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Washington, D. C., June 28.—A tense, heat-blistering week drew to a close with the government's subsidy program practically counted out by Congress. Highlights of the battle which has been waged to determine whether American agriculture was to remain free from more bureaucratic dictations were the heated front presented by the major farm organizations and the commodity groups, and the sudden swing in the Senate behind the Clark amendment to the bill renewing the Commodity Credit Corporation Act.

The Clark (D. Mo.) amendment is as drastic in the extreme. It knocks-out Section 2 (e) of the original Price Contract Act. It was on the authority contained in this Section that the government has been basing its right to pay subsidies of all kinds. The farm people were the first to admit that the Clark action went too far. They insisted upon modification. Certain war-essential materials obviously must be subsidized in order to obtain necessary production. Among these items are copper, oil, certain forms of transportation, domestic vegetable fats and oils, wheat for feed purposes, etc.

AGREEMENT REACHED—
Finally, it was agreed that a protective amendment should be added to the Clark proposal in order to handle these emergency production problems. Whether this would be accomplished by passage in the Senate of the Gillette-Aiken amendment, which makes specific exceptions in its prohibition against the use of CCC funds for subsidies, or whether it would be done by a proposal being worked out by Sen. O'Mahoney (D. Wyo.) was not certain.

Over on the House side, Rep. Walcott (Rep. Mich.) had written an amendment to the House CCC bill which was acceptable to all the interested groups. His proposals did approximately what the Gillette-Aiken amendment proposed to do on the Senate side. An interesting feature of the battle over subsidies is the fact that party lines have been ripped asunder. The people's representatives on Capitol Hill are becoming more acutely aware each day that they are no longer Democrats or Republicans or Independents. They are working hard to think out the best answers to the tough problems which are crowding down upon the nation as the war continues. And each Senator and Representative has his ear very close to the ground to find out what his folks back home are thinking and what they want. Telegrams, letters and phone calls are having a tremendous effect on Congress.

ISSUE IS CLEAR—
The issue is not whether there shall be inflation or no inflation as the subsidy supporters are trying to make it appear. The issue is the best way to hold inflation down to a minimum.

Final form of the Commodity bill will undoubtedly be determined after the House and Senate pass their respective bills. Each branch will then, appoint key members from their Banking and Currency Committees to confer and draw up the bill in its final form. Thus, even though satisfactory legislation is passed in both Houses, no one dares relax until the final bill has been drawn by the conferees and passage is obtained in both the Senate and House.

It is freely forecast that the President will veto any measure that kills the government's subsidy program. His veto message is expected to be red hot—much more severe than the one which said, "No!" to the Bankhead bill early this spring. He will presumably again ask what the farm leaders have to offer in place of subsidies?

GOSS GIVES ANSWER—
Already jumps ahead, Albert S. Goss, National Grange Master, wrote to the President offering a concrete program in place of the subsidy approach.

Goss said that price ceilings and subsidies have always failed to check inflation because they enlarge the inflationary gap by increasing purchasing power while reducing production.

Goss asserted that the best method of licking the problem we face is to do everything possible to increase production. If, when this is done, and high taxes and savings have not closed the gap between purchasing power in the people's hands and the amount of goods available, goods should be rationed in order to obtain fair distribution. This rationing should be conducted in such a way that when all ration

points have been spent by the people there will still be goods left over. Goss calls this rationing to a surplus. This surplus will put the law of supply and demand back into effect and thus automatically hold down prices.

The Grange Master pointed out that a revival of the food stamp plan, if necessary to meet the problems of people with small fixed incomes, would put money exactly where it was needed. He asserted that this would do more good at a small fraction of the cost of subsidies. Under the stamp plan neither undeserving farmers nor wealthy consumers would be subsidized.

MORE POWER ADVOCATED—

In the House a final Section was added to the CCC bill giving power to the War Food Administrator "to increase the price" of any commodity at his discretion. Behind the scene story is that the advocates of giving Food Administrator Chester Davis the power he sorely needs to properly conduct his office are fearful that Davis may be forced out of his job. If a new Administrator was appointed, who was not sympathetic to the farm philosophy, any legislation giving unrestricted powers to the office might very well boomerang.

With this in mind, the leaders decided to extend WFA powers only on the "up" side. They were taking no chances on letting in roll-back by the back door. In the meantime, the House Agricultural Committee voted 18-9 to recommend a bill to Congress giving absolute control over every phase of food and agriculture to the War Food Administrator. To this, every responsible farmer would no doubt say, "Amen!"—if they were certain that Chester Davis would continue to be the Administrator.

It is understood from responsible sources that Davis has already placed his resignation on the President's desk. If it is accepted, talk is that either Milo Perkins or Roy Hendrickson will be appointed to take his place—but that Harry Hopkins of the War Mobilization Committee will be the real food "Czar."

CORN IS REQUISITIONED—

For many months this column has been warning against the disaster which would inevitably overwhelm us if the method of dealing with the corn situation was not changed. When temporary price ceilings of around \$1.00 (Chicago base) were first clamped on, leaders of the industry tore into Washington and warned proper officials of the eventual outcome of such a procedure. This column went along with those leaders 100 per cent.

However, the warnings were ignored and the order made permanent at \$1.07 Chicago. Result has been an almost complete stoppage of trading in corn. As long as farmers could feed the cereal to hogs and sell the hogs at an equivalent of from \$1.37 (current ratio) to around \$1.60 (ratio at the time the first OPA order went into effect) no one was going to sell corn on the open market for \$1.07. As a result, terrible shortages of corn feed for dairymen and poultrymen have developed. At the same time, owners of grain in terminal elevators have refused to sell their holdings at the \$1.07 ceiling, for, rightly or wrongly, they felt that at some future time the log jam must be broken and that they would receive a fairer price for their holdings.

But the OPA has refused to raise the price, and now the War Food Administration, under the War Powers Act, has ordered U. S. attorneys to make out requisition orders for all grain in terminal elevators in 15 key cities. The owners will be paid at the ceiling price of \$1.07.

It is the opinion of those close to the feed situation that this will bring relief to the commercial refiners for at most four weeks, but that it will be of little if any help to the poultry and dairy groups.

OVER HILL—OVER DALE—

There is still a persistent feeling here that in case of all other sources of subsidy money are cut off, the government may turn to Section 1 of the first War Powers Act and pay subsidies out of that part of the 25 billion dollars of lend-lease money which is not restricted. At the moment, this would apparently amount to around 10 billion dollars.

Fruit growers in New Zealand are protesting against a government order requiring them to deliver one-half their apricot crop to the armed forces at prices they say are below the cost of production.

Digging in Gardens Instead of Mines



These coal miners are shown working on their victory gardens after leaving their posts in the mines. For the second time within a month virtually all mines employing UMW members were paralyzed by lack of manpower. A nation-wide dim-out to eliminate all nonessential use of electricity and a 25 per cent curtailment of all train travel were mentioned as possible coal saving devices should they be necessary.

MANY SOLDIERS GET DISCHARGES

New York—A total of 1,100,000 men will have been discharged from the armed services between 1940 and the end of 1943 for all causes, says Colonel Lewis Sanders, chief of the employment service of the Selective Service system of New York.

Of this number 500,000 were discharged up to the end of 1942. Colonel Sanders said at a conference on man power rehabilitation

called by Mrs. Anna Rosenberg, regional director of the War Man Power Commission.

He cited figures showing that of a representative group of 4,714 men, 19.77 percent were let out for psychoneurosis—the largest single cause. He said little injuries constituted only a small percentage of the causes of discharge.

Regardless of how much liquid is imbibed, a person's blood normally contains a constant three quarts of water.

Interesting News
From Deep Gap

Mrs. A. R. Yates returned home Sunday after taking treatment at The Wilkes Hospital for an injured hip.

Mr. Willard Lookbill, of the U. S. Navy, Corpus Christi, Texas, is visiting his parents, Mr. and Mrs. W. D. Lookbill and other relatives of this place.

Mr. and Mrs. T. K. Luther and Miss Ellen Luther, of Jefferson, visited in the home of J. E. Latham, Sunday.

After spending a few days here with his family, Mr. Clyde Welch has returned to Bainbridge, Md., where he is stationed in the U. S. Navy.

Mr. and Mrs. R. D. Wellborn and small son, Jack, visited relatives at Mt. Zion Sunday.

Mr. Coy Rogers returned home Friday after spending a few days in Aberdeen, Md.

Mr. Vernon Triplett, who holds a position in Baltimore, Md., visited his parents, Mr. and Mrs. D. M. Triplett at Mt. Zion last week. He also spent a few hours here with friends and relatives.

Mr. Bill Bledsoe, of Todd, with a friend, Mr. Joe Cox, spent a few hours in the community Thursday visiting relatives. Both boys expect to be inducted into the army soon.

The Kenya Government guarantees minimum returns per acre from certain crops planted this year.



"I call this a Statue of Liberty, too!"

"It's a weird-looking contraption, I'll admit. But when you think what aviation gasoline and synthetic rubber mean right now, it begins to look pretty wonderful!"

"It's a plant for a new-type process for making aviation gas and synthetic rubber material from petroleum. It makes more gallons of better gas than any process ever did before. It makes both the gas and the synthetic rubber material at once, which is mighty important right now!"

"It's a fluid catalytic cracking unit. Our Esso research workers who developed it call it a 'cat cracker.' But we did that long before the war, back in the 1930's—and that's why I call it a statue of liberty."

"It's a working monument to the power of American freedom and progress."

"It's another of those keys to vital war production that got discovered in the regular peacetime hunt for better goods for America."



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