



THE KANSAS UNION FARMER

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Pyramiding of Business Resources Is Secret of Banking Industry

Interesting Story From The Dearborn Independent By Frederic C. Howe Tells How The Banks Multiply The Dollar By Fifty

In a series of articles which recently appeared in the Dearborn Independent, dealing with the banking industry, we are using the last one which tells how the bankers multiply the dollar by fifty. Editors Note.

In the preceding articles we have shown three things from the reports of the Controller of the Currency. These things are:

- 1.—That the laws of the land make it possible for the banker to lend ten times as much money or credit as the banker has money or "legal reserve" on hand.
- 2.—That the people invest \$13.90 in deposits to every dollar invested by the stockholders in the bank. The people contribute \$37,683,593,000 in deposits while the bankers contribute only \$2,702,639,000 in capital stock.
- 3.—Finally, \$53,073,108,000 of assets accumulate against their \$2,702,639,000 of capital stock, and in addition are able to lend and invest this colossal sum with only \$1,076,378,000 of actual cash on hand.

In other words, the bankers have 50 times as great resources as they have actual money with which to do a banking business, which we assume to be the business of lending money. And business of lending money is what they themselves have invested as stockholders in the business.

The bankers enjoy many other privileges, but these are the privileges that give them power, for this pyramiding of business resources on a small amount of investment and a small amount of cash is authorized by law. The people themselves have conferred these rights upon the bankers.

This pyramiding of banking resources is possible because money is a very small role in modern life. Credit has taken its place. Two centuries ago the banker was a money merchant. He was literally a "money lender." He received actual money and loaned actual money. Today the banker usually does not receive actual money. He receives a deposit of cash which he has just given to the borrower. The banker has become a bookkeeper. He swaps bookkeeping entries most often on his own books, clearing house associations, and now on the Federal Reserve banks. Literally hundreds of billions of dollars' worth of transactions are carried on by bookkeeping entries.

To make this as clear as possible, we will follow the pyramiding of bank loans and bank deposits as they take place in the daily transactions of the bank.

Let us assume that John Smith has \$10,000 that he wants to lend. He finds a borrower. He takes a promissory note and receives \$800 a year interest upon it. He has now lost control of the money.

What happens on loans. But suppose John Smith has heard of the profits of banking and wants to enjoy the social position and power that only the banker enjoys. He decides to organize a bank. He secures a charter from the state superintendent of banks, and opens his doors for business. He becomes the John Smith Bank.

John Doe appears and asks for a loan of \$10,000. The credit of Doe is good. He has a reputation for honesty. His business standing is of the best. The bank makes the loan. Doe is told, however, that the bank makes loans only to its customers. It expects a borrower to keep a balance with the bank of at least 20 per cent of the amount of the loan. As this is the same day the accounts of the bank show \$20,000 of loans and \$20,000 of deposits. Still no money has left the bank.

The following day Peter Robinson borrows \$10,000. He also gives a note and receives a pass book. At the end of the day the bookkeeper makes the same entries. The accounts of the bank show \$30,000 of loans and \$30,000 added to the deposits. Still no money has left the bank. Twelve bookkeeping entries have been made and that is all.

These loans and deposits may have taken place during the same day or the same hour. They may continue and in fact continue until different persons have secured loans in a total sum of from \$60,000 to \$100,000 and have deposited from \$60,000 to \$100,000 in the bank. Each one of them has in effect borrowed the same \$10,000 with which the bank began business.

Day by day the deposits and the loans balance each other or nearly so. Neither the one nor the other is money. We talk about a loan of money but in reality we receive a loan of credit. And the deposit that we make is the same credit that we have just borrowed. The reports of the banks on \$10,000.

Now the cashier does not hand \$10,000 of cash over the counter. Instead he makes out a pass book in the name of John Doe and enters in it a deposit of \$10,000 to his credit. In the evening the bookkeeper makes four entries in the bank ledger. He first credits the bank with the loan;

he then debits John Doe with the amount of the loan. He then passes to the opposite side of the ledger and credits John Doe with a deposit of \$10,000 and charges or debits the bank with its receipt.

No money has left the bank. At the end of the day the accounts of the bank show \$10,000 of loans and \$10,000 of deposits. The only thing that has happened is that John Doe is now paying from \$800 to \$900 a year interest for money that he has never received and in nine cases out of ten never will see.

Any banker will admit that this is true. It is being done by thousands of banks every day all over the country.

But the creation of phantom money has only begun. The next day Rickard asks for and receives a loan of \$10,000. He, too, is advised of the rules of the bank. He, too, signs a note; he, too, receives a pass book; he, too, agrees to pay from \$800 to \$900 a year interest for money that he has never received and in nine cases out of ten never will see.

On June 30, 1920, the deposits of the 8,030 national banks of the country amounted to \$14,018,810,000 and the loans and discounts on the same day amounted to \$14,085,147,000. THE BANKERS' REAL ESTATE LEND OTHER PEOPLE'S CREDIT.

But it will be asked, Suppose these borrowers should demand actual cash? They have a right to do so. But if a borrower went to a cashier and told him that he wanted money over the counter for his loan or if he withdrew actual money as soon as he had made the loan he would probably have difficulty with his next loan. For the withdrawal of actual money immediately reduces the bank's reserve. It impairs its ability to make loans.

The bank expects the borrower to keep a substantial balance in the bank. It expects him to draw checks against his loan, but not to cash them. It expects him to call for actual cash. There is a billion dollars of cash in the banks, and only \$6,087,555,087 of money in circulation in the entire country. Yet the 31,000 banks, state as well as national, have more than \$37,000,000,000 of deposits.

One of the largest of the New York banks recently described the banker as "a bookkeeper, and a settling agent for the community in its relation with the outside world."

Let us follow the bookkeeping processes as they are carried on behind the grill work that separates us from the banker. We will use the characters with which we are already familiar.

John Doe, the first borrower, begins to check against his loan of \$10,000. He pays for labor, he buys supplies. If there is only one bank in the town, and the men who receive the checks all live in the town, these checks are redeposited in the bank on which they were drawn. In the evening the bookkeeper charges the account of John Doe with the amount of the checks he has drawn and credits the accounts of the other depositors with the checks they have deposited.

See how simple the situation is if all of our banking was done through a single bank and all of our transactions were confined within the same community. No money need leave the bank at all, except small change for our daily transactions. John Doe would have reduced his loan account by a certain sum, but other accounts would be increased by a like sum. There is just as much money in the bank as there was before. All that has happened is that a number of bookkeeping entries has been made shifting the debits and credits from one merchant to another. The bank has some actual cash, it is true, but it has passed back and forth over the counter of the bank from day to day shows that very little actual money leaves the bank.

But there may be a half-dozen banks in the town. Surely money has to be carried back and forth to settle the hundreds, maybe thousands of checks that are deposited each day in the banks. Not at all. Each day the bookkeeper of the bank makes up a deposit slip just like those made by the individual depositor. A messenger carries the checks which the bank has received as deposits to the bank on which they are drawn and gets credit at that bank for the same. Each bank has a deposit account with the other banks. The accounts of the two banks are balanced. The creditor bank may receive actual cash for the balance due it or it may get together and debit and credit one another with their respective checks and settle the balance in cash or by check. This is the procedure followed in a small town where there are only a few banks.

What the Clearing House Is. In the larger cities, which contain a great many banks, the clearing house has been organized to obviate the necessity of carrying checks from one bank to another. The clearing house is a bookkeeper for all the banks, just as a single bank is a bookkeeper for all of its customers. The clearing house is a voluntary organization. It is usually a partnership. A fee is charged for membership. Frequently the clearing house makes rules, which rules are often for the purpose of compelling the banks to pay at low rate of interest as possible to depositors; to keep open only a certain number of hours in the day; and otherwise to prevent competition among the banks. But the clearing house performs a very useful function. Every day, every bank that is a member makes out a deposit slip containing the checks which have been deposited with it on other banks in the city. These checks are totaled. Between twelve and one o'clock a clerk from the bank takes these checks with the deposit slip to the clearing house. There the checks are deposited, the same as in a bank, and the bank is credited with the total amount of the checks drawn on other banks which it has received the previous day. But other banks have checks drawn on this bank. They, too, bring them in with deposit slips, and receive a credit on the books of the clearing house. The checks in favor of and against each individual bank are totaled and the balance is struck. It may be only a few hundreds of dollars. It may run into thousands. But whatever the balance, it is settled on the books of the clearing house by a cash or check payment by the representatives of the various banks who are present at the clearing house for this purpose.

In actual practice the credits and debits nearly wash one another. The cash balances to be paid are very small. Each bank keeps its cash unimpaired. For just as only a certain amount of cash is needed as a bank reserve, so experience has demonstrated that the credit and debit checks of a bank balance each other. Only a small amount of money is needed to balance the daily transactions.

But the shifting of money by check does not end with the clearing house of the local city. Out-of-town checks are cleared or canceled in the same way. Every bank in a small town has a correspondent bank in a larger city. It keeps a deposit with it on which it receives interest. This correspondent bank in turn has a correspondent bank in Chicago and New York, and keeps a deposit with it. The small-town bank in Nebraska which receives a check on a bank in some other town sends it to an Omaha bank, which gives the small-town bank credit for it. The Omaha bank then sends the check to its correspondent bank in Chicago, which bank sends the check to the clearing house along with its own checks. When the check has been paid, it credits the Omaha bank with the check sent to it and the Omaha bank in turn credits the country bank. Many bookkeeping entries have been made, but no money has passed from bank to bank or from town to town. Items have been entered on the debit and credit side of the ledger. Such bookkeeping entries may run to New York, they may and often do run to London or Paris.

But even in international exchange the process is as simple as the process performed in the John Smith bank which swapped debits and credits at the end of the day.

Banking is bookkeeping. It is for the most part very simple bookkeeping. And this bookkeeping structure is the same in the complicated transactions of today as that followed by the storekeeper when a neighbor brought in money as if he brought in eggs, and charged the neighbor with money which he withdrew just as if he had bought sugar, potatoes, or any other merchandise.

Billions in Cash; 50 Billions of "Money" The New York Clearing House does (Continued on Page Four)

Regular Meeting of Executive Board

Session Held In Salina At President's Office October 4th to 6th

President Tromble presiding with all members of the Board present together with Treasurer Grant Bliss and Secretary C. E. Brasted.

Mr. E. E. Woodman of the Live Stock Commission appeared before the Board and discussed the affairs of the Live Stock Commission in a general way but with particular reference to the money advanced the Live Stock Commission by the state organization. After due consideration it was ordered by the Board that the note now held by the state organization be surrendered and that the Live Stock Commission execute and deliver to the organization a new note for \$12,000.00 and forward their check for \$60.00.

The remainder of the day was spent in discussing and considering proposals by different parties in which no official action was taken. On motion they adjourned to meet at 8 A. M., Oct. 5th.

October 5, 1922
The Executive Board met as per adjournment. The minutes of the previous meeting were read and approved. The remainder of the forenoon was spent in a general discussion of the affairs of the organization.

The board reconvened at 1:00 P. M. all members present.

Several members of the Board of Directors of the Kansas Wheat Growers' Association being present, the matter was taken up with the members of the Wheat Growers. After discussing the matter quite generally it was moved, seconded and carried that President Tromble appoint a committee to suggest and draft a plan to submit to the Board of Directors of the Kansas Wheat Growers' Association for their consideration. This was done with the hope of agreeing on a plan whereby the two organizations can better serve the Kansas farmers who are engaged in the production of wheat. In compliance with the above motion President Tromble appointed C. E. Huff, V. C. Anderson and L. E. DeVoss as members of such committee.

On motion the board adjourned until Friday, Oct. 6th.

October 6, 1922
The board convened in session at 8:30 A. M. President Tromble presiding and all other members present.

The reading of the secretary's report for August and September.

The board then listened to the reading of the auditor's report. After a thorough consideration and discussion of said report, it was adopted.

The Board was called to order by President Tromble at 1:30 P. M. The application of E. E. Woodman for a refund on the advertising account of the Live Stock Commission Company was disposed of by the following motion: "I move you that we defer action upon the application of the Live Stock Commission Company, by E. E. Woodman, and Deors (1000.00) on their advertising account, on the ground that the State Union is not at present in financial condition to grant such refund; and that this action shall not prejudice their right to present and press such claim later, nor the right of the Board of Directors to review the merits of the claim and to accept or reject it, as their judgment dictates." The motion was duly seconded and voted on, carrying by an unanimous vote.

Director Huff offered the following motion: "I move you in order to economize to the fullest extent possible without crippling our work, in view of the fact that economies have been put into effect in the secretary's office, in salaries, general expenses and in the newspaper account, which need to be backed up by similar economies elsewhere in order that the depletion of our surplus may be stopped, if possible, and the state work brought within our current income, that:

1. That the present contract with Joe Brown be cancelled, ten days' notice being given Mr. Brown of that intention and that he be tendered an offer of the work in his field on the usual organizer's terms.

2. That O. M. Lippert be discontinued from the salaried position he now occupies, effective October 15, 1922 and that, whenever he can be spared from the work of the wheat farmers' association he be used in lecture and organization work as formerly.

3. That notice be published prominently in the paper, calling attention to the fact that all of our men are now steadily engaged in organization work and that when calls are made for speakers that they be made as far in advance of the date as possible, and asking also that permission be given to the secretary to substitute another speaker than the one asked for, when to do so will save the Farmers Union time and money, and promote the general interests of the organization."

The above motion was duly seconded and when voted on carried.

Motion made by Director Collins and seconded by Director Peterson that the salaries be reduced in the following manner: President Tromble from \$250.00 per month to \$225.00 per month. Secretary Brasted from \$200.00 per month to \$175.00 per month. Lecturer Glessner from \$200.00 per month to \$175.00 per month and that the pay of the Board of Directors be reduced from \$5.00 per day to \$4.00 per day. On vote being taken the above motion carried by unanimous vote.

Reading and allowance of the bills came up next. On motion and vote the following bills were allowed:

O. M. Lippert, salary and expenses \$151.16, less advance payments of \$350.00 \$198.84

H. D. Collins, service and expense 74.14

C. E. Huff, \$91.38, less pay of \$43.83 47.55

V. C. Anderson, service and expense 46.00

Anton Peterson, service and expense 64.88

C. E. Brasted, salary and expense 501.01

John Tromble, salary and expense 752.61

No further business appearing the board adjourned with the understanding that President Tromble select who he wished to represent the Kansas Farmers Union in conference with the Kansas Wheat Growers' Association Saturday, Oct. 7th at Wichita.

C. E. BRASTED,
Secretary.

DARN THE TEAR
To darn a tear in woollen material use long black or brown human hair. After darning press with a hot iron and the darn will be hard to detect.

Showing the Interest the Consumer Has in Co-Operative Marketing

Professor Asher Hobson of Columbia University Takes American Cranberry Exchange As Example and Proves The Consumer Gets Lower Prices

The cooperative marketing movement is spreading among farmers. This movement is of interest to consumers. In some respects it is a matter of apprehension. Especially has there been some uneasiness as a result of the recent passage of Federal legislation giving farmers' cooperative associations a new and different status under the anti-trust laws. Furthermore, the rapid growth and the size attained by some of these associations are matters of concern to the final purchasers of the farmers' products—the housewives.

Within the last few years, and more especially within the last five years, farmers' cooperative organizations have developed to a point where it is not unusual for an association to number its members by thousands, and to measure its yearly volume of business in millions of dollars.

One company has a membership in excess of 65,000 farmers, each bound to the organization by a contract whereby the member agrees to appoint the association as his exclusive marketing agency for a given product over a term of years. It is the universal use of contracts such as these that has gone far in making cooperation among farmers a business reality.

The admitted purpose of these associations is that of obtaining greater returns to the grower for his products. It is such a purpose in harmony with the interests of the consumer. Will a higher price to the grower mean an increased levy upon the final purchaser? Will the grower through his organization exert a monopoly power? These are the questions which form the basis of the consumers' interest in this movement.

It is sometimes held that the interests of growers and the interests of consumers are akin to the interests of capital as compared to the interests of labor—more points of difference than agreement.

In order to propose to analyze the price policies of a successful farmers' organization of national scope, The American Cranberry Exchange has been chosen for this analysis. There are a number of reasons for making this choice. This organization is one of the most successful in the country from the growers' standpoint. It has been in operation for fifteen years. The Exchange markets two-thirds of the entire cranberry crop of the three principal cranberry districts—Massachusetts, New Jersey and Wisconsin. Few organizations have succeeded in uniting growers in so widely separated sections. In addition to these growers sell their products in practically every state in the Union, and in Canada as well.

It can readily be seen from the above description that the Exchange is in a strong position in the marketing of its product. Certainly few farmers' organizations can hope to obtain a more favorable position in the control of so large a percentage of the entire production. Hence it would seem as if the cranberry growers through the American Cranberry Exchange were in an excellent position to push their own interests without regard to the interests of those who eat their fruit. What are the facts? How does the cooperative marketing of this fruit affect the price to the consumer?

Because of the continued success of this organization and because of its control of the distribution of so large a percentage of the total crop, it is writer made an extensive study of its sales method and price policies, with a view to ascertaining their influence upon retail prices. Below is a discussion of the findings of this study.

Since the organized growers control the marketing of over two-thirds of the total production, it might be concluded upon first thought that they were in a position to control the price of their fruit. A brief analysis, however, shows the near impossibility of price control of this fruit and of agricultural products in general. In order for a commercial agency to fix arbitrarily the price of a commodity, it is necessary that the agency control the amount produced as well as control the marketing of a large quantity of that which is produced. The cranberry growers are in a position to control within limits the marketing of a large portion of the production, but they are not in a position to say how much or how little is to be produced and offered for sale. It is this factor that makes price fixing of agricultural products through monopoly a mere dream.

The amount produced of an agricultural crop during a given year depends primarily upon two factors: (1) the number of acres, and (2) the yield per acre.

To my knowledge, no cooperative marketing association has made a serious attempt to reduce the number of acres devoted to the culture of its products. There have been general movements to reduce cotton acreage, and the past year has witnessed propaganda designed to discourage the planting of the usual amount of corn. These movements, however, are not connected with specific marketing associations. It is doubtful, indeed, if an association could influence to any

great extent, the acreage devoted to a given product.

If a certain product yields a good return over a period of years, the acreage devoted to this product will increase as a matter of course. If, on the other hand, returns are small, acreage will decrease. Hence it is only by the indirect method of price secured and its relation to the cost of production that an association influences acreage. Certainly the American Cranberry Exchange has no power to say who shall or who shall not grow cranberries. The only way this company could effectively limit acreage under cultivation, and in addition acquire control of all potentially available cranberry land—an impossible feat. Furthermore, the company owns no fields. It is merely an association of growers. It has no influence with its members as to how little or how much of the product each shall grow.

The second factor influencing supply—yield per acre—better illustrates the difficulty of control by cooperative associations. Weather conditions, disease and insect pests, beyond the control of the grower, may double, cut in half, or practically wipe out altogether the yield of a given district. In short, the possibility of artificially regulating the amount of an agricultural product which shall be grown during a given season, is beyond consideration.

The American Cranberry Exchange is a successful growers' organization. It yet handles a product most difficult to market. The cranberry is perishable and cannot be held for long periods; it must be sold while in prime condition. The consumer need not buy unless he wishes. The ease with which the cranberry may be omitted or substituted in the diet of the average American family makes it impossible to fix arbitrarily the price, even though the association controlled the entire supply.

Since the association cannot regulate the amount produced and since it is not in position to set the price, what then, is the reason for its success? The satisfactory results obtained by the organized growers of this product is due to the fact that the organization on the part of the management that: (1) widespread distribution among people of all economic classes is necessary for the consumption of the normal supply, and (2) if this widespread distribution is to be obtained, the good will of the consumer is essential.

With the increase in acreage and its resulting increase in production, the grower has come to realize that the family of the laboring man must be added to the family of the business man and the professional man as cranberry eaters, if all the normal supply is to be consumed at a satisfactory price. One of the most effective ways of placing this fruit on the laborer's table is to sell it at a price he can afford to pay. Hence one of the definite policies of this organization has been that of attempting to secure for its berries a fair price which will "clean up" the supply during the short selling season of approximately four months, but at the same time, taking care that the price does not go so high as to discourage consumption by the two large classes of our population, laborers and farmers.

Experience has taught the grower that his best interest is closely connected with continuous demand; that is, a demand which does not fluctuate greatly from season to season. He has learned that the cranberry taste, which has gone uncultivated during a season of high prices, is difficult to win again. Hence it is not the desire of the association that berries be sold at prices making them a luxury.

The grower's agency had an unusual experience during the past season in its attempt to keep the price of cranberries within modest limits. Marketing studies have shown the company that an association price of 15 cents per pound to the wholesaler will permit a retail price of 25 cents per pound. It is the belief of the association that a price higher than 25 cents per pound retail is a detriment to the grower, for the reason that it cuts off the sale of berries to a large class of consumers so necessary for the disposal of a normal crop. Hence it is the desire of the association that the bulk of berries go into consumption at a price not to exceed 25 cents per pound.

Last season the crop was about twenty per cent short of normal. The association price started at 10 1/2 cents per pound to wholesalers. It soon advanced to 15 cents. In order to keep it from going above this price, the association kept throwing its surplus on the market and increasing the supply. As a result, the berries of the association had been entirely sold by January 1st, an unusual experience. The average price received by the company was slightly over 25 cents per pound, a rather low price for a retail price of 25 cents or below. A higher price than this is believed by the organized growers to be a detriment to their industry.

There was an actual attempt by an organization of growers to keep the price down rather than to raise it, planting of the usual amount of corn. These movements, however, are not connected with specific marketing associations. It is doubtful, indeed, if an association could influence to any

attitude toward their product.

IT'S GOING TO BE A HARD FROST FOR SOME OF THE BOYS



The Kansas Union Farmer

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

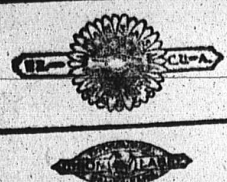
All copy, with the exception of notices and including advertising, should be in five days before the date of publication. Notices of meetings can be handled up until noon Monday on the week of publication.

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, OCTOBER 19, 1922



ATTEND POLITICAL MEETINGS

There are a good many folks who boast that they never go to hear a campaign speech. There is some reason for staying away from political meetings of course but there are even better reasons for going. There are a lot of political speakers who are so narrow, partisan and prejudiced that the well informed man gets nothing but amusement from their mouthings. There are others so ignorant that it is painful to realize that the voters of a free country may elect such men to office. There are a few who are so dishonest in their statements and so unfair in their conclusions that it wears the spirit of a fair minded man to sit through such a speech.

Then, of course, the newspapers of this day keep the people so well informed that there is nothing new for the speakers to say and as every Kansas farmer takes several papers it is not necessary for him to rely on politicians for food for thought. This should be largely true and if true in the fullest and best sense of the word the citizen would be safe in acting on judgments formed by reading the papers.

Unfortunately for Kansas all the papers with one or two exceptions are on one side. All of the more important daily papers in the state are filled with arguments in favor of the election of one of the candidates for governor and utterly exclude any mention of the personality, platform, or record of the other man. This is all wrong. If a man is to be free and respected it must be honest and impartial. It might be a good thing to have a law, the great American remedy for all bad situations, requiring all papers of general circulation to give an equal amount of space to each political party during a campaign.

The voter who attends a political meeting may not hear anything new or important but he will at least get a personal view of the candidate for whom he proposes to vote or against whom he is working. Also he is apt to hear a few things that never get into the papers. Electing of officers to run the state of Kansas and the various counties for the next two years is a very important piece of business. Every voter can well afford the time to attend a few political meetings between now and election day.

BANKS AS MONEY MACHINES

Printed money will always be a temptation to sinners who want to get something for nothing. No matter what skill may be employed in the engraving of plates for bank and treasury notes; no matter how cunning the paper for use in currency and bond issues is fabricated; no matter how carefully the supply of such paper is guarded; no matter how cleverly the processes of printing and distribution are safeguarded there will always be spurious issues of notes manufactured and circulated for the express purpose of enriching counterfeiters.

Congress has taken note of this condition and has enacted various laws assessing penalties for imitating government issues and punishments for owning and circulating spurious currency. The treasury civil service is so well organized, its operatives are so skillful and are of such mature experience that the emission or use of counterfeit money is a mighty risky business likely to result in many years seclusion in well guarded retreats where even real money has but little value.

Counterfeiting, which increases the volume of money in circulation by the addition of illegal issues of government and bank currency, is not only not respectable but is criminal and highly dangerous to those who engage in such reprehensible activities. Therefore no honest men are in the business of duplicating and circulating money.

The banking business is highly respectable. Those who carry it on are pillars of society and of the churches. They are models for the youth in the communities where their business flourishes. Only once in a very great while does a respectable banker yield to temptation and make unlawful use of the money and power with which he is trusted by his customers. Such a lapse from rectitude is usually followed by swift and certain punishment. Bankers therefore conduct their affairs under all the sanctions of the law.

It is curious, therefore, that this highly respectable business has worked out a legal method of duplicating and using money issues that throws

all the achievements of all the counterfeiters of this and others days into the shade. In the banks of this country the deposits by customers amount to \$37,633,563,000 or some thirteen times all the banking capital which is only \$2,702,839,000. Without analyzing banking processes which are fairly well understood the customs of this business permit those who are engaged in it to multiply their resources, that is their own capital and to loan and draw interest on an amount equal to thirteen times their investment.

In the enjoyment of privileges which custom and law alike have conferred on banks only those institutions have accumulated resources that amount to \$53,074,108,000 which they use for their own enrichment in addition to their comparatively trifling investment which curiously enough is listed in their unique bookkeeping systems not as an asset but as a liability. Although there is all told only \$1,076,378,000 dollars in cash in all the banks of the country the deposits of the customers are more than THIRTY SEVEN BILLION DOLLARS and the loans and discounts are in excess of FIFTY THREE BILLIONS. A business that enables its owners to draw eight per cent interest on about TWENTY TIMES their investment is some money making system. From these figures which are taken from official reports it is plain that the gross annual return on capital invested in banking is around ONE HUNDRED AND SIXTY PER CENT.

Such possibilities within the law as are offered by the banking system of the United States makes the profits of the boldest and most successful counterfeiters look like the pin money of a section hands wife.

The slightest and most cursory survey of banking as now carried on in this country must convince any reasonable man that in a comparatively short time the wealth of the republic will be concentrated in ownership of the comparatively few who had the foresight and the means to get into the bank business on the ground floor. If expenses reduce net earnings to a pitiful one hundred per cent per annum it is only a matter of ten or a dozen years until bankers will own all the wealth of this country.

INDIFFERENCE TO PUBLIC DUTIES

Lots of well meaning folks are alarmed over the influx of aliens into this country. A lot of immigrants come to us every year and a considerable proportion of the new comers can hardly be classed as desirable.

Not the uneducated alien but the indifferent non voting native born American is the most dangerous menace to our free institutions. The home folks and the old timers are in a big majority but about half of them are too lazy to vote.

THE FARMERS UNION OBLIGATION

Every member of the Farmers Union has taken an obligation to support the program of the organization in its business enterprises and in all other proper ways. The man who forgets to attend his local meeting or is feeble in finding excuses for staying away is violating his obligation. He is not a good member. He is neglecting his duty and is proving to the critical world that farmers cannot organize for self protection and stick together.

Just simply every day neglect of his duty as a member is not the worst offense that many members commit. In every locality where there is a business association, there are a few Union men, so called, who refuse to support the very enterprise which they have helped to organize for their own advantage. In time their attitude and that of others who will follow their lead will wreck that concern and give the men who fatten from profits made on the farmers trade another chance to sneer at the efforts of the few farmers to protect themselves through organization.

Then there is the board of directors that permits its manager, often secretly subsidized by the enemies of co-operation, to divert their business to the speculators and gamblers who are out to wreck all self help farmers organizations. Perhaps it is impossible to get enough good and honest managers who are members of the Union but it should be an easy manner to get rid of one who is daily proving himself to be an enemy of co-operation and hostile to the aims of our organization.

ORGANIZE A TROUBLE SQUAD

The Colorado State Farmers Union recommends that every Local appoint a trouble shooting squad. It is a good idea. It is the business of this squad or committee to find out what is wrong. If some member of the Local continuously stays away from the meetings he is visited and invited to open up and tell what is on his mind. If there are delinquent members they are called on and asked for reasons why they are not doing their duty. If there is a member who is talking too much with outsiders about matters connected with the Union and its work he should be kindly but firmly dealt with until he finally understands that he has taken an obligation and that as good man he must live up to his pledges.

The end of the year will be here before many of us half realize it. It is the duty of every good local to have its house in order before the first of January. Dues in arrears should be collected. If there are losses of membership the vacant places should be filled with men who will stay on the job. The annual elections will be held in a short time. The life and the usefulness of the Local may depend on the selection of right sort of men or women for officials. Before election day comes around the membership rolls should be in order, dues paid and candidates initiated.

Every Local in the state would do well to appoint a "Trouble Squad at its next meeting. In selecting the men for that work no one should be chosen who is not willing to give a few days of his own time and his very best efforts to the cause of rebuilding or strengthening the organization.

DO MORE FOR YOURSELVES

There are too many Locals that lean too heavily on the county or the state organization. There

are too many county unions that depend too much on the services of the state officers and lecturers. The Farmers Union is a self help agency. It was devised for the purpose of providing a means through which the members might do something for themselves.

The organizers and other representatives of the State Union can set up new locals, they can institute new county unions, they can rebuild weak organizations but their work will not be worth much unless local union men are ready and willing to take it up and carry it on from the point where it is left by the state or the county.

There are enough earnest, sincere Union men and women in every Local to make a great success of the organization. This is the time of year that all who believe in the purposes, the mission, and the ideals of the Union should get busy with plans to make the winter meetings more attractive, to secure better support for all our co-operative enterprises, and to enlist desirable new members in our movement.

From now until the State Convention let us give real meaning to the slogan, "Every Old Member Get a New Member Before the Next Meeting."

THE MAJORITY MUST GOVERN

There are too many Union men who fall in the support of co-operation and ultimately drop out of the organization because they have been not voted on some matter of policy or in the selection of officers or directors. Their action declares that they will have nothing further to do with an outfit that refuses to accept their leadership.

The majority may not be right on all occasions but it is the only way in which any self governing body can make its decisions. If it is wrong there is always another meeting or another election in the future where it can be set right and its mistakes corrected.

It is much easier to correct honest blunders of mistaken majority acting lawfully and within its rights than it is to repair the damage done by an irresponsible minority working outside the laws and rules.

Judging from conversations heard on the trains and in the lobbies of the hotels there are a lot of folks in this country who pity the farmer. The free American farmer should consider pity from any source an insult to his manhood and his intelligence. The farmer should demand respect not sympathy. He can get the respect of all other classes and callings through organization and in no other way.

Every issue of this paper contains some information that no farmer can afford to be without. It costs less and offers more than any other paper in the world. If you are a member of the Union you will get it very week without any further charge. If you have not paid your dues you may lose out for awhile. Better get right.

WORK FOR UNION ORGANIZATIONS

The new Manual of Organization Procedure recently issued by the National Union answers the question as to whether there is any work for a Farmers Union Local. This little book gives suggestions for the following:

Organizers are instructed just how to advertise, work up territory, and establish Locals; A complete program of activities for Local Unions including the names and objects of many standing committees is outlined. The only additional thing that could be done for Locals would be to frame up and issue a series of programs for the winter meetings and we may yet do that unless the members themselves get busy;

The analysis of the possible activities of the County Union is very comprehensive and should be mastered by every member of the official family of every county organization in the country.

The National Union cannot give these Manuals away but has fixed the price so low, only about two and one-half cents in quantities, that every member can afford to own a copy for his own use. It will make him a better and a more useful Union man.

IOWA GANGSTERS ATTACK BROOKHART

Colonel Smith Brookhart, republican candidate for senator from Iowa, is having some trouble with the old gangsters, stand patters, and grafters. At the same time he is having a lot of fun and it looks like he would carry every county in the state.

The old gang declares that Brookhart is a socialist and therefore unworthy of the support of any 100 per cent American. Brookhart says that if he is a socialist he does not know it. To this one of the gang papers rejoins that Brookhart is a socialist without knowing it.

It is the fashion to brand any man who differs from the old ruling gang as a socialist. Scarcely a co-operator in Kansas has escaped having some smart alex denounce him as a socialist. As a matter of fact co-operation is the width of the economic world away from socialism. Co-operation organizes agencies for self help and asks only for the privilege of working out its plans and purposes in its own way with out interference. Socialism despairs of relief through individual initiative or self help and proposes to reorganize society in such a way that the state will do most of the things for the citizen that real independence requires that he look after for himself.

The editors of this paper and Colonel Brookhart believe that an effective reorganization of business can be accomplished through co-operation. The only kinship that there is between socialism and co-operation is that each believes that the present organization of the commercial fabric of the world is in the interest of privilege and monopoly and threatens all workers with industrial slavery unless new ideals and methods of business are adopted.

Brookhart is being opposed, not because he is a socialist but because he is a co-operator and a farmer. The fight on him should secure him many votes that otherwise would have gone to his opponent.

COMMENT ON WORLD'S NEWS FOR WEEK

Brookhart Is Having His Troubles

With the Iowa stand patters who love him only a little less than they do the devil. A bunch of broken down politicians, cheap bosses, and public utility attorneys pretending to represent the regular republicans have decided to support the democratic candidate for senator because the man nominated by their own party holds views that they do not like.

Brookhart's convictions are his own but they are shared by so many Iowa voters of all parties that he is in a position to laugh at the little old wrecks who think they can keep the people from selecting their own representatives for the senate. For every vote that the oldsters take away from Colonel Brookhart they will drive ten to his support.

Georgia Made a New Record

Last week when Governor Hardwick appointed Mrs. Felton to the senate place left vacant by the death of Thomas E. Watson. The stateswoman is nearly ninety years old, she will not have an opportunity to attend a single session of the body of which she is a member but she will take the oath of office and her name will never be forgotten while the world stands because she is the first woman to be a senator of the United States.

For more than sixty years Mrs. Felton has been a leader. She has served Georgia in almost every place open to her sex. It is regrettable that she cannot have an opportunity to make at least one of her characteristic speeches to the body that once had Webster, Clay and Calhoun among its members.

Minnesota May Redeem Herself

And send Mrs. Peter Olson to the United States senate as the first woman ever elected to that body. The voters of the Gopler state are about fed up on Senator Kellogg and all that he stands for in Washington. Thousands of republicans, all the democrats and most of the women are going to vote for Mrs. Olson.

It is a new day. Party lines are flexible. Men and women no longer respond to the snap of the party boss's whip, they vote as they please and most of the nowadays make up their own minds about what is good for the country and for the people. After next March the congress of the United States will have some men and women present who are there to serve the country.

A roll call of the new house of representatives may show a republican majority, or it may show a democratic majority. It makes no particular difference, the men and women there for no other purpose than to serve the country will be in control.

Kemal Pasha Has Just Accepted

The terms of settlement proposed by the allied powers. He will withdraw his troops from the neutral ground about the narrow seas. Probably England and the other allies will do the same and temporarily at least there will be peace in the Near East. The Turkish leader has proved himself a very smart man. He had won considerable victories, he had driven the contemptible Greeks out of Europe, he was practically assured of the support of the Soviet armies of Russia. He could have started a war that would have cost more lives and more money than humanity can afford to pay for such an enterprise.

In the end, however, the Soviet-Turkish combination would have been defeated. England and France and the other allies would have thrown enough men and ships into the Near East to defeat any combination that could have been formed against them. Nor is it unlikely that our own country would have been involved. We think it impossible not to be sure that it would be impossible to drag us in after the Kaiser tore up that fateful scrap of paper and invaded Belgium in 1914.

The biggest fool in this whole world is the man who declares that anything is impossible.

CO-OPERATIVE BUILDING GUILDS GROW IN EUROPE

From a modest beginning in England at the close of the war the Co-operative Building Guild movement now has spread throughout Europe, reports the All-American Co-operative commission of Cleveland. Until now in almost every country workers of the building trades are combining their skill and initiative for the cooperative building of homes and commercial structures. While the guild movement itself goes back to the middle ages, the recent development has been brought about by the complete failing of private contractors and real estate speculators to provide decent homes for the people at reasonable prices.

The motive of the guilds is industry organized for service and controlled by those who work in industry. From the building trades this idea has spread to furniture making, shoe manufacturing, and other industries. Indeed within the past few months a guild has been formed in Germany which has leased for 999 years about 800 acres of land in Hartfordshire just north of London, and is constructing a model agricultural community. The guild purchases stock and machinery cooperatively, runs a cooperative dairy, markets its products cooperatively, and is just starting a cooperative meat packing plant.

In Holland there are now 37 co-operative building guilds, of which 20 are in the city of Amsterdam. Similar guilds exist throughout Germany, Belgium, and according to the All-American Co-operative commission by co-operative building societies Boston, Mass., St. Paul, Minn., Reading, Pa., Jackson, Mich., and several other cities.

Still in Private Residences

Are becoming quite the thing but their operation appears to be a little bit dangerous. If they escape discovery by the prohibition enforcement agents they are likely to blow up and do a lot of damage. One did that very thing last week in St. Paul. It was located in a fashionable apartment house. It exploded and killed one person and scalded and otherwise maltreated a number of others. Moonshine liquor works its deadly mission in so many ways that it is strange that any one outside the crazy house takes any chance with it. When will the world be rid of all the tools?

Speculation Is Gambling Masquerading

As legitimate business. The average human creature loves to take chances. So it is always easier to sell him a fine looking piece of oil stock that may some day be worth several thousand cents on the dollar than it is to get him to buy a government bond that is as good as gold right now.

The St. Paul papers say that more than \$3,000,000 of the real money of the people of that city has been invested in German paper marks which are now worth only about one-twentieth of a cent on the dollar or something like that. That same gamble was made in every part of the United States. It is likely that American suckers in that way supplied the German republic with enough funds for at least one year's operating expense.

The sucker birth rate throughout our country is still at least one a minute.

Doping Out Future Events

Is a strange trade followed with profit by many strange prophets in all parts of the world. Consider Hugh Fullerton who knows more than any other living man about baseball. His study of the performances of the two teams of baseball players that have just played for the so-called world's championship convinced him that Clavis could not win more than one game, that they were certain to lose the series, and that their batsmen could do nothing with Bush pitching against them.

The Giants won the first game, knocked Bush out of the box, tied the second, and otherwise disgraced the hope of the wisest newspaper writer in baseball business. No one can predict future events by studying past performances in a professional sport.

Cancellation Of Allied War Debts

Due to the United States on account of loans made to European countries during the Great War was discussed at some length in the meeting of the National Bankers Association held in New York last week. The statement of the delegates and especially of the big leaders appeared to be in favor of closing the accounts and charging off the ELEVEN BILLIONS coming to us to profit and loss.

It began to look as if our country and that means our people, will lose that money. The nations that owe us are mighty hard up and their finances are not improving largely because they are still spending most of their revenues on military and naval establishments. We may lose through repudiation by the people who owe us.

The willingness of our big bankers to cancel the debt may have something to do with the fact that they have claims against European nations on their own account amounting to about the same sum as the allied debts. The financiers cannot see how they can collect what is coming to them unless the government cancels what is coming to the taxpayers.

Free Speech Is Rightly Regarded

As one of the bulwarks of American liberty. The mayor of the city of Storm Lake, Iowa, seems to have another notion. He believes that it is his duty to safeguard the people of his city from the influence of orators who

may not agree with him.

Just a few days ago this wise man refused to allow the mayor of Storm City to address the folks of Storm Lake. Just what he had against his brother mayor is not disclosed in the dispatches but the Sioux City man went ahead and spoke to about six thousand people gathered in the street.

There are getting to be altogether too many public officials who know more than the farmers of the federal and state constitutions. In this whole country there is no man fit to be trusted with powers that are not conferred on him by the laws of the land. Mob rule is a bad thing whether the mob numbers into thousands or is composed of only one otherwise official who takes himself too seriously.

Wheat Is Coming From Canada

Into this country in spite of the new high tariff rates recently imposed. If there was not such a wicked spread between the price of wheat in the bin and flour and loaf bread in the hands of the consumers there would be no such importations into the United States.

The very fact that millers can use Canadian wheat after paying sixty-five cents a bushel duty and about fifteen cents for freight is proof positive that American farmers are being done out of something like seventy-five cents on each bushel of wheat delivered by them to their own mills.

Fair prices will never be restored in this country until something is done to put the profiteers out of business. The farmers can hope for no justice until they organize and take possession of the "No-Man's Land" that lies between the producers and the consumers.

Ireland Is Still Enjoying

All the delights of civil war. A news dispatch printed last week informs the balance of the world that the Free State and Republican Armies recently fought a great battle that lasted for more than thirty hours. The casualties were fifteen killed and eleven wounded.

The war in Ireland is costing the Free State government \$4,000,000 a day and prospects for peace are very remote, probably conditioned on the complete bankruptcy of the country and the people. Self determination is a mighty hard principle to apply in a country where the population is divided into two practically equal factions.

Money Belonging to Other

People can usually be given away without ver much regret. That may be one of the reasons why the bankers of the United States are so willing to donate ELEVEN BILLIONS of the taxpayers money to the more or less bankrupt countries of Europe. Bankers are so accustomed to making profits by using the money of their depositors that they seem to have become a little careless about the way that they fling billions around. It may be that conditions beyond control will force the cancellation of that European debt but it should not be done in the interest of private money lenders who might in that way be able to collect their loans from the allied nations.

Football Is the College Game

That attracts most attention. It is always played by a picked body of athletes too many of whom are not members of the institutions that they represent in any true sense of the word.

Of a certain South Dakota institution are up in arms because the one year residence rule disqualifies nine athletes who played on other college teams last year. Just why did those nine terrible gridiron performers who won the spurs and other athletic laurels fame, and insignia with other institutions last year all make up their minds to play on the same team this year? The question answers itself. They were hired and have no proper place on any amateur athletic team.

OFFICIAL CALL OF ANNUAL NATIONAL MEETING OF THE FARMERS UNION

To the membership: By the authority vested in me, I hereby call the eighteenth annual meeting of National Union, Farmers Educational and Co-operative Union of America, to convene in the Auditorium of the Virginia Hotel, Lynchburg, Virginia, at ten o'clock A. M., Tuesday, November, 21st, 1922, the same being the time fixed by the Constitution for holding the meeting.

Representation shall be determined in accordance with Sec. 4 of Article eleven of the National Constitution which provides that membership counted in determining representation must be in good standing October 31, 1922 as shown by the records in the office of the National Secretary-Treasurer. The purpose of the meeting is the election of officers and the transaction of any business which may properly come before it. The Union will remain in session until disposition has been made of all business.

Fraternally yours,
C. S. BARNETT,
President.

Attest:
A. C. DAVIS,
Secretary-Treasurer.

IOWA HAS BANK PLAN

The Iowa Farmers Union is working on a plan to give farmers better banking facilities and a more friendly source of credit. Instead of organizing a system of co-operative banks private banks are being selected for the concentrated patronage of Farmers Union members and business enterprises. A bank in Des Moines has been designated as a reserve bank for the state, and in each county a bank is being selected to handle the Farmers Union business. The farm-

ers, under this plan, will do their banking business with one bank in the community, instead of with several, the idea being that the bank thus favored will be fair with the farmers and look out for their interests. Perhaps this plan will have worth-while advantages, but they will fall far short of the advantages that come from co-operative banks, owned and controlled by the farmers.—Nebraska Union Farmer.

HAS MISLEADING NAME

The name of the Central Co-operative Creamery of Beatrice is misleading a number of farmers in southern Nebraska to think that it is really a co-operative enterprise. Instead, it is purely an old-line concern and, while the men who control it may be the most estimable of gentlemen, it deserves no more patronage from farmers than any other old-line institution. It was organized before the enactment of the new Nebraska co-operative law, else it would not be permitted to have the word "co-operative" in its name. Investigation shows that the articles of incorporation of the Central Co-operative Creamery Company were signed by 25 persons, as required by the co-operative law; but that seems to be as far as the organizers went in making the concern co-operative. Although some stock has been sold to farmers, three men own the majority of it. Inasmuch as each share of stock has one vote, these three men have control of the company. Earnings are distributed as dividends on stock. It will be seen, therefore, that there is nothing co-operative about this company except its name.—Nebraska Union Farmer.

USE UNION WANT ADS.

Department of Practical Co-Operation

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

John Tromble
Oct. 20—Elmo.
Oct. 21—Esbridge.
Oct. 28—Blue Mound.

C. E. Brasted
Oct. 14—Rush County.
Oct. 20—Burns.

M. O. Glessner
Oct. 20—Wellington.

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 Members of the General Assembly

We have the State Constitutions for 1922, "containing the Amendments as adopted," ready for distribution at 50 per copy.

C. E. Brasted, Secretary.

AT BLUE MOUND

The Linn County Farmers' Union meeting will be held at Blue Mound, October 28th. President John Tromble will address them in the afternoon and will also speak at Centerville in the evening.

NOTICE TO SUMMER COUNTY MEMBERS

I urge the attendance of all Farmers Union members at our county meeting to be held in Wellington, Kansas, Friday, October 20th. Meeting will be held in K. C. Hall. Business matters that concern all of us will be discussed and transacted. We are arranging for a state speaker for this date. Come and be sure to bring all other members in your locality. By the time of this meeting all of you will have your wheat sowed and know that you will need a rest, so come and help us look after our own business.

Yours for Cooperation
JOE ERWIN, President.

AT ELMO, OCT. 20

The Farmers Union members at Elmo have started a very interesting and instructive method of entertainment for the winter. They have a "Home Lecture Course". It will be composed of ten numbers and according to the way the people at Elmo do things it is sure to be a success.

They have asked for a member of the State Lecture Bureau to start them out and President John Tromble will address their meeting at Elmo on October 20th.

AT BURNS, OCT. 20

The Farmers Union members at Burns, Kansas, will hold a picnic on October 20th. They have invited Secretary C. E. Brasted to address them in the afternoon.

ANNUAL STOCKHOLDERS' MEETING

The Washington County Farmers Union will hold their annual stockholders' meeting on Wednesday, October 25th, at Washington, Kansas.

All stockholders of the Washington County Cooperative Business Association are requested to be present as we will elect two directors. All managers of local elevators are urged to be present at this meeting. Such other business that may come before the meeting will be disposed of.

A full attendance is desired.
Fred Laue, President.
Adolph Hein, Secretary.

AT GRETNA, OCT. 26th

The third quarterly meeting of the Phillips County Farmers Union No. 27, will be held in Gretna, Thursday, Oct. 26th, commencing at 10 a. m.

J. F. Johnson,
County Sec. Treas.

AT PLAINVIEW CHURCH, OCT. 26th
Carr Creek Local No. 402 will hold their regular meeting at Plainview Church Thursday, Oct. 26th. We wish to take this opportunity of inviting, Excelsior, Fairview, Hillside and Custer Locals to meet with us on that date.

Chas. Sackhoff.

The production of 6,277,000 bales of cotton, in addition to the seed that would have been ginned from that amount, was prevented by the boll weevil in 1921, according to the computations made by the United States Department of Agriculture from estimates furnished by many thousand crop reporters.

OUR SEPTEMBER 21st ISSUE

On the first page of our issue of September 21st there appeared an article describing in a very able manner the activities of the Burley Tobacco Association of Kentucky. This story was taken from The Prairie Farmer but through an error in the proof reading department proper credit to this publication was not given at that time. We take this opportunity of rectifying this mistake.

FARMERS MEETING AT FONTANA

The Miami County Farmers Union held the 3rd quarterly meeting in Fontana, on the 30th ultimo. Attendance was fair. Educational matters were discussed, and the following resolutions adopted:

Resolved that as the Farmers' Union Co-operative organizations are self help organizations, therefore, we urge all our members to study co-operation and give their loyal support to enterprises fostered by the Union. That if we do not support our enterprises, we will not only fail, but hinder future co-operation; that we recommend monthly meetings in the different towns of the county to be organized and conducted by the locals in the vicinity of the towns; that we recommend to the various locals to put into effect the resolution passed at a former county meeting, providing for a lecture bureau of three members; that the locals invite the lecture bureau from other locals to attend each meeting; and to put the same into effect immediately; that these resolutions be sent to the state Union and county papers for publication.

GEORGE L. CHAPPELL,
Secretary.

MENLO FARMERS UNION DEDICATES NEW BUILDING

The members of Cresco Local No. 377, Headlight, Prairie Dog, Solomon and Leaville locals were cordially invited to attend a picnic dinner and the dedication ceremony of the beautiful new brick store building and hall of the Menlo Farmers' Union on Saturday, October 7.

The celebration began with a street parade at 10 a. m. which was a scream from beginning to end. The band played a number of pieces immediately after the parade. A big basket picnic dinner was served in large tent and to say the dinner was a beautiful one was putting it mildly. During the dinner hour we were entertained by the band and several songs.

State Secretary C. E. Brasted was the speaker of the day and he gave a splendid address only we feel that he did not talk long enough. After the speaking athletic stunts off all kinds were indulged in and there was plenty of entertainment all day long.

We departed for our homes in the evening feeling that we had been royally entertained and were better loyal Farmers Union members.

MARSHALL COUNTY SENDS QUESTIONNAIRE TO CANDIDATES

Editor Kansas Union Farmer:
We, the undersigned, wish to have the following report printed in your valuable paper.

We, the Farmers Union Legislative Committee of Marshall County, sent a questionnaire to some few candidates of our county and in due time received answers from less than 50 per cent of said candidates.

Therefore we feel it not only a privilege but a duty to inform the voters of Marshall County the attitude taken by these candidates.

Those answering favorably—W. J. Kinsley, A. A. Heleker.

Those answering unfavorably, Herbert L. Feldhausen.

Those from whom we received no reply, Hon. James G. Strong, A. A. Work, Byron Rhodes, John Kraemer.

Signed

LEGISLATIVE COM.

MIAMI COUNTY FARMERS' UNION RESOLUTIONS

(1) Resolved that as the Farmers' Union Co-operative organizations are self help organizations therefore we urge all our members to study co-operation and give their loyal support to all enterprises fostered by the Union.

(2) Resolved that if we do not support our enterprises that we will not only fail in our business but will hinder future co-operation.

(3) Resolved that we recommend monthly meetings in the different towns of the county to be organized and conducted by the locals in the vicinity of the towns.

(4) Resolved that we recommend the various locals put into effect the resolution passed at a former county meeting providing for a lecture bureau of three members. We, also, recommend that the locals invite the lecture bureau from other locals to attend each meeting and put the same into effect immediately.

(5) Resolved that these resolutions be sent to the state Union and county papers for publication.

Signed
GEO. L. CHAPPELL,
HENRY DAGEFORD,
J. R. WILLIAMS

Adopted by Miami County Farmers' Union at third quarterly meeting held in Fontana,
G. L. C. Secty.

"NOTHING TO DO BUT HOUSEWORK"

Around the House

A motion-picture film showing the number of steps taken by a housewife in her daily duties, and how to increase efficiency and conserve energy by reducing them, was placed on exhibition by the Better Homes in America Campaign in its model houses throughout Greater New York during demonstration week, October 9 to 14.

The motion picture on exhibition features as stars Secretary of Agriculture Henry C. Wallace and Mrs. Wallace, showing the right way and the wrong way to work about a house and perform its duties.

The inspiration for the motion picture was furnished by a Tired Housewife to whom her husband remarked one evening, "You have nothing to do but housework. I don't see why you should always be so fatigued at night."

The wife decided that she would prove to her husband some reason for being tired. In order to do this she purchased a pedometer, hooked it to her belt, gaged to the length of her step, to measure the steps she took about the house.

In one average day's work she had taken 27,840 steps. They covered a distance of nearly eight miles. At the rate she was going she could have walked around the world in less than ten years.

This, of course, did not include the "labor of heart and hands," but it was sufficient to call the attention of her husband to the amount of actual physical energy which was being consumed in her housework and to induce him when he made an addition to the house to include in his plans a model kitchen that would save steps.

SAFETY RAZOR CONVENIENCE NOW AVAILABLE IN A MOWER KNIFE

There has been little change in the mower knife since the mowing machine was first placed on the market. Many years ago the American Machine & Foundry Company, however, have recently placed on sale the A-M-F Sickle Bar which utilizes the separate blade idea of the safety razor. In fact, the makers have appropriately called it the "Safety Razor of the Fields."

The Bar itself consists of a top and bottom strip separated by spacing pieces, the whole bar being welded together into one rigid unit. Each blade fits into a separate pocket between the top and bottom strip, the pockets being formed by the spacing pieces. The blade is held firmly in place by a ball-locked wedge key. The A-M-F Bar was put in practical field operation on many farms in New England for the past three years before it was offered for national distribution.

The many advantages of such construction are perfectly apparent. It is only the work of a minute to replace a dull or broken blade as shown by the illustrations. A few blades can be carried in the tool box and ready-made right in the field. This obviates the necessity of carrying spare bars and also eliminates the troublesome operation of riveting in new sections.

It is also much easier to grind the blades to a keen cutting edge clear down to the heel as each blade can be ground separately. The dull blades can be allowed to accumulate, saving the grinding until after the season is over. The live dealer will see an opportunity here to borrow another idea from the safety razor, and establish a grinding service for his community.

The head is welded to the bar and the entire bar and head is rust-proofed by the A-M-F Intrasol Process. The bars are made in different lengths and types to fit all standard makes of mowing machines. The blades, however, are all standard and will fit any A-M-F Sickle Bar, so that the dealer does not have to stock a large variety of blades.

FARM LOANS

Loans closed without delay
NO COMMISSION
THE KANSAS CITY JOINT STOCK LAND BANK
Branch office
123 South Santa Fe, Salina, Kan.
Write for circular.

This Bar is being shown at the State Fair all over the country where the exhibits are arousing a large amount of interest.

PYRAMIDING OF BUSINESS RESOURCES IS SECRET OF BANKING INDUSTRY

(Continued from page 1)

the bookkeeping for 31,000 banks all over America and thousands of banks all over the world. Its "clearances" amounted to \$252,338,249.46 in the year 1920. They were the debts and credits of individuals and banks all over the world. Yet the total amount of balance differences between all the banks cleared through it was only 9.98 per cent of the total. The great bulk of the transactions washed one another, and these balances were practically all paid by checks on the Federal Reserve bank. But very little money passed from bank to bank. For practical purposes the vaults of the average bank might almost be sealed up from one end of the year to another. Money is needed only for small change. The bank makes bookkeeping entries for the community.

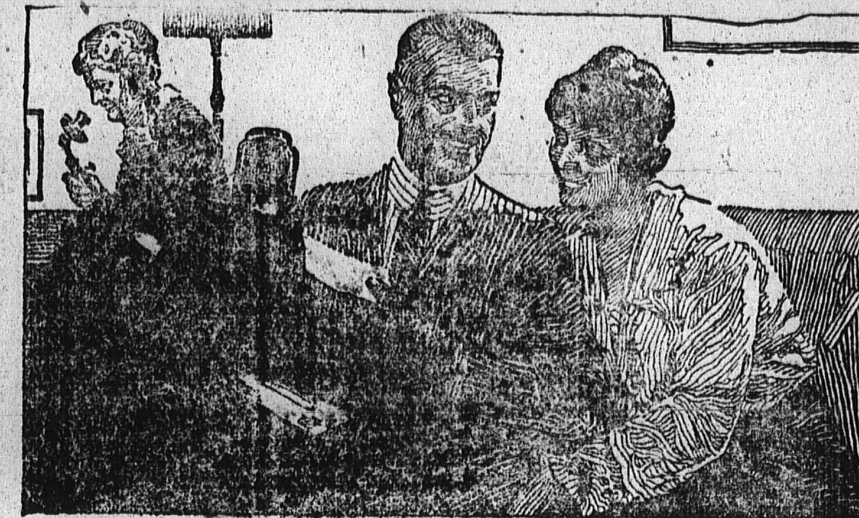
In these transactions, the loans which the bank makes are assets. The deposits which it receives are liabilities. Neither one nor the other is money. They are merely bookkeeping entries made from day to day by thousands of bookkeepers and cashiers all over the country. The John Smith bank, however, is collecting in-

terest not on \$10,000 but possibly on \$100,000. In addition it often requires the borrower to keep a balance of from 20 per cent to 25 per cent against the money borrowed. So that even where no commission is charged for the loan the borrower gets only \$8,000, but he pays interest on \$10,000.

These bookkeeping devices, the clearing house, and the Federal Reserve banking system perform most useful services. The world would stand still if these bookkeeping entries were to stop. The world would collapse if its credit structures were forced back to a money basis. The evil is not in the struggle of banks for money, the evil lies in the way these colossal powers are being used, and the unnecessary tribute which the banks are permitted to take for doing the bookkeeping of the country. For the processes described are simple. They are performed for the most part by underpaid clerks. They make entries such as they would make in a shop or a store. Yet they enable the country to do business running into the hundreds of billions of dollars without the necessity of handling much money at all. The cash in the community remains the same from day to day. It remains untouched from month to month.

Herein is the explanation of the fact that the banks have been able to erect a pyramid of fifty billions of money on one billion of actual cash. This is how they have multiplied the

dollar by fifty. And what each one of these fifty billions of dollars is not earning money every minute of the day, still there are very few banking transactions that do not take some tribute from the public. There are no holidays for the banker's dollar. It works in bad times as well as in good. It is not laid off by strikes or lockouts. It does not lay by for repairs or inventory. When the community gave these privileges to the banks, it took back no guaranty that its credit resources would be properly used, or that the gains that come from this wonderful organism should redound to those whose credit resources are being used.



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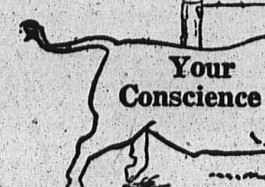
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