

MINUTES OF CONFERENCE

(Continued from page 1)

MORNING SESSION—SATURDAY.

The roll call showed all members present except Ward, Wilson, Meyers and Robinson, who came in five to ten minutes late.

A letter to the members was drafted by the delegates, and forwarded to the State Secretaries for circulation.

EVENING SESSION.

At the evening session a number of Congressmen were present having come at the invitation of President Barrett, and other members of the delegation.

After reports of several members of their work during the day, short talks were given by several of the Congressmen present.

The following members attended:—Judge C. L. Bartlett, L. F. Livingston, Wm. Howard, Chas. G. Edwards, Thos. M. Bell, Dudley Hughes and Judge W. C. Adamson, Georgia; E. Y. Webb, North Carolina; Jack Beall, Texas; Ollie James, Kentucky; J. Thos. Heflin, Alabama; T. U. Sisson, J. W. Collier, Wm. A. Dickson and E. S. Candler, Mississippi.

MR. BEALL'S VIEWS.—Responding to the invitation of Pres. Barrett to express his opinion as to the probability of procuring the passage of such a measure as we are advocating, Mr. Beall of Texas, a member of the Agricultural Committee, said that there was little likelihood of a measure introduced by a Democrat being reported by the committee, but that as Mr. Scott of Kansas, the Chairman of the Committee, had himself introduced a bill of this nature, he was inclined to believe that a bill covering the essential features could and would be evolved, and that, so far as he was concerned, he would support any Republican measure that would offer us relief.

MR. WEBB.—Mr. Webb of N. C. said he was in favor of any bill that would abolish dealing in futures by Exchanges. After studying the question at close range, having visited some of the Exchanges in the course of his investigation, he was positive in his opposition to their business. He thought the government had a right to prohibit the use, by Exchanges, of inter-state means of transmission of intelligence.

He further stated that several attempts had been made in the past to pass such a measure but that no vote had been obtained. He was of the opinion that a favorable report by the Committee on Agriculture and a roll call vote would be a long step toward the passage of the measure.

MR. LIVINGSTON.—Mr. Livingston said that the fight before us was a hard one. He suggested that there were two ways of eliminating the evils of the Exchange:

1. By criminal prosecution.
2. By denying them the use of the mails.

He advocated getting the opinion of the members of Congress upon some specific bill covering the subject.

MR. BARRETT.—Mr. Bartlett was glad that the farmers were doing as all other business people had been doing for years, e. g., asking for what they want. He congratulated the Farmers' Union. He was of the opinion that no Democrat could get a bill passed; it would have to be fathered by a Republican. He stated that the Hatch Bill died in the Senate, and that in his opinion there is where the greatest opposition to our measure would develop.

MR. COLLIER.—Mr. Collier said that one of the planks in his platform, when he asked the people to support him for Congress, was the suppression of the evils of the Exchanges, and that he still stood for the passage of such a measure.

MR. CANDLER.—Mr. Candler,

a former member of the Committee on Agriculture, cited his record while a member of that committee to show his position upon this subject.

MR. ADAMSON.—Mr. Chairman: I have just arrived, late, and am not advised as to the purpose nor the progress of your meeting. I received no notice of your meeting or its purpose until a few moments ago my Secretary incidentally remarked that you were having a meeting of Southern Congressmen. I immediately dropped my work and came here.

I presume, from what I have seen in the press, that you are discussing ways and means of ridding the country of gambling in agricultural products. I have often expressed to you and other workers in your order my gratification at the organization of the Farmers' Union and its declaration of principles, for you are working for a great many good things, which I have been advocating and striving for thirty-five years. Of course I am with you against future speculation in farm products. I am against all forms of gambling, but that is the wickedest, most inexcusable, and most disastrous. These gamblers are parasites meaner than the vermin that destroy your meat and your grain, for they devour and destroy your substance in anticipation, unsettle your prices, and rob you of your profits even before you plant your crops.

I stand ready and glad to cooperate with you on any plan that you think promises success.

MR. HUGHES.—Having been preceded by the older men in Congress, they have left little for me to say. I wish to add, however, that the district I represent is largely agricultural, being second to no district in Georgia; and when you add to this horticulture it stands first.

Cotton is not only the money crop of Georgia but of the Southern States. The South has a monopoly of this product, given to her by soil and climate. This great staple not only keeps intact the gold reserve of this Union, but upon it depends the operation of about two thousand cotton mills, now in operation in the United States. Upon this staple the people depend for the indispensable article of clothing.

Gambling in cotton causes destructive fluctuation, and is opposed by the farmer, who is the producer and the consumer, and should be by the manufacturer.

I bespeak the sentiment of the Third District of Georgia, whose servant I am, when I declare that they not only wish but urgently request this gambling evil to be checked, and they call on Congress to pass a bill that will remedy it. In my opinion, and I will go further than that, and say I think I know every member of the Georgia delegation will give this bill their unqualified support as representatives of the second greatest cotton growing State of the Union. There are so many interests affected by this great cotton gambling, and so few benefited thereby, that I believe this Congress will pass the bill which will be presented for their consideration and action.

The farmers of the country are united as never before. The Farmers' Union is the strongest agricultural organization ever formed in the country. I am happy to greet them here, led by a Georgian who is president of the National organization. They are here to contend and fight for the passage of this bill. Let us give them our undivided support.

MR. OLLIE JAMES.—Mr. James of Kentucky stated that the State of Kentucky had felt the benefits of the Farmers' Union. He was pleased to know that the farmers were taking an interest in this matter, and pledged himself to the support of our bill.

MR. HEFLIN.—I am glad to be with you to-night, and I want to assure you that I am ready and

anxious to do anything that will help to bring about legislation that will permit the law of supply and demand under natural conditions between producer and manufacturer to fix the price of farm products. I have advocated such a measure ever since I have been in Congress, and I am more convinced now than ever that gambling in farm products is a crime against the producer.

Let us go to the Members of Congress from the West, from whose people we buy corn, meat and mules, and ask them to join forces with us of the South in passing a law suppressing gambling in cotton and other farm products.

I am at your service for the accomplishment of this good work.

MR. RALPH SMITH.—I have the honor to inform you that the Georgia Senators and Representatives in Congress today adopted unanimously the following resolution:

"Resolved, That the Senators and Representatives from Georgia heartily favor legislation for the suppression of gambling in farm products, and will support measures to that end."

The meeting was attended by Senators Bacon and Clay, and all of the Georgia Representatives.

OTHER MEMBERS.—Every Member of Congress present pledged himself to the support of legislation against the dealing in future upon the products of the farm by Exchanges, and promised to aid in every manner possible to secure the passage of a measure that would gain the results desired.

MORNING SESSION—JANUARY 31.

Conference convened at 6:30. The roll call showed all members present.

Upon motion it was agreed that we co-operate with the Grange, or any other farmers' organization, that would work with us along the lines that we have adopted to secure the legislation we are seeking, in keeping with this resolution.

Brother D. J. Neill of Texas appeared, and upon being questioned by President Barrett as to whether or not he would abide by the Rules and Regulations of the conference, answered in the affirmative, thus adding one more to our force.

Brothers Ward, Neill, Morris and Grady were appointed a committee to interview representatives from other organizations, if any are in the city.

CALL MEETING.

7 P. M., JANUARY 31ST.

Roll call showed all members present except Brother Neill who came in seven minutes late.

MR. W. M. HOWARD of Georgia appeared and asked if there was anything that he could do to assist us. It was suggested that we discuss some of the measures pending before Congress. Brother Dornblaser read the Scott Bill. During the course of the discussion, Hon. W. W. Cocks of New York appeared.

President Barrett introduced Mr. Cocks, who spoke in part as follows:

MR. COCKS of New York.—"When I came in, one of your members was asking about the New York Exchange. I have had a great deal of missionary work done with me in relation to the exchange, and I am somewhat familiar with its history. You all know the business of a Cotton Exchange is the buying and selling of cotton, and the future feature is the great thing. Little or no attention is paid the handling of spot cotton.

We have several bills before the committee and, we have had several hearings. What we have always tried to get at was some way to prohibit this buying and selling of futures. What we want to know is some practical way of ridding ourselves of this evil. Up to the present time, we have never been able to

form any kind of a plan that would not interfere with legitimate business. . . .

Here is one thing to remember: The people that deal on the Exchange claim that it is a great evenner, that it is a steadier of the market. At the same time, the spinners and manufacturers of New England are opposing the Exchange for an entirely different reason. They say it raises the price, while there are others who claim it unduly depresses the price. So, after all, I do not know but that perhaps we have been over-estimating the real effect upon the market of this speculation in cotton. . . .

I am opposed individually to all kinds of speculation. I have a brother who is a broker, but I have never bought a share of stock on margin, because I do not believe it is a good thing to do. I do not believe it is the best way for business to be conducted. . . .

"I understand that the gentlemen are desirous of knowing what the situation is before the committee, with regard to the cotton bills. I will say the position of the committee, is generally friendly. I have been speaking with reference to the old committee. We have a new committee this year. We have now gotten the agricultural bill out of the committee, and it is now in shape to take up these other bills. . . .

MR. HANNA, of North Dakota was introduced and said in part:

"The State I have the honor to represent here in Congress is North Dakota, which is entirely a grain state—wheat, oats, barley and flax, being the staple products that we raise. I have heard that question raised in the State a good many times, as to options, as to whether it was a good or bad thing for us. I have quite a large farm up there myself, and am interested on that side of the question. . . .

In every community almost, all over the State, there are farmers' elevators. When a farmer comes in with his wheat, and says that at such a time he will deliver his wheat, the elevator immediately wires to Minneapolis and sells that wheat. Thus, the wheat is sold way ahead, sold, for instance, for May delivery, and then carried into June and July.

"So that looks to my mind as if perhaps there were two sides to it. Of course, what the farmers in my country and in the south are contending against largely is the fact that some men like Mr. Leiter will go in the market and throw thousands and millions of bushels of fictitious wheat and cotton upon the market, and bull or break the market. . . .

"I can see where your trouble is in speculation, where there are millions of fictitious bushels of grain thrown upon the market to bull or bear it. And the same way with respect to cotton. I do not know very much about cotton. I suppose I buy it sometimes in the shape of clothing, but I do not know much about it in any other way. I know the proposition that you are up against; but how to get at it? I can only say this, that I believe the throwing of these vast amounts of grain and cotton upon the market—that is, where it is fictitious—is entirely wrong. The question is, as I said, how to get at it, how to right it. As to that, I am not so sure. I would be glad, if you gentlemen are going to be here for a few days, to meet with you again. I shall be glad to come up here at any time and meet with you, and to hear this matter discussed by you."

Pres. Barrett.—If there are any others here who have engagements, we would be very glad if you would volunteer."

A gentleman from the East arose and said:

"I wish to merely say that I talked to several members this afternoon, and I am glad to say, found everyone to whom I spoke

in sympathy with this movement. I want to see you again when I have more time, and I hope that we, all together, will be able to alight upon some plan that will right the evil that now exists in this particular. I will come back and see you all again. I regret that I cannot stay this evening."

Pres. Barrett.—"I hope, gentlemen, you will not take my remarks to be an invitation to journey; but, if there are others here who have engagements, we would be glad to have you volunteer; especially would we like to have all those speak who are in sympathy with us."

MR. GRONNA of North Dakota—"Mr. Chairman and gentlemen, I live out in what is called the frozen North. I have been in touch with this movement. In fact, I have talked the matter over with some Southern members of Congress, and I am glad to say there are many who sympathize with you in your efforts."

"I hope we will be able to do away with the buying and selling of options, which I believe is the line along which you are working. I belong to the Society of Equity up in our State. It is a farmers' organization which has for its purpose, that has in view, the purpose of controlling their own products."

"There is no question but what the selling of futures, whether that is gambling and speculation either in wheat or cotton, is detrimental to the producing classes. So far as I am concerned I am absolutely sure that it is detrimental to them."

"Now, then, instead of dealing in futures, let them deal in the actual cotton. Instead of dealing in futures in wheat, let them come to the farmer's granary and buy a bushel of wheat or to the southern plantations and buy a bale of cotton. I believe it would be a relief not only to the farmers but to the people who depend upon the farmers."

"Gentlemen, I also have an engagement tonight, but I have a friend here who has been a farmer for a number of years, Mr. Haugen of Iowa, and I am sure you want to hear from him." (Applause.)

Pres. Barrett.—"We want to hear from the gentleman from Iowa."

MR. HAUGEN of Iowa.—"A few minutes ago I was invited to come here, and I am glad to be here, although I do not know what it is expected to do here or what you have under consideration. I infer, from the remarks that have been made, that it has to do with the dealing in options."

"Now, about the proposition that you have under consideration. I find that the farmers in my community are not in accord with your proposition here, the dealing in options or futures."

"As stated by Mr. Gronna, I was born a farmer and lived on a farm, having always been a farmer. We thresh our crops and haul them to the elevator. They are stored—stored without a cent of expense. I find there is a great deal of opposition to this measure in my part of the country. To me it has been a great advantage. For twenty-five years I hauled my crops to the nearest town, and stored it free of charge. It does not cost me one cent. The grain dealer hedges, and in that way makes it possible for me to store my grain without expense, and saved me the expense of building a granary, and saves me the shrinkage on the grain. So I say in my part of the country I find a great deal of objection to the proposition, such as introduced by Mr. Scott or others."

"I am heartily in accord with you. If you can find the place where you can draw the line between the legitimate investor and the speculator, I think you will get along all right. I think, however, you will find some difficulty in drafting a bill that will meet the requirements and accomplish the result so much desired. I

think that no farmer or any business man but would heartily approve of this present speculation. I agree with Mr. Gronna and the rest of you, and I hope it will be possible to draft a bill that will accomplish the result: to be so much desired, and that will, at the same time, not interfere with the legitimate conduct of business; and anything that I can do along this line I will be heartily in accord with."

President Barrett.—"We are very much obliged to you. As to the Southern cotton planters, I think we can claim with assurance that 99 per cent. of the Southern cotton planters would favor almost any one of these bills."

Additional remarks of Mr. Gronna:

MR. GRONNA.—"I do not know whether it is permissible to speak a second time."

President Barrett.—"We shall be quite glad to hear you."

MR. GRONNA.—"What I want to get down to is the principle of the thing. As a farmer I grow such a number of bushels of wheat. There are so many bushels of wheat consumed each year. The proposition is this with me—whether or not the producer shall control the marketing of that grain, or whether it should be controlled by somebody who has no interest in the growing of that crop? That is really the proposition with me."

"As a farmer I am interested in the growing and to get the best price possible. I presume there are tens of thousands of bushels of wheat sold, and thousands of bales, millions of bales, of cotton sold that is not really and actually sold."

MR. BROOKS.—"Do you not believe it possible— you who have watched the West in wheat—do you not think it possible for the great operators to sell the market down or up? For instance, such as Mr. Patten?"

MR. D. C. EDWARDS.—"I believe they can absolutely control it either way, so far as that is concerned."

MR. GRONNA.—"When I get hungry I must have wheat. And whenever the spinner or manufacturer runs out of cotton he must have actual cotton. In a transaction of that kind he must have the actual stuff, but the speculator, the man who deals with it for commercial, speculative purposes, he probably never sees the cotton. I suppose a number of them do not know what cotton is. The same with reference to wheat. I believe, in answer to the question of Mr. Brooks, that they can send it up and down. I believe ultimately that the producer will get a lower price for his product than if he were denied the privilege of dealing in futures. I believe that if a farmer could simply get the legitimate price—we do not ask any more for what we produce than the legitimate price. That is all we ask for."

President Barrett.—"Senator Clapp, you are from away up in the wheat country. We shall be quite glad to have you talk to us, and we are pleased enough to have you with us to-night" (Applause.)

MR. CLAPP of Minnesota.—"Mr. Chairman, Senator Smith of South Carolina came to me this afternoon and asked me if I would not come down this evening. I came down with him to learn the general nature and drift and purpose of the gathering. Feeling an interest in all public matters, I am always anxious to learn about them. I really do not know just what the detailed purpose or scope of the meeting is, but I gather that the subject of gambling in options has been under discussion. Of course, I believe that that is a vicious thing. There is no doubt that there are times when, if the farmer had his wheat just where he could sell it, he could get some temporary benefit from gambling operations; but I believe in the

(Continued on 7th page.)