

# THE CAROLINA FARMER

## UNION



Vol. 5. No. 46.

GASTONIA, N. C., NOVEMBER 16, 1911

One Dollar a Year

## Why Farmers Should Organize and Stay Organized

### IV.—To Establish and Maintain a Co-Operative System of Marketing.

The two fundamental essentials to the success and safety of any business enterprise are the ability to *limit the supply and to control the distribution* and to place the product manufactured or sold in such manner as not to congest the market at any point. In the foregoing article I have tried to show the ruinous disaster that comes, especially to Southern farmers through the short-sighted policy of *competitive production* to the extent of congesting the markets with large aggregate yields of marketable products and thus forcing down the price below average cost of production.

*Competitive selling of farm products on the local markets, by individual farmers, regardless of demand*, has been the direct cause of more poverty, ignorance and industrial slavery in the rural districts than all other causes combined, except competitive production of crops for the market. Street selling of farm products to the highest bidder by local dealers is, in results, nothing more than an array of farmers against each other in a deadly competitive war that brings ruin to their business and which, if applied to any other business on earth, except farming, would quickly result in financial bankruptcy.

The safe and sane way to distribute the products of the farm is to supply the market at every point gradually and systematically, so as to keep up a strong and healthy demand, and thereby prevent extreme fluctuations in prices and insure to the producer a legitimate profit for his toil and for his capital invested. And this necessitates the establishment and maintenance of co-operative warehouses, owned and operated by farmers, as places of distribution.

The warehouse system of selling is the only practical solution of our marketing problem that has ever yet been suggested or tried and I am frank to say that I don't believe there is any other satisfactory solution. Without *places of business* co-operative marketing must remain only a theory and an empty dream. The business of farming will never be a safe and profitable business until we establish our *selling places* in most of the market towns and cities, and then compel *the buyer to seek the seller* when our products are needed. The sickening and disgusting spectacle of individual farmers running around over town, in a begging attitude, hunting purchasers and sell-

ing the products of their toil at auction, is out of harmony with the way the modern business world does business, is a reflection upon the intelligence and manhood of farmers as a class, and in fact a disgrace to our civilization. Of all the reforms in this world needed by farmers, a reform in our individual street selling system is needed more than all other business and economic reforms combined.

A warehouse system of co-operative marketing, properly maintained and supported, means *economic distribution*. In the elimination of unnecessary toll gates that stand between producer and consumer the consumer should be interested as well as the producer. Why should a consumer want to pay house rent and clerk hire of a dozen grocery stores if he can get fresh farm products at a farmers' warehouse and get the benefit of the economies that are made possible by combination, co-operation and concentration at one place? But it is not my purpose here to discuss the relative effect of a farmers' warehouse system of marketing upon other folks, because the other fellow has been looking after his interests right successfully heretofore and he will be apt to continue to do it, without asking any favors from anybody. I think, however, that I can with safety say that a direct and economic system of distribution can never hurt the interests of this country as a whole.

In the establishment of its local warehouses the Farmers' Union has begun to build the links in a great chain of distributing warehouses whose ultimate consolidation will give it the strength and commercial rating that will make its contracts good anywhere. In its consummation the warehouse system of marketing will make the farmer, who is now only theoretically independent, as independent as other people who exercise the right to price their services and their products, goods, wares and merchandise. While his individuality will be to a large extent lost in selling, he will have the consciousness that it's the modern way that "big business" wins through co-operation, and he can well afford to lose his individuality if it takes him off the streets with his products in the humble attitude of a beggar. It is much better to put our products in a selling warehouse and let the folks who are hungry for them hunt the selling warehouse than it is to run up and down the streets as peddlers, hunting up the buyers. As long as sellers continue to hunt the buyers and sell

to them at auction, the buyers will have the longest end of the rope. Besides, individual farmers can't keep in touch with the demands of the trade and find the best markets for their products as a system of warehouses can do with a central selling agency. There is every reason why individual street selling must go! There isn't one little puny reason why it should be continued.

In this article I have not gone into details as to methods of establishing a warehouse system. I am not wedded to any particular plan, but I am committed steadfastly to the principle of gradual marketing through a combined warehouse system owned and controlled by farmers—a system that capitalizes our business and controls the distribution of our products in such manner as to maintain profitable prices and that will forever consign to oblivion the disgusting and suicidal method of competitive street selling by individuals. Whether it takes one year, five years or a quarter of a century to accomplish this purpose, *we should begin now to build the warehouse marketing system*, for it's the only permanent solution, and everything else we may do can be nothing more than temporary expediences.

(The fifth installment of this series of articles will appear next week. It will present reasons why we should organize "*To Price the Products of the Farm*." In it Mr. Green will discuss the moral right to price our own products, under precedent already established, and also as a method of business safety and prosperity.)

### Hold Cotton, Says Barrett.

*Urges Farmers to Farm As If Cotton Were Not in Existence, and Says There are Good Features in South Carolina Pledge System.*

To the Officers and Members of the Farmers' Union:

At this critical stage in the cotton situation, with the Farmers' Union and scores of business leaders and general Southern factors battling to stem the tide of unfair prices, the first duty of the farmer is to—

**HOLD HIS COTTON.** Those who sell at present prices are simply giving away a margin of several million dollars to spinners and

(Continued on page 5)