

A. C. TOWNLEY'S PAGE

Help Coming to Farmers for Better Prices

THE grain farmer went down with deflation in 1920; and the gentlemen who manage things at Washington have seen fit to leave him down.

They talk to us from time to time of how legislation can do nothing for the farmer and how the farmer must rely on himself. This is the same as saying that the farmer ought to take care of himself no matter what emergencies exist in the world or what emergencies these gentlemen themselves create by legislation for other interests.

A farmer, under their theory, ought to be able to stand up under any amount of tariff legislation on what he has to buy and get none of value for himself. He ought to be able to withstand the cheap currencies and the government buying of Europe.

On many big issues, like lower taxation for farmers, state rural credits, loans on warehouse receipts, protection of the primary and more orderly marketing, we Leaguers have been the first to speak. The speaking has frequently been attended with some personal unpleasantness to ourselves, such as mobbings, tar and featherings, and a few jail sentences. But on this grain price issue we waited some time to see what the administration was going to say and do about it.

Wheat and corn sold at half the price of production, however, did not appear to disturb official Washington or New York or the western senators who will be ex-senators after March 4. Instead the word came for us to pay up at once everything we had borrowed to build up the Northwest since Lewis and Clark discovered it.

THAT was encouraging farmer reliance with a vengeance. That was their method of handling the farmer emergency. They gave it out that nothing more could be done. Then we launched our plan to revive the government grain corporation which ought not to have been discontinued.

Next Washington discovered that something more could be done—a conference. The farmers know how much that conference affected the prices of grains. They also know that it was used to offset demand for stabilizing of prices.

They won in 1921 over the farmer demand for a chance to save his industry. But we won in 1922 on the political field. And I want to assure farmers that right now there is good reason for being optimistic and working hard for stabilization.

The reason is that when the farmer

goes down he does not go down alone. The gentlemen who turned down the proposed revival of the grain corporation did not realize this important fact. I note that a prominent economist of the East is now prophesying a general depression instead of a revival of business for the fall of 1923, unless farmers get a better price deal.

First the people nearest the farmers went down with them—the country bankers, country business and country professional men. Then big business and labor were for the most part hit hard. Mail order houses, farm implement manufacturers and even the packers took big losses. The war profiteers became loseiteers.

THESE people are for the most part getting tired of being down with the farmer. And they are coming to see that they must help the farmer get up. The president of a large farm implement company was one of the first to see the need of equalized prices and to help us bring the plan to public attention. As told elsewhere in this issue of the Leader, country bankers are discovering what is needed to get the farmers up.

During the last 20 years other lines of business have been organized to assure a profit for themselves. Rockefeller transformed the oil business into a source of steady, satisfactory profit for himself and partners. Judge Gary and the Morgan interests have done the same for iron and steel. Secretary of the Treasury Mellon and his aides have made aluminum production a nice, profitable business.

The Weyerhaeuser interests have taken the lean periods out of the lumber business. The Anaconda copper interests sewed up copper. The "Big Five" packers took uncertainty out of their business. And so we could go down the list.

What was not done along this line before the war was done during the war. The government insisted on different lines of business getting together so that they could be dealt with as a unit for war production purposes. The big fry used this opportunity to get more power over the little fry in the business.

All except the farmers were so organized and regimented for the war. The farmers were handled by propaganda.

The propaganda went over so well that the federal reserve board and big business in general kept it up after the war. In the spring of 1920 the federal reserve board chiefs were putting out

propaganda urging farmers to raise more of everything, and in July of that year it started ordering farmers to pay up what they had borrowed to take care of the production urged on them by the government and business.

But these other lines have made an important discovery in the last year. Their well-built, iron-clad, profit-making machines do not work, do not produce the profits, when the farmers are down and out.

They have discovered that they can't take profit out of business with the farmer unless the farmer has something to pay over. They have discovered that even though the farmer is not well organized to counter their profit-taking machines, the farmer can not be forced to yield them a profit when he can not get along himself. They must give some help to the farmer in order to help themselves out of depression.

The logical way to give this help is stabilization of export prices of farm products through the federal government. When these export prices are put on a paying basis, domestic prices will also pay the farmer for his toil.

IF THEY keep their heads, the western farmers are likely to get enough support from those who are also down to put over price stabilization.

One of the things, in keeping our heads, is not to be misled by "just as good" legislation in the shape of anti-grain gambling laws and rural credit promises. We have always opposed grain gambling, but we have done so by trying to substitute for it better grading and farmer holding of grain. I would not be surprised if a careful study of the recent anti-futures trading act would show that it has done the farmers more harm than good.

On rural credits we have likewise taken a strong stand, but this is not a good reason for letting Washington kid us into being satisfied with a promise of some cheaper credit. Better prices are the all important thing.

Another thing, in keeping our heads, is to not rest our oars on what we have accomplished. League political victories are fine in themselves, but this strength we have shown can be split up and brought to nothing before the next election comes around if we neglect organization and unity.

A. C. Townley