

# Text of Senator McNary's Address on Farm Problems

Aurora, Ill., Sept. 21 (AP)—The text of the speech of Sen. Charles L. McNary of Oregon, republican vice presidential nominee, at Exposition park here today follows:

I am generally happy to be here today, rejoicing in another harvest with farmers; men, who, like myself, practice the ancient and difficult art of husbandry. You and I need no introduction. Farmers of the vast, fruitful middle west and farmers of the Pacific northwest—both suffer from the adverse elements; in common with other agrarian sections of the country both suffer because of an income that too often falls below the cost of production. I speak to you as a farmer. I have worked on a farm since childhood; always the same farm, the farm my grandfather homesteaded almost a century ago. I shall speak with the direct candor of the farmer so that nothing I say may be misunderstood.

**Effects of War**  
The times demand clear definition. The second World War has lasted into its second harvest season. We meet under its threatening shadow; a threat that disturbs our economy, impels us all to extraordinary effort and huge expenditures for defense. At the minimum, we shall have to sacrifice our treasure; at the worst, we face war in defense of our independence, our way of life and our rightful prestige in this our hemisphere. If we must face war, let us face it with steady gaze and a single heart. If we must grasp the nettle, let us grasp it firmly. It is too late in our history for Americans to flinch from a duty once made plain.

But meanwhile, despite wars abroad and the fevers of a presidential campaign, let us hold on to our emotional balance—and our common, or horse, sense. We hear that, inasmuch as the war seems to dwarf domestic considerations, we should adjourn domestic politics; that the campaign should be fought out solely in terms of our relationships with Europe and Asia. I take the opposite view with that doctrine. We must guard the home front, especially in times of international stress, to make sure that enduring values—our liberties and the democratic processes that assure them—are not impaired under cover of an emergency distracting our attention elsewhere. For myself, I shall stress domestic issues.

**New Deal Failure**  
I am here today to discuss the new deal's failure, to substitute to better the lot of agriculture, after seven years of authority; and to suggest hope for the future under a realistic and expansive administration of our common problem. Permit me, however, to digress momentarily. I had supposed until reading Mr. Wallace's acceptance speech, that there was little disagreement among Americans regarding Hitler. Nor did Mr. Wallace convince me to the contrary. What he did convince me of was that he had elected to transfer his campaign for the vice presidency from the farm belt of Europe.

I fear that Mr. Wallace seeks a change of venue. The device is familiar. When I was a young lawyer out in Oregon, we observed that abroad counsel in defending a weak case, preferred being as far from the scene of the crime as possible when he went to trial. Mr. Wallace has been physically present in the farm belt during the last weeks, but his uttered thoughts have been far away.

Replies to Wallace  
In my acceptance speech I characterized Secretary Wallace as a "high-minded and sympathetic character of agriculture." That characterization stands. I had not then observed in an administration for office. In his new role, he is energetic, articulate—but mischievous in argu-

ment. The attempt to make party the test of patriotism is sheer mischief-making. If taken seriously, it might injure the national unity so needful in a crisis. He should take greater care, therefore, to avoid weakening the country's common resolution.

To say that the republican party is the "party of appeasement," to suggest that republicans, as republicans, are eager to appease Hitler, with the blood of the European democracies fresh on his hands, is, of course, an irresponsible generalization unworthy of a leader in times of tension.

**Still at Peace**  
Mr. Wallace charges that congressional debate hinders—his word is "obstacle"—national defense. I dispute that. Does Mr. Wallace propose that congress abdicate; go home for the duration of the crisis and leave all power and all discretion in the hands of the new deal? I remind Mr. Wallace that we are at peace and the time has not arrived for martial law. I hope the time does not arrive when it shall be unparliamentary for congress to fulfill its constitutional functions. I hope that fervently.

Elsewhere in Mr. Wallace's remarkable speech, he credits the new deal with unique qualifications to run America. I do not share his faith. I maintain that the new deal's failure for administering the affairs of an America that may be at war. The new deal's frivolous waste of our substance has endeavored us in advance of the war effort that may lie ahead. The shrinkage of business activity in strategic lines finds us with an industrial plant unequal to its enlarged tasks, to say nothing of a depleted reservoir of skilled labor.

**Intent Not Enough**  
The new deal desires to arm America. No one questions that. But good intentions are not enough. The roads of Poland, Norway, the Netherlands, Belgium and France were paved with good intentions. Will it be needed; a capable of integrating a gigantic, international effort, will, plus the willingness to collaborate with all elements in the population and the added—and vital—capacity to get things done. I have every confidence that an administration possessing the attributes I describe would galvanize the nation into an intensified effort that would shortly spell security against any foe. I look for that type of administration under Wendell L. Willkie.

**Disorder Chronic**  
For generations, agriculture played a lordly role in American life. The first European migrants to these shores came to farm. Our earliest industries—shipbuilding, milling, tanning and weaving—grew out of farming. Washington and Jefferson primarily were farmers; they got their livelihoods from tillage. At the time of Washington's first inaugural, nine out of ten Americans lived on the soil.

Thereafter, land-hungry pioneers poured out across mountains, prairie and plain; preempting fertile valleys; dispersing civilization westward. One does not often nowadays associate adventure with husbandry—but the farmer during all these years was the authentic empire-builder.

**Golden Age**  
The years from 1900 to 1914 looked, in retrospect, as the farmer's golden age. Population expanded by 20 per cent. Unrestricted immigration added 22 million mouths to be fed. The world's markets eagerly purchased our surpluses. Acreage values steadily rose. And the farmer had what, in the main, he has lacked since that day—his fair, proportionate share of the national income. He could trade an hour of labor for product of a city-dweller. That is, of course, what we mean in the last analysis by parity. The year 1920 was the last in which

the farmer had an abundant share in the national income, based on his proportion of the population. In 1920, his share was more than 20 per cent. Last year his share was only 19 per cent. That is, of every eight dollars earned by Americans, only one went to the farmer.

**Something Wrong**  
Clearly, something is woefully amiss. It isn't so much that the farmer has been left out; for many Americans in the cities, large and small, are in that fix also. The trouble is that the farmer is worse off disproportionately. He has taken a deeper pay cut than the rest of us. Mr. Wallace concedes that for the last several years farm prices have constituted—apart from government payments—a clear gift from farmer to consumer of two billion dollars a year. Oddly enough, that is the precise sum, two billions, by which the average farm income of the seven lean, or new deal, years falls below that for the seven years just preceding the new deal. Those, I might throw in, were republican years.

**New Jobs Needed**  
The new deal, it is true, has kept the farm population off the breadlines. That is not my idea of success. In the seven new deal years, average farm income per farm has been only \$1,124—including benefit payments; in the seven preceding years it was \$1,432. In its futile attempt to increase prices by withholding crops from the market, the new deal now has on hand in government ownership and control 10 million acres of cotton, 600 million bushels of corn and 100 million bushels of wheat. I do not regard that as successful, especially as farm commodity prices on August 1, 1940, were in approximately the same range as on August 1, 1933.

**No Nearer Solution**  
Actually, the basic farm problem is no nearer solution today than it was on March 4, 1933. The new deal has reached none of its fundamental objectives. Its farm program is a thing of shreds and patches; settling nothing; merely putting off the day of reckoning. If I did not believe that the new deal's "success" could be enormously increased, I should not be standing before you today. If I thought that the best the government of the United States had to offer the farmer was regimented subsistence and a permanent state of disparity, then I should despair for my country.

A billion dollars a year goes from the treasury to the relief of agriculture. A billion dollars richly earned in service to society. A billion dollars which still falls short by an equal sum of the farmer's just due. No thoughtful citizen, in any party, whether a rural or a city dweller, begrudges those payments. They bear the seal of ancient and eminent sanctions.

**Remedy Offered**  
Alexander Hamilton, far-sightedly expected that tariffs protecting manufacturers would work to the disadvantage of the unprotected farmer. He advocated subsidies in compensation. Before him, Benjamin Franklin, observing British corn laws created artificial surpluses that depressed farm prices, urged that the government indemnify the farmer. Otherwise, he said, the farmers were being taxed for the benefits of the city consumers.

In passing it may be said that the inclusion of the marketing agreement provision in the agricultural adjustment act was wise and well considered legislation, and its invocation has proved beneficial to many groups of farmers. This provision may be termed appropriately one of the corner stones of this act. Under Section 32 of this statute a substantial appropriation is provided to encourage the exportations of agricultural commodities and their increased use domestically by diversion. This program has been a particular child of my heart. From that fund has been evolved the food stamp program which serves the dual purpose of assisting the needy and helping the farmer by reducing surplus crops.

withholding from the farmer the grants he now has—soil conservation, parity payments, crop loans, and other benefits—until the prolonged emergency is past and the farmer no longer at a disadvantage.

**Bureau Plague Enterprise**  
I have many farmer friends who are gravely concerned over the deficits which these benefits—taken with all the new deal's excess expenditures—are piling up for deferred payment. The farm population will pay its full share in meeting these bills. Furthermore, the administration of these vast parastatal enterprises leaves much to be desired. The inevitable faults of bureaucracy—red tape, favoritism, confusion and delay—plague these enterprises. They should be reorganized. Costs should be reduced.

The new deal, satisfied with its farm program, sees the aggregate improvement it has been able to make in the farmers' lot as a maximum aim. I see it as a minimum. I accept that program only as a stop-gap substitute for something better until something better can be provided. And I am, in full confidence, that the next administration will be able to provide something better. You may quite properly, ask the grounds for my confidence. My answer is prompt.

The next administration will not begin, as did the new deal, with the notion that the American economy is winding up; that it is in its dotage. It was in 1932, before the election, that Mr. Roosevelt set the party line in a speech at San Francisco, where, he said, and I quote, "Our last frontier has long since been reached, and there is practically no more free land. Our task now is not discovery or exploitation of natural resources, or, necessarily, producing more goods. It is the sober, less dramatic business of administering resources and plant already in hand." The end of quantity.

**Not Stalling for Scarcity**  
The republican party and the next administration take direct issue with the concept of a shrinking economy. We propose to create greater abundance; not to strive for scarcity and devote our chief energy to planning how to distribute that scarcity. I have said that the farm problem

is primarily one of markets. The new deal, doubting that markets are expandable and that new markets may be found, has made little effort to find them.

In addition, the next administration will not be found by the free trade dogmas of Secretary of State Hull. A patient and lovable gentleman, Secretary Hull years for the return of the last century, before the world had been parcelled out into trade preserves; before the days of quotas, embargoes and the other arbitrary devices of totalitarian trade. Hence, the reciprocal trade treaties, which are not reciprocal, do not promote trade and are not properly treaties, not being subject to ratification by the senate. They are not reciprocal because, under the conditional most favored nation practice, a treaty negotiated between the United States and Mexico, for example, at once applies to all other countries with which we maintain unimpaired trade relations.

It may be appropriate for me briefly to quote from a speech I made in the senate in April of this year on reciprocal trade agreements: "What compelling motive should prompt us to lower our standards to those of Europe and Asia or any other country? Our sacrifice will not solve their problems of economic conquest or peace. The best contribution we can make to the world, as well as ourselves, is to defend, preserve and improve our American standards of living by protecting American markets for American producers at American prices, consistent always with an intelligent policy of reciprocity that does collide with the resources of any nation with which we contemplate a treaty agreement." End of quotation.

The next administration undoubtedly will deal with foreign countries realistically. At the least, it will reserve to the American farm producer first access to his own market. It will further, by every means, seek to enlarge the American market for farm products—both by improving the consuming power of city consumers and also by encouraging the industrial uses of farm raw materials. Thirdly, it will search for a formula of freeing the American farm price from the vagaries of foreign markets; putting the farmer on the same footing with other



Joan Crawford As "Susan" Has a Halo Around Her Head—Devilry in her heart... and love on her mind in "Susan and God." Fredric March portrays "Susan's" husband who would gladly throttle her at times. "Susan and God" plays Sunday through Wednesday at the State Theatre. Companion hit is "An Adventure in Diamonds" with George Brent and Isa Miranda.

American producers, who sell at the American—not the world—price. That simply means folding the American farmer at last into the American economy.

An administration worth its salt will strive for parity prices—not parity payments. It will seek to make our surpluses a blessing and not a curse. It will seek to blot out rural poverty and avoid future enforced shameful large scale migrations. A first order of business will be restoration of the family-size farmer to his rightful place as an independent producer, residing, with Jefferson, that the prospering freeholder is the cornerstone of the democratic state. Problem Can Be Solved

To me a permanent solution of the agricultural problem does not appear to be insuperable. A substantial solution merely involves a national program which will allot to each farmer his fair share in the American market upon which he will receive parity price. Such a plan would assure the farmer his equitable share in the national income. This desideratum can be accomplished through some form of an allotment plan whereby a segregation will be made of that part of the crop which is required for domestic consumption and that part which is denominated the exportable surplus.

Definitely we must not permit the ruinous world price levels to fix the price level of American farm products. Too long, far too long, a world of lower standards of living, lower prices and lower incomes has fixed the price

of American agricultural products. Let us end that situation without delay. A program can and will be evolved by a republican administration for attaining these objectives. I believe them to be vital to our continuity as a nation of free men. I believe that through them we can build the greater, happier America wherein the "more abundant life" may become a reality instead of a political phrase.

## Classes for Women Will Start Tuesday

Woodburn—Classes in knitting, crocheting, basketry and needlecraft under the direction of Mrs. Inga Hanson will start Tuesday and continue through the fall and winter season.

Hours will be from 1 to 2 o'clock and classes will be held on Tuesday at Aurora; Wednesday and Saturday at the Tremaine store in Woodburn; Thursday at Hubbard, and Friday at Brooks. Instruction is free.

Silverton—Mrs. John Middlemas, who has been at the Silverton hospital for some time for medical attention, was removed to her home Thursday. Mrs. Clarence Nicols submitted to a minor operation at the hospital Thursday morning.

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