

Agricultural Production in War Time

Steps that the American Government Has Taken for Speeding Up the Farms

By J. H. Haslam

for greater production has been the feeling on the part of the farmers that the government is now their friend; that it is using all the machinery of government now to help them and sees things more through their spectacles. The government has practically destroyed the cattle tick in most of the southern and southwestern states and thus has added to the number and to the profit to be derived from cattle. Millions have been spent in this work.

The gas tractor has also been a wonderful factor in increasing the efficiency of the labor on the farms. The food administration has cut down the cost of distribution. Mr. Hoover told me that the producer was getting more now than ever before for this stuff, and the consumer was commencing to buy for less than last year. By a combined and patriotic drive on the part of the wholesale grocers and produce dealers as well as many of the large retail dealers there had been a determined effort to cut out profiteering which had without using any punitive measures on his part succeeded in reducing the cost of distribution to an amazing extent, the disciplining is all being done by the trade itself.

farmers upon the same terms that commercial banks use these deposits in extending credit to trade commerce and manufacturing.

5. To authorize regional banks to issue and sell farm credit debentures based upon the notes of farmers when endorsed by a local farm credit society and a regional bank.

National Farm Credit Banks

Under the provision of the bill, which I have studied very carefully and discussed with the committee having it in charge, and suggested some changes in it, the 12 regional banks are designated as "National Farm Credit Banks." The following summary describes their chief characteristics.

1. One of these banks shall be located in each of the 12 federal land bank districts. (I have already in your columns described these.) The national farm credit banks and the federal land banks in each of said districts will be twin institutions located in the same city, do business in the same building, having the same men for directors and officers, assistants and employees, and yet be entirely separate and distinct corporations promoting a different line of agricultural credit, and in no way responsible for each other's contracts or debts.

2. Exclusive of the credit subscribed by farm credit societies which must be equal to one-tenth of the credit extended to such societies, every national farm credit bank must have a capital of at least \$1,000,000, which if not otherwise subscribed will be taken by the federal government.

3. They may receive deposits, pay interest thereon, borrow money, use their funds in making loans to farm credit societies, and by discounting notes in the federal reserve banks and other financial institutions they are to become the avenues through which credit is to flow from its sources to the farmers.

4. National farm credit banks, in furnishing credit for the local society, will rely (1) upon their capital; (2) upon deposits from individuals or the federal government; (3) upon the sale of debentures; and (4) upon rediscounting the notes of the farmers when endorsed by the local societies with the federal reserve banks and other financial institutions.

5. Each national farm credit bank will be primarily liable for its own debts and debentures, but in case of a failure of any one of such banks all other banks shall be asked to contribute to prevent loss to its creditors.

This bill is in many ways copied after the Credit Agricola of France but in my judgment lacks a very important feature. It does not provide for the local credit societies accepting deposits, and local money is always the cheapest money. Nor does it provide for coupling it up with a state saving bank system, or a postal saving bank system. My idea has always been since I have commenced to study rural credit either for mortgage or temporary needs that the money should be got from the postal savings banks to the extent of at least 50 per cent. of their assets and they should be speeded up in every way to provide the money. Every mail carrier should be a solicitor for postal savings. Every county postmaster and every rural mail carrier should be boasting savings and selling postal savings stamps. Millions of dollars would be taken out of teapots and stockings and thousands of men, women and children would start to save who never did so before. Canada is now the only country that has not a system of rural credit adapted to the peculiar needs and there will not be a great speeding up of agricultural production until it has. I hope parliament will provide it this year.

Except for the revolt of the farmers and grain growers, made evident by the deputation to Mr. Fielding and Sir Richard Cartwright in February, 1909, and by Sir Wilfrid Laurier's tour of the grain-growing provinces in the summer of 1910, the merging of these scores of industrial undertakings was the most prominent feature in tariff history from the revision of 1907 to the withdrawal of the iron and steel bounties at the end of 1910. It is not possible here, nor is it necessary, to take note of all these industrial mergers. Only the mergers of industrial undertakings which have tariff protection will be given any attention, and that chiefly for the purpose of showing the measure of protection that is afforded by the tariff to these aggregations, often organized with a view to control of a market from which for 30 years it has been the aim of the Conservative and Liberal Governments to exclude all but Canadian manufacturers.—Edward Porritt in "Sixty Years of Protection in Canada."

The efforts being put forth by the United States to increase the production of food are prodigious and happily attended by the most gratifying results. It is now pretty well becoming known that if it was not for the food being continually sent from this country to France and England the war would be over now and Germany would have Britain and France at her feet. Although this country only entered the war in April, 1917, and farmers had made practically all their arrangements for that year's crop there was grown in 1917, 1,204,089,000 bushels of cereal crops more than in 1916, and 1,000,442,000 bushels more than ever before in its history. The increase in the crop amounted to 400,000,000 bushels more than all the grain crops grown in Canada in 1917. The wheat crop moreover was about 200,000,000 short of normal. The expectation is that with any kind of a favorable season there will be enough food grown in this country this year with what will be grown in Canada to feed the population of these two countries and to satisfy every want of the Allies. There was an increase in acreage of over 23,000,000 sown. The cultivation was likewise better notwithstanding scarcity both of labor and fertilizers. The increase of livestock was also remarkable. That of horses was 393,000, of mules 101,000, of milch cows 391,000, of other cattle 1,857,000, of sheep 1,284,000, and of swine 3,871,000.

But more marvelous than all else, the head of the food administration told me in an half hour's conversation I had with him the other evening, there had been such a prodigious amount of meat thrown on the market during the last few weeks that he had decided to abolish the meatless day. The increase in the weight of market hogs had been over 27 lbs. compared with 1917 and of beef cattle an equal amount in proportion. There is, however, such a deplorable shortage of wheat that he contemplates cutting out wheat altogether until the new crop comes in for the American people. They will be compelled to eat rye, barley and corn flour, but with abundance of meat, milk, eggs and poultry the American people will not fare so badly. Mr. Hoover told me that he was head of an organization that had 600,000 members and that through them he was in touch with 12,000,000 people, that he had weekly reports and that the spirit of these people was magnificent. The word was "Go to it. Win the war. We will produce and economize in distribution and in consumption, keep tightening our belts for the next 15 years if necessary." Unfortunately, the Canadian people have no substitutes available for wheat but American corn and all of that should be used that is possible and you and everyone should preach and practise the conservation of wheat bread until the middle of July, when the American wheat crop begins to move.

United States Agriculturally Organized

Now getting back to production, the question arises how was this wonderful result brought about? What was the reason of it? I will answer this by saying that the United States is fast becoming the best organized, agriculturally, of any country in the world. The department of agriculture has over 17,000 employees and by the system of county agents whereby every county in the nation has a trained expert in charge of its agricultural activities, pumping patriotism and production into the people, holding meetings at every centre, using the schools as a unit of propaganda in co-operation with the state school authorities and the teachers, sending out splendidly written articles continually to all the country papers, with many of the editors of the farm journals on the various propaganda boards in the different states, and a general pull together movement.

Colonel Clarence J. Cusley, of Fort Worth, Texas, who travelled through Europe with me in 1913, a man of splendid ability, one of the best speakers in the country, was called to Washington by the president at the commencement of the war to take charge of the production propaganda in connection with the department of agriculture, and was made an assistant-secretary for the purpose. The Morrill Bill of 1854 created the agricultural colleges in the United States and set apart a certain amount of public land for the purpose of their endowment and while they are theoretically in charge of the state authorities and are essentially state institutions, the nation does much for their support and controls the county agents through them. The nation pays the salary of the county agent to the amount of \$1,000 per year. The real reason that there has been such a splendid, patriotic response to the call



A Collision between an Airship and an Automobile at the Training Grounds in Texas

Many economies are being introduced. In some cities, St. Paul, for instance, the post office has taken over the whole delivery system and in place of half a dozen wagons calling on the householders there is now only one and it delivers everything. But this is a good story in itself. Then the introduction of the Co-operative Farm Loan Credit boards have had a marvellous influence in stimulating the productive spirit in this country as they have in every place they have been introduced. Every local borrowing group is speeding up with renewed ambition to outstrip in production its neighbor group and every member to outstrip his neighbor. They have learned to work co-operatively and feel that they are now as never before part of a great national army of production. In very truth in this country the spirit of organization is almost military in its ramifications, and influences, and all this among a people who wise men said a few years ago that the people would sooner be robbed in their individual capacity than organize for resistance. The Bolsheviks have no place among American farmers. I feel that our prairie farmers could learn many lessons from them.

To Provide Short Term Credit

Congress is now perfecting a bill that will provide the same class of credit for the farmer's temporary needs that is now provided for his permanent loans. The bill was introduced by Hon. Dick T. Morgan in the house of representatives on January 24, 1918, and the following are its principal features in outline:—

1. To authorize farmers to incorporate local credit organizations under the name of Federal Farm Credit Societies.

2. To establish 12 regional banks to be known as National Farm Credit Banks.

3. To require the federal reserve banks to rediscount under proper restrictions the notes of farmers when endorsed by a local credit society and a regional bank, and to authorize all other banks to discount or rediscount such paper.

4. To make the regional banks government depositaries and to authorize special deposits therein by the secretary of the treasury and to permit the regional banks through the local credit societies to utilize these deposits in extending credit to the