THE KANSAS UNION FARMER

Organization :-: :-: *Education* :-: :-: *Co-operation*

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Politicians Soon Heard Singing What Government Has Done for Farmers

Farmers Are Thirty Billion Dollars Poorer and Self Protection Must Be Developed By Vote, Says Charles S. Barrett

The music of the Boston Symphony orchestra will not be half so sweet as the music which before long will be tickling the farmers' ears about how much this government has been doing for agriculture. If farmers have not heard the wonderful news already about what has been done to put agriculture on the map never fear but what they will when some of the candidates for re-election start on their rounds before the voters. There will be plenty of pleasing and seductive voices raised to tell the farmers that never before in the history of our glorious country have so many noteworthy efforts been put forward to please and help the farming classes.

The great pleasure which is in store for you as farmers will be of such a nature that I would like to share it with you. I hope you will be as ready to accept this wonderful news as I am and as ready to act accordingly. My mind goes back over twenty or thirty years and it does not seem that I can recall a single presidential election when the farmer has not been told that he is the one great and all important personage whom the politicians consider above everyone else. I have heard the most wonderful oratory expended upon this subject. For instance, that the farmer is the brawn and sinew of the nation, the defender of the faith, the one man who will never strike, but who, through thick and thin leans valiantly upon the plow handles, turning over the rich teeming soil in order that the hunger of the city toiler may be appeased. Also that he is the sine qua non and the mud sill of civilization and with his fortunes rest the fortunes of humanity.

It seems to me that in every election which I can remember the farmer has been handed out a rigamarole of words and promises of future performances in behalf of American agriculture and I suppose that is the reason why as you look around on your thriving herds and flocks and on your well painted and will filled barns and granaries and feel in your breast pocket for the fat certificate of deposit in your local bank and jingle the keyes to the deposit box where rests your unincumbered title deed to your fertile fields your hearts are filled with joy and gratitude that the promises of the politicians have been so nobly fulfilled.

If someone says that I have overdrawn the picture of your prosperity and in fact that I am a liar, what can I say in reply? Why, only that the picture that I have drawn is existing as a figament of the imagination of those who practice Coue methods and are past masters in the arts and wiles of hypnotizing the public mind. The fact is, I am told by competent authorities that judging by standards which so-called business interests would employ, the farmer is in a devil of a fix. My own personal knowledge and observation bears this out. Farmers of the country have recently gone through a deflation which has left them something like thirty billion dollars poorer than they were several years ago. Thousands of farmers have lost their farms and the average farmer owes more money in his own part than he ever owed before. For several years the interests rates have been exorbitant in quarters where a fair interest rate existed before. Prices of livestock and grain have been ruinously low, prices of purchased articles excessively high. Transportation rates have played both ends against the middle and left the farmer with a net loss at the end of the year. Taxes, state and nation are going higher. Three-fourths or more of the nation's tax is expended for past wars or preparation for the avoidance of future wars.

Let us smile together when the gold brick artists begin to break into song. Let us thank him for his solicitude in coming to our farmer meetings where we can easily reach out for the tempting bait.

Later this season, colored hucksesters will be peddling their luscious wares along the shaded streets crying, "watermelons, watermelons." Let the farmers in their Farmers' Union meetings listen to the siren songs of politicians and in unison, sing out lustily, "gold bricks, gold bricks." Havng done so and thus eased our conscience, is it the wiser plan to return to the good old course of patient plodding as is expected by the politicians or to develop some measure of self-protection through the methods of enlightened enfranchisement.

Let us characterize some of the great deeds that have so wonderfully contributed to the farmer's success:

1. The Farm Loan Act which places the farmer in the position of a child incapable of running the affairs of the twelve federal land banks by majority control.

2. The creation of twelve intermediate credit banks also controlled by a paternalistic government.

3. The right to organize $250,000 livestock corporations.

4. A protective tariff which costs the average farmer three or four dollars for every dollar he receives.

5. The packer control act which does not prevent an unlawful merger of competing packers.

6. Representation on government boards and commissions to an extent which should be the laughing stock of the world.

7. An Agricultural Inquiry Commission which has given exploiting interests ammunition for a generation.

Are we sore about it or disappointed? No not at all. Farmers like everyone else get what they deserve. Heaven helps those who helps themselves. Farmers, you who are the mud sill of civilization, grab the plow handles and get back to your job, remembering how independent and prosperous you are!—Charles S. Barrett.

PENNALIZING THE CAREFUL FARMER FOR HIS PAINS

Selling farm products ungraded is one of the worst handicaps of the farmer in his marketing operations. Such a system invariably penalizes the careful, painstaking producer and pays a premium to the indifferent and careless farmer. The buyer of ungraded products must run the risk of finding enough good material in his purchases to offset those of low grade and to pay for the cost of grading. To be sure that he has made no mistake he naturally gives himself full benefit of the doubt and allows a wide margin of safety. This means that products sold in an ungraded state bring on the average a lower price than they are really worth.

In even a larger way selling without regard to quality injures farm business, by tending to lower the grade of the output. It is a bother to produce high grade material and is costs extra money besides. No sensible farmer, therefore, will continue to make these outlays unless he is paid an extra price for his products. There is no other way by which producers can be compelled to stop producing low grade material than by so penalizing them in the price that they find their careless methods unprofitable.

A striking illustration of the bad effects of selling material ungraded is found in the results of the marketing of Missouri's wool clip. The Missouri marketing bureau last season graded some 2 million pounds of the farmers' wool and it was found that a third of it was rejected or of the lowest grade. This rejected wool was worth only about half as much as it would have brought if it had belonged to one of the higher grades of Missouri wool. The farmers' wool of this state, as of most other states, was marketed ungraded, the good being mixed with the poor, the upper grade carrying little reward in price and the lower grades little penalty. Of course the presence of 35% of reject wool in the Missouri clip did not go unobserved by those who bought this wool from the farmer and its presence did not fail to have an important bearing upon fixing the price the farmer was paid for his product. It is reasonable able to suppose that enough was taken off the price of the good wool brought in by the careful farmer to offset any mistake the buyers might be making in the grade of badly mixed wool brought in by a careless farmer.

Missouri wool growers lost, it is estimated, at least half a million dollars by reason of having a third of their wool of reject grade instead of one of the better grades. And it is probable that an equal sum was deducted from the price because the poor wool was mixed in with the good wool.

Of course to produce wool of the better grades one must breed good sheep, but for these pains the reward of increased production is added to that of an increased price for the fleece. To produce wool that belongs in the upper classes one mhst keep his farm free of cockleburs and weeds of that class, but the additional yields of corn profit for the taking of such pains. Wool to bring the highest price must be well shorn, properly tied, and properly sacked. But the amount the farmer gains from having a third of his wool lifted out of the lowest grade will easily pay for this trouble and leave a good profit besides.

Fortunately the way out of this difficulty in selling wool is plain and easy to follow. If all wool growers would patronize their local and state wool pools their products would be accurately graded and sold on its true merit. hTere would then be enough wool of each grade in the pool to attract as buyers those who use these grades instead of having to sell to the same buyer half a dozen or more grades and compel him to find a market for the grades he doesn't want.

We say there are too many middlemen operating between the farmer and the consumer, yet the farmer by throwing his products on the markets in small lots, ungraded and unclassified, is making this army of extra middlemen a necessity. There is but one way to dispense with the services of these speculators and that is for the farmer to give this service himself. H. J. Waters.

USED OPPONENTS' THUNDER.

A few years ago in an Illinois town, the local merchants decided to put the co-operative store out of business. They cut prices on a dozen articles and had leaflets printed giving the reduced prices. These were distributed among the members of the co-operative society. As soon as the manager of the society saw one of these leaflets he went around to the private store and got a load of them and agreed to distribute them himself. And he did. But he stamped on each one: "You have to thank the co-operative store for these reductions. Stick to the co-op. It brings down prices. The people saw the point. They realized that if it had not been for the co-operative bargains would never have been offered.—From "Co-Operation."

READ UNION WANT ADS

Farmers Union Commission Holds 3rd Place

Pushing Closer to Top in Volume Business—Hog Receipts Double Next Highest Firm

The cattle runs from the Quarantine section of the South were very liberal on the Kansas City Yards during May; quite a per centage of general receipts being from that territory. Though the FARMERS UNION receipts as yet do not include any of this class of cattle this firm has held its rank in the standing of the commission firms for May: and for the first five months of 1923 has advanced from sixth place held March 1st. to third place held June 1st. In general receipts on the Kansas City Yards Third place for the month and third place for the year.

The official records of the Stock Yards Company show inbound shipments only in the month's standing—do not include stock sent in in trucks or cattle purchased to be shipped back to the country. According to the Stock Yards Company's records the first three firms on the Yards received the following car loads in May—

	Cattle	Hogs	Sheep	Total
First	466	201	98	765
Second	623	29	80	732
Farmer Union	185	471	9	665

Cattle purchased and stock sent in by truck brings Farmers Union total receipts for the month up to SEVEN HUNDRED TWENTY-TWO carloads, the heaviest receipts ever received in one month since the organization of the firm.

The above will disclose that the Farmers Union hog receipts are more than double the next highest firm—that their receipts of good fat cattle are liberal—that the firm each month is keeping up an average increase of close to 100 per cent as compared with its receipts for 1922.

The Farmers Union is beginning the sixth month of the year with only two in the race leading it; one firm by one hundred car loads—the other by sixty seven car loads. The Farmers Union is beginning the sixth month of the year with the lines drawn tight—with the determination to keep up the standard of sales and service and to push just a little closer to the top in volume of business handled. We must have the volume.

Another Wheat Marketing Conference

A call for a meeting of all the interests involved in making marketing and consuming wheat was announced in Chicago evening papers of May 26. The proposed conference is to be held in the Sherman House in Chicago on June 19-20. The news story stated that the call was signed by the governors of Minnesota, Illinois, Kansas, Missouri, North Dakota, Ohio, and Oklahoma; and also by Senators Arthur Capper of Kansas and Royal S. Copeland of New York; President O. E. Bradfute of the American Farm Bureau Federation, President Charles S. Barrett of the National Farmers Union, Master Sherman J. Lowell of the National Grange, George E. Chamberlain of the United States Shipping Board and Mr. Aaron Sapiro who is a private citizen of the state of California, nationally known as an expert in cooperative marketing and especially familiar with the legal phases of the problem.

Doubtless this call was gotten out in somewhat of a rush but even so there are significant omissions from the list of names of those who should have joined in this effort to improve the condition of the wheat growers. Why were the governors of Colorado, Nebraska and South Dakota omitted? Why were the executive officers of the State Farmers Unions of Oklahoma, Colorado, Kansas, Nebraska, South Dakota, Illinois, Indiana, Iowa, Texas, Montana and Missouri omitted? Why was there no effort made to secure the cooperation of the existing wheat growers associations of North Dakota, South Dakota, Nebraska, Colorado, Kansas and Texas? Why is the name of William Hirth of the Missouri Farmers Association not included? Why were the great cooperative commission houses now conducted by the Equity and the Farmers Union in the Kansas City market not consulted in any way? Finally why was George H. Jewett who has sold more wheat cooperatively than any other living man wholly ignored?

It appears that this conference has been called at the instance of Mr. Aaron Sapiro who has recently held meetings in several of the states and who is reported to be now in the employment of the American Farm Bureau Federation or of the ailing infant known as the United States Grain Growers, Incorporated, which is the all but still born child of the Federation. In his address at Topeka on May 14th Mr. Sapiro stated that practically no constructive work has been done in the interest of the wheat growers of this country. He dismissed the local cooperative elevator movement, so long a big factor in the middle west, as negligible in its results. He belittled the work that has been done and is yet in progress in organizing and marketing wheat in thirteen states—a work that has resulted in the contracting of the entire wheat production of more than 30,000 farmers with an annual aggregate crop of nearly 100,000,000 of bushels. He charged that the lack of progress to date is due largely to the jealousies and to the lack of constructive ability of the leadership of the various farm organizations in the wheat territory. He pointed out the remarkable results obtained in organizing and marketing tobacco under his leadership. Finally he left with his audence the impression that there is no reasonable hope for the success of any cooperative movement that he does not personally direct.

Those who are familiar with the progress of the cooperative marketing movement are sure that Mr. Sapiro took in too much territory, that he arrogates entirely too much credit to himself for what has been done, and that his assumption that wheat can be organized as easily, as speedily, and as effectively as tobacco or prunes is wholly wrong. Mr. Sapiro had the first opportunity to serve the wheat growers of the west. He wrote the contract and with one or two exceptions and at one time or another was the attorney of every one of the pools that is now marketing wheat co-operatively. At the present time he is not officially connected with more than one or two if with any of the wheat pooling associations. It has also been reported that he is no longer connected with any of the tobacco associations. He never has had any official connection with most of the cotton associations. There are those suspicious persons in the country who are wondering whether it is not necessary now for this distinguished lawyer who has done so much for cooperative marketing to look about for a new field for his particular talents or find himself without a place in the national spotlight and without that remunerative employment from which it is reported that he at one time drew as much as $200,000 a year for personal services.

If Mr. Sapiro wuld take the trouble to make a careful study of the results of the local cooperative elevator movement—the sort of an investigation that the leaders of the Kansas Farmers Union have made—he would learn that much has been done. Through that movement the wheat farmers of the middle west have been delivered from the none too tender mercies and services of the local speculators with a resulting gain to the growers that averages at least fifteen cents a bushel on the day of delivery and sale through local cooperative marketing agencies. All thoughtful students of wheat marketing know of course that the local elevator movement cannot provide orderly marketing facilities, that it does not prevent dumping and market gluts and that it cannot have any appreciable influence on the terminal market prices and conditions. If it can be proved, however, that local cooperative marketing of wheat has added an average of fifteen cents a bushel to the local or farm price all will admit its value and most men must concede that in dollars and cents returns it has done much more than can be effected in the way of saving between the local shipping station and the miller or the exporter. The local cooperative elevator movement was not a wrong move but a first and most valuable and constructive step in the right direction and it must be a constituent part of any wheat growers marketing organization that hopes to succeed.

The existing wheat growers cooperative associations are neither so small nor so ineffective as Mr. Sapiro would have us believe. They include in the membership a great body of growers that is steadily increasing in numbers, in confidence and in their ability to handle their difficult and complex problems. Crcumstances over which no one group could exercise deciding control have prevented that full measure of harmony that is so desirable. Local conditions and local preferences and possibly personal jealousies among leaders have prevented the effective federation of the existing associations. However there is no reason to doubt that the obstacles that have interfered with the fullest usefulness, the rapid growth and the effective coordination of these wheat growers associations are temporary and that they will speedily disappear. What is needed now is not a big movement to discredit what has already been done by the unselfish men who have devoted time, thought and money to the interest of wheat producers but a united effort on the part of all public and private agencies and forces to assist and encourage the organizations that are already functioning.

It is urged that there is not enough progress. That is true of course but critics who compare the wheat situation with that of tobacco or fruit do not see very far below the surface. The tobacco pools were quickly organized because the growers of that commodity were told by men in whom they have confidence as leaders that such an association would make them a lot of money. The members signed the contracts because they were told to do so. The wheat grower's name cannot be secured in that way. His natural tendency is to reject anything that he is told by an outsider is for his own good. He must be convinced that the principles of the proposed organization are sound; that the terms of the contract offered him are legal, fair, reasonable and necessary; that necessity requires the organization; and that through the associaion properly carried on he may hope for substantially increased income. This work of education, the trail blazing more necessary among wheat farmers than in any other group of agricultural producers has been going on for four years. Thousands and tens of thousands of farmers who have not yet signed the marketing contracts of any wheat growers association are convinced of the necessity, the legality and the feasibility of marketing through pools. During the next few months they will put their names on the dotted line unless a counter movement discrediting what has already been done is started by men and interests wholly outside the groups that are interested as producers.

Quoting from the official call for the Conference the Chicago Tribune of May 27 says, "We invite representatives of organizations of agriculture, commerce, elevators, railroads, millers, bakers, retailers—also of educational bodies and of all other industries related to the production, manufacture and consumption of our wheat crop—together with individuals interested in the solution of economic questions affecting the nation." If representatives of all these groups enumerated in the call respond the conference will be large and its discussions and resolutions interesting. If the purpose is to line up governmental, financial, transportation, exporting and manufacturing interests for the support and the promotion of the cooperative wheat marketing movement already so well established and so promising the conference can do a lot of good. If, on the other hand the purpose is to discredit what has already been done, to nullify the results of the last four years of educational work and start a new plan under leadership already repudiated the conference will not only result in bitterness and failure but will so slow up the cooperative marketing movement that it will take years to overcome its evil effects.

Recent Court Decision Upholds Co-Operative Marketing Groups

Right of Producer Association to Dispose of Milk It Controls In The Manner It Sees Fit to Adopt Affirmed

A decision of the New York state supreme court dealing with the legal status of cooperative marketing associations was recently handed down, and proved to be a complete victory for the producers. The case involved the Dairymen's League Cooperative Association and is analyzed by L. S. Hulbert, an investigator for the United States department of agriculture.

"In this case," declared Mr. Hulbert, "the legality of the association which controlled about 40 per cent of the milk produced in New York state and about 50 per cent of that used in New York City, was attacked. The plaintiff brought suit to obtain an injunction to enjoin the defendants from making or carrying out any combination for the purpose of fixing the price of milk in the state of New York, the cooperative association from doing any act whereby a monopoly in the production or sale of milk in the state was produced or under which competition was prevented, and also to enjoin the defendants from carrying out any arrangements under which the milk of the plaintiff was refused by the Borden's Farm Products company unless he should become a member of the cooperative association.

It appeared that the plaintiff operated a farm near Westmoreland, N. Y., and that for some time he had sold his milk to the Borden's Farm Products company, which operated a receiving station at Westmoreland. The Borden company is the largest distributor of milk in New York city and controls about 30 per cent of the fluid milk business in that city. This company entered into a contract wth the Dairymen's League Cooperative Association, which in turn, agreed to supply such milk. Obviously, if the Borden company purchased its entire supply of milk from the cooperative association it purchased no milk outside of the association.

Rejects Association

The plaintiff was not a member of the Dairymen's League and apparently was unwilling to become a member. After making the exclusive contract with the Dairymen's League, the Borden company necessarily refused to accept any milk at its receiving station at Westmoreland, except that delivered by members of the association which members made their deliveries in accordance with the contracts which they had entered into with the association. Moved, apparently, by the fact that the Borden company would no longer purchase milk from him, as it had done in the past, he brought suit, alleging that the Dairymen's League, as organized and operated, and its exclusive contract with the Borden company, constituted a violation of the law of New York prohibiting conspiracies of two or more persons to prevent another from exercising a lawful trade or calling, or from doing any act injurious to trade or commerce, and of those statues dealing with monopolies and restraint of trade.

The cooperative association contended that its operations and contracts were exempted from the laws referred to by specific statutory exemptions from such laws in favor of farmers and farm organizations.

The plaintiff claimed that these exemptions were unconstitutional. After holding that the exemptions were constitutional and that they exempted the cooperative association from the laws which the plaintiff claimed it had violated, the referee held that the facts involved did not show that the common law rules, relative to unlawful combination and restraints of trade, had been violated by the defendants. The opinion does not state what the holding would have been if the statutory exemptions had been held unconstitutional. No federal statute was involved in the determination of this case.

No Boycott Evident

With respect to the Borden company the referee pointed out that "it certainly had the legal right to purchase its milk of any individual or group of individuals that it wished, and for any reason that it wished to assert." This, it may be said, in the absence of a statute, is the established principle, namely, that one engaged in a private business, no conspiracy or boycott being involved, may buy from whom he will or sell to whom he will, and that his reason or lack of reason for doing so is immaterial. The referee stated that there was no evidence in this case indicating a boycott or conspiracy.

This opinion, at least so far as the trial court is concerned, appears to establish definitely the legal standing of the Dairymen's League Cooperative association and its rights to dispose of the milk which it controls in the manner which it sees fit to adopt.—The Producer.

Report of Committee On Agricultural Co-Op.

By W. C. Lansdon, National Organizer

Part Three
Types of Co-operating Marketing Organizations, Cont'd.

One of these state exchanges, the Jobbing Association of the Kansas Farmers Union has entered the field of hay and grain marketing. It owns two seats on the Kansas City Board of Trade and on the Kansas City Hay Exchange, and sells great quantities of hay and grain consigned to it by the members of the Union and others in Kansas and adjoining states. So far its services as a terminal marketing agency have been satisfactory and its business is expanding so rapidly that in volume of transactions it will soon equal or exceed the business of any old time house on that market. During the past five seasons this concern has handled binder twine in such quantities that it has been able to fix the price paid for that commodity by Kansas dealers and consumers. Conservatively estimating the Jobbing Association has saved Kansas Wheat Growers at least $3,000,000 on twine since it began to handle that commodity in a large way.

Although great numbers of share capital cooperatives are still in business, many of them in a highly prosperous condition, it is only fair to report that there have been hundreds of failures many of them in surroundings and with initial support that should have assured success. There is also a considerable number of such enterprises still functioning that are really bankrupt, as they have lost or wasted all their original capital and are now operating on credit unselfishly supplied by a few directors or other loyal members. To analyze all the causes of cooperative failures would require more space than is available for this report, and more information than this committee possesses, but it may be profitable and helpful to discuss a few of the many mistakes that have prevented so many Rochdale societies from realizing all the hopes of their members.

Farmers' Co-operative business associations are nearly always organized by persons who are not expertly familiar with modern business methods. Frequently they are ill considered expressions of contempt, protest, or resentment against existing commercial houses. They are often started without any inquiry as to whether there is enough business of the kind to be done to pay operating expenses, a reasonable dividend on the necessary capital, and return any savings worth while to the members. While many smaller concerns make a fair showing it is a safe rule to organize no cooperative society, either an elevator or a store, unless there is business in sight to the amount of a hundred thousand dollars a year. In average rural conditions this means the support of three hundred families.

As a share capital cooperative is a corporation, its management is in the hands of a board of directors elected by the stockholders. It often happens that in the very beginning the wrong men are named for the directorate, with resulting inefficiency in the conduct of the business. Incompetent directors are very apt to lean too much on the manager. Unfortunately a surprisingly large proportion of cooperative business managers have turned out to be inefficient or dishonest or both. Many who would not tap the till in cold blood do not hesitate to take presents of merchandise and even of cash from wholesale or consignment houses that still practice old crooked ways of securing trade. Such managers often wind up as thieves on their own account or in the interest of some competitor of the cooperative who has bribed them to rob and betray their own people.

Without experience in practical business the directors frequently do not know or appreciate the necessity for accurate accounting. They regard an expert auditor as a sort of detective often useful in catching a thief, and so make no provision for frequent and impartial inspection and verification of the records by persons in no way connected with the business. Such directors believe that they save money by hiring cheap office help and by having the books and business audited by a committee of their own board. A concern so managed is usually doomed to failure before it begins operations. With good luck it may drag along for quite a while after it is bankrupt because no one knows its actual financial condition.

The credit system probably is responsible for a majority of all cooperative failures. A credit business cannot be operated on the same scale of prices and expenses that means prosperity for an enterprise that buys and sells for cash. Credit, unless wisely and skillfully regulated and sustained by large capital resources,

(Continued on page four)

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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.

All copy, with the exception of notices and including advertising, should be in five days before the date of publication. Notices of meetings can be handled up until noon Monday on the week of publication.

Change of Address—When change of address is ordered, give old as well as new address, and R. F. D.

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, JUNE 7, 1923

DUTY IN BUSY MONTHS

All Kansas farmers will have plenty to do for the next few months. This should not interfere with Union work. Locals should meet regularly right through the summer. There should be no let up in the campaign for new members and in the collection of dues from those already in the organization.

It is possible for a local composed of active men and women who believe in the organization to double its membership in the busiest months of the year. Those that do so prove their belief and confidence in the Union.

MERITS OF MUTUAL INSURANCE.

The wolves of corporate greed are howling for the blood of all mutual insurance companies. The paid publicity agents of the great profit taking companies are filling the newspapers with anti-mutual propaganda and are flooding the country with literature attacking this particular form of co-operative effort. In a recent article widely published in the kept press of the country an advocate of insurance for the profit of stockholders makes this statement:

"The chief difference here to be explained" (that is the difference between joint stock and mutual insurance)" is as follows: Stock companies agree on receipt of a given premium to pay a certain sum for any loss sustained and the entire assets of the company are back of the contract. Mutual companies guarantee to charge a certain sum for a certain amount of insurance and after all expenses of management, division of profits and the cutting of "melons" fortunate indeed is the assured if there be sufficient funds to pay losses in full. The chances for paying in full are nearly always lessened by the fact mutual rates or estimates are usually a little ower than those of stock companies—a ruse that is used by those who run the company to increase the premium income—which increases the chances for prorating losses instead of paying in full."

It would be mighty hard to crowd more lies into one short paragraph than are here boldly and brazenly uttered. The man who takes out an insurance policy buys protection only. In a stock company the premium that he pays must include, in addition to the cost of production, payments for several things that he does not need and that he cannot use. He must pay his part of the dividends distributed to the shareholders. He is taxed for the high commissions that such concern must pay their agents, in order to perpetuate their business. He contributes to the enormous salaries which the officers of such companies take for their services of extremely doubtful value. He must carry a part of the heavy overhead expense incident to doing business in over costly office buildings in the great cities and to the payment of great numbers of supernumeray and wholly useless clerks, stenographers general and district managers, adjusters and other leaches and parasites that fasten on and fatten from the carcass of such associations.

Properly organized mutual companies operate on a schedule of rates that is just as sound and safe as the tables of the joint stock companies. It is true that they usually do business on a lower rate than their profit taking competitors but that is because they collect money only for insurance and for overhead charges that are always kept at the lowest possible point consistent with safety and the interest of the policy holders. The first charge against the income of any insurance company is for operating and agency expenses. This is always lower in a mutual than in a stock company. The deduction is for legal reserves which must be made by all companies that hope to survive and succeed. Losses are not paid out of what is left after melons in the shape of co-operative dividends have been cut but must be adjusted before any rebates are paid out. The co-operative dividend of a mutual company is possible only when the income is sufficient to pay expenses ,to provide for legal reserves and to adjust all losses and leave a surplus in the treasury. That surplus is then distributed among the policy holders because it represents money that they have paid in excess of the value of the service and protction that they have received.

The critic of mutual insurance would have his readers believe that co-operative insurance associations make no provisions for reserves and operate on the rule that each year's losses must always be paid out of current receipts. This of course is a lie. The Farmers Union Insurance Companies and all other similar mutuals operating in Kansas are required by law to estbalish and maintain reserves. These reserves for the Union companies now amount to more than a half million dollars and are in excess of legal requirements in this state. All losses to date have paid in ful without taking a dollar out of the reserves. It is true that these reserves are not as large as the accumulations of some of the profit grabbing companies but they meet the requirements of the law and that they are sufficient is proved by the fact that the company has never been forced to use any part of its surplus accumulations with which to pay losses and has repaid some of the cost of a paid policy. Mutual companies set up and maintain only such reserves as are essential to the protection of their policy holders. Joint stock companies pile up great accumulations of their policyholders money that have no relation to the needs of the insured.

Life insurance as conducted by profit making companies is an even worse drain on our national resources than fire protection. Seventy-five of the great life insurance companies of this country last year added more than $600,000,000 to their reserves. That is, collected from their policyholders that much money in excess of their actual requirements for the protection of the assured. The big fire insurance associations all told must have collected an equal amount above their needs. Next year and each succeeding year larger and constantly larger sums will be piled up in these wholly unnecessary insurance reserves. It requires no prophet to forsee a day whe nall the property values of this country will be centralized in the reserves of stock company insurance.

It is time for sensible folks to consider co-operative insurance.

ROBBING THE RAILROADS

In commenting on the conference on railway valuation recently held in Chicago the Topeka State Journal says editorially:

"Senator La Follette's Chicago conference was declared by its promoter to be in the public interest and designed to prevent the railroads from robbing the people. What the country more particularly needs is action which will prevent the public from robbing the railroads."

This statement sounds like the opinion of a stockholder in the Santa Fe system but it may have been prompted by nothing more serious not to say sinister than the editors personal friendship with railroads officials with whom he spends a large portion of his time in playing golf and in other entirely proper social diversions. While doubtless meant to rthe truth there is every indication that it was prompted by prejudice and colored by lack of information.

In the first place Mr. La Follette did not say, nor did the call, that the conference was designed to prevent the railroads from robbing the people. It was stated definitely that the only purpose of the meeting was to plan a publicity campaign that would force the Interstate Commission to obey the law under which railroad property is being valued for the purpose of determining a basis for making rates for the transportation of freight and passengers. It is true, of course, that if the methods of reaching a final valuation figure that have been adopted by the commission are approved and the results so obtained are accepted as the true value of the properties the public will be forced to pay about half a billion dollars a year of additional rates for railroad services. Some folks would call such an extortion robbery but if it is the responsibility will rest not so much on the roads as on the unfaithful public servants who have betrayed the trust and confidence of the people.

As to the need of protecting the railroads from being robbed by the public there is avery natural difference of opinion. Railway officials and stockholders may believe that such protection is required. Shippers who occasionally read the financial columns of the metropolitan papers are convinced that the roads that are operated efficiently and honestly do fairly well as it is. The Santa Fe and Union Pacific are two of the big lines of Kansas and both do a lot of business in Topeka. Each of these corporations appears to be rather more prosperous than the average farmer in the territory in which it operates.

After the payment of all operating expenses, of interest on preferred stock and bonds, and the purchase of a vast amount of reserve materials the Santa Fe system last year earned a net return of $14.07 on each $100 share of common stock. Out of the earnings the regular six per cent dividend was paid and the remainder, about $44,000,000 was passed to the corporate surplus which now amounts t o$227,1000,000 which is about two millions more than the par value of all the outstanding common stock of the company. The Santa Fe appears to be able to protect itself against the predatory designs of the public.

The Union Pacific which carries a much heavier lod of securities than the Santa Fe does not present quite as good a showing but managed to make both ends meet as a result of last year's operations. The net earnings of that system after the discharge of all operating and fixed obligations amounted to 12.75 for each one hundred dollar share in 1922. After the payment of a ten per cent dividend on outstanding common stock amounting to $222,291,600 a large sum was passed to corporate surplus which now totals nearly $250,000,000. In addition to its income from operations the Union Pacific received $13,138,088 from its investments in stocks and bonds for the year 1921 and probably a considerably larger amount in 1922. That system appears to be perfectly able to protect itself.

Neither of these roads has paid a dollar into the federal treasury under the recapture provisions of the Cummins-Esch law. Each of them is in favor of a merger that will convert the book value or, if that should be greater the Interstate Commerce commission's final valuation figures, into permanent income yielding securities.

THE GEORGIA CANE GROWERS

Southern counties of Georgia and Alabama and some of the northern counties of Florida produce sugar cane, commonly called ribbon cane, from which is made the purest, the most palatable and the most wholesome sirup known to commerce. The sugar house sirup of Louisiana is similar in some respects but is a mere by product from the manufacture of sugar and is produced without the care and cleanliness that characterizes sirup boiling in the ribbon cane districts.

Until very recently the producers of ribbon cane sirup marketed their product in conditions that made profit impossible. The sirup was sold in barrels to centralized plants that standardized canned and marketed under their own labels. On June 9, 1921, at a meeting at Cairo, Georgia called by the County Farmers Union of Grady County and addressed by W. C. Lansdon of the National Farmers Union the first steps were taken for the organization of a Cane Growers Cooperative Association. The results of that meeting and the benefits and possibilities of cooperativg marketing are set forth in the following article reprinted here from the Bulletin on Agricultural Cooperation issued by the Department of Agriculture on April 23rd. 1923:

"Three thousand cane growers, located in sixteen counties of Georgia, marketed their cane sirup last season through their new organization, The Cane Growers Cooperative Association, Cairo, Georgia. More than 27,000 barrels of sirup or nearly a million gallons were handled at an expense of not more than five per cent, a part of which went to help pay for the plant of the subsidiary company, the Cane Growers Canning and Warehouse Corporation.

A large Warehouse and packing plant has been erected. The sirup is processed and packed in one and one half, two and one half, five and ten pounds cans, marked "Southern Plantation Brand, Pure Georgia Cane Sirup." An average price of 40 cents a gallon was received for A-1 sirup, and No. 2 sirup brought a better price than was received the previous season for A-1. The growers have received approximately $400,000. A large increase in membership is expected for the coming season.

It is stated that an acre of land will easily yield twelve barrels of sirup and this amount of carefully made sirup sold through the association this year netted the grower around $150. Most of the product was marketed within the state but as the organization expands it is planned to advertise and extend the market. The association was incorporated May 14th, 1922.

Here is an enterprise that deserves the support of the Farmers Union in every part of the country. Stores and state exchanges should get in touch with this concern and assist in the distribution of a product that is superior to all other sirups on the market, that is produced by farmers, and that is marketed by their own cooperative agency. An increase in the consumption of Georgia sirup would also reduce the amount of glucose and other inferior products that are made and marketed by the subsidiary corporations of the Standard Oil Company.

TOO MANY INSPECTORS

The Topeka Capital recently stated that although the state has nine inspectors at work looking up delinquent automobile owners there are still about 50,000 cars in Kansas that have no 1922 tags. The probability is that most of the cars included in this estimate are not being operated. Whenever they are taken out of storage and the batteries replaced the tax will be paid.

The really significant part of the story is that the state of Kansas has nine inspectors of automobile license tags. These officers are wholly unneccessary and every cent that they draw from the public funds for salary and expenses is absolutely wasted.

It is impossible for any car owned in Kansas to drive as much as ten miles without coming under the observation of a constable, a policeman, a sheriff or a deputy sheriff. All Kansas peace oficers have authority to arrest violators of the law. If the state administration would discharge all its automobile inspectors and issue orders for the arrest of the owners of all tagless cars by local officials the unpaid tax would all be in the hands of the proper collectors within two days.

WHY IS AN AGRICULTURAL COLEGE

The Kansas City Star and quite a number of folks in Stillwater and other Oklahoma communities are very much worked up because the new president of the agricultural college of Oklahoma has declared that he considers it more important to teach farming than Latin and Greek at such schools as are maintained at public expense for giving instruction in agriculture and the mechanic arts. The new president is accused of an inclination to put a higher value on pigs than he is willing to concede for culture.

Professor Wilson has probably said few if any of the things credited to him. He certainly has not declared against classical scholarship and culture. He has merely asserted that an agricultural school should teach farming and that students in search of culture and classical knowledge should resort to institutions established to do that sort of work.

COMMENT ON WORLD'S NEWS FOR WEEK

Valuation Of American Railroads

Is a matter in which all the people of the country should take an intelligent interest. For ten years the Inter State Commerce Commission has been engaged in the work of finding out how much the railway property of this country is worth. About $76,000,000 nearly four fifths of which was furnished by the roads, has been spent in this work which is probably a little more than half finished. The purpose of the valuation is to ascertain the proper base for making rates for freight and passenger services.

It appears that the Commission has spent most of its time in ascertaining or rather in making scientific guesses at how much it would cost to reproduce the existing railway systems under existing conditions. While this was authorized by the law providing for valuation the commission was also required to find the original cost of the properties to date and also the value of the public donations that have been made during the past two generations to assist in railway construction.

Had the valuation been completed within two years from the beginning of the work there would have been no great difference between the original cost and the cost of reproduction. Times have changed since 1914. Labor, material and other elements of construction cost have increased so greatly in value since the beginning of the work that it is now certain that the cost of reproduction would be almost double the original cost of the roads to date.

No serious attempt has been made to find either the original cost to date of the properties or the value of the donations made by the public to assist in original construction.

Farmers Are Especially Interested

In the valuation of the railroads. Agriculture is the only great industry that cannot shift freight charges along the line towards the final consumer. The freight on the raw materials of food and clothing produced on the farms is paid in full by the producer who has no chance to pass the buck to any one else. The freight or the implements, lumber and other necessities used by the farmer is charged to him as a part of the price that he must pay as the final consumer.

Experts have estimated that the Commission plan of valuation will increase the rate making base of the railway lines of the United States from about $19,000,000,000 to nearly $30,000,000,000 requiring an additional charge for services that will amount to at least $500,000,000 a year for the payment of the present rate of guaranteed income to the roads. In the process of passing this half billion of increased charges along to the final consumer it will increas at least threefold making the ultimate burden sure to result from the policy of the Commission at least a billion and a half dollars a year. Agriculture will be called on and forced to pay at least two thirds of this huge addition to the cost of doing business in the country.

Existing Rates For Transportation Services

Together with other causes intimately associated with the necessity for assuring a fixed income for capital have already reduced agriculture to the verge of bankruptcy and have forced many hundreds of thousands of individual farmers to surrender their homes to mortgage holders and begin life anew as tenants of the very lands that were given value by their labors and sacrifices.

In Kansas the situation is bad though not so desperate as in other middle western states. Five years ago the alfalfa acreage of our state was nearly one million and a half acres. It is now not much above eight hundred thousand acres, a decline of about forty per cent. This change is wholly due to the increased freight rates that make it impossible to market even the most valuable hay at prices that are profitable to the farmers. Every acre of alfalfa land in Kansas has been depreciated by the excessive and unfair freight rates on hay.

The increased freight rates now in effect have so reduced the income earning power of middle western farms that profits, except in specialized farming for the production of high priced crops, are no longer possible. A further increase in rates to correspond to the new rate making base that is being built up by the Inter State Commerce Commission working in close cooperation with the roads is certain to ruin the few farmers who have evaded bankruptcy.

Rates For Railway Services

Are so important to all the people that it seems necessary that something be done to induce the Inter State Commerce Commission to follow the requirements of the valuation law. If the cost of reproduction is to be only final figure announced it is perfectly plain that a rate making base will be established that will be very unfair to the shippers and the travellers of the country.

Nor is the injustice of the plan of the commission confined to the present and to immediate results on business. Such a rate making base from its very nature cannot be permanent. Five years from now the increasing cost of construction may have doubled the reproduction cost of the transportation systems of the country. Who can doubt that if that should happen the roads will demand still higher rates for their services? On the other hand if wages and the cost of materials should decline who believes that there would be any voluntary reduction of rates to conform to the reduced cost of reproducing the physical agencies of transportation?.

A Conference On Railroad Valuations

Was held in Chicago on the 25th and 26th of May. Representatives of agriculture, labor, manufacturing, and of the consumers were invited. The call for the meeting was signed by Robert M. La Follette, Henry F. Ashhurst, Smith W. Brookheart and Morris Sheppard senators, from Wisconsin, Arizona, Iowa and Texas: by Henry Allen Cooper, George Huddleston and W. Turner Logan—representatives in congress from Wisconsin, Alabama and South Carolina; and by George W. P. Hunt, William E. Sweet, S. E. Kendall, Johathan M. Davis, Jos. W. Dixon, J. C. Walton, and John J. Blaine—governors respectively of Arizona, Colorado, Iowa, Kansas, Montana, Oklahoma and Wisconsin.

The conference was attended by all the signers of the call or by their personal representatives and by about a hundred and fifty others concerned only with the great public interests involved in railway valuations. Men of all shades of political opinions were present and all were determined to act progressively in the interest of the people rather than from a biased point of view determined by party or business considerations.

Chicago Newspapers Almost Without Exception

Misrepresented the purposes of the meeting and ignored the program that was adopted. It was at first charged that the whole thing was an effort to strengthen the La Follette position as leader of the independent group in congress. The actual make up of the conference so obviously gave the lie to that assumption that it was soon abandoned. It was then proclaimed that the conference was only a camaflouged meeting of the advocates of government operation and that the members who attended were hell bent on the confiscation of the money now invested by private and presumably patriotic citizens of the republic in railway securities.

The Chamber of Commerce of the City of Chicago sent an uninvited delegation to the conference with a list of questions indicating that interest of that organization is entirely with the railroads. Although the delegation was made up entirely of representatives of large shippers the position was taken that anything that the present railway managers want is right and should be conceded and its expenses paid by good citizens. This uninvited delegation was accompanied by a considerable number of well known police record characters whose duty, apparently, was to start a rough house and break up the meeting. Fortunately the mayor of Chicago who was in sympathy with the purposes of the meeting and also anxious to save the city from the odium of a discorteous act towards visitors was able to furnish sufficient police protection to prevent a disturbance.

It was a curious and probably an unparrelled sight to see a conference of representative public men carrying on their business under police guardianship necessary to protect them from interruption by thugs and gun men employed by the agents of special and privileged interests.

Public Ownership As a Possible Solution

Of a railroad problem was referred to incidentally by a few of the speakers but for the most part the discussions were confined to one thing, a workable plan for organizing public sentiment behind a demand that the Inter State Commerce Commission comply with the law in making its valuation of the railroads.

A permanent organization was effected with Senator La Follette as chairman, Congressman Huddleston, Senator Owen, and Edward Keating as vice Chairmen. Funds for the work will be raised by a Committee on Finance of which Warren S. Stone, Grand Chief of the Brotherhood of Locomotive Engineers is chairman. More than $8,000 was subscribed during the meeting.

The executive committee of the organization was instructed to use all proper means of persuasion to induce the Commission to conform to the law in making the railway valuations and failing in that was instructed to employ counsel and bring mandamus proceedings in the courts to compel compliance with the law.

Senator Owen Of Oklahoma Was One

Of the outstanding figures of the railway valuation conference. He participated in the discussions, acted as Chairman of the Organization Committee and made a generous subscription to the funds for carrying on the work. In one of his addresses Mr. Owen who has been frequently suggested as a possible democratic nominee for the presidency affirmed his absolute devotion to progressive ideals and policies.

While disavowing any authority to speak for any one but himself Senator Owen pledged himself to the continued support of the progressive policies during his service in congress and declared that whenever it comes to a choice of acting with progressive republicans or reactionary democrats he will be found with the progressive republicans.

Mr. Bryan Made the Biggest Speech

Of the convention. He reaffirmed his support of progressive ideals, pledged himself to the support of the program adopted and declared that his services in the public interest woul never be hampered or weakened by subservience to party exigencies. He was present as the personal representative of his brother who is now governor of Nebraska.

Bryan was one of the few speakers who declared that in the end government ownership of the railways would be forced not by the radical demands of the people but by reason the rapacity and the greed of the railway owners and their operating agents.

Blaine, Fighting Governor of Wisconsin,

Attending all the meetings of the conference took a leading part in the constructive work of the gathering. He was supported by the presence and assistance of the attorney general and the public utilities commission of his state.

In one of his short speeches Governor Blaine gave some valuation figures for a short railway in Wisconson. The Wisconsin commissioners have placed a value of a little more than $600,000 on that line. The book value of the property according the value of the property according to the accountants of the corporation is a little more than $4,000,000 and the value found by the Interstate Commerce Commission is a little in excess of $8,000,000 while the assessed value for taxation in Wisconsin is $300,000.

This may be an extreme case but it is certainly to the point and indicates in some measure just what the railroads are trying to do to the public. Asking for a six per cent income on $6,000,000 dollar property on which taxes on a valuation of $300,000 are paid is certainly going some and going strong.

WHY DIVERSIFIED FARMING SUCCEEDS

Specialization and quantity production are becoming more and more pronounced as factors in the success of the manufacturer and professional man, but just the contrary is found to be true in farming. The success of the professional specialist is often pointed to as a reason why farmers should make a selection of one crop and become proficient in its production. It is argued that the manufacturer who specializes in one product learns to produce economically and markets a superior product because he has learned to make one thing rapidly and well. Then why should not the farmer select cotton, wheat, corn, or other product and become proficient in its production?

Without analysis, the argument sounds reasonable, but is it? The manufacturer, by specializing, gauges the market demands of his particular product and he keeps his plant busy twelve months in the year. The doctor who specializes does so because he has enough patients who pay big fees for his services to keep him busy every day. But the one crop only works a part of the year. He is risking all on one product. He is gambling with the weather and he desrucive insects and worst of all he is defenseless against the speculators who may center their attack upon his commodity.

Occasionally a plunger in cotton, wheat or other farm products is a big winner. In speculative language, he makes a killing, but success of this kind comes infrequently. So risky is the business of the one crop farmer that bankers hesitate to finance his venture. In many instances they refuse to advance money unless it is thoroughly secured. They have learned that a farmer must work twelve months a year to become a good risk; that the farmer who diversifies preserves the fertility of his soil; that the diversifier generally keeps good poultry, a few good hogs, a few cows, and perhaps feeds a few steers and that such a man has something to sell every week, or at least every month of the year. If one thing fails him, another makes up for the loss. He many never grow rich in one season, as a plunger may, but he never goes broke, as most plungers do. He is a safe man to deal with. The diversifier who keeps good livestock and produces the feed for them is generally listed among "our most progressive and prominent citizens."
—Farm and Ranch.

FARM BUTTER DECLINES

A slow, but steady decline in the amount of butter made on farms in the United States has been occuring in the last 25 years, government statistics show. In 1899, over a billion pounds of butter was made on farms 20 years later the quantity was only 700,000,000 pounds. The relative decline in farm butter production is much greater, of course, than these figures indicate, because there has been a large increase in total butter production. With the growth of the creamery system, more farmers are disposing of their cream in that way.

Livestock helps to maintain soil fertility and at the same time brings cash returns.

The lagging step, dull eye and rough coat tell better than words the lack of judgment in feeding and management of the horse.

Boys' and Girls' Club News

OBTAIN THREE DAY OUTING

Manhattan, Kans.—Eight camps will be held this year for the farm boys and girls of Kansas under the auspices of the state club department and with the cooperation of the state Y. M. C. A. The camps, which last over a 3-day period, occur on the week-ends. Sundays are reserved for the friends and relatives of the campers, while the other two days are devoted to the educational and recreational side of the camp life.

The club camp which was held at Camp Steeleaway near Waterville, last year, met with such success that the state club leader, R. W. Moorish of Manhattan, has made arrangements for five boys' camps and three girls' camps this year. Seventy-four boys from Cloud, Clay, Washington and Marshall counties attended the camp which was held at Camp Steeleaway last year.

To Consider Farm Subjects

The State Club Department will take care of the educational side of the work with the aid of the county agents, while the Y. M. C. A. will look after the camping activities. The first two days will be taken up mostly with judging work in corn, beef, pigs and poultry for the boys and canning work for the girls. In the evening lantern slide talks will add to the variety of the program.

In these camps the young boys and girls of the state who have been interested in corn clubs, baby beef clubs, pig clubs, poultry clubs and canning clubs can have a chance to add to their knowledge and have an enjoyable outing at the same time. Three dollars is all the expense money required. For this $3 the boys and girls get three days of intensive supervised outdoor life, such as swimming boating and hiking, in addition to what they may learn in the agricultural line.

One In McPherson County

Twin Mounds in McPherson County is the camp which will take care of visitors from Reno, Rice, Ellsworth and Harvey counties. The boys' camp site is owned by the McPherson County Y. M. C. A.

Marshall, Clay, Nemaha and Cloud counties are to meet with the Washington County delegation at Camp Steeleaway, near Waterville. The boys ' camp starts June 8 and continues until June 10, while the girls' camp is from June 15 to 17. Camp Steeleaway, which is a state Y. M. C. A. camp, consists of about forty acres of campus, 125 acres of woodland, and 1,200 acres of pasture land. The site was donated for camp use by C. C. Steele, a prominent breeder of Durocs and Herefords. Mr. Steeele has always taken an active interest in club work and all kinds of community and agricultural enterprises.

Another Camp at Coates.

The Turkey Creek camp near Coates will take care of delegations from Pratt, Commanche, Kingman, South Reno, Clark, Ford and Pawnee counties. For boys the camp will be held from June 22 to 24, inclusive, and for girls, June 8 to 10, inclusive. This camp site is owned by the Pratt County Y. M. C. A. and consists of eighty acres on Turkey Creek.

Camp Dockstader, near Cawker City and very close to the famous Waconda Springs, is located in Lincoln Park It consists of thirty acres which were deeded to the state Y. M. C. A. for the use of the people of Northwest Kansas. The boys' camp is to be held August 17 to 19 and the girls' camp from August 3 to 5. Dockstader handles delegations for Jewell, Smith, Lincoln and Mitchell counties.

Camp Wood, near Elmdale, is a state Y. M. C. A. camp and has all permanent equipment for holding the state boys' camps each year. The camp site was donated by S. M. Wood of Elmdale. The boys' club camp, to be held July 6 to 8, will take care of boys from Chase, Lyon, Morris, Osage, Butler and Greenwood counties.

Information concerning any one of these camps may be had by any boy, girl or parent, writing to the state club department at K. S. A. C., Manhattan, Kansas.—Weekly Kansas Star.

CLUB WORK FAME WORLD WIDE

The Commissioner of Agriculture of Finland recently departed from the United States after making a study of Club Work in the State of Minnesota Before sailing he said, "Of all the phases of educational work carried on in America, I believe Boys and Girls Club work has the most possibilities." He stated that he studied club work in Minnesota because he believed conditions there more nearly represented conditions of his own country.

Club Work has received the attention of officials of France, Japan, the Philippine Islands, Porto Rico, New Zealand, Island of Guam, Argentine, Great Britain and Canada and in many of these it has deveioped on quite an extensive scale.

HIGH-GRADE CLUB CALVES

A dairy calf club is being organized in Vermillion County, Illinois, and about 30 boys and girls have already signed up, reports Leader Clifford I. Love. At present Dr. Love says that all the requests have been for Holsteins. The doctor with two or three members of the Farm Bureau will select the calves which will be alloted to the youthful purchasers at a uniform price. Each boy or girl proposing to join the calf club will be expected to pay in $25.00, the maximum price. If there is any surplus after the cost is paid it will be refunded. Several dairy farms in Wisconsin have offered to furnish Holsteins, sixty-three sixty-fourths per cent purebred, for the price mentioned. The dams of these calves have produced from 10,000 to 15,000 lbs. of milk in cow testing associations.

The Lane Brothers bank have offered to help the boys and girls in the vicinity of Henning to purchase their animals. hTe members are expected to exhibit in the junior livestock department at the I & I fair this fall. Substantial prizes will be given prizes by the Sugar Creek creamery.

Wheat Pool News

The pooling of Farmers Union wheat by the members is going along at a slow but sure pace. The elevator at Wilson boasts of a signup of more than two hundred thousand bushels which we believe is the record signup at any single elevator. Illinois local Number 794, has the largest pool of any single local in the state.

O. K. Marley, we understand, has been in Pratt County with Brother Spenser, who is a member of the Board of Directors, this past week signing up the Union members. We don't know the number of signers but you can just stake your bottom dollar on the members around in Pratt County supporting the Union in all of its moves and especially in the marketing of their own wheat.

H. E. Witham reports that he is having unusually good luck in making contracts with the local elevators and that contracts have been made with the elevators to handle pooled wheat in Cowley, Ellsworth, Clay, Osborne, Republic, Washington, Russell, and this week contracts will be made in Rush and Ness.

The handling charge averages about three cents per bushel in the above named Counties. Most of the directors are pleased to see the elevators put on a paying basis such as is done when the elevator is relieved of the responsibility of furnishing the funds to buy wheat on a speculative basis but is guaranteed three cents for every bushel that passes through the elevator that is to be marketed by the Pooling Association.

Most of the losses that the Cooperative elevators have sustained has been through the speculative buying of wheat, buying at a price so that that it was hoped that when the wheat was sold out of the elevator that the returns would yield a handling charge sufficient to pay the running expenses, interest on capital stock, a return for depreciation and a little reserve. But unfortunately, in a great many cases, the wheat when sold did not return even the money that had been advanced on the wheat. Consequently the elevator showed a loss which was very discouraging to the stockholders and in a great many cases has caused the elevators to be sold to pay the losses which under the contract with the Pooling Association will be eliminated as the handling charge is guaranteed.

The Auditing association is working on a complete set of books to be used by the Wheat Marketing Association in keeping the records at the local elevators of the quarterly pooled wheat and all yearly pooled wheat. There is no question in the minds of many but that the Farmers' Union Auditing Association can do the job in good shape after having had the experience of setting up books for several business concerns in the cooperative game outside of the Union, besides having audited the accounts for the Kansas Wheat Growers Association which is doing an enormous business of selling Pooled Wheat this year for its many members.

A drive is contemplated in Riley County on the second week in June for the purpose of getting recruits for the pool.

We venture there will be some smoke raised when those Union folks in Riley county start out after contracts for that is a County where they do things and talk about it afterwards.

A great many inquiries are coming into the office lately in regard to the pooling of wheat, an average it is said of about three a day. Men, we all know, that sooner or later we have got to organize selling agencies in this country that will sell in cooperation with one another instead of in competition as we have in the past. That has been more or less detrimental to our business as farmers and is not in keeping with the movement of all business concerns which are striving to eliminate the waste in their business caused by competition among themselves.

Our pool has possibly one and a half million bushels at this writing, that represents the average crops of possibly eight hundred members of the Union who have signed out of the hands of the speculators and into their own hand, the right to sell their own crops direct to the miller or exporters, in cooperation and not in competition with each other and receive and return to themselves all that their product sells for, less only the actual cost of marketing.

Mail your pool news, if you have any to the Kansas Union Farmer and make an effort to have some Pool News from your part of the State. If you don't have any news get some contracts signed up and write us about that. Any effort on your part in pushing the cooperative movement will be very much appreciated by your self later on and by a host of Union folks now.

We will offer apologies to Brother Alexander of Cowley again this week for editing the Pool News but we can guess that Alex is a busy woman on the farm and take this means of helping along.

M. O. Glessner.

Creamery News

(By M. L. Amos.)

OLE AND BILL

Bill: Good morning Ole. Say. I have been thinking about what you said about the prices the Union Creamery would pay for butter fat and I have came to the conclusion that they would probably do just as the cooperative elevators are doing, pay just a few cents less than the old line elevators.

Ole: That reminds me Bill. I was talking with a brakeman on a freight train the other day. He remarked that he had made it a point to keep posted on prices paid for wheat at the different stations along his run and that with two exceptions the prices paid by the elevators were always higher where there was a co-operative elevator and that those two exceptions were where a certain mill company owned the only two competitive elevators at the stations, each under a different name and were supposed by the public to be owned by entirely different concerns.

Bill: Why should any company own two elevators at one station?

Ole: In order to get the wheat and to establish and maintain a shifting disposition among the farmers for one reason. As an example, suppose a certain station was receiving 2,000 bushels of wheat a day. The Union elevator would naturally get the bulk of wheat, say 1,500 bushels, the other 500 going to the other elevators, say 300 bushels to one and 200 to the other. Can't you realize that the other elevator getting 300 bushels could pay from 3 to 7 cents per bushel more than the market would stand and yet lose but a very little by doing it, while if the Union elevator met the price they would be on their road to ruin and by the old line elevators taking turns in bidding up, depending upon which was receiving the smallest amount of wheat, it would have a tendency to get the farmers dissatisfied with the price being paid by their Union elevator and get some of them to shift to another elevator?

Bill: Oh, I see, you mean that the old line elevator would lose only $10 on buying 200 bushels at 5c above market while the Union elevator would lose $75 on the 1,500 bushels which they bought the same day?

Ole: Exactly that.

Bill: But how can the old line elevator continue to operate at even a small loss?

Ole: You must remember that these high prices are paid only at stations where there are co-operative elevators. Where there are no co-operative elevators a much lower price is paid some times as much as 15 to 20 cents lower. If you had an elevator at one station where you got 1,000 bushels and made 20 cents per bushel it would afford sufficient funds to enable you to take a loss of 5 cents per bushel at several elevators where you bought only 200 bushels per day.

Bill: Yes that would keep up 20 such elevators in competition with the Union elevators. But those are the conditions why don't you Union fellows pay such prices as you can pay instead of running so short of funds as you some times do by paying the bigger prices? Why don't you pay less and then rebate more at the end of the year?

Ole: The old line companies hate our rebates even more than we appreciate them. They want us to pay high prices as it results in depleting our treasuries and discouraging our members as well as making us unable to give annual rebates, but we are learning those things and are going to go to taking larger margins which will mean stronger institutions and bigger rebates at the end of the year. This will mean satisfied members. Of course it also means that many of our members will go to the other elevator as they can get a few cents more for their wheat and at the same time there is where we need a contract with our members to agree to patronize their own institution. There are so many that cannot see that every time they sell to the other fellow they are cutting their own head off, but I must go, Bill, I'll see you again.

BLOWING BUBBLES

If conferences and committees of 17-21, or some other add number could solve the marketing problems of farmers, those problems would now be in a state of complete solution. Why, we have had a regular epidemic of marketing conferences and committees in this country in the last few years.

And the disease is still working. You can hardly pick up a paper without reading that another conference has been held in Kansas City, Minneapolis, or somewhere at which plans were completed to market all of the grain grown in the United States and part of Arkansas—just like that. Only the little details of lining the farmers up for the plan and developing some means of handling the grain remain to be worked out.

The other day a conference was held in Chicago at the call of a committee of nine—or maybe it was 12—to make plans for a great nation-wide dairy sales agency. The plans were duly completed, and the agency is now ready to market anything in the dairy line from butter to smearcase. All that remains to be done is to join something up to the agency.

These highfaluting plans remind us of the fellow who took a badly wrecked car to a garage for an overhauling. The foreman of the shop looked it over critically, tried the horn, and then remarked, "You have a dandy horn there. I would suggest that you have us jack it up and put a car under it." A lot of these "big" marketing plans consist chiefly of horn—on which much loud tooting is done.

Are the men who engage in this committee and conference pastime so foolish as to think that real cooperation grows downward, or are they just trying to kick up a dust? The Farmers Union may seem a bit pokey, to some of these high-flying birds, but we'll verture that the cooperative enterprises and marketing agencies we are building from the ground up will be going strong when the bubles now being blown have burst and been forgotten.—Nebraska Union Farmer.

Calves, pigs, and lambs that make their owners the most profit are sired by purebred sires.

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STANDARD BINDER TWINE

USE THE FARMERS UNION BRAND
made of
STRONG, FIRM SISAL
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Farmers' Union Buttons.....25c
Farmers' Union Song Leaflets, per dozen 10c
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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.

Fresh peas are delicious when picked at the right time. MONOGRAM, ROYAL "W" and HY-LO peas are picked and packed at the proper time to retain the delicate flavor of tender peas—not one hard one in a hundred cans.

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By the decision of the Supreme Court of the United States upholding the Guaranty Law, your deposit in this bank is made as safe as a
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WRITE
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Farmers' Union Member—
Your own Insurance Company gives you absolute protection at lowest cost.
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The Farmers' Union Mutual Insurance Company of Kansas
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SALINA, KANSAS
C. E. BRASTED, President — GRANT BLISS, Treasurer
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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 issue; four or more insertions 4 cents a word. Count words in headings, 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

320-ACRE COLORADO FARM, GROWING CROPS, 20 MILCH COWS
Twenty stock cattle, 8 horses, crops, tools, machinery; productive machine-worked tract adapted alfalfa; on improved road near village; large pasture, wire fences; comfortable house, running water, substantial cement basement barn, garage, tenant house, etc. To settle now only $8,000, part cash. Details page 23 Illus. Catalog Bargains—many states. Copy free. STROUT FARM AGENCY, 831-R, New York Life Bldg., Kansas City, Mo.

HELP WANTED

WANTED POSITION BY EXPERIENCED elevator manager. Ten years' experience. Furnish reference and bonds. Address Lock Box 41, Highland, Kan. 43

EXPERIENCED MAN TO MANAGE Farmers' Elevator. For particulars address L. Woner, R. R. No. 1, Rock, Kan. 46*

WANTED: Experienced grain man to run cooperative elevator. S. L. Mun, Sec'y., Galva, Kansas. 45*

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PET STOCK

PAIR FULL GROWN ALMOST WHITE fox terriers, male and female. $7.50 for pair. Sam Bork, Miltonvale, Kansas. 43

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REGISTERED DUROC JERSEYS
Immuned, boars and bred sows, years time
VALLEY SPRING STOCK FARM
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Everlay Strain. $3.50 per 100, prepaid. Lew Seyler, Alma, Nebraska. 43*

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GUARANTEED SUDAN SEED. Frank Jones, Cordell, Kansas. 43*

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Handsome lady of means; would marry if suited. (Stamp) Violet—Box 787, Dennison, Ohio.

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MAN OR WOMAN IN EACH county to sell Lusterall, the wonderful auto and furniture renewer. Finish holds 90 days. Necessary in every home. Make $15.00 daily. Send sixty cents for regular one dollar size as sample. Lusterall Chemical Co., Wichita, Kan. 43*

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Seven passenger Willys-Six in good condition with four brand new Kelly-Springfield Cord Tires. An ideal family car. For full particulars and price address W. C. Lansdon, Salina, Kansas, Box 48.

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Placed anywhere, DAISY FLY KILLER attracts and kills all flies. Neat, clean, ornamental, convenient and cheap. Lasts all season. Made of metal, can't spill or tip over; will not soil or injure anything. Guaranteed



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$5.00 A THOUSAND
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OR ENVELOPES
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Specialist rectal and colon diseases
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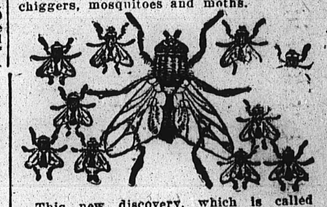
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Solicits Your Business
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EASY NOW TO RID YOUR PLACE OF FLIES

Widely Known Scientist Discovers Wonderful Chemical that is Fatal to Flies. Not a Poison—Harmless to Stock.

Flies are one of the most dangerous and annoying things with which the farmer has to contend. Now, through the discovery of E. R. Alexander, widely known scientist, you can rid your house and barns and livestock of these pests almost instantly, and with no trouble at all. This discovery is in the form of an organic chemical that is fatal to flies, and semilar pests, such as chiggers, mosquitoes and moths.



This new discovery, which is called Alexander's Rid-O-Fly, is not a poison. Though it kills flies like magic, farm animals and human beings are not affected by it at all. In addition to killing these insects, Rid-O-Fly is a strong repellant. Flies will not come near stock or buildings where Rid-O-Fly has been used. Rid-O-Fly is particularly valuable for cows and horses, as it is a known fact that flies do untold harm to these animals.

So confident is Dr. Alexander that his discovery will rid your house, barns and livestock of these pests that he offers to send a $3.00 supply for only $1.25 on the guarantee that if Rid-O-Fly does not solve your fly problems it will cost you nothing. Two big Kansas City Banks guarantee the reliability of this offer.

SEND NO MONEY—just your name and address to the Alexander Laboratories, 1566 Gateway Station, Kansas City, Mo., and this introductory offer will be mailed at once.

Alfalfa $7.00 bushe

Sudan $6.00; Sweet Clover $7.00; Red Clover $12.00; Timothy $4.00; Timothy & Clover mixed $4.50; Red Top $2.00; Orchard Grass $2.00; Blue Grass $4.00; Grimm Alfalfa $22.00; Alsike $10.50; sacks free; all orders shipped from Eastern Kansas or Kansas City; satisfaction or money back. Order now as seeds are advancing steadily.

M. C. Meier, Salina, Kan

FARMERS CLASSIFIED AD Use This Form — It Saves Delay

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
Minimumu charge is 50c
Count Initials o rabbreviations as words

Fill This Please!
Your Count of ad.....Words
No. times to run.....
Amount enclosed $.....
Place under heading of .....

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NOTE: Count your name and address as part of advertisement

Department of Practical Co-Operation

State speakers will be present and address Farmers' Union meetings as indicated below. Requests for speakers within hc date list should take into consideration the schedules already made.

UNION MEETING NOTICES

Notices of Farmers' Union meetings will be printed under this head 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 Constitutions for 1922, "containing the Amendments 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.
Roy W. Holland, Sec.

UNION LOCAL NO. 2019

Blaine O'Connor, Sec.

Regular meetings on the first and third Thursdays of each month, at 7:30 p. m.

ORDER PRESIDENT BARRETT'S BOOK

We now have a supply of the books "Uncle Reuben's Activities in Washington," on hand and can fill orders direct from this office.

Make remittance of $2.00 to C. E. Brasted, Salina.

C. E. Brasted, Secretary.

CLOUD COUNTY MEETING JUNE 7.

The Cloud County Farmers Union will hold its second quarterly meeting Thursday, June 7th, at Concordia, Kansas, in the city hall, at 2 o'clock prompt. Any business that may come before the meeting will be transacted. A good attendance is desired. Please send delegates.

WM. M'CARTY, Pres.
CLARK GREEN, Sec.

QUARTERLY MEETING AT ALMA JUNE 9TH.

The second quarterly meeting of the Wanbaunsee County Farmers Union will be held in the court house at Alma, Kansas, June 9th, at 1:30 P. M. A full delegation is desired, and as many visiting members as possible. Local secretaries, if you have not sent in your credentials, do so at once.

JOE RICHMOND, Sec.

HOLD MIAMI COUNTY QUARTERLY MEETING JUNE 16TH.

The second quarterly meeting of the Miami County Farmers Union will be held in Paola in the Knights of Columbus Hall Saturday, June 16th, beginning at 10 A. M.

We are askin gthat the state lecturer be present. We are also asking that all standing committees meet at the Farmers Store in Paola, June 9th, at 10 A. M., and that Johnson County Union send a committee to meet with our committees June 9th, to arrange for a joint picnic to be planned by the two counties.

W. E. HAYS, Pres.

MITCHELL COUNTY QUARTERLY MEETING JUNE 12TH.

The second regular quarterly meeting of the Mitchell County Farmers Union will be held in Beloit at the G. A .R. Hall on Tuesday, June 12, at 1 P. M. prompt. Every local in the county should send its full quota of delegates as there will be business of importance to be taken up. Owing to the busy season no forenoon session will be held but every member who can possibly attend should be on hand promptly at 1 o'clock.

C. L. HENDRICKS, Co. Sec.

SHIELDS LOCAL NO. 1436.

At our last meeting we organized a shipping association and are going to do our own shipping. A. V. Davidson was elected president; J. C. Bitner was elected secretary-treasurer, and R. L. Bowman was elected business manager.

We have been having good meetings and are doing nicely with our wheat pool and creamery contracts. Have initiated several new members and have some applications out yet. We expect a big gain this summer.

ROY LEWIS, Secretary.

JEWELL CO. MEETING NOTICE

The next regular quarterly meeting of the Jewell County Farmers Union No. 26, will be held in Mankato, Kansas, on Thursday, June 14, 1923. Meeting called for 1 P. M. All locals in the county, should send delegates.

G. M. SHOOK, County Sec.

GOVE COUNTY QUARTERLY MEETING JUNE 13TH.

The Gove County Union will hold its quarterly meeting at Quinter, Kansas, on Wednesday, June 13th. All Union members are welcome and all locals are requested to send delegates.

HENRY SPRENGER, Pres.

WASHINGTON COUNTY PICNIC A SUCCESS.

The Farmers Union picnic held at Barnes, Kansas, was a success. It had been a rainy week but it cleared up Friday, and Saturday, May 26th, was an ideal day. Quite a number of families from the little city of Barnes brought their baskets to the park and ate with us. Dinner was served cafeteria style to about two hundred. A good many more came after dinner. At 2 o'clock our county president, with a short but interesting talk and then introduced Hon. John Tromble, our state president, who talked to us for one and one-half hours along business lines and co-operation and the financial condition of of this country. His heart to heart talk was sure a good one. Oh! that the membership of Washington County had their own interest at heart as much as Uncle John has the Union would soon be growing as it should.

Mr. J. H. Meyer, head cattle salesman from our firm at Kansas City, was there by request and gave us a short report of our business and how it was gaining month by month, (not year by year, for we don't have to wait that long.) It is sure going some. But why shouldn't it? Look at those good fellows we have working for us and our interests there, Woodman, Meyer, Sims, Garrison, Barnes and others that deserve much credit for the way our business is conducted.

Mr. Simpson, the field man from the insurance company, failed to arrive as per agreement. The Washington kid band furnished the music for the day and certainly did their part well.

J. T. M'CULLEY.

STATEMENT OF THE HACKNEY FARMERS UNION COOPERATIVE ASSOCIATION
April 30, 1923

Assets

Fixed Assets

Furniture and Fixtures	414.35
Buildings and Equipment, Hackney,	8,879.55
Tresham	8,574.98
	17,868.88

Current Assets

Bank	5,182.58
Investments	100.00
Accounts Receiveable	69.57
Unearned Insurance	58.97
Inventories	5,362.90
	10,774.02
	28,642.90

Liabilities

Fixed Liabilities

Capital Stock	14,040.00
	14,040.00

Current Liabilities

Accrued Taxes	94.59
Reserve for Depreciation	1,301.94
Surplus	4,316.55
Entertainment	141.90
Gain This Period	8,747.92
	14,602.90
	28,642.90

The foregoing balance sheet reflects the same satisfactory financial condition in these elevators as in past years.

There being no indebtedness against either of these elevators except the accrued taxes, that are not payable until June.

On the other side there appears an equally satisfactory condition, the outstanding accounts due the elevator amounting to only $69.57, all of which is paid with the exception of one item, at this writing.

The usual depreciation of 5 per cent on all buildings and equipment has been set up in the reserve for depreciation account.

Checks covering patronage refund and interest on capital stock, were ready for distribution at the annual meeting of stockholders, which was held May 22, 1923.

LET'S HELP EACH OTHER.

Editor Kansas Union Farmer:

I see that the newspapers and labor boards have again set the price for the farmer's labor through the coming season, and have set it so high that the farmers cannot afford to pay the price that they set. We are getting less and less for what we raise every year. The great trouble is that the government and newspapers, the bankers and merchants all seem to think that since the war the farmer is not capable of running his business. They are all trying to tell him how to run it and help him to run it, but never to the extent of getting into any of the work part of it. By creating labor bureaus, county engineers and county agents for the Farm Bureau, each one adds on from two to six thousand dollars more taxes, and that is about all the farmer gets out of it. We were much better off before we had all of these offices to keep up. Then, we did not have to work so hard, and we had a little money for ourselves to spend. Now, we have to work much harder, and give it all to the other fellow to spend and we can look on.

It seems to me that if some of the farmers from the western part of the state where they have lost their wheat crop, or nearly so, would come over to the central part of the state and help the farmers there with the harvest work, it would be much better for both. That is the way it worked 20 or 30 years ago. Farmers starting in the newer western country, and needing a little extra money, would saddle up their horse or drive their team east into the older settled portion of the state and work in harvest, threshing or corn shucking. It helped them both and we got much better help than we are getting now since the labor agencies try to ruin it. They send us in students from way back east, or the riff raff of the cities, a lot of cigarette smokers that want to get out in the country more for an outing and drink a lot of good country milk, but who are too lazy to help milk it.

Now, since nearly all of the laboring class have flivers, two or three of them can get in and go two or three hundred miles in 24 hours, thus saving a lot of railroad fare.

A good way for the farmers to cut out a lot of their high priced feed bills through harvesting is to go in their wheat fields when the berry is beginning to get in the dough stage and mow down two, three or more acres and make hay of it to feed the work horses in harvesting. It will have enough grain in it and will be much cheaper. Also cut out the high rail freight on the grain he would have to buy as it would have to be shipped in. We should try to keep from shipping as much as possible over the railroads as that is one of our worst hold ups.

M. H. OSBORN,
Danville, Kansas.

Report Of Committee On Agricultural Co-Op.

(Continued from Page 1)

supplemented by ample banking connections, may be depended upon to destroy any cooperative business in about twelve months. Some stagger along for a time after their operating capital is frozen into charge accounts on the customer's ledger, but ultimate failure is inevitable.

Both lack of capital and the sources of the capital in use are apt to be contributing causes of failure. There are too many farmers who want to enjoy all the advantages of cooperation without much risk to themselves, and so entirely willing for some one else to take all the chances of loss, they subscribe for one share of stock apiece. Then there are the good souls who want to do too much, the well-to-do men who volunteer to invest a thousand or even two or three thousand dollars each in the cooperative elevator or store. Such persons, interested in the enterprise only because it offers an opportunity for large returns on capital, are even more detrimental than the single share tight-wads. They soon claim and find a way to get a deciding voice in all matters connected with the safety of their investments.

It is an easy matter to determine the capital contribution that may be asked with propriety from each member of a cooperative. No man should consider his participation from the investors' viewpoint. That is not the purpose of such an organization. It is established to render certain services to its members, and to act as an agency through which they may conduct their business with the greatest possible efficiency and economy. Each member should furnish enough money to handle his own transactions through the concern. To do less makes him a sponge on his more public-spirited neighbors; to do more converts a service agency into an investment proposition with the certainty that the cooperative aims which the members have in mind will be sacreficed.

In this discussion of farmers' Rochdale societies no attempt has been made to distinguish between marketing and purchasing organizations. Almost universally the same corporation serves its members in both ways. An elevator, organized primarily as a local outlet for the community grain production, usually acts as a distributing agency for farm supplies, especially commodities that can be handled in car lots and delivered to the members' wagon or truck through the car door or from a warehouse. feed, coal, salt, binder twine, farm implements and fertilizers are easily and profitably handled through an elevator association. A farmers' cooperative store generally serves its members as a produce station and markets their eggs, poultry, cream, and garden and orchard products.

The share capital Rochdale enterprise is well established as an important and necessary part of the agricultural cooperative system of the United States. In spite of failures, of the ignorance and often of the disloyalty of members, of the indifference and inefficiency of directorates, of the incompetence and often worse of managers, of slovenly accounting and inadequate auditing, such associations constantly increase in number and grow in usefulness because they are the answer to vital problems that can be solved in no other way. Such organizations have forced the payment of fair prices for grain and other farm produce at local shipping stations and have abolished the worst forms of profiteering by dealers in farmer's supplies.

Marketing Associations Without Share Capital

Something like forty years ago the farmers of Denmark laid enduring foundations for a system for the cooperative marketing of their products. Their associations were voluntarily formed, but once having joined with his fellow producers the member entered into a legally enforsible obligation or contract to sell all his products of the particular sort organized through his own agency and nowhere else. The butter makers' association handled butter only: egg marketing circles handled eggs only; bacon curing associations dealt only in swine products; and so on through the whole body of Danish agricultural production. Their plan worked well and in time attracted the interest of American farmers and was brought to this country.

California citrus fruit growers were the first American producers to adapt the Danish system to their own needs. During the past twenty-five years they have built up a great and successful business known throughout the world for its efficiency and its fine results. The history and the business methods of the California Fruit Growers' Exchange, which handles an annual volume of sales aggregating about $80,000,000, may be studied with profit by all who are interested in the cooperative marketing of farm products. Other groups of California growers, including a very large number of poultry keepers, have been uniformly successful in the application of Danish methods to their marketing problems.

In time this movement now generally known as commodity marketing spread to other states and its principles and methods were applied to the selling of many other agricultural products. The Farmers' Union of Washington was the first body of wheat growers to undertake the practice of the pooling system in selling a great staple in universal demand. The movement iniated by Washington Union farmers resulted in the organization of wheat growers' associations in their own states and in Oregon, Idaho and Montana. The four state units originally formed have been federated into the Northwest Wheat Growers' Association, with [illegible] offices in Portland, Oregon(through whch it now sells about 40,000,000 bushels of wheat a year.

Similar groups of growers have been organized in North Dakota, Nebraska, Colorado, Kansas, Oklahoma and Texas. The Oklahoma and Texas associations have already federated into the Southwest Wheat Growers Associated and are selling this year's grain through their own agency at Oklahoma City. In time it is planned to complete the wheat marketing structure by setting up the Northern Wheat Growers Associated to handle the grain that goes to market through, Duluth and the Twin Cities, and the Central Wheat Growers Associated made up of the state units in the territory tributary to the Kansas City market.

After the organization of the zone areas has been completed they in their turn will be federated into the American Wheat Growers Associated, which will have some general supervision over the whole system and will probably direct export marketing through a single sales agency established for that purpose only. The various wheat growers' groups, now functioning, control, the movement and the marketing of nearly one hundred million bushels of grain annually. It is the hope of the cooperators who are interested in this project that it may eventually handle more than half the wheat produced in the United States.

Cotton growers soon followed the lead of the wheat farmers. They began their movement in 1921 by organizing the Oklahoma cooperative Cotton Marketing Association to which about 35,000 growers pledged more than 450,000 bales of cotton before the enterprise was incorporated. Since then nearly all the southern states have perfected units for cooperatively marketing cotton and the state units, with few exceptions, have already federated themselves into the American Cooperative Cotton Exchange, which will have general supervision over the entire system and will probably have direct charge of export sales. Nearly half of this year's cotton crop will be marketed through these growers' cooperative agencies or through the central body which they have formed. The fair price now being paid for cotton is evidence of the merit and value of the new marketing plan.

The producers of Burley Tobacco in Kentucky and adjacent states have organized the Burley Growers' Cooperative Association, in which about fifty thousand farmers have contracted to deliver nearly 95 percent of the entire production of that kind of tobacco. This enterprise has now been operating for about a year. It has acquired warehousing facilities, secured the necessary capital and is already showing results more favorable than even the promoters promised. In Virginia and North Carolina an equally strong Bright Tobacco Cooperative Marketing Association is made up of nearly sixty thousand farmers who have contracted to deliver about 85 per cent of total annual production of that staple to be sold through their own agency. An organization of the producers of dark tobacco in Kentucky and Tennessee is now being formed and will soon be ready for incorporation and active business. This will practically complete the pooling of American tobacco and is certain to result in better prices for the growers.

Scores of other commodities such as truck, melons, cantaloupes, strawberries, peaches, apples, sweet potatoes, peanuts, ribbon can syrup, cranberries and prunes have been organized under the Danish system into associations, some of which are quite large, while others are so small that they include only the product of a single community.

Men who have kept in close touch with the development of this program estimate that there are now about four hundred 100-per cent pooling associations in the United States, that such marketing associations have nearly a half million members, and that they annually sell more than three billions of dollars' worth of farm products.

All 100-per cent commodity marketing associations are formed in about the same way, and this is perfectly natural since each has the same purpose—to provide for the orderly marketing of some product grown and sold by American farmers. The producers of a commodity enter into an arrangement with each other that takes the form of an association agreement in which a marketing contract is embodied. The farmer agrees to deliver all his commercial product for marketing through his own association. The terms of these contracts vary from one to ten years. The agreement properly signed and witnessed is legally binding and enforceable through its own provisions. It contains clauses governing the delivery, the classing or grading, the handing and the financing of the member's crop. It also includes sections with teeth in them which specify the liquidated damages and the other penalties for which the grower is liable if he markets any of the contracted crop in violation of the provisons of the agreement.

Associations that handle perishable commodities confine their services to receiving, grading, packing, processing and marketing the products of their members. Such organizations have extended markets and enlarged demands of consumers by making use of the most highly efficient and modern sales methods and by effective advertising. Pools of perishables, unlike those of grain and other staples, are made for short periods varying from one day to two weeks or more. All growers in each pool receive the same price for products of equal grade and that price is the average net return realized by the association during the term of any specific pool.

Cooperatves that handle staples, like cotton, wheat or tobacco, anything that may be stored for considerable period without material deterioration weight or quality, undertake to regulate the supply that goes to market to conform as nearly as possible to the demands of consumption. Storage prevents dumping and consequent glutted markets and permits an orderly movement of the commodity from the producer to the consumer. In this way the seasonal surpluses that have always disturbed and depressed prices and disorganized the markets are stored under the control of producers and thereby converted into reserves to be fed out to the world in response to the needs of the final users. This system of selling crops is designed to minimize speculation and stabilize prices, results greatly desired by farmers.

Nearly all 100-per cent pooling associations are organized without share capital and conducted without profit. Physical facilities for receiving, handling and warehousing are usually secured through the organization of subsidiary share capital cooperatives finced by the sale of common stock to members and of preferred stock to both members and the investing public. Deductions from the sales proceeds of products handled by warehousing corporations provide for operating expenses, for dividends on common and preferred stock, for the accumulation of reserves to retire a specified amount of the preferred stock each year, and for other necessary association expenses. The commodity handled is itself the operating capital of the enterprise and its basis of credit. Experience in marketing staples through annual pools indicates that about one-fourth of the total value of the season's products is always available for operating activities.

Growers with pressing obligations that must be met, and for that reason are unable to wait for all their money until the annual pool is closed and settled, receive substantial advances on the delivery of their crops to the association. These advances are ordinarily about 60 per cent of the current market value of the deliveries. Full settlement is made at the end of the pooling period. Money for advances to growers is borrowed by the association from banks and other financial agencies, including, up to this time, the Federal War Finance Corporation. The custo- arising from the deposit of non-perishable agricultural products in public bonded warehouses are pledged by the association as collateral to secure the loans from which advances are made to growers.

(To be continued)

A sales establishment is a vital part of a cooperative organization. The accounting force must be competent and efficient. These things are generally taken care of by the associations. But there is another department which must be maintained at a point of efficiency equal with the sales or bookkeeping division—that of field service.

The present sugar steal is very opportune and perhaps even fortunate. It funishes a beautiful and most striking example of what speculation does to farm products and this time the gamblers, who on this deal are a bunch of big bankers, cannot blame it to any one else.—The Producer.

Cooperation cannot succeed unless we cooperate.

Union Pacific to Spend Forty-two Millions for 1923 Improvements

To care for increased business and to better serve its patrons by handling traffic without delay, even during times of peak business, the Union Pacific has entered upon a program of improvements for 1923 estimated to cost $42,817,708, the principal items of which are:

Branch lines and extensions	$ 5,992,837
Equipment	11,547,895
Additional main tracks (double tracking)	5,198,765
Additional yard and passing tracks	3,001,022
Shops, enginehouses, tools and machinery	3,992,621
Water and fuel stations	1,802,783
Station and terminal facilities	2,651,771
Property for terminal expansion	1,143,725
Elimination of grade crossings	858,364
Additional signals and interlocking	241,539
Heavier rails	1,907,260
Bridge betterments	2,024,255
Ballasting and other road improvements	2,454,880
TOTAL	$42,817,708

New construction includes a line from Lund to Cedar City, Utah, opening up a territory rich in agriculture, iron and the scenic attractions of Zion National Park, Bryce Canyon and Cedar Breaks; also an alternate main line through Boise, Idaho, and a branch in to Idho Fils District. A line from Delta to Fillmore, Utah, not included in the foregoing, was completed last month.

The additional main track will provide double track from Omaha to Ogden and Salt Lake, except for 27 miles. With connections east of Omaha, it means 1,515 miles of double track westward from Chicago, the longest continuous stretch of double track in the United States over which solid through trains are run.

New equipment includes 78 freight locomotives and 57 all-steel passenger train cars. All main line through passenger trains will now be all-steel equipped. These expenditures are in addition to 4,500 box and automobile cars, 45 steel passenger train cars, 80 locomotives and 100 tank cars, purchased last year and delivered this year. Nor do the figures include 8,630 new refrigerator cars of Pacific Fruit Express Company owned jointly by the Union Pacific and Southern Pacific, purchased in 1922 and 1923 that will be available for the 1923 perishable traffic.

These improvements are in addition to the regular maintenance program. They will be made from new capital and not from earnings. The work will give employment to a vast number of persons in the territory served.

This program is entered upon with a firm belief in the prosperity of the Western states and a confidence that the people in the territory served by the Union Pacific will cooperate in maintaining the railroad at a point of greatest effectveness.

Constructive suggestions are always welcome.

C. R. GRAY,
President.

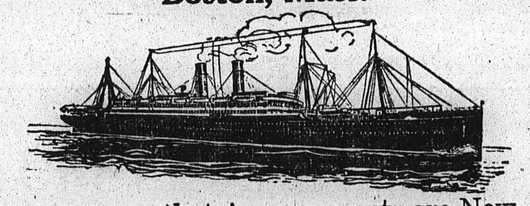
Announcement

THE

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(Incorporated)

Boston, Mass.



Announces that Arrangements are Now Being Made for Monthly

$110 Round Trips to Europe

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ONE WAY $65
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Boston—Gothenburg
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ONE WAY $75
Connecting for
Christiania, Stockholm, Helsingfors, Danzig, Riga, Copenhagen

THE ABOVE PRICES INCLUDE RAILROAD FARES TO POINTS AS FAR NORTH AS STOCKHOLM

The Company plans to carry approximately two thousand passengers monthly. Make your plans now for a trip during the coming season.

Lives of passengers will be protected by EVER-WARM SAFETY-SUITS which prevent drowning and protect from exposure

A round trip, with all expenses on shipboard included, at no more expense than a vacation right here at home! To meet the ever increasing demand in this country for an inexpensive and at the same time thoroughly comfortable and enjoyable trans-Atlantic voyage, is the prime object of the Great Northern Steamship Company. Organized by progressive business men who realize the exceptional opportunity offered now for inexpensive travel in Europe, the Company will cater to the thousands of intelligent persons who wish to visit the battlefields of France, the Shakespeare country, Scandinavia, the Land of the Midnight Sun, etc. A chance of a lifetime! So it would seem; but it is more than that. The company is building for a permanent business, setting a new standard of high-class ocean travel on a one-class basis. That this can be done at a fair margin of profit has already been proved and is further outlined in our prospectus. You'll find it extremely interesting.

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