

President Harding's Message of Cheer to Farmers in Speech at Hutchinson

Predicts Gradual Improvement in Rural Conditions

Chief Executive of Nation Expresses Opinion That Worst of Prewar Depression Has Passed.

(Continued From Page One) with automobiles, telephones, movies and the radio, the present lot of the farmer is not so very bad after all. He regretted that a tendency toward extravagance exists among the farming population, and cautioned them to live within their incomes, if possible.

It was a pleasant little speech, although it held out no definite promises of further relief for the farmer along the lines upon which Senator Smith of Brookhart of Iowa and other members of the "farm bloc" in congress are working.

Following is the text of Mr. Harding's speech: Fellow Citizens of Kansas and Fellow Americans All: A half score of years or more ago, I was making a number of addresses in your state, and had the good fortune to make a more or less intimate survey of several thriving Kansan communities. While driving in the outskirts of a county seat town, not a hundred miles from here, we noted in the distance a structure rather more imposing than the average home, and I made inquiry as to its ownership.

My host had spoken truly. More interesting still, before my speaking tour was finished, I saw two other county almshouses which had been abandoned as public institutions, and made into eloquent monuments to a community's good fortune. A civilization without a public charge is not the supreme attainment in human progress, but it is a lofty achievement and I know there cannot be very much wrong with the fundamentals of the government under which it is recorded.

Probably the fortunes of agricultural Kansas are not today precisely what they were a dozen years ago, and agricultural fortunes are invariably reflected in the fortunes of all others, because they are so closely related and interdependent that there can be no good or ill fortune of one without influencing the other. The world has been in a social, industrial, financial and political upheaval since then. The very fabric of civilization has been sorely tested, dynasties have fallen, monarchies have failed, revolution has reigned in various sections of the world and disasters have exacted their toll nearly everywhere and in nearly every way.

Confidence Restored. The losses to American agriculture are universally admitted and deplored, but it is not an experience peculiar to American agriculture alone. Nor was the readjustment following the war a burden to agriculture alone. It came to the railroads, to bankers, to manufacturers, and to the mercantile world. The miracle is that we all escaped with so relatively little of disaster. It is characteristic of human nature that we magnify our own ills and too little appraise the ills of others, but the eyes of the government are attracted to them all. I hesitate to tell you how serious the vast interests of the country were threatened by the changing tides of business, were affected, and at what sacrifices disasters were averted. Looking backward, I find my confidence in the social and industrial fabric of this republic strengthened by our wonderful emergence from threatening disaster.

say that wisdom would have dictated at least a less precipitate policy in removing the war time restrictions and guidance in dealing with some aspects of production and distribution.

When the present administration came into responsibility, agriculture was in the lowest ebb of depression. The immediate need was for measures to meet an emergency. There was every reason to keep open as far as possible our foreign markets, and this was accomplished by a prompt policy of placing necessary credits at the disposal of those engaged in finding foreign markets for our foodstuffs; by arresting and reversing the drastic deflation which had the seeming, under the former administration, of being aimed especially at the destruction of agriculture's prosperity; by recalling the War Finance corporation from its state of suspended animation, giving it a credit of \$1,000,000,000 in government funds, and recommending it to afford relief to the American farmer. The wisdom of this action was demonstrated by results.

Results Are Shown. Four hundred million dollars have been loaned by this institution, three-fourths of it to the farming and livestock interests. At the same time the emergency tariff measure was passed, by which the farmer's home market against the competition of the downward and distant corners of the earth. During the war vast quantities of farm products had been dammed up in countries so distant that shortage of shipping made transportation to Europe impossible. With the seas again free, these sought, at whatever price they could be obtained, one market where there was real buying capacity and cash to pay—the great market of the United States. We took prompt measures to stop this movement; and the combination of effective protection, easier credits, and the operations of the War Finance corporation quickly arrested the downward trend and started agriculture upon the upgrade once more.

It is only fair to pause a moment and emphasize the value of these measures of agricultural relief so promptly put forward by the congress. The new tariff schedules created for the American farmer a vitally important and gravely menaced home market. The resumption of the war finance operations, backed by the resources of the only government on earth that was able to summon such a credit, enabled the American farmer to compete for sales abroad.

Along with these measures, prompt steps were taken to put the Federal Farm Loan board into business. Like the War Finance corporation, it had been in a state of suspended activity for want of money to loan. It was given a credit of \$50,000,000 and resumed loaning on farm property.

A bill to facilitate co-operative marketing of farm products was passed. Legislation to prevent harmful gambling in agricultural futures was passed, held by the courts to be unconstitutional, and quickly repealed with the defects removed. The act for the control and regulation of the meat packers was enacted.

Important reductions of freight rates on agricultural products were effected. Certain restrictions upon the operation of the joint-stock land banks, which had prevented them from doing their share in financing the farm, were removed. The loan of \$10,000 which had formerly been imposed upon the Federal Land Banks was increased to \$25,000, a change which is certain greatly to increase the practicable usefulness and range of operations of this system.

Irrigation Great Aid. A measure of the utmost importance to farmers in those parts of the country where irrigation is the very basis of agricultural life is the act authorizing formation of irrigation districts, whereby the water-using settlers are brought together in associations to conduct their relations with the federal government. Formerly the settlers had to adjust all differences of this kind as individuals, at great expense and inconvenience to themselves. These water-user organizations promise to become nuclei of highly useful co-operations in assembling, shipping and selling the products of the irrigation districts. Further encouragement was extended to the irrigation farmers by amending the farm loan act to provide terms on which the federal government could make highly useful co-operations in assembling, shipping and selling the products of the irrigation districts.

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Farmers Respond. The balance within the industry, as between livestock and grain production, has been restored. The disturbance of that equilibrium, so important to a properly adjusted agriculture, had been one of the unfortunate and unavoidable results of the wartime necessities. Called to feed a world, American farmers had willingly responded to the demand for special efforts in certain lines of production. Relationships between supply and demand for some staples were badly disrupted and could not be instantly restored when peace came. That was in considerable part responsible for the violent fluctuations which imposed so much hardship on the farmer. Along with this disruption of the production ratios went an even more acute and difficult disturbance of the factors which determine foreign demand.

While the war lasted there was no possibility of overproduction of such staples as wheat and cotton, and ample, and which placed serious strain upon the world, the farmer had plans for a long future which he could not readjust instantly. No human wisdom could possibly have foretold the course that would be taken by supplies and demand; and it is as futile as it is obvious to us now to

in no distant future to free himself from obstacles which have made it difficult heretofore to conduct farm operations upon a sound, business-like basis.

Under the same law, another and entirely distinct set of corporations are provided for, called national agricultural credit corporations. These are to be set up, their capital furnished, and their management controlled by private capital and enterprise, under the general supervision of the comptroller of the currency. A national agricultural credit corporation may be formed with capital not less than \$250,000, and national banks are authorized on proper conditions to subscribe for stock in such corporations, in the aggregate not exceeding 10 per cent of their capital and surplus.

Time Extended on Stock. The National Agricultural Credit corporation is authorized to make loans for agricultural purposes on chattels, livestock, growing crops, and personal credit up to a period of 18 months, except that in the case of breeding stock and dairy herds the period may be extended to three years. They may issue debentures against the securities they have received, and these may be marketed up to whatever amount may be determined by the regulations prescribed by the comptroller. To facilitate the marketing of the debentures issued by these corporations, a class of rediscount banks is provided. A credit corporation may subscribe up to 20 per cent of its stock to the capital of the rediscount bank. A minimum of \$1,000,000, paid up capital must be provided for a rediscount bank. The rediscount bank, on the responsibility of its own capitalization, will enter the general money market, float the debentures that have been turned over to it by the credit corporations, and thus provide credit with new and high responsibility. It is simply another application of the revolving fund or endless credit chain idea which we found illustrated in the case of the Intermediate Credit banks.

The utmost care has been taken to surround these various institutions with every possible safeguard that can be afforded through skillful supervision, complete responsibility, and sound methods. It is the judgment of financial experts that their debentures will find just as ready an acceptance among investors as those of the Federal Farm Loan board.

System Is Complete. There is thus created a complete farm credit system which, drawing together the aggregated responsibility of the greatest single industry in the land, backed by the security of the land, and of livestock, warehoused and growing crops, all kinds of agricultural equipment, and, finally, by character and high responsibility of the men and women who constitute the great agricultural community, will be capable of furnishing the American farmer, for the first time in the history of agriculture in any country, adequate investment and working capital on terms as favorable as those accorded to commerce and industry.

Many people have been inclined to be skeptical of benefits which might follow the enactment of legislation to give the farmer a better system of credit. They have said that the farmer needs better prices for his crops, and that the government should be able to borrow money. That is true, but these friends do not seem to understand that prices of crops and livestock are directly influenced by credit facilities.

In the past, farmers have been obliged to finance their production on their own resources, and very short terms. When times are good they have difficulty in renewing these loans, but in periods of financial stress too many farmers have found themselves under the necessity of pushing their crops or their livestock on the market, not infrequently at a loss. The new system provides what seems to be a better fitted for market, in order to pay the bills which they had expected to be able to renew, thus at times flooding the market and seriously depressing prices. Under a system of intermediate credit, administered by the federal government, seasonal requirements of the farmer are able to market both their crops and livestock in a more orderly fashion, and this in itself will be a potent influence in keeping prices more stable and reasonable.

I thoroughly agree that what is needed is a better system of credit, and I believe that the new system will be much more quickly accomplished through this new system of agricultural credit.

Congress Is Praised. The legislation enacted by congress does not by any means measure the attention congress has given during the past two years to the needs of agriculture. People who have not been familiar with what has been going on in congress can little appreciate the exhaustive study which the appropriate committees of congress have given to our agricultural problems.

Debtors Supply Bonds. Whenever the loans made from the original capital reach an aggregate justifying it, the farm loan board, which supervises the system, may issue debenture bonds against the securities which the intermediate credit corporations have taken. The sale of these debentures will put the banks in funds once more for a new loaning campaign; and so, in the revolving fund fashion which has been made familiar through the operations of the farm loan board in real estate mortgages, the endless chain goes on up, drawing in with each sale of debentures a new supply of capital for loaning to the farmers.

The intermediate credit banks are fundamentally different from the farm loan banks in that while the farm loan banks advance money only on real estate mortgage security, the intermediate credit institutions are to discount farmers' notes, and to loan on personal and chattel security—livestock, farm equipment, growing crops, and the like. The debentures sold by the intermediate credit banks are tax-exempt precisely as are the debentures of the farm loan banks.

efficient, barbaric. The great light with which science and organization and efficient methods have illumined the art of agriculture had not yet cast its first feeble rays over the desolate and dehumanized landscape of the rural countryside. The old-time picture is one to make women weep and men despair of their kind.

Inspired by Visions. But somehow the life of the open places, under a sky which inspired always the longing for a fair chance; somehow the daily touch with the mighty forces of nature mature in all her wondrous moods; somehow the dim realization that there was yet something beyond and above the squalor and misery of his immediate surroundings—somehow, through the centuries of his serfdom, these things kept the farmer mindful of possibilities for better times and friendlier fates; kept him longing for liberty; inspired him in the age-long struggle to lift himself up to a wider vision of life; moved him to eternal revolt against the fetters which bound; gave him courage for the seemingly hopeless conflict with destiny.

The centuries passed, and untold millions went to their graves despairing. But other millions followed, to seize the torch and bear it a little farther on the road. The slave became a villein, the villein a peasant, and yet the grim struggle went on with political rights and economic emancipation as its twin goals. Painfully, doggedly, the men of the soil toiled under their dual burden of furnishing sustenance for humanity and keeping alight the flame of that consuming purpose to achieve freedom and human equality.

Down to times so near our own that they are but the yesterdays of history, the outcome of the struggle seemed in doubt. But mankind's darkest hour was followed by the dawn. The vast structure of artifice and selfishness which had been built and supported by the soil at length crumbled under its own weight of utility and corruption. The revolutionary movements of the 18th century, the reformations of the early 19th, the spread of knowledge, the rise of invention and growth of industrialism—all these combined to exert from tyranny the recognition of human rights. The man of the land had won his first battle; the battle for a place in the political system.

The economic struggle was longer and harder, because it had to be waged against preconceptions and prejudices which through the ages had driven their roots deep into the very fundamentals of human nature itself. It was not possible, all at once, to establish the conception that the tiller of the soil, ignored through centuries, must now be taken into full fellowship with the favored of the earth.

Sometimes I think it more interesting to recall the more modern process of emancipation, because it will bring reminders to quell needless indignancy and suggest at least that moderate contentment which will tend to bless.

I can well recall the making of Kansas, and the nearby states of the Mississippi and Missouri valleys. That was when farming was more a struggle for subsistence than a contest in industry. That was back in covered-wagon days, when the men of Ohio, and bordering states, migrated westward, too poor to come with family and possessions by rail, where rail travel was possible, so they built their wagons, loaded all their material possessions which the wagon would carry, crowned the cargo with the family, and drove westward under the glow of the star of empire. A few returned, but the great majority died, in battle with nature and her elements, and conquered.

In those grim days there were no motor cars, no electric lights. The lonely wagon, now forgotten in our lexicon, it was the spring wagon, double seated, was the luxury of travel, and the kerosene lamp had recently put the tallow dip to shame. Ten dollars in cash in the family purse was an inordinate excess, and a hundred dollars cash balance for the year's trade was success extraordinary. Nowadays we expend more money for gasoline going to and from town in one week than was spent for kerosene to illuminate the home for a whole year a generation or two ago.

The farm emancipation in this country has been through other advancement, though there are inevitably periods of unbalanced price relationships, the reflexes of supply and demand, which have vexed and discouraged.

New Problems Arise. There is no escaping the relatively of outlay to income. The sane practice is to make sure that the outlay is less than income, but it is somehow inherent in our lives that we pay more or less as we receive more. I can call when my annual offering to the church was \$1, and it was considered ample. But it cost me more, and I gladly paid, when my annual earning expanded. We live very much according to our incomes. It is proper that we should. The citizen who skimps and denies while the tide of good fortune is flooding is often a miser and an undesirable citizen.

My point is that agricultural emancipation has brought its problems as well as liberation. The blue sky stock salesman can dissipate a farm surplus with ready facility, and extravagance on the farm is no less contagious in its nature. I am sorry that simple rural life is too often giving away to modern extravagances. In the rise and fall of nations, in the peaceful conquest for human advancement, the simple-living peoples will make the long survival and record the notable triumphs.

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From the train, the president and Mrs. Harding and members of their party were taken for a drive through the waving golden fields of Reno county. At Chester O'Neal's farm they stopped.

An audience of about a hundred farmers, their wives and children and "hired hands" had gathered there in anticipation of their coming. For half an hour the Hardings mingled democratically in the stubble field, exchanging gossip and "farm talk."

Has Picture Taken. The president had his picture taken with little Mary Jane Dyson, 11 months old, and they both seemed to enjoy it. Mary Jane was unafraid and clung tightly to the lapel of the president's coat for some time after the photographers had finished shooting.

When somebody commented upon the fact that Mary Jane seemed to be bearing her honors with dignity and courage, her proud father exclaimed: "Aw, she ain't afraid of anything!" The president was a little reluctant to demonstrate his wheat-cutting abilities before so critical an audience, but under the insistence of Governor Davis, Senator Capper and the farmers, he consented to try it.

He explained first, however, that his wheat-cutting experience had been with a team of horses, or going still further back, with the scythe, when the sheaves were bound and shocked by hand. The snorting tractor was something new.

Proves Efficient Driver. He finally mounted the seat, however, remarking to the driver, whom he displaced: "I'm afraid these people are trying to get me in good with Henry Ford." The president proved a very efficient driver. He went straight as an arrow down the long, clean lines of the wheat, and his only mistake was being a bit skittish on the turns. He but it so well, however, that it merited the congratulations from the real farmers who made up his audience, and he got down from his perch, brushing off the grasshoppers and apparently well pleased.

From the wheat field, the president went to a luncheon at which many leading Kansans were present and they further impressed on him the dissatisfaction of the farmers of this section.

The president's long speech at the fair grounds was, for the most part, received with respectful attention. The greatest outburst of applause came when Mr. Harding observed that "the farmer has received nothing more than was coming to him." They liked that and applauded.

From the fair grounds, with its perspiring, shirt-sleeved crowd, the president was taken to the local golf course for a few holes, and late in the afternoon departed for Denver, where he is due to arrive Sunday morning for the Monday speech on law enforcement.

President Goes Into Ripening Wheat Fields

(Continued From Page One) O'Neal's estimate of \$15 an acre cost of production. Figure Out Cost. "Let's figure it out," he said, as he got out pencil and paper. And there in the middle of the golden field they put their heads together and figured. The computation of the cost, when they finally completed it, read like this: Interest on capital value on land, \$5. Plowing, \$1.50. Harrowing, .25. Drilling, .33. Harvesting, \$2.50. Threshing, \$2.50. Hauling, .75. Seeding, .85. Total, \$13.44.

"And," said O'Neal, "that is not including taxes, which on this land run about \$1.80 an acre."

President Impressed. The field experience of the president was the high light of the most strenuous day he has engaged in since leaving the capital, and he thoroughly enjoyed it. Mrs. Harding's enjoyment was no less keen.

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Fashion Parades in Broadway's Musical Shows

Peggy Joyce to Wear \$50,000 Wrap—"Faith Healer" Is Flayed by Press—Dillingham Gives Million. By SIME SILVERMAN. Written Expressly for Universal Service. New York, June 23.—Fashion parades in Broadway revues this summer will see their start next week in Earl Carroll's "Vanities of 1923."

One scene of that piece will be devoted to furs, \$250,000 worth, furnished by a New York firm, with Peggy Joyce to appear in—encased in a \$50,000 ermine coat wearing all of the jewels she has acquired to date in her career. They are said to equal \$1,500,000 cost price.

The other parade, of clothes only, will be in "Fashions of 1923," the new Alexander's. Leftwich in producing for the Lyceum. Mercantile men are reported acting as the financial sponsors of both productions.

Denounce "Healer." Dr. W. B. Thompson, known over here as a "faith healer," and who has been appearing in English theaters under the name of Pharus, offering to cure all ills, has been denounced by London newspapers. The "Daily Sketch" called Pharus an undesirable alien and demanded he be deported. The "Evening Standard" termed him a charlatan.

"Pharus" declined to give a test at the Miller General hospital last Saturday afternoon; the committee refused to permit him to take along assistants or witnesses.

Musical Review Clash. A clash of scenes and ideas for musical revues has occurred in two recent Broadway productions opening within the week.

The attractions are the Shuberts' "Passing Show" at the Winter Garden and White's "Scandals" at the Globe. The Shuberts presented their "Passing Show" before White's "Scandals" could reach the Globe, "beating" White to Broadway by four days.

Another clash may happen next week when the new edition of "Ziegfeld Follies" at the New Amsterdam will carry a scene the other two shows have.

"Enemies of Women." The American picture producer (Cosmopolitan) of "Enemies of Women," is a pronounced success on its opening week at the Empire theater. According to a cable this week to "Variety," Manager Silverstein of Paris' most fashionable theater, the Vaudeville, is negotiating to run the picture there during this summer.

Record of Leviathan Lauded by Passengers

(Continued From Page One) to offend while letting our own interests suffer. We get no apologies in British aggression. Our statesmen can not compete with Balfour and the generations of trained diplomats that preceded him. I hope we are waking up and will claim what belongs to us."

Representative Britten, republican, of Illinois, said: "Today's advertisement to the whole world that an American merchant ship had smashed all speed records justifies this trip. The criticism that came from American sources was unpatriotic."

Justifies Test Voyage. Representative McFadden, republican, of Pennsylvania, said: "Certain facts in the engineering and operation prove the necessity of giving the ship a severe transatlantic test voyage."

Representative Madden of Illinois said he expected a revival of the fight for the ship subsidy. Others believed the government would continue to operate the ships indefinitely.

Members of the shipping board expressed confidence that congress would authorize the \$12,000,000 ship to aid the Atlantic service, from funds already available. The Agri-memnon is regarded as worthless for reconduction, but it is possible that the Mount Vernon could be economic put into shape.

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BURGESS-NASH COMPANY. "EVERYBODY'S STORE" Tom Harry Jim Dick Jerry All-Boy Boy-Alls 98c With Child's Name on Every Garment. These sturdy garments will meet all requirements of a playtime outfit, for they are cool, comfortable, easy to slip into, and will withstand the roughest games. Seams are bar tacked to prevent ripping, buttons are riveted through the cloth so that they cannot possibly come off. Made of good quality Blue Denim Khaki Striped Denim. Either in solid color or with red trimming. In two styles: round Dutch collar, buttoned down the back, or roll collar and buttoned down the front. Tomboy Alls Pair 98c. A little girl, too, may be as comfortably dressed as her brother. Tom Boyalls are sturdy play suits, made peg-topped with square neck, short sleeves; blue with red trimming. Just as satisfactory for girls as they are for boys. Sizes 2 to 8 years. The Child's Name Put on Every Garment. As a special feature for this week we will embroider the individual name of the child on every garment on a special machine which has been installed on our third floor absolutely without charge. Third Floor.

EAT IN COMFORT At the Henshaw Cafeteria. It is the Coolest Cafeteria in Omaha. BEATTY'S Henshaw Cafeteria Hotel Henshaw.