

The Kansas Union Farmer

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Notice to Secretaries and Members of Farmers Union of Kansas. We want all the news about the Locals and what you are doing. Send in the news and thereby help to make your official organ a success.

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Communications and Questions—Communications are solicited from practical farmers, members of the F. E. & C. U. of A., are at liberty to ask questions on any phase of farm work. Answers will be either published or mailed.

ADVERTISING RATES ON APPLICATION



THURSDAY, FEBRUARY 28, 1924.

BUREAUCRATIC FOOLISHNESS.

Every time anything new or different is undertaken at Washington a new governmental bureau is established. There are probably seven hundred such things connected with the administration of the affairs of the republic. New ones are born at every session of congress. Old organizations that have outlived their original purposes, usefulness and all excuse for their existence go on and on forever.

The United States probably never was a democracy. If it was ever a republic it is so no longer in any true sense of the word. Our country has become a bureaucracy of the most pronounced type. It is of course true that with such a system the bureaucrats who dominate the country devote almost all their time to the perpetuation of their own bureaus, that is of their own jobs.

The time has come to stop. It is necessary to stop if the people are to retain any share in the government. Where shall we begin to destroy barnacles and require service for the people instead of for the chairwarmers, pie hunters, and tax eaters that clutter up all the offices of the government? It would not be a bad idea to begin with the Federal Farm Loan Board. That body is made up of several earnest politicians who have lived off the public all their lives. It is as useless and as foolish as a fifth wheel on a wagon.

Congress established the Federal Farm Loan system for the use and benefit of farmers who need cheaper money and are willing to mortgage their lands to get it. It was planned that the whole system should be the property of the borrowers to be managed cooperatively by them as soon as the capital advanced by the government could be returned. The government no longer has any substantial money interest in the Federal Farm Loan banks. Nearly all the stock now belongs to farmers who have borrowed through the system. But the control is still in the hands of the bureaucrats. The entire concern is managed by a group of officeholding politicians who like their jobs and are determined to stay.

Congress should restore the cooperative provisions of the Rural Credit Act, abolish the Federal Farm Loan Board, maintain the necessary slight relationship with government through a subordinate official of the treasury department, permit the stockholders to elect the regional boards, select elective boards to appoint the heads of the regional banks, and make a board with all necessary powers out of the local presidents so selected.

Such a reorganization would reduce the participation of the government to a minimum. It would redeem the promise made to the borrowers. It would make it impossible to pad the expense accounts with \$25,000 salaries for men with no functions to perform. If congress will start to destroy bureaucracy by abolishing the Federal Farm Loan Board there will be such approval that other boards, bureaus and commissions can be dealt with through similar operations of major surgery.

CONGRESS AND AGRICULTURE.

The farming business is in such a mess that all other lines of business and the government agree that something must be done about it. The question is, what can be done that will help agriculture and at the same time be fair to other industries? Part of the answer is easy enough. Anything that will restore the prosperity of the farmer will help every other business in this country. It remains therefore to consider something that will enable the farmer to get more money for his products. When that is done all other lines of business will get the benefit of the farmers increased buying power.

One proposition now pending in congress is an appropriation to be used in the development of diversified farming. This plan is based on the assumption that the one crop farmers in the wheat and cotton sections would do better if they produced more kinds of crops. This project may be worth while but it has several

elements of danger or at least of experiment and uncertainty. In the first place it would impose additional debts on an industry that is already practically insolvent. To succeed in diversified farming men in the one crop sections need new tools, more live stock, better barns, reliable pasture and forage crops and many other things that cannot be acquired with money in a single season. They also need new marketing agencies and accessible markets not already over-supplied with the products of diversified agriculture.

There is no underproduction of milk, cream, poultry, eggs, truck or fruit in the United States. Any additional supply is fairly certain to reduce price levels and at the same time force changes in farming programs where the production of these commodities has been normally developed. It is certain that the bulk of the market for such things must be in this country and as the supply is already abundant there is little reason to believe that additional output for income purposes will do any one very much good. On the other hand it is likely to do a lot of harm to the farmers who venture into fields of which they know little or nothing.

There is a need, however, for a certain amount of diversification in the wheat belt as well as in the cotton belt. Every farm should make all its own food and feed. The wheat field and the cotton patch must be regarded as the sources of cash income but the garden, the truck patch, the orchard, the poultry, the dairy, and the hog pasture should supply the farmer and his family with their living. No wheat grower can afford to buy bread, butter, meat, fruit or vegetables with his wheat money. No farmer can afford to buy anything that can be produced on his own place. If there is some surplus production of the various things intended primarily for the use of the farm family there is usually a good local market and additions to cash income from that source will be helpful. On the other hand even if the additional production is not salable it still increases the cash income of the farmer who is no longer compelled to use wheat or cotton money in the purchase of supplies that he makes at home.

The type of diversified farming that enables the family to board where it lives requires little additional capital. It may be developed gradually so that the mistakes of inexperience are not costly. It requires no new marketing machinery because the market for it is the producer's own home. It would be much safer and wiser to encourage self-supporting farming than to induce wheat growers to engage in business of which they have no knowledge. The real way out of agricultural distress is through self-supporting farms and better marketing facilities for the cash crops upon which the producers of staples must rely for their income.

THE PRODUCE ASSOCIATION.

The Organization Committee of the Produce Association authorized at the last state convention will shortly begin its active campaign for memberships. There are several such organizations already in operation in the country. The preliminary steps for the coordination of such existing concerns have been taken and will be perfected in a meeting to be held in Chicago in March.

The contract offered dairy and poultry farmers by the Union is the result of long study and careful consideration by the officers and directors of the Kansas Farmers Union and of the Farmers Union Jobbing Association. It was hoped that a plan that would be workable without capital stock could be devised. That did not seem possible to the men who were interested. The conditions that permit the financing of staple crops by loans on commodities in storage do not exist in the produce business. Nor can such an association hope to succeed unless it is able to advance somewhere near the market price of products on delivery. All this means that there must be operating capital.

There are only two ways to raise money for operating a produce association. One is to borrow from the banks on some sort of credit. The other is for the producers themselves to furnish their own capital. The Organization Committee believes that the members of the Association must finance their own operations. Even if sufficient funds could be obtained from the banks there would always be a feeling that the producers could not control their own agency.

The plan for securing members and raising capital is simple and should be carried out without much difficulty. Each producer who becomes a member will be required to pay a membership fee of \$10 and to subscribe for five shares of stock of the par value of five dollars each. The membership fee and the first share of stock are payable when the contract is signed. Annual deductions from the proceeds of sales will pay for the remaining four shares of stock. The membership fee will be used for organization expenses and to provide funds for begging business when the minimum sign up is secured. The capital obtained by the sale of shares will be invested in plants for operating purposes and used for operating funds. It is believed that there will be a steady development of the business that will require the annual additions of capital that are provided for in the contract.

From this partial analysis of the plan of the produce association it is seen that each member will be required to pay in \$15 in cash before the Association begins business and that his total contribution to the working capital of the concern will amount to only \$35 at the end of four years. This may require some sacrifice on the part of many of the members but it will create an agency with ample means to finance its own operations. Also it will have a freedom and stability that would be impossible if all funds for operating purposes had to be borrowed from banks.

THE FARMERS UNION BANK.

Subscriptions for the capital stock and surplus of the Farmers Union State Bank of Kansas City, Kansas, are coming in so rapidly that it is now quite certain that this new institution will be in operation some time during the spring or early summer. In fact the capital could have been secured long ago if the incorporators had been willing to let down the bars and accept subscriptions from all classes. The policy of restricting stock ownership and control to members of the Union was adopted in the beginning and will be adhered to until the required amount of capital has been obtained.

No subscription for more than fifteen shares of stock will be accepted from any one. Many one share subscriptions have been received. The incorporators would be greatly pleased if all the capital could be raised from one share subscribers. That should not be a very hard job. There are certainly more than one thousand members of the Union and Union business associations in Kansas that can well afford to make a \$200 investment in this greatly needed cooperative bank.

It would be a fine thing if each Local in the state would hold a bank meeting for the discussion of the need of such an institution, its possibilities of service to the members and their business associations, and the other benefits certain to grow out of the Union operation of a bank of large means in the principal city of the state.

Every Union cooperative association in Kansas should subscribe, through a trustee for at least one share of bank stock. Many such concerns should take the limit. Let all who are interested get busy in this campaign for the bank in order that we may begin to tender service to the Union and its business concerns at the earliest possible moment.

CORRUPTION IN HIGH PLACES.

Bribery is an ugly crime. It involves unfaithfulness to the commonly accepted standards of right and disloyalty to the country. Every bribe taker knows that he violates his oath of office, that he breaks all the rules of decency and honesty that make our complex modern fabric of commerce and government possible.

It is hardly conceivable that men in the president's cabinet and in the congress would accept actual cash payments for official acts. Most of us have believed that all public men are above such common and vulgar acts of treasonable criminality. We were all mistaken. There are still men in high places who will sell themselves and their country for money.

That was a horrible spectacle that was presented in a senate committee room only a few days ago. A man who has been a United States senator and a cabinet minister refused to answer a single question concerning his official acts. The constitution provides that no accused person shall be compelled to testify against himself. He refused to answer questions on the ground that his answers might incriminate himself.

The people of the other sections of the country have no conception of the state of things in Washington. The most sordid stories concerning men in high places are incirculation. It is rumored that the interproduction of the books of certain stock brokers as evidence in the oil investigation will show that many senators, some of them now serving on the investigation committee, had inside information that enabled them to gamble profitably in oil securities. They could have obtained that information only from the oil men who wanted to use congressmen and senators in their business.

If one tenth of the stories of corruption in high places that are in circulation in Washington are true the moral sense of the country will be shocked and outraged as never before in the history of this or any other nation.

A COOPERATIVE SYSTEM.

President Coolidge recently told a caller at the White House that Kansas has done more than any other state in the practice of cooperation. The president may not know that, as a matter of fact, Kansas and Nebraska are the only states in which an intelligent attempt has been made to develop a complete system of cooperative business and service for the farmers.

There is little to choose between Kansas and Nebraska in assessing credit for the development of agricultural cooperation. Each has about the same state wide enterprises which are about equally successful. The leaders in both states and the members as well recognize the value and the possibilities of cooperative marketing but they know that marketing alone cannot solve all the problems of the farmers.

The Farmers Union and its cooperative program is so strongly established in these two great agricultural commonwealths that attacks from opposition elements are no longer dangerous. The only menace to continued development and growth of the cooperative systems is dissension within. A united and harmonious membership of our organization in Kansas and Nebraska can overcome all the allied interests that are determined to crush the cooperative movement.

How would this do for a debating question in the Locals? Resolved that the tax paying and rate making bases of public service corporations should be identical.

The Union man who lives up to his obligation attends the meetings of his Local, supports the business of his cooperative enterprise and in all proper ways works for the advancement of the organization.

COMMENT ON WORLD'S NEWS FOR WEEK

MacDonald Labor Prime Minister

Of Great Britain, pleased his friends and party associates less than he did the opposition when he made his first speech from his new position in the House of Commons a few days ago. Like all sensible and patriotic men charged with the responsibility of administering the affairs of a great country the new British premier showed that he regarded himself as the head of the government and not simply as the leader of a party.

MacDonald concedes that it is impossible, at this time, to impose a capital tax on wealth of the country or to bring about any of the other radical demands of the Labor party. He knows that he has the support of a minority only and that the first adverse vote on an important matter would force him out of office and deprive his party of its opportunity to secure a considerable body of progressive legislation along lines not repugnant to other groups.

No other course would be sensible but MacDonald may expect the most violent denunciations from his own party associates. Within three months, if his government lasts that long, the Premier will be fully advised by his own folks that he is a crook, a traitor and a boot licking snob.

Cabinet Government as Conducted

In England is immediately responsive to public opinion. Whenever an administration loses the confidence of a majority of the House of Commons and that loss of confidence is made a matter of public record by a formal vote it is through. The Prime Minister and all his associates lay their resignations before the king who at once accepts them and calls in the leader of the opposition to form a new cabinet. The new government may carry on for awhile but in a short time it must submit its claims to the country in a general election and if defeated must promptly quit.

Under our system it is possible for an administration to govern the country for quite a while after it has lost the confidence of the people. The Wilson administration in its closing years had the support neither of congress nor the voters. Just now the Coolidge administration is in the same embarrassing position. In any country governed by the parliament or cabinet system the senate vote demanding the resignation of Secretary Denby would have been followed by the retirement of the whole administration.

Advocates of cabinet government say that it assures administration that a majority of the people and that it is immediately responsive to changes in the public mind. Our own system is said to safeguard our institutions against the sudden whims of unwise and ill considered officials in an electorate likely to change its collective mind at any time.

Bonus Advocates are Making

Much trouble for Uncle Andy Mellon and the other officials and millionaires who have decided that the boys who served in the great war shall not have any more pay if they can help themselves. When the last congress passed an adjusted compensation law President Harding promptly vetoed it. In that veto message the president declared that without the charges contemplated by the bonus bill the administration was that year facing a deficit of about \$600,000,000.

It is probable that the president's positive statement that a huge deficit was certain at the end of the year, that is on June 30th, 1923, was the only reason that the measure was not passed over the veto. It turned out that the income of the government for the year was \$800,000,000 or of any other amount on June 30th. On the contrary there was a surplus of approximately a half a billion dollars.

That was a sizeable mistake for any one to make, an error in calculation which proved that some one at Washington is a very poor hand at figures. President Harding cannot be held responsible. Without doubt he had his figures directly from Secretary Mellon. Uncle Andy is generally regarded as a mighty fine mathematician. Is it possible that he could make a billion dollar mistake in estimating the income and expenses of the treasury for a single year?

THE ONLY WAY OUT.

With the coming of large corporations, American business is making great strides in efficiency. The larger concerns are able to use the services of experts which the smaller companies were unable to take advantage of. The increased volume of business has made standardization possible and advertising profitable. New and greater markets are found for the products to be merchandised. All these are factors in modern business success.

In farming, they are also essentials of success, but the corporation idea probably never will be successful in farm activities. At least we hope that corporation farm successes will not be the place where is preserved and kept alive the spirit which made possible the American Republic. We feel sure that the greater the number of prosperous farm homes we have, the more certain we can be that our Government will continue to progress.

Thus, with the necessity of smaller units in farming, cooperation must do for farming what corporation does for industry. Only in this way can each individual farmer become part of a larger unit so necessary to produce volume and make possible the

The American Legion and other

advocates of the bonus do not hesitate to charge that President Harding was misled by juggled figures given him by the treasury department. Also they insist that the administration and the people are still being deceived in the same way by the anti-bonus leaders.

Diversification Is a Great Remedy for

Agricultural ills when it is a new remedy at all. It is a fine thing for a group of farmers to develop a new line of production in some locality where climate, soil and labor conditions make success probable. It is also a fine thing for the farmers of the one crop sections to make their farms more nearly self-supporting. There are many opportunities for both types of diversification.

On the other hand it is certain that attempts to impose an entire new industry on great areas where the farmers are unfamiliar with the processes required for success, where markets are not developed, and where large investments in stock and equipment are necessary must result in disaster. Successful production of any cash crop is the result of slow development. No ready to operate industry imposed on a new section is likely to be profitable.

Still it now appears quite likely that congress will vote an appropriation of \$50,000,000 to be loaned to the farmers of the northwest for use in buying cows, sows and hens. As that section of the country has no experience in that sort of farming, as the market for such products is already well supplied at prices none too profitable for the producers, and as there is neither feed for keeping such animals nor barns and other buildings for their protection from the weather it seems likely that the final results of a well meant piece of legislation will be an additional fifty millions of debts for the farmers of the northwest who already owe as much or more than they can ever hope to pay.

Denby Resigned

Because he was unwilling to embarrass President Coolidge and his party by staying on the job. There is reason for a good deal of sympathy for Denby. He appears to be considerable of a man. He served in the navy during the Spanish American War as an enlisted man. He entered the service when the Great War began as a buck private in the marines and was discharged as a major. He is a very rich man. He was one of the many Detroiters who rode an automobile to fortune.

No one accuses Denby of any personal moral obliquity in connection with the naval reserve oil scandal. There is, in fact, a good deal of reason to believe that the leasing and development of the government oil reserves was necessary and a patriotic policy if for a time in process of depletion by the development of nearby privately owned oil lands it was only a question of time until both reserves would be surrounded by producing wells and the government's ground completely drained of its oil. Oil in barrels and storage tanks is perishable and does not deteriorate in quality. Denby believes that the government oil reserves are much safer in proper storage above ground than they can possibly be in a sanctuary of an unexplored field surrounded by hundreds of wells that are constantly draining everything within reach. It is entirely likely that he is right about the policy of leasing.

Unfortunately it was not possible to develop the government's oil reserves as well as privately owned oil lands without calling on private operators. It appears to be quite all right for the United States to spend \$400,000,000 a year on the navy but wholly wrong for the same government to spend as much as a million dollars a year in developing oil properties essential to assuring naval security. So instead of drilling out its own holdings the United States decided to lease to private operators for development on a royalty basis.

There were several fellows who were willing to take a lease and pay the royalty. There was rotten corruption in awarding the leasing privileges. Denby comes through as a man of honor. He made no money out of the leases. His only mistake appears to have been made when he did not ask for authority and funds to develop the naval oil reserves as a public project.

TENNESSEE WOOL MARKETED COOPERATIVELY FOR 5 YEARS

Cooperative marketing of wool has been carried on for five consecutive years in Tennessee under the direction of specialists of the State College of Agriculture. Earnest efforts have been made to convince the growers that it paid to prepare the wool for market according to approved methods and to sell it cooperatively. The past year demonstrations of the best methods of shearing sheep and preparing the fleeces for the

McAdoo Has been Reindorsed

By his own supporters who held a meeting for that purpose in Chicago last week. He will stay in the race for the presidency. Doubtless he will enter the convention with the support of more delegates than any other candidate. He may be nominated but his prospects now are not very good.

Mellon Has Lost his Fight

For a reduction of the income surtax to twenty-five per cent. The final rates adopted will not be far from forty-five per cent. This will not please the secretary and the great business groups that he represents. It may not be as good for the country in the long run as Mellon's original proposals. The Mellon plan may have been the soundest tax measure ever presented to any legislative body but it never had the slightest chance for a single moment. Congress simply dared not pass a law that would reduce the taxes of the rich more than fifty per cent.

There are lots of folks that cannot understand why there should be such wide differences of opinion between men responsible for our government. It all depends on the man and on the business in which he is engaged. Mellon is an honest and upright man whose only use for money is to use it in making more money. Naturally his mind is busy with projects that will serve his own business and equally naturally he regards his business as the most important carried on in the country. The farmers and the wage workers are equally certain that their business is the biggest thing in the republic. They do not see how they can keep on living if Mellon and his kind are able to get and hold all the profits.

They are all good folks—the Mellons and their kind as well as the farmers and the other workers of small means but they cannot agree just because they are good men. It would be just as sensible to call a good dog and a good fox to agree and live together in peace and amity.

Impeachment

Is the Favorite Sport Of the Oklahoma legislators who have now been in continuous session since last fall some time ago. The victim is the President of the State Board of Agriculture who is charged with incompetency and neglect of his official duties. Oklahoma is establishing a very dangerous precedent. If public officers are to be prosecuted for incompetency the world is coming to a pretty pass.

Incompetents are to be barred from holding public office some other measures for their relief must be devised either by congress or the several state governments. Perhaps it is a move in the right direction. It is just possible that it costs too much money to feed such a great army of incompetents from the public crib.

Gasoline Taxes Opposed by Farmers

Is a headline in one of the big daily papers. Probably that statement is true but it seems a little strange that a paper that steadfastly refuses to advertise any of the farmers' own efforts to better his condition should be the very first to discover and announce to the world that the farmers are opposed to gasoline tax.

There were more than 400 farmers at the State Convention of the Union. Not one voted against a recommendation for a gasoline tax which was adopted unanimously. There will be some farmers who will make all proposed changes in taxation. Like many city folks what a lot of farmers really want is a taxless tax, a system of taxation that will require the payment of no taxes.

market were given in thirteen counties

The results of instructions were observed in the wool sales, as the fleeces were tied better, contained less foreign matter, and a larger percentage of the wool sacked in regulation burlap bags.

Thirty-two sales were conducted in 1923, and 248,308 pounds of wool consigned by 1,586 farmers from 34 counties. The sales were arranged in a series which schedules of which were sent to the woolen mills of Tennessee. Grades averaged higher than in previous years, giving evidence of improved methods of handling and preparation. Prices realized ranged from 50.53c to 37.75c with an average for all grades of 47.9c per pound.

It is estimated that the saving to growers by selling their wool cooperatively through the pools was at least 5c per pound, a total of \$1,240,000 for the season. About 100,000 pounds was sold to woolen mills in the state, and the remainder was bought by merchants in Kentucky and Maryland.

Cooperations means a man must be able to get right down under the coat under the vest, under the shirt, and pull the hog out of himself.

Urges Conduct of Business on Purely Co-Operative Basis

(Continued from page 1)

market and netted in a great many instances twenty or thirty cents; and in one instance in particular, forty three cents above the local market.

When news of this kind began to filter thru the neighborhood more members crowded in. Curiosity was the force that got a great many members. Curiosity, so the story goes, once killed a cat.

As the membership increased, greater interest was made in shipments of things bought and sold. The price for wheat the farmer received gradually crept upward and from the average price received by the farmers of 66 cents in 1906 to an average of 82 cents in 1924.

I wish to call your attention to the fact here that savings on sales and purchases are greater during raising prices than during falling prices; and that the membership in the Union increased in proportion to the increase in prices for the year of 1920 and early part of 1921, the banner year for farm prices was also the banner year for the Union.

The next move was the establishing of stores and elevators in the towns. The general opinion of the membership in moving to town, was that the extra convenience of being able to get your coal, or flour, or groceries in any town instead of having to wait until the orders came would more than offset the added cost.

It was now no longer necessary to attend the local meetings in order to make your purchases, or sell your wheat for the elevator, or store your business agent. Consequently, the attendance at local meetings began to drop off and the means of educating the members in the principles of cooperation were thus weakened.

As time passed, the independence of the farmer began to assert itself and he drifted off into the ways of the prodigal son, and left his store or his elevator to take pennies that were offered as a reward for the violations of his obligations.

STATE OF KANSAS,) ss. COUNTY OF SALINE,)

C. E. Brasted, President, and F. D. Becker, Secretary, of the Farmers Union Mutual Hail Insurance Company of Kansas, being duly sworn, each for himself deposes and says that they are the above-described officers of the said Farmers Union Mutual Hail Insurance Company of Kansas, and that on December 31 last all of the above-described assets were the absolute property of the said company, free and clear from any liens or claims thereon, except as stated; and that the foregoing statement, with the schedules and explanations contained, annexed, or referred to, are a full and correct exhibit of all the assets, liabilities, income and disbursements, and a true and correct statement of the condition and affairs of the said company on December 31 last and for the year ending on that day. So help me God.

Subscribed and sworn to before me, this _____ day of _____, A. D. 1924.

Notary Public Commission expires _____ day of _____, 19 _____

REMARKS The past year's experience again demonstrates the uncertainties incidental to the hail insurance business. Your company began the year with reserves in the amount of \$22,405.65 and closed with \$26,127.48. The worst storm period occurred during the week beginning June 29. Up to that time the losses incurred were about \$26,000.00 but at the close of the week had mounted to nearly \$150,000.00 thereby greatly reducing the reserve. Out of a total of 2351 policies issued 618 reported losses. All losses were paid in full as adjusted.

At the January meeting after a careful examination of the assets your board of directors ordered that all hail insurance for the ensuing year be for cash only. It was agreed unanimously that the note plan for the past three years was not in keeping with the principles of the Farmers Union. The records indicate there was on hands January 1st 1924, \$49,691.13 in unpaid notes of previous years. Your officers have used due diligence trying to collect these notes but because of the crop failures and general depression prevailing have been unable to do so. The cost of collecting these notes is an expense which the cash paying members should not be called upon to bear.

For the consideration of those interested the following condensed statement of the past eight years business is presented:

Table with 2 columns: Description and Amount. Rows include Premiums Received, Losses Paid, Rebates Paid, Commissions to Agents, Reserve on Hand Jan. 1, 1924, Uncollected Notes, Expense for 8 years, and Total.

We submit that it is very doubtful if there is another company doing business in the state that can show as economical management as indicated by this statement.

The hail experience for the years 1922 and 1923 were little short of disastrous. For 1922 the losses and expenses exceeded the income \$48,142.41; 1923 was worse yet being \$56,278.17.

The savings to policy holders in eight years indicated by rebates paid to-wit: \$236,839.19 is 21% of the entire amount of premiums received in that period and can hardly be said to reflect the entire savings since unquestionably the experience of this company has been a factor in establishing the hail insurance rates in this state.

placed their money, which they had received as dividends, in the bank as a checking account but received no interest. The directors, after the annual robbery by the stockholders, found the till empty and were compelled to go over to the bank and borrow money, at ten percent interest, with which to do business.

The money that had been earned by the business was carried over to the bank and deposited just long enough to have a directors meeting of the elevator, when it was carried back to the elevator, and the bank was paid the ten percent interest for the use of it for the coming year.

In a good many instances the competing grain buyer was president and also a large stockholder of the bank. The interest paid by the Union for the use of their own money went to the competing buyer, in the way of a dividend, and the way of a dividend to the elevator, and he was earnings on his stock, and he was thus supplied with funds by the Union elevator with which to buy wheat in the speculative market.

The outside union member or farmer did not receive any dividends on his purchases or sales that went to the elevator association. Likewise the competing grain buyer did not receive any of the dividend made over to increase his sales he had to increase his purchases. A higher price paid the farmer was the only method he had of increasing his cash. When he outbid the union elevator he got the outside wheat; for the outsider always sold where he could get the most money. Some of the stockholders even sold to him. The Union could hold the outsider only by outbidding his competitor. Margins dwindled and dividends dwindled in proportion. The outsider, was faring better every year because he was selling his wheat on a better market.

In the mad scramble for profits by the elevators, the plan of the union was forgotten almost entirely. When deflation came in 1920 the elevators in a great many cases were full of wheat that had been bought at the top price, or stored so that the elevator would be sure to get it, from stockholder and outsider alike. Car shortage combined with deflation left the elevator full of high priced wheat, to be disposed of on a depressed market, with the resulting loss to the association. The stockholder was the association, and had ahead the amount of the loss on his wheat. Reserve funds where there had been any created were used to recover the loss sustained by bad accounts that had been booked, while times were good and profits were high. Forgetting that the profits that had been made from the purchase of outside wheat on the speculative basis, and looking only at the loss that was sustained on the outside wheat, the stockholder began to feel that it would be more comfortable out of the Union than in it, stock was offered for sale, dues in the Union were disregarded and the attendance at local Unions were reduced to a few of the stouthearted men and women who would keep alive the spirit of cooperation.

Stores were in about the same condition. Goods were bought during high prices, shelves were filled with goods that would have to be sold at a loss. Stores were sold at whatever they would bring. Farmers were disgusted with the store business. Local Unions died after having been actively operating for several years. Book accounts had grown to such proportions, that in a great many cases the original capital invested had been carried away in the form of goods, and the books were mute witnesses to the violations of sacred obligations there taken before man and God "to discourage the credit and mortgage system."

As the membership in the Union had increased during rising prices for farm products and especially wheat, it likewise decreased in proportion to falling prices. We see the Farmers Union Mutual Insurance Company doing more business this year, than any year in its history. In order to receive benefits of Mutual Insurance it is necessary to be a member in good standing in the Farmers Union. Here we have a peculiar condition. Based on membership in the union we have an increasing insurance business, with a decreased membership. The only reasonable explanation that will fit the facts is that the saving of approximately fifty percent on insurance is causing the loyal members to take advantage of the savings of cooperative insurance. That also proves that not all Union members have been insuring with their own Union remaining at the present figure, leaves room for the insurance company to grow.

The insurance Company is the strongest support the Farmers Union has in Kansas, at the present time. There is always this requirement. The farmers must belong to the Union. As a further support, the insurance Company follows the plan to let members only. Service for members only. Business for cash. No income taxes to pay as all income is returned to the members after the running expenses are deducted. Speculation is eliminated, as no business is done with non-members of the Union. The Hail Company complies with the Union Plan in all respects but one, and that is doing business for cash. Notes are accepted in lieu of cash for premiums on Hail Insurance. The company, therefore speculates on

on a margin that is large enough to pay all the running expenses, set aside a fair reserve, and then at the close of the year rebates to the patrons all of the excess earnings.

The Commission Company does not speculate in livestock. The patron taking his own chances on the price received. No attempt is made to cut the commissions. The producer that sells his livestock thru the commission company gets the rebate, which is the excess of earnings over expenses. The plan of operation is according to the Farmers Union Constitution and By-laws, except that a members of the Union does not receive any greater benefits than a non member, if each own one share of stock in the company and therefore has a tendency to discourage the Union member in keeping up his dues in the Union.

The Jobbing Association does a commission business that totals several millions of dollars per year. The largest percentage of its business is done with Union elevators. It is in accordance with Union principles, except in one respect, and that is, that it does business with other than its members and is operating for profit. The Farmers Union Co-operative Wheat Marketing Association is one hundred per cent Farmers Union in every respect. The Union being loyal to the Pooling Association, the Association procures by doing business with Union members only. It is a non profit service corporation of Union members. Speculation is done away with. No credit is extended to any one. Contracts with its members guarantee loyalty for a period of years. Sales of wheat made by the Association during the quarterly pool known as the first quarter sold on an average of one cent per bushel above the market price. Mixing profits were two cents per bushel on the small volume of wheat handled. Interest charged against the wheat was practically nothing.

The Auditing Association does a commission business on a service basis, and confines its business principally to Union business audits. It confronts us at the present time. In taking a final glance at our surroundings we find:

1st. Farmers still being governed in their actions by the law of self preservation. Business organizations still active where the plan of cooperation as set forth by the Farmers Union has been closely followed.

2nd. Dead business concerns surrounded by dead locals.

3rd. Increased State Union activity but decreased Union membership.

4th. A feeling on the part of the members that have dropped out of the Union, that a non Union member receives as much benefit from the Union as a member and saves his dues. Keeps him from paying a fee which he reasons is wasted.

With the evidence all in and the case fully presented, I have come to the conclusion after two years of observation and study that a reconstruction is necessary, based on sound cooperative principles and make the following recommendations to this body as a means of building up the membership in the Farmers Union of Kansas.

The local Union being the foundation of the cooperative movement in Kansas and a school for the dissemination of knowledge among its members should be made the center of attraction of the farming community.

The aims and purposes of the Farmers Union, as set forth in the Constitution and By-laws should be studied at each meeting, or until both young and old are acquainted with the program outlined therein.

The social side of the Union should be turned over largely to the ladies' boys and girls clubs should be organized to keep the children interested, and to take orders for things needed by the members, all orders to be accompanied by cash. The local market price being the price charged each member for goods ordered. The local secretary to act as the bargainer. Funds of the local, orders pooled by several locals and car lot shipments made thru the Jobbing Association. A central business agency to see to the unloading of goods received. Telephone communication with each of the local business agents and notice in return given each customer by the local agent. A reserve fund created to cover losses caused by advancing prices or spoiled goods. A quarterly or annual settlement. Quarterly audit of the books.

(Continued on page 4)

KANSAS UNION FARMER WEEKLY EXCHANGE of members of the Union have anything to Sell or Exchange, they should advertise it in this department. Rate: 5 cents a word per line; four or more insertions 4 cents a word. Count words in leadings, as "For Sale" or "Wanted to Buy", and each initial or figure in the address. Compound words count as two words. CASH MUST ACCOMPANY ORDER—TRY THIS DEPARTMENT—IT WILL PAY YOU.

FARM FOR SALE

FARM FOR SALE NEAR BELLEVILLE, Mo. 1/2 mile S. of Cartney, 400 ac. 7th St. Salina, Kansas.

FARMS WANTED: Immediately. Send particulars. Mrs. Roberts, Box 91, 201st house, Ill.

FARM WANTED FROM OWNER: Write immediately. Raymond Smith, Maplewood, Mo.

SALESMEN WANTED: SALESMEN for lubricating oils and paints. Excellent opportunity. Salary commensurate. Write immediately. Sample collection. JED OIL AND PAINT CO., 200 7th St. Hurwell, Cleveland, Ohio.

WE PAY \$200 MONTHLY, furnish car and expenses to introduce our guaranteed poultry and stock products. LER COMPANY, 2025 Springfield, Ill. 62

FEMALE HELP WANTED: WANTED—WOMEN—GIRLS. Learn Gown Making at home. Many openings \$35.00 week. Learn while earning. Sample Write immediately. Franklin Institute, Dept. H500, Rochester, N. Y. 14

TOBACCO FOR SALE: TOBACCO—Superior quality leaf. 10 lbs. chewing \$2.50; 10 lbs. smoking \$3.00. 10 lbs. second grade smoking \$2.00. Pipe \$1.00 value free with every ten pounds. Sent C. O. D. plus postage. FARMERS UNION, Havesville, Ky.

YOU ARE READING this classified advertisement. What is just what thousands of other folks are doing. It's a great way to carry your wants to the people who are most likely to buy. Write to tell the story and certain to bring results. If you try it you'll be sure of it.

POULTRY: "ARISTOCRATS" HOLTERMAN'S beautifully dark barred cockerels, egg strain. F. F. Wood, Wagono, Kans.

CHOICE SINGLE COMB BIRDS: SINGLE COMB BIRDS. Healthy farm flock. Good type. Heavy winter layers. 15 \$1.00, 30 \$5.00, Mrs. W. L. Boehlin, Logan, Kans.

PURE BRED BUFF ORPHINGTON EGGS: \$5.00 hundred, Mrs. Gertrude Crawford, Clemons, Kans.

PURE BRED BUFF ORPHINGTON EGGS: \$100 setting, \$4.00 per 100. R. Van Horn, Carlton, Kansas.

PURE BRED BUFF ORPHINGTON CHICKS: \$1.50 each, 100 setting, \$4.00. R. Van Horn, Carlton, Kansas.

WHITE ROCK EGGS FOR HATCHING: Frank B. Picout, Hays, Kansas.

PURE BRED BUFF ORPHINGTON EGGS: \$1.50 each, 100 setting, \$4.00. R. Van Horn, Carlton, Kansas.

ARISTOCRAT RINGLET BARRED ROCK EGGS: 15 \$1.00, 30 \$5.00, Mrs. W. L. Boehlin, Logan, Kans.

SINGLE COMB RHODE ISLAND REDS: \$1.25 Mrs. John Linn, Route 2, Manhattan, Kansas.

FOR SALE PUREBRED AMERICAN LEGHORN COCKERELS: \$5. Eggs \$9 hundred, Martin Leghorn Range, Alta Vista, Kans.

PUREBRED BUFF ORPHINGTONS: \$1.50 each, 100 setting, \$4.00. Mrs. Louise Katscher, Billings, Okla.

ROSE COMB BROWN LEGHORN COCKERELS: \$1.50, B. E. Cain, Route 1, Co. 30, barn.

"ARISTOCRATS" HOLTERMAN'S beautifully dark barred cockerels, egg strain. F. F. Wood, Wagono, Kan.

BARRED PLYMOUTH ROCKS, FARM raised. Pure bred, egg tested stock. Eggs for hatching 5 cents each. W. B. Becker, Solomon, Kansas.

BABY CHICKS: QUALITY CHIX—5 cents up; 12 kinds. Guaranteed delivery. Valuable chick information FREE. Quality Poultry Farms, Box 2168, Windsor, Mo.

BABY HICKS FROM HEAVY LAYERS: The best laying birds paying kind. Rocks, Reds, Orpingtons, Leghorns, Anconas, Brahams and Langhans. Prices reasonable. Free trial, 100 net, delivery guaranteed. Circular Free. Porter Chick Co., Dept. D., Winfield, Kans.

PUREBRED CHICKS—15 Varieties. Best Laying strains. Lowest prices. Free catalog. BOOTH FARMS, Box 574, Clinton, Mo.

BABY HICKS—Send for our valuable free chick book and exceptional 1924 prices. BUSK BROTHERS, Box 120 Windsor, Mo.

TURKEYS: FANCY BOUFRON RED TURKEY TOMS. Prize winners \$3.00. Mrs. M. H. Hays, Kansas, Route 2.

FOR SALE PURE BRED BRONZE TURKEY TOMS \$3.00. Hens \$5.00. W. W. Horner, Gratiotfield, Kansas.

FARMERS' UNION DIRECTORY

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Farmers' Union Jobbing Association, 109 New England Bldg., K. C. Mo.

Farmers' Union Live Stock Commission 406-8-10 Yire Stock Exch. Bldg., Kansas City, Mo.

Farmers' Union Mutual Insurance Co., Salina, Kansas.

Farmers' Union Auditing Association, Thomas B. Dunn, Salina.

Farmers' Union Wheat Marketing Assn., Kansas City, Mo.

Kansas Union Farmer, Salina, Kansas.

PLANTS FOR SALE

FROST-PROOF cabbage and onion plants ready for shipment. One hundred fifty acres strong well-rooted plants grown in open field at Texas, Kansas. Fifty plants to bundle, labeled separately, with variety names: dump moss to roots, cabbage, early Jersey Wakefield, Charleston Wakefield, Succession, Copenhagen, Market, Early and Late Flat Dutch. Parcel post prepaid, 100, 30c; 300 \$1.00; 500 \$1.25; 1,000 \$2.00; 2,000 \$3.50; 3,000 \$5.00; 5,000 \$8.00. Onions: Crystal Wax, Yellow Bermuda. Parcel Post prepaid, 100, 30c; 300 \$1.00; 500 \$1.50; 1,000 \$2.50. Full count, prompt shipment, safe arrival; satisfaction guaranteed. UNION PLANT COMPANY, Texarkana, Arkansas.

SEEDS

FOR SALE EXTRA GOOD KANSAS GROWN Alfalfa seed. Frank Baum, Salina, Kansas.

PURE KANOTA SEED OATS. Reclaimed. \$1.00 sacked. F. O. B. Farmers Union Elevator, Junction City, Kansas.

FOR SALE—BROME GRASS SEED. 12 1/2 Page, Clay Co., Kansas.

MISCELLANEOUS

LIVE POWDER perfume. Send one dol. jar for big package and "How to Win Love." May Cochran, Long Beach, Calif.

FOR SALE—Three acre good No. 2 prairie. \$12 per ton. My track, J. F. Keating, Fulton, Kansas.

FOR SALE: Best hand and elevator. Normal. Kansas. For full information, address: Kansas Co-operative Association, Route 6, Ottawa, Kansas.

VEIL MATERNITY HOSPITAL FOR confinement. Ethical, private, homelike, reasonable. Babies for adoption. 1111 E. 4th Ave., Kansas City, Mo.

OFFICE SAFES SHIPPED DIRECT from factory to you, office, at wholesale rates. Write Montgomery, P. O. Box 882, Salina, Kansas, giving approximate size and price wanted. Fine illustrated catalogue for those interested.

STOCK

THREE SCOTCH Topped Shorthorn bulls coming yearlings. J. M. Swazey, Hays, Kansas, Route 1.

PURE BRED POLAND CHINA breed sows and gilts. W. F. Teague, Colver, Kansas.

COLLIES, BLACK SHEPHERDS, Brown English Shepherd puppies, E. A. Ricketts, Route 3, Kincaid, Kansas.

FOR SALE BLACK KING 2064. Pure bred French Draft Stallion. M. M. Sloan, Bazaar, Kansas.

MACHINERY

TWO COMPLETE STEAM THRESHING rigs. Will sell separately. Three bottom P. O. plow. Glenn Deerson, Milton, Va., Kansas.

SITUATION WANTED

WANTED: POSITION AS MANAGER Farmer Union Store. Now employed. Open in 30 or 60 days. 21 Kansas Express, 406-8-10 Yire Stock Exch. Bldg., Kansas City, Mo.

By just "laying around" Kansas hens produced approximately 21 million dollars for farmers last year.

Planters State Bank Salina, Kansas By the decision of the Supreme Court of the United States upholding the Guaranty Law, your deposit in this bank is as safe as Government Bond OFFICERS AND DIRECTORS Fred H. Quincy, Pres.; Guy T. Helvering, Vice-Pres.; T. W. Ross, Vice-Pres.; W. T. Welch, Vice-Pres.; E. E. Gemmill, Cashier; B. F. Ludes, Assistant Cashier; E. H. Sudeford and R. P. Cravens.

INSURANCE Farmers' Union Member—Your own Insurance Company gives you absolute protection at lowest cost. Your own Insurance Company has greater resources, in proportion to insurance in force, than any other state-wide mutual company in Kansas. Your Hail Insurance Company is the biggest and strongest Mutual Hail Company in Kansas, and the lowest in actual cost. The Farmers' Union Mutual Insurance Company of Kansas FRANK D. BECKER, Secretary SALINA, KANSAS C. E. BRASTED, President GRANT BLISS, Treasurer. W. C. WHITNEY, Vice President CHAS. SIMPSON, Field Rep.

Watson's Best Berries are just what the Brand Indicates—They Are the BEST WATSON WHOLESALE GROCERY SALINA, KANSAS

PRICE LIST OF LOCAL SUPPLIES Application cards20 or 5c Credential blanks.....10 for 5c Dime blanks15 for 10c Ode cards12 for 20c Constitutions5c Local Sec'y's Receipt Books 25c Secretary's Minute Books.....50c Farmers Union Buttons.....25c Cash Must. Accompany Order. This is Necessary to Save Expense in Postage and Labor WRITE C. E. BRASTED, Box 51, Salina, Kansas for above supplies. He is the only one you can get them from.

FARMERS CLASSIFIED AD USE THIS FORM—IT SAVES DUESY Mail This To THE KANSAS UNION FARMER Salina, Kansas Rate: 5 cents a word on single insertion; 4 cents a word each week if ordered 4 or more consecutive weeks Minimum charge is 50c Count Initials or Abbreviations as Words Fill This Please! Your Count, of _____ Words No. Times to run _____ Amount Enclosed \$_____ Place under heading of _____ (Route) _____ (State) _____ NOTE: Count your name and address as part of advertisement

Department of Practical Co-Operation

UNION MEETING NOTICES
 Notices of Farmers' Union meetings will be printed under this heading without charge. Secretaries should send in their copy at least two weeks before the date of the meeting.

To Local Secretaries And The Membership In General
 We have the State Constitution for 1924, containing the amended parts as adopted, ready for distribution at 5c per copy.
 C. E. Brasted, Secretary.

The regular meeting of the Crawford County Farmers' Union will be held on the last Tuesday of each month throughout the year except when this date falls on a Legal Holiday.
 A. C. BROWN, Co. Pres.

CRAWFORD COUNTY MEETINGS AT GIRARD KANSAS
 Girard Local No. 494 of the Farmers Union meets in Union Hall the second and fourth Tuesdays of each month at 7:30 p. m.
 L. E. Roof, Pres.
 Foy W. Holland, Sec.

UNION LOCAL NO. 273.
 Regular meetings on second and fourth Thursday of each month.
 Charles Crossardt, Sec.

SILVERDALE LOCAL NO. 2051.
 Silverdale Local No. 2051 meets every second and fourth Wednesday in the month at the Silverdale School House.
 J. F. Lewis, Sec.

NEWBERRY LOCAL NO. 1922.
 Newberry Local No. 1922 meets regularly the first and third Monday nights of each month. The members make the union what is. You help make it a success in every way by doing more than your part and attending these meetings.
 R. J. Muckenthaler, Sec'y-Treas.

UNION LOCAL NO. 2019.
 Regular meetings on the second and fourth Fridays of each month, at 7:30 p. m.
 Geo. Speed, Pres.
 Alice Kendall, Sec.

FREE COPIES OF NOTEBOOKS USED AT THE CONVENTION WILL BE FURNISHED LOCAL SECRETARIES OR MEMBERS, ON REQUEST. Address—Farmers Union Jobbing Assn., 106 New England Bldg., Kansas City, Missouri.

PRICE OF "UNCLE REUBEN IN WASHINGTON REDUCED TO \$1.00
 This book has been appreciated not only by farmers, but by thousands in educational, business, professional and political life. The result is that the demand has become so great that it is possible to reduce the price to \$1.00. Enough people doing the same thing in the right way means a saving to all of them. "Uncle Reuben in Washington" formerly sold for \$2.00. Quantity production now makes it possible to reduce the price to \$1.00 to C. E. Brasted, Salina, Kansas, and receive your copy at once.
 C. E. Brasted, Secretary.

CARLETON LOCAL NO. 1911.
 Regular meetings on the 2nd and 4th Wednesdays of each month.
 J. Humberger, Pres.
 R. J. Logan, Sec.

CLEVELAND LOCAL NO. 364.
 Cleveland Local No. 364, Neosho County, will hold their regular meetings on the third Tuesday of every month. Come out and boost. Don't stay home and kick.
 George J. Schoenhofner Sec.

MR. WOODMAN TO ADDRESS RE-PUBLIC QUARTERLY MEETING
 The Republic County Farmers Union will hold its first quarterly meeting at Courtland, Kansas, Wednesday, March 5th. Beside the regular business, the state delegate will make his report, and we will try to have Brother E. E. Woodman, Manager of our Live Stock Commission Firm, address the meeting. All delegates and Union members should be present.
 Chas Hamzek, Sec.

POTTAWATOMIE COUNTY QUARTERLY MEETING MARCH 20.
 The first quarterly meeting of the Pottawatomie County Farmers Union will be held at Westmoreland, Kansas, Thursday, March 20th. Meeting called promptly at ten o'clock. Locals are requested to send a full delegation to this meeting, as well as all presidents and secretaries of the locals in the county.
 An open meeting will be held after 3 o'clock for all farmers and payers of the county. Everyone in the county is invited to this meeting, as a good program has been provided.
 T. P. Heptig, Co. Sec.

WASHINGTON COUNTY MEETING MARCH 4.
 Washington County Farmers Union meets at Washington, Kansas, on Tuesday, March 4, at 10 o'clock A. M. Send your delegates to this convention as it is important.
 J. T. Poland, Co. Sec.

RIVERSIDE LOCAL NO. 2025 HAS OVER HUNDRED MEMBERS
 Riverside Local No. 2025 is holding its meetings on the second and fourth Wednesdays of each month in the Legion Hall at Maple Hill, Kansas. We have a good attendance.
 We have 80 paying members and 41 lady members. About one-third of this number turns out at each meeting. After the business is over the rest of the evening is taken up with entertainment and lunch is served.

ed, and all leave feeling like they have had an evening well spent.
 R. H. Gramshaw, Sec.

HONOR ROLL

The following secretaries of Farmers Union Locals have reported to the state office every member on their rolls paid up in full for the year 1924.
 Bellview—2042—John T. Anderson, Sec. 52 paid for 1924—100 per cent.
 Burmeister—943—Roy Hunter, Ellsworth sec. 24 members paid for 1924—100 per cent.
 Atelstone Central—1171—Ralph Helkes, Wakarusa, Sec. 12 members paid for 1924—100 per cent.
 Summit—1574—Mrs. Alice Ames Madison, Sec. 30 paid for 1924—100 per cent.
 Pleasant Valley—1804—Frank R. Erbort, Ellis, Sec. 18 paid for 1924—100 per cent.
 Fairdale—927—Carl W. Mayer, Brewster, Sec. 13 members paid for 1924—100 per cent.
 Rydal—763—G. S. Duncan, Belleville, Sec. 22 members paid for 1924—100 per cent.
 Prairie College—1227—I. P. Bruning, Robinson, Sec. 29 members paid for 1924—100 per cent.
 Catherine—884—Wm. R. Staab, Sec. 7 members paid for 1924—100 per cent.
 Hays—1130—Mrs. Everett Alquist, Sec. 76 members paid for 1924—100 per cent.
 Sylvan Grove—1555—J. A. Reichard, Minneapolis, Sec. 11 members paid for 1924—100 per cent.

URGES CONDUCT OF BUSINESS ON PURELY COOPERATIVE BASIS

This plan with details worked out to fit the community should result in considerable saving to the members of the Union. There would be no taxes to pay, no depreciation on buildings or fixtures. A saving in freight and the discount for cash. No merchant in town could possibly sell goods cheaper. The savings would all go to the members of the Union and would be enough to cause outsiders to want to join the Union to receive the benefits and would consequently increase the membership in the local.

In case there was a store needed, I would recommend that a contract be entered into between the stockholders and the store, whereby, all purchases were to be made by the stockholders thru the store for a number of years. No store started until enough business was generated by the members to support the store. All sales to be made for cash. Enough capital stock subscribed to build the store, supply the goods, furnish all necessary fixtures and a surplus to cover unexpected losses. The store to charge the customer price for the goods that would always yield a profit, which would be returned in a dividend at the end of the year to the members. No goods to be sold to any except stockholders who were members of the Farmers Union in good standing. Quarterly audits by the Farmers Union Auditing Association. Car lot shipments made thru the Jobbing Association. A bonded manager who had passed an examination before a committee of experts appointed by the President of the Farmers Union. By-laws to be submitted to the Board of Directors of the Farmers Union for approval. A store so operated would not be a price booster for produce and a price cutter on goods sold, but would deal in regular margins and with members only; with the result that the farmers who did not join the Union would be compelled to make their purchases and sales elsewhere, and would therefore be at the mercy of the local merchant. A store organized under the Cooperative Law of 1921, could enforce its contract with its members, should any wish to break the contract. With proper management, a guaranteed trade, cash to do business, I could guarantee such a store success from the beginning. It would be a service station operated for service and not for profit, and would be following the line of the Farmers Union Mutual Insurance Company which has proven a success beyond any questionable doubt.

Should there be a member of the local who was too poor to pay for the goods that he needs, the matter should be taken up by the local and the bank could extend credit or the local put up the funds, or the store set aside a fund known as a charity fund, where members could receive a temporary donation for the purchase of goods.

A number of stores are operating at the present time and are real successful as business enterprises, but they are on dangerous ground for if they do business on too small a margin in order to get the trade of the outsider, the time may come when falling prices will find them with such a deficit, that the stockholders will prefer to sell in preference to putting up more cash to continue the business.

A store in my judgment should be organized as a consumers store, and should be included in its membership all consumers regardless of politics, organization, religion or occupation. When farmers go into the store business they are getting into a strange land and by the time they have learned the tricks of the trade, it has cost them as much as they can expect to save in a long while. If they do go into the store business they cannot expect to win unless they patronize their own store and keep posted on the movements of the business. The local Union is the ideal place to hear the reports of the manager and the directors.

Inasmuch as the contract plan of cooperative marketing has been proven in all foreign countries and among fruit growers, tobacco growers, cotton growers, and wheat growers in the United States, I unhesitatingly recommend that it be adopted by all of our Farmers Union Elevators in Kansas and as fast as possible that the elevators be reorganized under the Law of 1921, as passed by the last legislature.

A form of contract complying with the Cooperative Law of Kansas should be gotten up and approved by the Executive Board of the Farmers Union of Kansas to be used in the reorganization of elevators. The contract should call for the delivery of farm products such as can be handled by local elevators, for a period of years. The grower to deliver and the elevator to receive and sell to the best possible advantage and to be paid for 1924—100 per cent. The proceeds to the grower, less a certain commission for handling, depreciation, taxes, insurance and a reasonable reserve.

There should be no wheat or other products bought for speculative purposes and the elevator should continue its business to members of the Farmers Union local stock of the elevator association.

If it was desired the members could receive an advance on their deliveries of wheat for instance by depositing the last one hundred bushels of wheat that they expected to deliver with the elevator. The manager could sell the wheat and have the proceeds to make advances to the members as their deliveries were made, taking care to not make advance in excess of seventy per cent of the prevailing market. As the wheat was sold, the funds to finance members would return to the elevator and when the final delivery of wheat was made it would be the first one hundred bushels delivered to the elevator.

When the books were closed at the end of the year the proceeds from the sale of wheat or other products would be paid to the grower in proportion to his deliveries less all deductions, in the form of rebate dividends. There would be no income derived from the non stockholder would be selling his produce to your original competitor, who would be delighted to take as big a margin as his conscience would dictate, and experience has taught us that that would be plenty.

By financing the marketing of your own wheat by furnishing your own wheat as capital a saving in interest of at least eight percent on the money used would result. You would have a service station of your own where you could get your wheat and be compelled to dig up money for losses sustained by the elevator in the purchasing of wheat from the outsider who was willing to ride in glory on your back if you were willing.

We should always leave the rich spring out for the farmer who wanted to become a member of the Union and a stockholder of the association. A continuous drive should be kept up for new members and business holders. We should stop planning to belong to an organization of farmers that were moulding their policies to comply with the Golden Rule. If we would strive for harmony and good will among ourselves we would unite the farmers instead of having them divided into two groups working at cross purposes, one group organized to make a profit and the other group, with suspicion and self-doubt, holding us apart while the fishless man tear our flesh and wreck our homes by their iniquitous system of profit which is without honor in the world which is destined to establish the cooperative commonwealth of the Brotherhood of Man.

These recommendations I leave with you. I shall harbor no ill feelings if you disagree with me. Your welfare has been my study. I have spared none of you in making these suggestions. I have made what I believe you will call a consistent fight. I have advocated these things all over the State of Kansas.

Whoever my successor may be I wish him a year full of results. I have followed the footsteps of the wonderful William G. Swanson over the wonderful work done by Brother Swanson with reverence for his built up a monument to his memory in Kansas that will live and become greater as the years go by, when the coming generation shall reap the rewards of his efforts.

Meeting National Board of Farm Organizations in Washington

(continued from page 1)
 the intermediate credit banks as a medium of financing the cooperatives. The system now being considered follows closely the Farm Loan System with a supervising Federal Marketing Board, District Marketing Association, and local cooperative societies, all linked together in a national wide system.

The plan as proposed would provide for the scientific distribution of farm products, control by the system, thus preventing dumpings and market gluts.

Crop control occupies a large part in the plan being considered by the Grange committee. It is declared that no cooperative marketing scheme can hope to succeed which does not include an effective system of production control.

BROOKHART URGES COOPERATIVE FINANCE

Senator Smith W. Brookhart of Iowa, declared that any plan of pooling farm products for marketing would fall that does not include a system of co-operative financing. The government has built up a banking system that prohibits the organization of co-operative law in the United States that permits the operation of a co-operative bank that receives deposits. The need of this country is a co-operative marketing system backed by its own credit system. The more popular it is, the more it will be a measure which would best meet the farmers' needs.

WORK OF FARMER UNION

"The Farmers' Union was a cooperative marketing institution twenty years ago when it was first organized. It is today," said A. C. Davis, Secretary-treasurer of the National Farmer Union. It was the first organization that marketed farm products by commodities. It was the pioneer in the marketing of live stock and in jobbing business in Kansas City conducted by the National Farmers' Union amounts to more than \$7,000,000 annually.

SENATOR CAPPER RAPS MELLON

More than two hundred men have appeared before the Senate Agriculture Committee to urge the enactment of farmers' relief legislation, according to Senator Arthur Capper of Kansas. Speaking of the work of the committee to do he asked, "What of agriculture? All concede that the farmers need help, and with few exceptions men in Congress are willing to go as far as possible toward working out a good practical program to help producers. But their efforts have been greatly hindered by the ideas of the few big farm organization representatives. Many of their views are in direct variance."

"The Gooding Price fixing bill, which undertakes an arbitrary price on wheat, had many supporters some time ago, but they are now in a state of consideration of price fixing schemes." Senator Capper thought there was a fair prospect that the Norris-Sinclair crop diversification bill would be passed this session.

The Norris-Sinclair bill providing for the creation of a \$100,000,000 corporation to buy and sell farm products, has more merit than any of the other farmers' relief bills, and would come nearer to working out a practical plan for cutting the margin between the producer and the consumer, said Senator Capper. The Hoover bill has strong support, and some think the two bills could be used as the basis of a permanent government supervised agency for the handling of farm products.

On the subject of taxation, Senator Capper predicted the putting through of a tax reduction program this session. He was in sympathy with Secretary Mellon's plan of cutting down the taxes to the extent of \$325,000,000 but could not go as far as Secretary Mellon does in reducing the taxes of millionaires, especially the high surtaxes from 50 to 25 percent. He declared that the Mellon proposal to cut the higher brackets was unreasonable. "They are still talking sales tax," he said, "but it will be a long time before advocates of a sales tax can put it over on the people."

The Ford Muscle Shoals proposition will have stronger opposition in the Senate than in the House. But Senator Capper thought there was great possibility in the development of the manufacture of fertilizer at Muscle Shoals, and he would like to see our friend Henry Ford work out this problem.

practically all of the great agricultural societies and organizations of the country, are as follows: Farmers' Educational and Cooperative Union of America; Farmers' National Congress; National Agricultural Organization Society; National Conference on Marketing and Farm Credits; Farmers' Society of Equity; National Cooperative Milk Producers' Federation; Wisconsin State Union; American Society of Equity; American Association for Agricultural Legislation; Pennsylvania State Grange; Intermountain Farmers' Association; Farmers' Equity Union; Pennsylvania Rural Progress Association; Florida Citrus Exchange; and the American Society of Equity.

PUTTING TARIFF INTO POLITICS
 Judge John D. Miller of New York President of The National Milk Producers' Federation, told how the flexible tariff provision is now being used to menace the welfare of agriculture. He referred to the constant fights which the farm organizations are having to wage before the U. S. Tariff Commission, and said that since the flexible tariff provisions was enacted, the tariff had been put into politics in real earnest. He urged farmers to be watchful as their interests in this regard and spoke of the forthcoming hearing before the Commission on March 7, when the major vegetable oils will be the subject of an investigation.

With the approval of the delegates Chairman Barrett appointed the following committee:
 Legislation Committee—J. D. Miller, New York, Chairman; A. S. Goss; Washington State; C. E. Hough, Connecticut; Herbert Egbert, Oregon; C. H. Hyde, Oklahoma; Fred Shangle, New Jersey; George Lambert, Virginia, and C. H. Dildine, Pennsylvania.

Committee on Finance—George H. Bowles, Virginia, chairman; A. H. Fullerton, Pennsylvania; A. C. Davis, Missouri; J. G. Thompson, Maryland, and Frank P. Willits, Pennsylvania.
 Committee on Operating the Building—E. L. Harrison, Kentucky, chairman; R. W. Balderston, Pennsylvania; J. H. Kimble, Maryland; George D. Baker, Iowa and H. Pancost, Virginia.

Committee on Resolutions—John Tromble, Kansas, chairman; Fred Brechnan, Pennsylvania; Richard Pattee, Massachusetts; F. M. Reichert, Pennsylvania; J. M. Collins, Colorado; W. B. Doak, Virginia, and W. C. Lansdon, Kansas.
 Committee on Temple of Agriculture Finance—H. D. Allenbach, Pennsylvania, chairman; J. W. Battchell, South Dakota; C. J. Osborne, Nebraska; P. S. Brennan, Ohio, and William Armstrong, Pennsylvania.

Following the Wednesday morning session the convention adjourned to the White House, where Charles S. Barrett, chairman of the National Board of Farm Organizations, presented the members to President Coolidge. The President received the large delegation in his private office, and spoke in detail concerning the problems now confronting agriculture in this country.

At the closing session the delegates declared in favor of the creation of federal legislation to create temporary agencies through and by which the exportable surplus of farm products may be efficiently marketed abroad, under such terms as to return the domestic prices for such products to their pre-war purchasing power, with a provision for pooling or some other similar provision by which the loss incurred by marketing such surplus may be distributed equitably to all producers. They urged appropriate legislation by the Government of the United States, wherein all export tenures should be utilized not in consistent with national policies to restore economic order in the countries that are or can be made purchasers of American surplus farm crops.

Legislation was also recommended which would permanently enable farmers to act together in associations to prepare for market and market in both domestic and foreign commerce the farm products of the United States, in such a way that the domestic prices may be unduly depressed by reason of surplus crops, but that the exportable surplus may be marketed abroad to the best possible advantage; with the resultant losses, if any, equitably distributed among producers, with the utilization in this respect of what is commonly known as the "pooling plan."

The convention also urged on record urging all necessary amendments to the tariff act of 1922, as would require the Tariff Commission in all hearings under the flexible provisions of this act to base their findings of fact and recommendations on the information and evidence presented at public hearings and upon such evidence alone. The convention also favored further improvement of the present rural credit system, and urged Congress to raise the loan limit on permanent improvements from 20 to 50 per cent of the insured value; to restore the election of six directors in a full board in each of the twelve Federal Land Banks; and to limit the intermediate credit banks' margin on debentures to one-half per cent, and put all resulting profits in reserve.

The delegates endorsed a substantial increase in the federal inheritance tax, and legislation imposing a tax on the income tax on all stock dividends. The convention also declared the Japanese beetle, which has found lodgment in portions of New Jersey and Pennsylvania, is one of the most dangerous insect pests ever brought into the country, and favored an adequate appropriation by Congress to cope with this pest.

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