

Co-operation {Not Politicians} Will Solve the Farm Problem *(the publication and date are not known but it was written by R.J. Ackley.)*



Co-operation {not Politicians} Will Solve the Farm Problem

In these days of general dissatisfaction over the country between the price of what the farmer receives for his products and the price he has to pay for the machinery and other commodities he has to buy, many self-seeking politicians who are out of office are telling the people how much better times would be if they were in office and the other fellow were put out.

We have heard this same story presented in one way or another for years, first by Republicans, then by Democrats, and in times of unusual unrest radicals with wild theories have made their pleas sound plausible to many and have often succeeded in landing political jobs. There has probably been no time in the memory of our oldest citizens when these radicals have had a more fertile field to work than in the disturbed minds of many suffering people today, and if there was ever a time when people should sit down and do some sane thinking, it is now. They will have in the next few months much chaff to separate from the fodder. Perhaps some will think my ideas on the farm problem are chaff, but I at least have the satisfaction of knowing that these ideas were not born yesterday, nor last month, nor last year. Neither are they original with me. They are the culmination of years of personal

experience and the experience of growing thousands of farmers not only throughout the United States but throughout many European countries.

The relief for farmers to which I refer is co-operation. There is nothing mysterious, nor theoretical about co-operative associations among farmers. Co-operative associations engaged in the sale of farm products, or in the manufacture or distribution of the commodities the farmer uses conduct their business along the same general principles that privately owned firms or corporations do. The only difference is that the profits on the business are pro-rated back to the members or customers (often both) of the co-operative, while in the case of privately owned or corporation owned enterprises, the profits go to a few men higher up who control the business.

That's all there is to it, and if competent managers and directors are at the head of the business, the chances of success are just as great as in privately owned enterprises with similar management. It is true that in former years, many co-operative associations failed for lack of proper management, and some are still struggling under the same handicap. But the same can be said of privately owned businesses. But any average farmer who is capable of managing his own business is certainly capable of acting as a director in a co-operative association - a fact that has been proven in nearly every county in most states in the Union in the past decade.

Co-operative associations in Kansas and other states in the United States are making and saving millions of dollars annually for their members and customers. In some foreign countries, where farm co-operatives originated, notably in Denmark, Sweden, and England, co-operative farm associations are universally known for their success.

Nearly everyone nowadays is familiar with the success of some co-operatively owned business in or near his home town. There are many such in Southwest Kansas and nearby in adjoining states. As an example, I can point to what has been accomplished in the past few years by the farmers in the Garden City trade territory. From accumulated profits made by their co-operative elevator, they financed a co-operative oil company, building an attractive retail service station and a bulk station. In 20 months, the earnings of this co-operative paid back every dollar it had borrowed from our co-operative grain exchange and on top of that paid the customers of the oil station refunds in profits of \$42,000.

That \$42,000 remained in the community and the refund checks paid to many of our customers went directly into the cash registers of other business firms in Garden City to pay accumulated bills or to buy new merchandise. In a short time, practically every business firm in Garden City got a share of that \$42,000, where as a foreign owned station would have sent the money to some eastern city, whose merchants and business firms would have benefited instead of those of Garden City. Our manager and his helpers receive as much, and probably more in salaries than managers of similar privately owned oil stations. The same is true of the salaries paid the manager and his helpers of our co-operative elevator, which has also paid thousands of dollars in profits to our members and customers.

But the direct profit, while the ultimate object of co-operation, is not the only benefit to its members and the community as a whole. The presence of a co-operative grain company in a community, for instance, acts as a stabilizer of prices the farmer receives for his crops. Any farmer who lives near two towns, one with a co-operative elevator and one without, knows that he can usually get a few cents a bushel more for his grain at any elevator in the town where the co-operative elevator is located than in the town where there is no co-operative elevator. Thus, regardless of whether the farmer sells his grain to a co-operative association or not, he benefits by the presence of a co-operative exchange. And the benefit the farmer receives is distributed among the business firms in the community. - R.J. Ackley