

FAILURE OF NATIONAL FARM BOARD DEPENDS ON PERSONAL POINT OF VIEW

By CALEB JOHNSON.

Is the Farm Board a failure? The answer, as I see it, is "yes and no."

No governmental institution in recent times has had to face such a heavy storm of criticism and condemnation as the Federal Farm Board is now facing. But most of the criticism is based upon the fact that the Farm Board's efforts at stabilization of the wheat and cotton markets fail to keep the price of those commodities up to the high levels of boom times. Very little criticism, except such as originates with purely selfish commercial interests, is based upon the primary purpose of the Farm Board, which is the encouragement and development of farmer-owned cooperative marketing associations.

That is the primary purpose for which the Farm Board was established. The title of the law creating the Farm Board is "The Co-operative Marketing Act." There is room for very grave doubt that Congress showed good judgment in tying up a financial scheme for stabilizing prices of future commodities with a scheme for the encouragement of co-operative marketing. It was like tying something which has always proved a failure with something which under intelligent management has always proved beneficial. And it is human nature to see the failure and not see the benefits, which fact in itself, accounts for a great deal of the present criticism of the Farm Board.

Careful study of the second annual report of the Federal Farm Board suggests that perhaps, even admitting the loss of \$177,000,000 in its stabilizing operations, the ultimate benefit to farmers through the establishment and financing of 109 major commodity co-operatives, which include 11,950 local associations having a total membership of about three million farmers, is worth the cost. These associations handle cotton and cotton products, dairy products, forage crops, fruits, vegetables and nuts, grains, livestock, poultry and poultry products, tobacco, wool and mohair and miscellaneous commodities. They did a total business in the last fiscal year of two billion four hundred million dollars. Dairy products and grains ran almost neck and neck in the total volume of sales by farmer owned co-operatives, the business in grains done by these organizations being six hundred and twenty-one million dollars, and in dairy products six hundred and twenty million.

The Farm Board encouraged and aided these co-operatives by loans amounting in all to \$109,000,000. These were not loans against crops, but loans for the purpose of enabling co-operatives to purchase necessary equipment, finance the construction of warehouses and elevators—in short, to provide facilities for carrying on a business of dealing in agricultural commodities. Crop loans are not within the Farm Board's authority.

I think there is a general agreement on the part of those who have had intimate relations with the development of co-operatives under the Farm Board that on the whole the standards of efficiency have been materially raised and very material benefits have resulted to farmers selling their products thru well-managed cooperative associations. Great stress is laid by the Farm Board on the importance of management, a phase of cooperative work which had not previously

received the attention which it deserves. There is no magic in the word "cooperative," as the Board takes pains to point out in its report. Selling farm products is a highly competitive business and it takes a competent business man or group of business men to operate that business successfully, whether the selling organization is owned by the producers themselves or by private interests. And, as the Board pointed out in its first annual report a year ago, the organization of the cooperative marketing of farm products to the point where the great majority of farmers will obtain the fullest benefit from this system is not a matter that can be achieved in one year, or two years, or hardly in five years.

As in every other line of business activity, the history of well managed co-operatives is that they are successful, and of badly managed co-operatives is that they are failures. The criticism to which the Farm Board is being subjected is not, however, ostensibly directed at its operations in the development of cooperative marketing. The point of the criticism is the apparent failure of its effort to stabilize wheat and cotton prices by financing organizations which have bought and are holding large reserves of these commodities that have been steadily dropping in price. The weakness of the Farm Board's position under this kind of attack is that there is no way whatever of determining whether prices would have gone down still farther if it had not been for these stabilizing operations. The Farm Board contends that there would have been a much more serious drop in wheat and cotton prices if it had not stepped in. This may be true, but it can't be proved. Wheat and cotton responded to the natural law of supply and demand and the effects of a world-wide depression.

No effort ever made by any government to stabilize prices of commodities in the face of diminishing demand and increasing supply has ever been successful. The Japanese government tried to stabilize the price of silk at sixteen dollars a pound, with the result that everybody rushed into silk production and the price fell to two dollars a pound. The British government tried it in the case of rubber, which went up to a dollar and three cents a pound. Everybody who could do so began to produce rubber, and you can buy plantation rubber now for five cents a pound. The Brazilian government tried to maintain the price of coffee at twenty-three cents a pound and now has on hand enough coffee to supply the whole world for two years and is glad to get six cents a pound for it. Canada made a great failure of the effort to stabilize wheat prices several years ago. Every government in the world which has any sugar producing territory has tried and failed time and again to maintain the price of sugar.

So when you hear people criticizing the Federal Farm Board, ask them what it is they are criticizing. The Board was directed by law to do two things, one of which had an excellent chance of success and the other of which was certain to fail. Its work in promoting cooperative marketing by farmer-owned organizations has been successful. Its attempt to peg the prices of wheat and cotton has

ODD---BUT TRUE

SANTA CLAUS WAS NOT ORIGINALLY A PART OF THE CHRISTMAS FESTIVAL. THE NAME 'SANTA CLAUS' IS DERIVED FROM SAINT NICHOLAS, BISHOP OF MYRA, WHO WAS KNOWN AS THE PATRON OF THE CHILDREN. SAINT NICHOLAS DAY WAS CELEBRATED ON DECEMBER SIXTH AS A CHILDREN'S FESTIVAL WITH DISTRIBUTION OF GIFTS. A PERSON, REPRESENTING SAINT NICHOLAS, RIDING A GRAY HORSE WOULD GO FROM HOUSE TO HOUSE LEAVING PRESENTS FOR THE GOOD CHILDREN. THE BAD CHILDREN WERE GIVEN A ROD TO BE USED BY THE PARENTS. SAINT NICHOLAS DAY WAS LATER MERGED WITH CHRISTMAS TO MAKE THAT EVENT A POPULAR FESTIVAL. WHEN THE DUTCH BROUGHT SANTA CLAUS TO AMERICA HIS HORSE WAS REPLACED BY REINDEER.



THE BURNING OF THE YULE LOG COMES TO US FROM THE ANCIENT SCANDINAVIAN COUNTRIES. ITS FLAME WAS SUPPOSED TO HAVE BURNED OUT OLD WRONGS AND MISDEEDS.



AND---ODD. BUT TRUE WE WISH YOU A VERY MERRY CHRISTMAS

failed, as every intelligent person must have realized in the beginning it was bound to fail.

PINE CITY

ALMA NEILL, Correspondent.
Mr. and Mrs. Joe Foley spent Sunday afternoon at the home of Mr. and Mrs. Lon Wattenburger.
Mr. and Mrs. Helms and children called at the home of Mr. and Mrs. Charley Bartholomew Sunday.
Mr. and Mrs. John Healy made a business trip to Heppner Saturday.
Jim Ayers and Mrs. Elder were business visitors in Hermiston Saturday.
Bobby Morehead, little son of Mr. and Mrs. Charley Morehead who has been sick with diphtheria

is reported to be improving rapidly. As no new cases have broken out in the community it is considered that all danger is past.

The Pine City schools opened Monday after being closed since last Tuesday owing to a case of diphtheria in the community.
Mrs. Ollie Neill and daughter Neva were business visitors in Hermiston Saturday.

The Pine City school auditorium has been freshly painted and kalsomined by the high school boys and Mr. Atkin.

Charley Bartholomew is taking over 2500 head of sheep to feed this winter.

Percy Jarmon and son Oscar were visitors in Hermiston Saturday.
Miss Lila Bartholomew visited

at the Ollie Neill home Friday and Saturday.

Lucille and Junior Wattenburger, the small children of Mr. and Mrs. E. B. Wattenburger, were vaccinated for diphtheria Friday.

Everybody come to the two one-act plays to be given at Pine City Friday, December 18. Eats are to be served after the performance.

Apron and Cooked Food Sale. The ladies of the Christian church will hold an apron and cooked food sale on Saturday, Dec. 19th. Look for further announcement.

C. L. Sweek, circuit judge, and J. S. Beckwith, court reporter, came over from Pendleton Sunday for opening of court here Monday.

Wheat Market Sluggish With Losses for Week

Local wheat prices were lower for the week. Markets were dull and sentiment decidedly mixed. Export business was impossible and California remains out of the market for local wheat, reports the Portland Grain Exchange for week ending December 12.

Considerable confidence was shown by buyers at times, but there was very little wheat offered and the constructive news relative to wheat was overshadowed by the general decline in the stock and securities markets and the abnormal state of international credit.

A private estimate for winter wheat showed the smallest area since 1913, with condition well under the ten year average. Canadian and American visible supplies decreased almost six million bushels; but Argentina is offering wheat freely and stocks of Soviet wheat in Liverpool are pressing for sale.

The Pacific Coast export business in wheat centers at Vancouver, B. C., where sales of low grade to the Orient are reported at approximately nine million bushels for December shipment and about five or six million for January at prices about 11 or 12 cents a bushel under local wheat. The discount on Canadian money of course accounts for about 7 cents a bushel at the present rate.

Australia has made heavy forward sales which with those from Argentina and Canada fill most of the current requirements and leave the United States stocks intact.

Portland Futures show net loss for the week as follows: December off 2c and May off 2 3-8c per bushel.

GOOD PAY---STEADY WORK.

Several choice openings in cities and towns for ambitious men and women. Experience unnecessary. We finance you if required. Write today. Mr. Thomas, Superintendent, 426 Third St., Oakland, Calif.

L. B. Ledbetter and brother of Ione were business visitors in the city Monday.



WHEN FOOD SOURS

ABOUT two hours after eating many people suffer from sour stomachs. They call it indigestion. It means that the stomach nerves have been over-stimulated. There is excess acid. The way to correct it is with an alkali, which neutralizes many times its volume in acid.

The right way is Phillips Milk of Magnesia—just a tasteless dose in water. It is pleasant, efficient and harmless. Results come almost instantly. It is the approved method. You will never use another when you know.

Be sure to get the genuine Phillips Milk of Magnesia prescribed by physicians for correcting excess acids. 25c and 50c a bottle—any drugstore. "Milk of Magnesia" has been the U. S. Registered Trade Mark of the Charles H. Phillips Chemical Company and its predecessor Charles H. Phillips since 1875.

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Let us suggest gifts that are sensible, serviceable, useful, and reasonable in price.

MUNSINGWEAR ♦ for Women

HOSIERY—There could be no more appropriate time for reducing prices than now at Christmastime:

\$1.95 Hosiery Reduced to \$1.50 — \$1.50 Hosiery Reduced to \$1.00

Rayon Pajamas
All in one-piece, two piece and ensembles.
Gowns — Vests
Step-in Chemise
Breeviations
SILK AND WOOL
HOSIERY

♦ Bralbriggin Pajamas ♦
Silk Union Suits and
Bloomers
for Little Ones

Also—
TOWEL SETS
LUNCHEON SETS
BLANKETS
LOUNGING ROBES
STATIONERY
HANDKERCHIEF SETS
HOUSE SLIPPERS
Leather and Felt

MUNSINGWEAR ♦ for Men

UNION SUITS—in Heavy and light wool and cotton.

Handkerchief Sets
Suspenders and Ties (In Gift Boxes)
Slippers—Felt and leather and sheep-skin lined.
Gloves—Lined and unlined.
Hosiery (Fancy, in Xmas Boxes.)
Wrist Watches
Garter Sets.
Shaving Sets

Our GROCERY Department is featuring many Holiday Specialties: CANDY — NUTS — FRESH SEASONABLE FRUITS AND VEGETABLES

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Don't Fail to See

Home Town Mystery

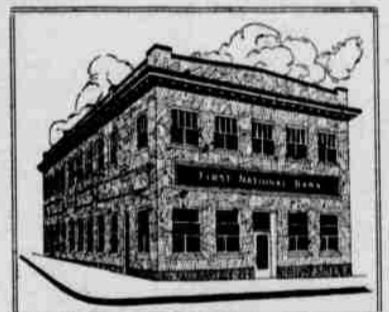
Unemployment Benefit Play

Presented by Faculty of Heppner Schools



SCHOOL GYM-AUDITORIUM
Tuesday, Dec. 22

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Pirates . .

. . of old, tradition has it, buried their gold for safe-keeping. So did many of our ancestors. Today that "burying" procedure would be ridiculed . . in fact, the thought of it banished as involving too great a risk to even be considered.

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