



Above are the Directors of the Farmers Union Mercantile and Shipping Association, Stockton, Kansas. They are, back row, left to right: Russell Casad, Ben Bigge, Homer McCauley, A. J. Southard, and C. L. Hance. Seated, left to right: Paul Zillinger, Merle Griebel, W. E. Ross, and W. H. Riffe. The three members at the right in the back row were elected at the annual meeting for a three-year term.

out the state are indebted to the Stockton organization for in the early days of the Farmers Union Jobbing Association it was the Jobbing Association's principal shipper. When Jobbing Association was struggling for existence the Stockton organization, under the management of Del Wallace, who is now manager of the co-operative elevator at Delphos, Kansas, kept a steady flow of business going and it was quite largely responsible for keeping Jobbing in existence at that time. Stockton members can feel very proud of their loyal support of the Jobbing, which has now grown into one of the largest terminal grain marketing co-operatives in the United States, saving better than a quarter of a million dollars for Kansas farmers annually.

Value Proved

The worth of the organization in the Stockton community was very clearly demonstrated this past summer when the Association's elevator burned down during the harvest. One farmer in the Stockton community who hauled a load of wheat to the elevator just before it burned sold his wheat to them at \$1.44 a bushel. He came in about an hour later after the elevator had caught on fire, with a load of wheat, and the price had dropped to \$1.41 a bushel at the competitive elevator. The margin taken on grain by elevators at Stockton this winter has been substantially larger because the association has not been buying.

A farmer in the Stockton community who does not patronize the association, commented to one of the directors that he wished they would hurry up and get the elevator re-built as he recognized the fact they held up the price of grain for all of the farmers in that community, regardless of whether they patronized the association or not.

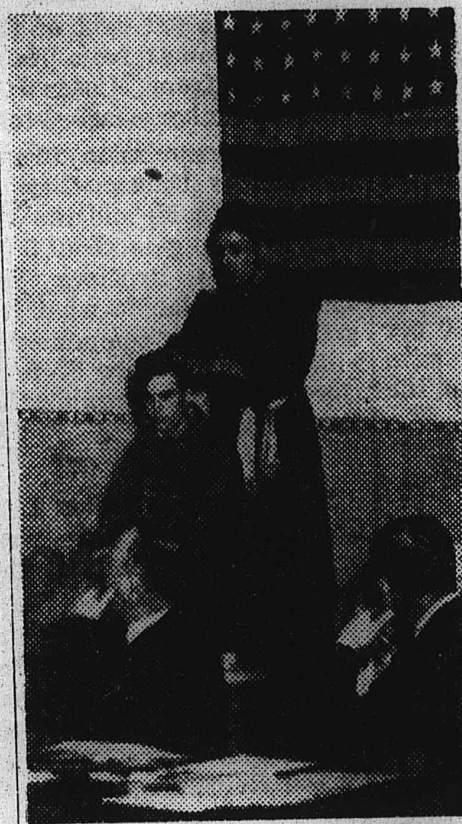
The organization has a new elevator under construction and when it is completed it will have a capacity of close to 50,000 bushel. It will be completely modern in every respect. The grain department is under the management of Guy Livingston.

Directors

A picture of the present Board of Directors of the association appears on this page of the Kansas Union Farmer. The first directors of the association, after its re-organization were as follows: John Griebel, Frank Silvers, Ike Kenworthy, A. W. Sterling, Simon Roelf, Abe Chindles, W. E. Ross, Ustel Hubble, and Fred Hagemaster.

Mr. Kenworthy, who was a member of the first board was succeeded on the board this year by C. L. Hance, who previously served as a member of the board for several years, but has been off the board for the past few

Going . . .



Professor Youtellem, played by Ben Bigge, son of the Stockton FU Association's secretary, has here discovered a soft spot in the cranium of Uncle Rube (played by Darrell Buss) which was caused by his purchase of a load of gasoline from the Standard Oil Co. instead of his co-operative.

Gone!



And here you see Keith McComb, another character in the "Prof. Youtellem Act," leaving the stage when he finds the good professor "can tell too much."

All three boys are vocational agricultural students at Stockton high school.

years, being re-elected this year. Mr. Hance is also a member of the State Board of the Kansas Farmers Union.

Backs KFU

The organization has always been a strong supporter of the Kansas Farmers Union and voted unanimously at this year's annual meeting to pay annually the Farmers Union dues of all the stockholders of the association, and charge it to the

expenses of the organization. The organization recognizes fully the need of a total program of co-operatives, education, and legislation, which is embodied in the Farmers Union program.

There were approximately 250 men and women in attendance at this year's annual meeting. The program was opened with group singing, followed by guitar and violin music furnished by Forrest Look and Ben Schruben. Three high school Future Farmer boys, Earle Bigge, Darrell Buss and Keith McComb, added a great deal to the program with their stunt entitled "Soft Spot." Earl Bigge is the son of Ben Bigge, secretary of the association. This was followed with guitar and violin music by Charley Arrington, and Ed Barr. E. K. Dean, President of the Kansas Farmers Union attended and was guest speaker of the afternoon.

The various departments of the association furnished some splendid door prizes which were drawn by: H. T. Oyer—an oil change and grease job; R. S. Grove—a large basket of co-op groceries; Mrs. Frank Chamberlin—five gallon oil can; Mrs. Cecil Rogers—3 pounds co-op coffee; Mrs. Joe Griebel—a 100-pound sack of Farmers Union chick starter; Harold Riffe—25-pound sack of Farmers Union calf meal; and Mrs. William Schultz—a 25-pound sack of co-op flour.

Oppose Co-op Tax

The following resolution was adopted unanimously: "Be it resolved that this meeting go on record in opposition to House Bill No. 164 which strikes out the part in our income tax laws exempting co-operatives from paying income tax on the savings of members."

At the conclusion of the program, Mr. Bigge expressed his appreciation for the help given by Mrs. Voorhies, educational director for the Kansas Farmers Union, in helping with the program for the annual meeting, and she was given a big hand by all members present.

We at the state office, join the rest of the Farmers Union members throughout the state of Kansas in congratulating farm people in the vicinity of Stockton on the splendid accomplishments of their business activity and wish for them a continuation of progress and development.

No. 726 Holding Its Box Social

Local No. 726, as reported by Mrs. Pickett, will hold its program and Box Social in the Legion Hall in Lucas, Kansas, on the evening of March 9. Everyone is invited to come and enjoy the program and bring a box, large or small—fancy or plain.

New By-Laws Now In Effect

Kansas Farmers Union's new constitution and by-laws are now in effect.

Delegates to the 1944 convention approved a complete revision of the Constitution and By-laws. Immediately following the convention the revision was submitted to the locals by referendum.

The Board of Directors at their regular quarterly meeting held in February at Kansas City, reviewed the vote of the locals and declared the proposed amendments ratified.

Copies of the new Constitution and By-Laws will be available at the state office for local secretaries as soon as they can be printed.

Under the new laws the dues of the Kansas Farmers Union are \$3.50 per year; 75 cents to be retained by the Local Union and \$2.75 to be forwarded to the state secretary. Fifty cents is forwarded to the National office as dues and 50 cents returned to the county secretary for county dues. This leaves a total of \$1.75 in the State Union; 50 cents of which goes to publication of the Kansas Union Farmer, leaving a balance of \$1.25 to carry on the organization, legislation, and educational activities of the Kansas Farmers Union.

Good Meeting at Pleasant View

Farmers Union Local No. 592 met Tuesday evening, February 20th at Pleasant View schoolhouse with a good attendance.

Three new members were taken into the Local. After a brief business session the program committee presented an enjoyable program. During the social hour there were sandwiches, coffee and cocoa.

The next meeting will be Tuesday evening, March 20. There is promise of a good program and an interesting evening may be well spent at YOUR Farmers Union meeting.—Mrs. E. E. Tiers, Reporter.

DIRECT BUYERS

represent the man
they are working
for . . .

NOT YOU

When You Ship to Us

OUR SALES
FORCE

represent

YOU

LET US SERVE YOU

It will mean more
dollars in your
pocket.

Farmers Union
Live Stock
Co-operative

Kansas City Wichita
Parsons

Kansas City Farmers Union Livestock Commission Saves Farmers Have Own Representatives at Famed Cross-Roads Market for Feeders and Fats

By CARLYLE HODGKIN
(Assoc. Editor, National Union Farmer)

In the world of livestock, Kansas City is a big name.

There come the feeder steers from the mountain states and the great Southwest. There come the grass fats from the famed "flint hills" of Kansas. There come the blue bloods (except in wartime) for the annual "American Royal." There come the droves, large and small, of cattle, sheep and hogs from thousands of farms in the surrounding plains and corn belt states.

The farmers are represented on that great market.

They are represented in the person of their own organization, the Farmers Union Livestock Co-operative.

Farmers' Own

They can send their livestock there to be handled by trained, competent persons who are there not to make profits out of the farmers' marketings, but to make savings for the farmers.

The commission charged for selling cattle, hogs or sheep at the market is a fixed rate, determined by the Livestock Exchange under the Packers and Stockyards Act. Whatever the Farmers Union Co-operative has left after selling at the established rate of commissions is savings that goes back to the farmers. Thus the co-operative does not accumulate income of its own. It merely acts for

How to Get Your Check

Checks in payment for shipments to the Farmers Union Livestock Co-operative occasionally go astray because the farmer's name or address on the trucker's ticket was incorrect or unreadable.

Such checks sometimes come back to the co-op office and wait there a long time to be called for.

Co-op Manager W. G. Bernhardt suggests that to avoid this farmers (1) make sure the name and address are correct and readable and (2) write in at the end of a week if the return has not come through.

farmers—as a selling agent for them—and what remains is the patrons' money—savings.

According to its manager, William G. Bernhardt, the Farmers Union Livestock Co-operative at Kansas City handled cattle, hogs or sheep for nearly seven thousand individual owners in the year just past.

Its gross on commissions was some 70 thousand dollars—10 per cent of which it was able to save to pay back to its patrons at the end of the year.

And here's an added fact that many a farmer might want to

note down: the cost to the farmers of getting this livestock sold by the Farmers Union at the central market has been less than ONE PER CENT.

In contrast, Bernhardt pointed out, the charge farmers usually have to pay for having their animals sold in country auction rings is THREE PER CENT.

Small Shipments

That's one reason, he pointed out, why many family-type farmers—the less-than-carlot-shippers—patronize the Farmers Union Co-op. They can sell at the minimum cost—and eventually get back whatever savings are made on the transaction.

Hog shipments to the K. C. co-op, Bernhardt said, average about 16; cattle about 10.

About 65 per cent of the total business comes from Kansas, 25 per cent from Missouri and 10 from the other nearby states.

Forty commission firms operate on the Kansas City market, Bernhardt said, and the Farmers Union Co-op gets about 5 per cent of all the livestock received. That's just double what it would get if all the companies shared alike, which means it is one of the fore-front organizations at the market.

26 Years Old

This Farmers Union Livestock Co-op at Kansas City was first organized in 1919 and then incorporated in 1920.

Its formation followed closely on the heels of the first Farmers Union livestock commission house in the country—namely, that at St. Joseph, Mo., first organized by the Nebraska Farmers Union and now owned by the Farmers Union members of Colorado, Iowa, Kansas, Missouri and Nebraska, the Missouri Farmers' Association, and the Missouri Farm Bureau.

The Kansas City house grew swiftly in volume and power in the old days of the Farmers Union hog shipping associations all over the territory. These associations gave the individual, less-than-carlot shipper a direct outlet to the central market.

Then came surfaced highways, truck shipping and the rise of direct marketing.

By-Pass Market

Today, Bernhardt said, about 75 per cent of the hogs coming to Kansas City by-pass the central market entirely, being bought by

On the Farm



Cattle, hogs or sheep, the Farmers Union Livestock Co-operative at Kansas City is ready to handle them for farmers who ship to that market. And it can do a good job!

On the farm, in the feedlot, at the trough, the good farmer knows how to do an efficient job. He has the skill to get steers onto full feed easily and quickly, to save big litters and get the porkers off to market early, to crowd those lambs along just enough—but not too fast. His is the "master's eye" that fattens the cattle."

At the market a trained, experienced, specialized

the packers in the country and shipped "direct" to their plants.

(Editor's Note—Two problems upon which Farmers Union members may do some thinking: (1) are hogs sold on this split-up market bringing producers the net return they should; and (2) if not, how can the Farmers Union, the farmers' own organization, be used to make them bring such a return?

In 1920 the K. C. house saw its biggest year of patronage returns, percentage-wise—26½ per cent.

In recent years, under conditions of strong competition, its percentage savings for the farmers have been smaller, but still large enough to be well worth while: For 1941, '42, '43, and '44 the patronage return to farmers

has been 10 per cent of the gross receipts.

Two Other Towns

The Kansas City house now operates as one unit of a three-point Farmers Union Livestock marketing setup. The other two units are at Wichita and Parsons.

The Wichita house, managed by W. L. Acuft, was established in 1925. The Parsons house was opened in 1935. It is managed by Roy Mitchell.

Care On Checks

Few errors occur in the paper work of handling farmers' livestock, but a few do.

One of the most frequent sources of error is the penmanship of truck drivers. They give a name or an address down wrong and then the farmer doesn't get his check.

This ticket is an important document. There must be four copies. One the trucker

Reporting on Sales



Neal O'Neal is the Farmers Union hog salesman. Here he calls in on the telephone to report sale of these smooth Duroc butcher hogs.

Letters Substitute for Visits



War restricting his travel, L. O. (Cuz) Martin, Farmers Union steer salesman, keeps in touch with his farm customers by correspondence. The girl here taking his dictation is Miss Charlotte Koch of the FU office staff.

Manager



W. G. (Bill) Bernhardt, a Farmers Union man since 1922, has managed the K. C. Co-op since '38.

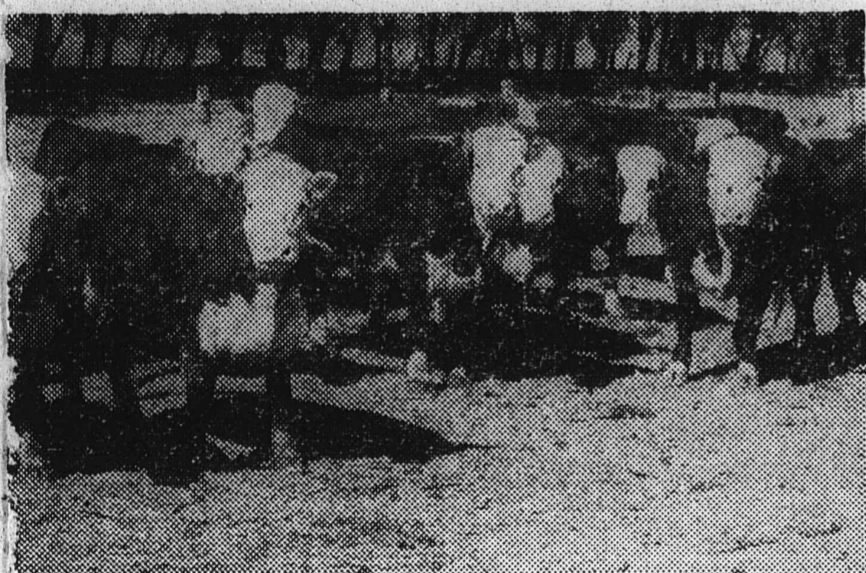
Whole Staff Lends



Farmers Union men at work—but not at usual jobs. They're a regular market service letter, reviewing conditions and out. They're Bennett Hill, left, cattle department; Eddie Klar, cattle department; Fred Grantham, sheep salesman; and Arthur

Farmers Much of the Cost of Marketing—Plus a Dividend

... At the Market



Selling staff knows how to do a good job for the farmer who has done a good job on the farm. The salesmen and handlers know values, they know grades and quality, they know prices and they know human nature.

Farmers are being called upon in this war to produce an output of meat such as never has been known before. The Farmers Union Livestock Co-op at the market can help them to realize the highest dollar for their efforts.

The Farmers Union is the farmers' own representative at the market.

One goes to the insurance company (95 per cent of all animals are insured in transit unless bought to market by the owner). One goes to the stock yards company, and the fourth goes to the commission house.

If It Doesn't Come

From this, when the price and eight come thru and it gets the lists to deduct for feed and yardage, the commission house calculates the shipper's check.

Occasionally, Bernhardt said, when checks go out to the wrong name or address, they come back and lay in the office a long time before the rightful owner inquires about them.

He suggested that farmers make sure the truck driver has their name and address written legibly and spelled correctly, and be advised that they write in if the end of the week the re-

turns for the shipment have not come thru.

Dakota Juniors Planting Trees

The North Dakota Farmers Union is offering Juniors and Reserves a tree planting project. The trees are made available thru the School of Forestry. Mrs. Evanson, N. D. Education Director, wrote in a Leaders Letter: "We wish our leaders would encourage three planting, also the planting of shrubs and flowers. They pay big dividends in enjoyment during the growing season. Many lovely trees, shrubs and flowers can be transplanted from wooded spots along the river. Ferns are lovely on the north side of the house; a rose bush hedge is beautiful; wood violets and columbine are lovely in shaded spots."

Hand on Mailing



As City Farmers Union Livestock Co-operative sends its customers. Here the yard men, other work done, help get the letters, cattle order buyer; Neal O'Neal, hog salesman; Less White, cattle yardman.

Sales Co-op Staff Likes to Have Farmers Visit And See Whole Process of Marketing Stock

Farmers who market thru the Farmers Union Livestock Co-op like to go to Kansas City with their shipments—and the staff members of the co-op like to see them come.

They get to see the marketing process. They get to see the grading, handling and selling. They get to watch the salesman operate and learn the kind of decisions he must make. They go home with a better understanding of the market and a new appreciation of Farmers Union service.

"We like to have farmers come in," said W. G. (Bill) Bernhardt, the co-op's manager. "Their visits make us good customers."

Near Pens

A visitor to the Kansas City market will find the Farmers Union Livestock Co-op right on the ground floor of the Exchange Bldg. Turn left off the main lobby, follow the corridor and you'll walk right into it. On one side is the long counter for transacting business. On the other are tables and chairs for doing business, visiting or just resting.

Directly out the door to the west and north are the cattle pens. Beyond the cattle pens and "up stairs" are the hogs. And off to the left are the sheep.

If your visit is early in the day, all the sales and yard men will be out on the job, selling livestock for Farmers Union patrons—Manager Bernhardt probably out with them.

If it's late in the day, and toward the end of the week, there's just a chance that most of them might be in the office writing letters on market prices, trends and prospects to patrons—a regular Farmers Union service. This is a chore the "outside" men help to do just for the good of the cause.

The Staff

Meeting them thus all at once you would get the impression that a sizeable and experienced group serves farmers thru the Farmers Union at the K. C. market.

Neal O'Neal, hog salesman, who has been with the Farmers Union 22 years;

Eddie Klamn, order buyer (cattle), whose term of service runs for 20 years;

Fred Grantham, sheep salesman, who joined the staff in 1921;

John Hannon, butcher salesman (cattle), whose service runs 22 years;

L. O. (Cuz) Martin, steer salesman, another veteran at the business and others whose

22 Years



John Hannon, FU butcher cattle salesman, helps mail letters. He's been 22 years on the K.C. market.

FU House Saves 2/3 of Sale Costs

The Farmers Union Livestock Co-op at Kansas City in the year just past sold cattle, hogs and sheep, for nearly seven thousand owners—and at a selling cost to the shippers of less than 1 per cent.

Farmers who sell at local auction rings usually pay a total selling cost of 3 per cent.

Handling farmers' livestock for one-third the auction ring cost, the Farmers Union Livestock Co-op at Kansas City still was able to save in 1944 10 per cent of the total selling commissions it collected to be returned to its patrons as a dividend.

Farmers Union service is of shorter duration.

Miss Charlotte Koch and Mrs. Jean Searcy in the office both joined the staff last year.

P. B. (Pep) Stubbs, has seen 11 years of Farmers Union service, both in the yards and in the office.

Less White has been with the cattle department since 1941; Arthur O'Neal came in 1943 and Bennett Hill and Frank Doran in 1944. There are about 16 regular members of the staff, Bernhardt said.

Bill Bernhardt has himself a

record of some experience with the Farmers Union. He joined the staff of the Kansas City firm in August 1922—23 years ago come summer. He has been in this kind of work ever since.

In 1925 he went to Wichita to work in the new Farmers Union livestock marketing unit there. Later he worked a three-year stretch for the Farmers Livestock Marketing Association at St. Paul, Minn., and then came back to the Farmers Union in Kansas City.

Since 1938 he has been the manager, with overall responsibility also for the Wichita and Parsons houses.

Future Plans

The Kansas City FU house specializes in selling livestock; it has no sideline businesses such as does its sister FU co-op at St. Joseph (credit and serum).

As to postwar plans, Bernhardt said decisions would rest with the directors, and back of them the Farmers Union members. He had in mind, however, one direct objective: to re-establish the direct contact with producers that has been disrupted by the war.

Direct visits to many shippers, farms was a useful service the staff could provide before the war, he pointed out. But not now. That will have to wait until gasoline and tires again are available. Meanwhile, he and his men serve the shippers as best they can by correspondence.

Checking Over the Woolies



Fred Grantham, left, and Harry Quick, who represent farmers for the Farmers Union Livestock Co-operative at Kansas City, here look over a pen of woolies. Both are experienced sheep men. Mr. Grantham has been with the Farmers Union for 21 years.

On Lookout for Errors



Miss Lou Baggett and P. B. Stubbs check the record of a sale. Errors are few, though some occur because of an illegible name or address. Stubbs knows the business from 11 years' experience both in yards and office.

Mary Pat Gets Sketching Award

Mary Pat Immenschuh, 1945 Torchbearer, sends thanks for the sketching project award recently mailed to her. Mary Pat last fall entered the Farm Family Living Project in sketching and had the six sketches of farm life and co-operatives completed by the National convention. The award given by the State Union was

two books, "Painting As a Hobby," and "Free Hand Drawing."

The Dietrich Bill for Emergency School Aid was killed in the House Committee. Another emergency aid bill is promised. Your School Committee attended a hearing at Topeka on the Dietrich Bill, and heard testimony after testimony from schools that must have additional funds to keep operating for the next cou-

ple years. The Dietrich bill would have given elementary schools \$25 per pupil and high schools \$30 per pupil.

A high school bill is due out of the House Education Committee before this paper goes to press. Write your representative for a copy of it.

Making love is like making pie. All you need is a lot of crust and some applesauce.

Fair or Foul Weather

This is the Budget Fund month, but if weather and other unavoidable difficulties have prevented your Local from holding a social by the fifteenth of this month, have it in April—or have it in May. The thing is—HAVE A BUDGET FUND PROGRAM. As our organization grows and our responsibilities to the welfare of American farmers increase, funds are needed to carry on the program. Budget for the budget!

Fewer "Hands" Make Heavier Work!

SPRING brings a new lamb crop to the western ranges—and a new crop of wartime problems. For instance, experienced lambing crews are increasingly hard to find. But in spite of fewer hands and other difficulties, millions of lambs are being dropped and raised to provide the nation's wool and meat.

Beyond the "romance" of sheep ranching lies a great deal of hard work. When early lambs arrive in wintry weather, there's no time to be lost in moving them from the "drop corrals" to the lambing shed. Chilled lambs often must be revived in heated incubators. It's not unusual for a good "night man" to "lamb out" 125 ewes in a night—and that is work. There's the feeding and, later on, trimming, docking, bunch herding, shearing, and finally the trailing of the bands to the summer ranges in the high mountain country. And always herders must be on the alert to

BUY WAR BONDS

protect their bands from coyotes and other predatory animals.

Yanks are the best-fed, best-clothed fighting force in the world. They know the comfort of warm wool uniforms. And nutritious lamb has helped prevent meat shortages at home. Sheep ranchers, like other livestock producers of the nation, deserve the thanks of a grateful America.

Martha Logan's Recipe for BARBECUED SPARE RIBS

(Yield: about 6 servings)

3 lbs. spareribs	1/4 cup homemade catsup
1 onion	1 tsp. dry mustard
1/4 cup vinegar	1/2 cup water
1 cup tomato juice	1 tbs. paprika
2 tbs. brown sugar	1/4 tsp. chili powder
1 tsp. salt	1/8 tsp. cayenne pepper

Cut spareribs in pieces. Brown lightly about 10 minutes. Dice onion and combine with all other ingredients and simmer 15 minutes. Pour over browned spareribs. Cover. Simmer or bake in a moderate oven (350°F.) 1 1/2 hours. Remove cover. Baste ribs. Cook about 15 minutes uncovered.



SODA BILL SEZ:

It's all right to be a yes-man as long as the boss you "yes" is a know-man.



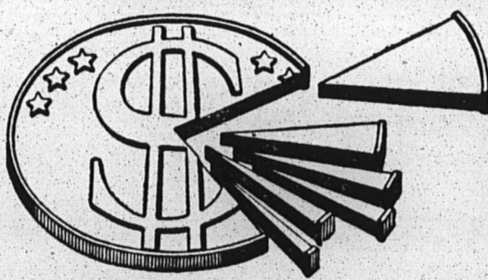
HOW THE DOLLAR IS DIVIDED



There's an old proverb, "One picture is worth a thousand words." So I decided to draw this month's column instead of writing it. The picture is below, and it tells this story... 75 cents (on the average) out of every Swift sales dollar goes to agricultural producers for their cattle, lambs, hogs, etc. And 11c out of every dollar goes to the people who work in Swift plants, preparing those farm and ranch products for market. Transporting meat, etc., an average of 1,100 miles from producer to consumer takes another 2c. But, after all, the picture tells the story better than words of mine. Few businesses operate on such a narrow margin—few return such a large slice of their sales dollar to the suppliers of raw materials.

F.M. Simpson,
Agricultural Research Dept.

HERE'S WHERE THE DOLLAR WENT

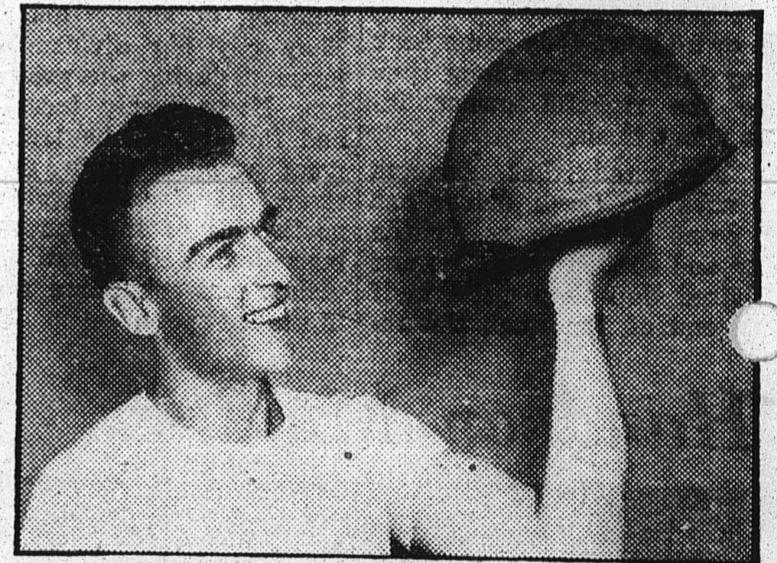


Livestock & Raw Materials	75.1c
Employees	11.0c
Supplies	4.5c
Taxes	3.5c
Transportation	2.0c
Other Expenses	2.9c
Remaining as Earnings	1.0c

What do you know!

1. Which is the "best-fed, best-clothed" fighting force in the world?
2. What share of the average Swift sales dollar did producers get in '44?
3. How are chilled lambs revived on a modern sheep ranch?

Answers to these questions may be found in articles on this page.



Utah Sergeant Wins Silver Star

Sgt. W. L. Stander, rancher from Promontory Point, Utah, admires the helmet that saved his life. He was wounded on the ill-fated USS Chicago by a strafing Jap plane. But he won the Silver Star for sticking to his gun without thought of personal safety.

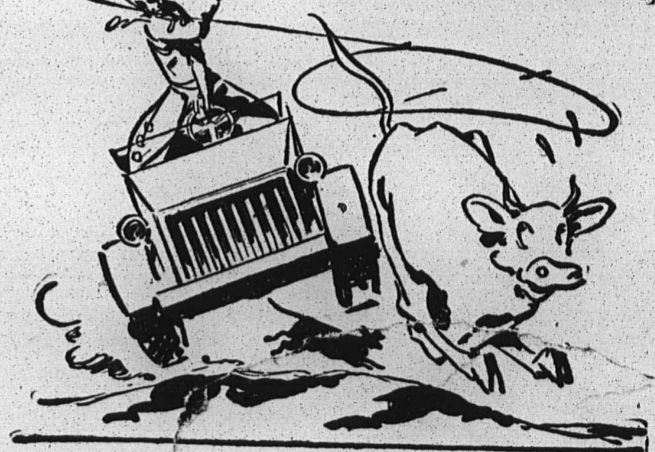
No, the mower didn't run through here.

J. A. Booher, right, Knox County, Tennessee, unit test demonstrator, stands in rye where 200 pounds of plant food and 1 ton of lime were applied, and points out to Knox County Agent R. M. Murphy an unfertilized check strip.

Many farm experts are advising farmers to order now and lay aside their 1945 requirements of commercial fertilizer. There will be some more potash than last year, but they believe the supply of phosphates will be considerably less and that war munitions demands will materially cut into the nitrates available for civilian use. Get fertilizers when and while you can, is their advice.

Swift & Company
CHICAGO 9, ILLINOIS

A POST-WAR PROJECT



★ ★ ★ ★ ★ NUTRITION IS OUR BUSINESS—AND YOURS ★ ★ ★ ★ ★
Right Eating Adds Life to Your Years, and Years to Your Life

Day by Day With FUJA

By JOHN VESECKY

New Farm Management Firms Mark Large Growth of Tenancy; Groundwork Laid for Peonage

The article reprinted below is taken from a recent issue of the *Chicago Journal of Commerce*. We are reprinting it because it indicates a trend in landlord-tenant relations very similar to the landlord-tenant relations in operation in Ireland for several generations, which were generally credited with being the major cause of the extreme poverty of most Irish tenant farmers and of the hatred of the Irish towards the English which persists to the present day, even though English landlordism in Ireland has been a thing of the past for more than a generation. Tenancy has been increasing in most states of the U. S. at an alarming rate during the last two decades. Combine farm tenancy with control of tenant operated farms by management corporations interested primarily in securing a high rate of return on the money their principals have invested in the farms, and you have laid the groundwork for peonage.

Chicago—Farming by proxy has increased substantially during the war, and the professional farm management business has expanded, too.

In a recent 3-month period, for example, 35 per cent of the farms sold in the north central region, were purchased by non-farmer buyers, and 21 per cent of the new owners planned to lease their holdings to others.

Joseph Ackerman, secretary of the American Society of Farm Managers and Rural Appraisers, reports that farm management companies now handle about 2½ million acres.

Their systems often work this way: a city investor buys a farm and engages a manager. The manager leases the farm to a tenant farmer, and drafts an operating plan. The manager also inspects the place periodically; makes reports to the absentee owner.

In most cases, a fee is paid to the manager or his company, while the landlord and the tenant arrange to share the net income.

For the most part, Ackerman says, the practice has been profitable for all.

Some concerns supervise 500 or more farms, and one has more than 250,000 acres. Ackerman predicts a further growth of the business after the war and advises potential clients to look for trained experienced, recognized managers.

FUJA's Savings Are Returning to Rural Communities

March 1 the FUJA accounting department began mailing checks for 6 per cent interest on capital stock in the Farmers Union Jobbing Ass'n. The total for 1944 is \$4,796.40. The checks go to all stockholders of record as of Dec. 31, 1944.

As soon as the accounting department can get time, checks for 1940 deferred payments are refunds will be mailed to members who patronized FUJA in 1940. The amount of savings placed in the revolving fund that year, as directed by a resolution passed by the membership meeting, was approximately \$53,000. This amount, going to the local co-operatives that patronized FUJA in 1940, will in turn be credited to the member patrons of the locals in proportion to the business done

by the member with his own co-operative in 1940.

Contrast the turn over of co-operative savings with the lack of turn over of monopoly or big business dollars. The co-operative savings dollars, whether made thru patronage of the local co-operative or thru the patronage of the local co-operative with a regional co-operative, all find their way into the pocket of the farmer patrons, and in turn from him to the butcher, the banker, lawyer, doctor, or some merchant to be spent over and over in the local community, creating work, supporting schools, churches, and working continuously to build up the community.

The monopoly profit dollar made on the patronage of the same farmers, or on the business of a local merchant, does not stay at home to help build the community which produced it. No, it is a highfalutin' dollar and won't associate with poor country folks. It moves on to the big cities, into the coffers of big business to be squeezed out of the very local business men who made it off their customers and sent it on to the monopoly concern.

Small Business Committee Will Investigate Co-ops

First Congressional battle field in the national campaign against co-operatives will be before the Small Business Committee of the House of Representatives.

This committee, reports John Carson of the Co-operative League of USA, has advised congressmen that it will make a study of taxation as it affects small business and will include in the study the issues raised over the taxation of co-operatives. Indications are that the committee will hold at least two public hearings, one in the east and one in the middle west.

Carson said he was assured by Congressman Wright Patman, Texas, chairman of the committee, that the committee would not use its investigations to destroy co-operatives. Patman said the committee wished only to get the facts and that participation of co-op representatives in the hearings would be welcomed.

Immediate cause of the proposed hearings, Carson reports, was the congressional mail campaign now being waged by the National Retail Hardware Ass'n., whose 16,000 members are being urged to propagandize their congressmen with anti-co-operative cards and letters.

"There is some reason to believe," Carson asserts, "that the retail hardware dealers may have jumped the gun on the National Tax Equality Ass'n. Despite all the furore of NTEA lobbyists there is marked belief in the Congress that NTEA does not want an open hearing on the subject because once the facts are revealed and NTEA's propaganda is exposed there is little possibility that NTEA can 'milk' its contributors any longer."

And then there was the fellow who went to the doctor and said: Man—Doctor, if there is anything the matter with me, don't frighten me half to death by giving it a scientific name. Just tell me what it is in plain English.

Doctor—Well, to be perfectly frank with you, you are just plain lazy.

Farm Ownership Is Next Move for Jacobs After Family Is Given a Hand by FSA

(Continued from Page 1)

same rented farm—open their farm record book to the inventory page, and there's this debt-free list: 17 cows and calves, 14 hogs, 5 horses, 8 sheep, 200 chickens, plenty of corn, hay, silage in a trench silo and other feed, and a good line of farm equipment to handle the diversified farm enterprise. They feel that their next move should be toward ownership of their own farm home.

Had FSA Help

There's quite a story in between those two paragraphs. Mr. Jacobs told that story recently in a letter to George L. McCarty, Kansas State Director for Farm Security Administration, in Topeka.

"We went broke about seven years ago," Mr. Jacobs wrote. Then he said he and his wife talked it over, looking for a way out. They roughed out a plan which they could put into operation if they had a little capital to go on. The banker wanted to help them more than he had, but there wasn't any way he could do it within banking regulations. He couldn't list their honesty, good character, willingness to work, and ambition as security for a further loan.

Friends told the Jacobs about the rehabilitation loans at the FSA office—loans really based on these things, and on the prospect that if given a good chance with supervision and friendly guidance the family would make a go of it.

Now Paid Off

Jacob and his wife took their farming plans to the County FSA office. They needed \$850 to buy a couple of good milk cows and a few other things, and to pay off their bank debt. They got the loan.

Then, Mr. Jacob's letter said: "We had a few more years of pretty hard going, but after we had some increase in livestock and a few fair fed crops we made it O. K." He said that on their long-time farm plan developed, they needed and got a couple of supplementary loans of \$200 each. "My wife and I, and the girls, all worked pretty hard," Jacob's letter continued. "We kept—and still keep—an account book. We depend on it a lot and find it is the only way to do business. Now, all our loans are paid off. We made the last FSA payment early in January of this year."

Mr. and Mrs. Jacobs say they have enjoyed working with the FSA County people. "Jim Brass is tops," the letter said, speaking of the present FSA supervisor for Sedgwick and Harvey counties. The letter proudly mentioned an educational meeting which Mr. Brass and his associate, Harold Torgeson, held in the Jacobs' home in December. "Four families got together in our home and we discussed soils and livestock and how to improve them. We all enjoyed it very much."

They like to go back through that account book and see the pic-

ture of their advancement. They now rent an additional 40 acres—200 in all. They paid one-third rent, and Miss Augusta Anthony owns the farm. She has co-operated with them and has encouraged them in their climb to a better economic status. They raised a good 1500 bushel corn crop. Thirty acres of wheat made about 18 bushels per acre. They had 23 acres in sorghums—8 in Milo and 12 in Atlas. The milo went into the trench silo and the cows are turning it into milk.

The owner and the renter agree that the feed crops are to be used right on the farm. "In that way, we get the value out of the manure which goes right back into the soil," Jacob said. The owner has helped the farm build back just as the Jacobs have built themselves back. Improvements, Jacob pointed out, include a new roof on the house, new roof on the crib and granary, weather-tight house improvements, and other changes. There's a good well and windmill, with a tank-full of water handy at all times for the livestock. The pasture fences and fences around the farmstead are good, and the hogs, sheep and cattle come in from the pastures and drink.

Jacobs hope to have a better place for their poultry, but now have fairly adequate housing for their 200 chickens. They gather about 90 eggs a day. They have 12 shoats, 5½ months old, averaging 160 pounds. They've already fed out 20 shoats.

Mr. and Mrs. Jacob, and the three young ladies, are glad they didn't let hard times run them away from the farm.

A downtown bookkeeper says he has a wonderful landlady at his boarding house.

Bookkeeper—Why she saved the tenderest part of the chicken for me when I was late for Sunday dinner.

Suspicious Friend—What part was it?

Bookkeeper—The gravy.

Mound Valley Returns to FU Co-op Charter

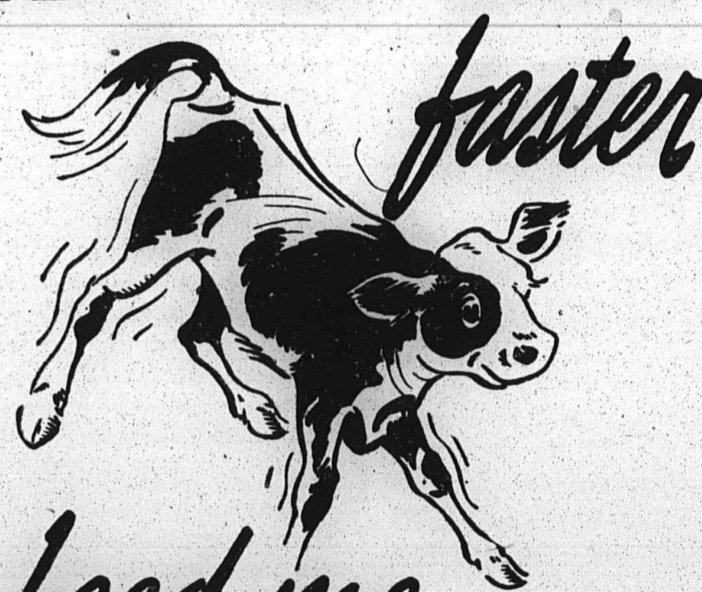
(Continued from Page 1)

Organized in 1924, the Mound Valley elevator operated as a co-operative for several years, but when difficult conditions in the grain market adversely affected the operations, they changed to a stock company. Earnings were paid out on the basis of the amount of stock held and not on patronage. They found recently that many stockholders were retired, or were heirs of the original members. Some stock had also gotten into the ownership of persons no longer residents of the community.

Feeling that it was essential to the future welfare of the business that new members and patrons be attracted, President M. F. Canny and Secretary Roy H. Nelson, asked Farmers Union for assistance in re-organizing to a co-operative basis. The Board of Directors approved the plan suggested and a special stockholders meeting voted by a two-thirds majority to approve the re-organization.

The association is amending its charter to operate under the Co-operative Marketing Act of 1935, non-stock plan. Present owners of stock will exchange it for Certificates of Equity of the same value. Savings made by the co-operative will be distributed in the form of cash, or Revolving Fund Certificates, which will furnish working capital, or in both cash and certificates. The oldest certificates will be retired when the working capital is of sufficient amount, thus keeping the ownership of the association in the hands of current patrons.

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Riley County Co-op Gets Its Position Clearly Told on Taxes

Resolution Is Sent All State, U. S. Legislators

Action Should Be Copied by All Farmers Union Locals And Co-operatives

A model which should be widely copied in Kansas for direct participation by locals and local co-operatives in the state co-operative tax fight may be found in a resolution adopted by the Riley County Farmers Union Co-operative Association.

The group condemned the action of one of the county's legislators in acting as a sponsor for the co-op tax bill (Rep. Holstrom) and forcefully called the attention of both state and national legislators to the members' position on the tax measure.

The Kansas Union Farmer reprints the full resolution with the hope that Farmers Union locals and Farmers Union co-operatives throughout the state will use it for a suggestion, and send resolutions of their own to every representative they have either in Topeka or Washington.

The resolution:

WHEREAS, the Representatives of big business, monopolies, and cartels are leading a fight against the co-operative movement through the National Tax Equality Association under the disguise of tax equality, their claim being that co-operatives do not pay taxes and,

WHEREAS, the National Tax Equality Association has, through mis-information, enrolled thousands of small business men throughout the rural areas of our country as members of this association and,

WHEREAS, the National Tax Equality Association through the aid of Karl Kennedy, editor of the Kansas Business Magazine, has caused to be introduced into this session of the Kansas Legislature, a bill designed to tax savings of the members of our co-operatives while such members' savings are still in the hands of the co-operatives, and,

WHEREAS, Representative Holstrom of Riley County has helped sponsor the Bill in the House, and,

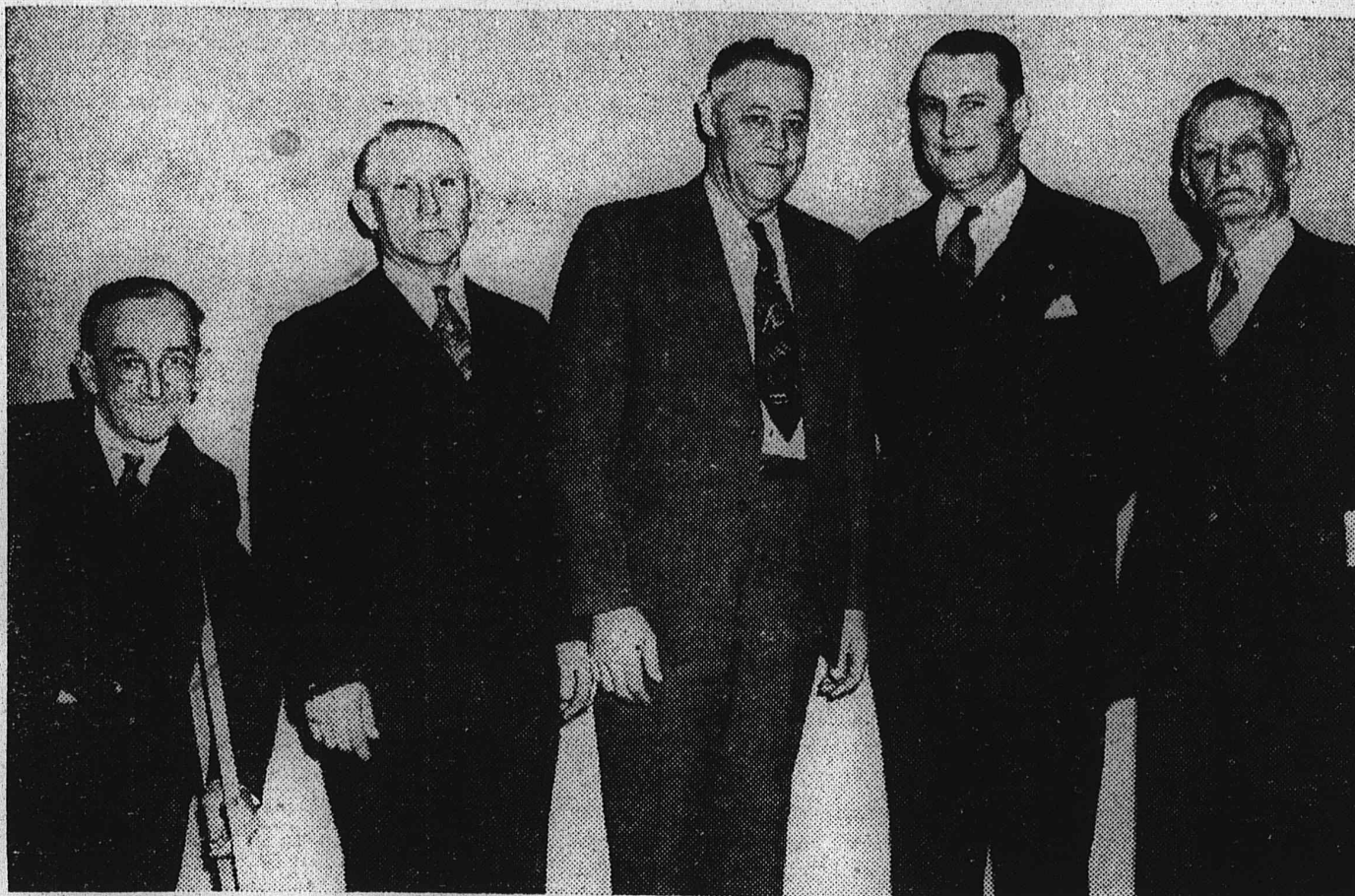
WHEREAS, said National Tax Equality Association is making an effort to have introduced in the National Congress, legislation designed to tax the savings of co-operative members while such savings are still in the hands of the co-operatives,

NOW THEREFORE, BE IT RESOLVED: that the members of the Riley County Farmers Union Co-operative Association do, individually, as members of this Association accept the responsibility of being individual workers in the cause of our co-operatives by carrying as much correct information as possible, to all of the people in this community and county, on the true functions of a co-operative organization, and

FURTHER, that each individual member accept the responsibility of notifying Mr. Holstrom, our Representative, of dissatisfaction with his action in helping to sponsor House Bill No. 164, and

FURTHER, that each member accept the responsibility of advising many farmers in this county and surrounding trade territory of the attitude of Representative Holstrom toward our co-operative associations, to the end that farmers will recognize that when they patronize one of Mr. Holstrom's businesses they are furnishing

At Soil Conservation District Meeting



SCS' LEADERS—Shown above are prominent soil conservation service and other farm leaders who attended the sixth annual meeting of the Labette County Soil Conservation District in Altamont. From left to right, they are Carl Hellwig, Chairman J. B. Oakleaf, George Renhart, E. K. Dean, and Claude Payne.

Labette County, Pioneer in Soil Saving, Plans Aggressively to Complete the Job

The gospel of soil conservation is being practiced as well as preached in Labette County. This was proven in an impressive manner by about 200 farmers and visitors at the sixth annual meeting of the Labette County Soil Conservation District held at Altamont, Kans., Feb. 23.

The county gained statewide prominence for its leadership in soil conservation activities in 1938 when the first Soil Conservation District in Kansas was organized. Several other counties had attempted but failed to accomplish the 75 per cent majority required under the Kansas Soil Conservation District Law, passed by the state legislature in 1937. Since this start, 45 other counties have followed the lead of Labette County and others are in the process.

The district was organized and is governed by the farmers of Labette County. Five farmers, called District Supervisors, constitute the governing body. The original board consisted of Claude Payne, Altamont, chairman; Arthur H. Hunter, Parsons (now deceased); Phil Hellwig, Oswego; George Reinhart, Parsons; and John Evitts, Angola.

Dean Is Speaker

These men with other leading farmers organized the district with the co-operation of the county agent, Maurice Wykoff, and C. C. (Si) Perkins, then Secretary of the Parsons Chamber of Commerce.

Principal speaker at the annual gathering was E. K. Dean, Salina,

him the funds to fight our co-operative movement, and,

FURTHER, that we, as individual members, make every effort possible to secure the support of small business men for it can be easily proven that our co-operative associations are contributing substantially toward maintaining and rebuilding community life in rural America, and,

FURTHER, that we send a copy of this Resolution to Senator Hal E. Harlan and Representative John A. Holstrom, and also to Representative Albert M. Cole, and Senators Clyde M. Reed and Arthur Capper, and that a copy also be sent to both the Kansas Union Farmer and the Co-operative Consumer for publication.

State President of the Kansas Farmers Union who spoke on "Economy of Scarcity vs. Economy of Abundance."

Mr. Dean recalled the first World War period and the present, declaring that the people of America have to decide now on a course to pursue to avoid a depression like the one which started in 1924 when farmers and laborers ran out of purchasing power and began to borrow, via the down-payment plan, to obtain the necessities as well as luxuries.

Mr. Dean charged American industry with locking its doors and throwing people out of employment as soon as it had produced the number of cars, refrigerators and other articles which statisticians told them could be sold at a high level of prices set to obtain large profits.

Relief Inevitable

At the same time the farmer kept on producing as much as he knew how, creating a surplus that brought his prices down to 9 cent corn, 13 cent wheat, and 2 cent hogs.

Mr. Dean declared that no farmer liked the pig-killing program, but that industry was killing pig iron by closing factories at the same time and that it was inevitable that the stamp plan, WPA, PWA and such plans should follow to keep the people from actually starving.

Claude Payne reviewed past accomplishments in soil conservation and the big job ahead. There are approximately 2,500 farms in Labette County and nearly 500 have now completed conservation plans with the district, covering 85,444 acres of the total 411,000. Soil-conserving practices are being applied at what seems a rapid rate, but must be speeded up to save the soil of Labette County.

Short of Seed

Mr. Payne quoted district records that 6,692 acres were planted to legumes in a soil-conserving rotation, but an additional 40,000 were needed. Lime is essential on 200,000 acres of cropland to grow the legumes. Fifteen thousand acres are now farmed on the contour, and over 10,000 acres are terraced, but another 100,000 acres need these practices.

Seven thousand acres must be seeded to grassed waterways to

provide outlets for terracing. Three hundred farm ponds have been built, but 1,700 more are needed to provide livestock water.

Mr. Payne also pointed out present accomplishments and needs of such practices as mowing pastures, gully-control dams, proper grazing, woodland management, and fertilizing cropland.

Make Profit

Maurice Wykoff, county agricultural agent, spoke on 4-H Club work in soil conservation. He introduced Harold Hellwig, 4-H Club member from near Oswego, as winner of the County Soil Conservation Contest, and presented a \$50 War Bond provided by the Firestone Company.

George Reinhart, treasurer of the board, gave the financial report of the district. There was a balance of \$2,500 profit from fess paid by co-operators on district-owned equipment. This will be used to purchase additional equipment. The district operates a tractor, grader and carry-all at commercial rates to assist in getting the conservation job done.

Reports

W. L. McFillen, district conservationist for the Soil Conservation Service which furnishes technicians to assist the district, reported on activities for the year. Soil Conservation Service men assist farmers in planning layouts requiring technical help.

Joe Oakleaf, chairman of the board, presided and introduced Ralph Mosler, of the Altamont Chamber of Commerce, which provided the lunch.

Carl Hellwig concluded the meeting with a short memorial to Mr. Hunter.

This meeting is held annually for all participating in the district program and others interested in soil conservation activities.

Legislature Is Finally Getting Down to Work

Education Bill Passed; Co-op Tax Measures Are Out Of Committees

By CLYDE W. COFFMAN
(KPU Legislative Representative)

After several weeks of rather slow movement, the legislature has shifted into high speed.

The school reorganization bill has passed the House and is generally predicted to soon be presented to the governor for his signature.

The highly controversial road bills, known as the Chamber of Commerce road program, are meeting with stubborn resistance that seems to have them bogged down.

House Bill No. 164 and Senate Bill No. 170, attempting to amend the State Income Tax law to provide for taxing earnings of Co-operatives in the hands of the Co-operative rather than to the individual stockholders, have finally been passed out of the respective committees, and are due to come before the House and Senate soon. These bills are being vigorously opposed by farm organization representatives on the grounds that these earnings are not the property of the Co-operative and should have income tax applied the same as partnerships, and according to provisions of the present law.

Wheat Test Bill

House Bill No. 277 providing for the establishing and operating of a State Club camp for the use of 4-H and other youth organizations has been introduced and is being supported by the Committee of Kansas Farm Organizations.

House Bill No. 292 attempting to eliminate the menace to the Kansas wheat market from poor baking quality of wheat is in the Agriculture Committee of the House. This bill attempts to correct this growing problem by variety analysis certificates of cars and samples, showing variety county as made by the State Grain Inspection Department at the time of other tests.

Loan Shark Bill

House Bill No. 95, known as the Medical Doctors Bill and House Bill No. 106, introduced by the Osteopaths, have both passed the House after much discussion and it appears that the biennial battle between these two groups might be settled by this legislature in a manner fairly satisfactory to both groups.

The Loan Shark Bill, also a biennial visitor of long standing, has passed the Senate by a narrow margin of two votes and will be before the House soon. This bill provides for a maximum of 3½ per cent per month for small, short time loans. It is very generally predicted that this bill will have hard sledding in the House.

There is a growing sentiment in the legislature to put thru essential legislation, wind up the state business and get home by the time the ground is dry enough to sow oats.

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