



PRESIDENT KNAPP

The Annual Meeting

The fourth annual session of the membership of the Rice Association of America was held in the city hall at Crowley, March 23rd, 1906, President S. A. Knapp presiding. The following officers and directors were elected for the ensuing year:

President, Dr. S. A. Knapp, Lake Charles, La.
First Vice President, S. Locke Breaux, New Orleans, La.
Second Vice President, J. E. Broussard, Beaumont, Texas.
Treasurer, Hon. H. C. Drew, Lake Charles, La.
Secretary, Frank Randolph, Lake Charles, La.
The newly elected directors of the Association are as follows:

S. A. Knapp, S. L. Breaux, Miron Abbott, J. E. Broussard, A. B. Allison, H. C. Drew, H. L. Gueydan, J. W. Leach, John Green, C. J. Bier, A. P. Borden, J. B. Foley, H. E. Heald, E. C. McMurtry, B. L. Vineyard, J. G. Neelis, Geo. M. Craig, Geo. Bancroft, F. A. Godchaux, R. N. Sims, Henry Kahn, C. F. Chilson, W. P. H. McFaddin, W. K. Morrow, Bernard Brown, W. B. Dunlap, Will Carroll, T. J. Anderson, S. B. Roane, A. B. Waugh.

The full program of the meeting was as follows:

Meeting called to order at 10 a. m.

Address of welcome by Mayor P. J. Chappuis of Crowley.

Address by President S. A. Knapp.

Appointment of committees.

Report of Secretary.

Report of Treasurer.

General business before the meeting.

Address: "Organization, Its Benefits and Results," W. P. H. McFaddin, of Beaumont.

Address: "Transportation and Car Service," S. Locke Breaux, of New Orleans.

Address: "Drainage and Reclamation," by Henry L. Gueydan, of Gueydan, La.

Address: "The Government's Rice Experiments and Investigations," by Capt. John P. Slattery, U. S. Agricultural Department.

Address: "Distribution and Consumption," by James L. Wright, of Crowley, La.

Address: "Improved Farming Methods in Rice Culture," by Dr. J. F. Naftel, of Crowley, La.

Address: "Cuban Reciprocity," by G. A. Jahn of Beaumont, followed by a general discussion upon this and kindred subjects.

Discussion: "Increased Consumption or Reduction in Acreage; Which?" (a) Increased Consumption by E. L. Reid of Orange. (b) Reduction in Acreage by C. J. Freeland of Crowley; to be followed by a general debate upon this subject.

THE RESOLUTIONS.

Following a discussion of the subject of Cuban reciprocity the following resolution was presented and adopted unanimously:

"Resolved, That we consider the moment opportune to convey to the Cuban Congress, through the Havana Board of Trade, our desire that rice be placed on the free list; and further that a committee be appointed to follow up the question and to take such action as may be deemed necessary. We want to keep alive and after it; and be it further

"Resolved, That the membership and executive officers bear in mind that the present Cuban reciprocity arrangement expires in two years and that missionary work be done with our representatives in Congress, so that when the question does come up our views will be known and proper consideration be accorded rice on a reciprocity basis.

(Signed)

"S. LOCKE BREAU.

"J. E. BROUSSARD.

"G. A. JAHN.

"W. P. H. M'FADDIN.

"R. N. SIMS.

"C. C. DUSON."

President Knapp then appointed a general committee on resolutions consisting of R. N. Sims, J. E. Broussard and A. E. Groves, which presented the following resolutions, all of which were adopted.

Congressmen and Senators Thanked.

"Resolved, That the Rice Association of America hereby extends to the Hon. A. P. Pujo and all other Congressman of Louisiana and Texas, who assisted us and to Senators Foster and McEnery of Louisiana and Senators Culberson and Bailey, of Texas, assurances of our sincere appreciation of their successful efforts in defeating unfavorable action by Congress on the Philippine Tariff and extends to each of them a unanimous vote of thanks.

"Respectfully,

"R. N. SIMS,

"A. E. GROVES,

"J. E. BROUSSARD."

Membership Reduced for Farmers.

"Be it resolved, by the Rice Association of America, That article four of the constitution be hereby amended so as to read as follows:

"The annual dues for membership in this Association shall be One Dollar for persons actively engaged in the planting of rice, as rice farmers, and Three Dollars for all others."

Duty on Coffee.

"Resolved, That we favor a moderate duty upon coffee as a matter of justice to our insular possessions.

"Resolved, That we favor the use of Porto Rican coffee in the United States as a matter of justice to a people who are large purchasers of our products."

Car Service Rules.

"Resolved, That this Association notes the invitation of the New Orleans Board of Trade, Limited, to attend a conference on April 2, to take up the question of car service rules. And further, it recommends the appointment of a committee, properly accredited by the chair to attend said conference.

Chattel Mortgages.

"Resolved, That the Rice Association of America recommends to the Legislature the passage of a chattel mortgage law. And further, that as the object of this law is to enable the agriculturist to get cheap money or credit, by increasing the security, be it further.

"Resolved, That it is the sense of this Association in advocating the passage of such a law, that it should not apply to merchandise."

Validity of Land Titles.

"Whereas, a movement is now on foot in this State to dispossess many bona fide settlers who have for many years been in peaceful possession of their lands as owners in good faith under this great State's deed and patent; therefore, be it

"Resolved, That the Rice Association of America, in annual meeting assembled, and realizing the grave injustice which the consummation of these inequitable efforts would do a large and trusting element of our rice farmers, does hereby petition and memorialize the Legislature of the State of Louisiana to see that justice is done and that such acts are placed upon the statute books as will quiet our people in the peaceful enjoyment of their homes and happiness."

Powers of Railroad Commission.

"Resolved, That the Rice Association of America learns that the State Railroad Commission is to make application at the coming session of the State Legislature for addition to and enlargement of its powers, under Article 288 of the Constitution of 1898, and further that we we feel that such increase of power is essential to the effectiveness of its power; and be it further

"Resolved, That a copy of the resolutions be forwarded to the State Railroad Commission, the Governor of the State and the Attorney General; and be it further

"Resolved, That as soon as the Legislature meets, copies of this resolution be sent to our Senators and Representatives.

Resolution of Thanks.

"Whereas this Association is deeply grateful for the many courtesies extend us by the citizens of this progressive city and particularly to the Crowley members of this Association; and to the press; therefore be it

"Resolved, That we extend to them our deepest thanks and heartiest appreciation of courtesies extended."

To Advertise Rice.

Henry L. Gueydan, of Gueydan, introduced a resolution providing for the appointment of a committee of three to devise ways and means to raise money to advertise rice. The President appointed Henry L. Gueydan, Chas. J. Bier and J. E. Broussard.

PRESIDENT KNAPP THANKED.

Just before the adjournment of the Association to meet on call of the President, Vice President S. Locke Breaux rose and addressing the President said in substance:

"Mr. President:

Before this Association adjourns I want to express to you, so far as my humble ability will permit me, sir, the feeling of sincere gratitude entertained toward you by the people of all classes engaged in the handling of rice for the faithful and effective work you have done for us in so materially assisting in the defeat of the Philippine tariff bill, which has so recently threatened disaster to the American rice industry.

"We want you to believe, sir, that we entertain the liveliest sentiments of gratitude toward you for the high service you have rendered us not only in this but in numerous other instances. In you, the United States government's leading expert in matters pertaining to rice, the Rice Association of America, composed of the American producers and distributors of rice, recognize the most potent and influential leader of the industry. We want you to believe that we cherish for you personally the highest esteem, and for your distinguished services in behalf of the industry the keenest gratitude. I move that this Association do now adjourn until such time as it shall be called together by the President."

Before Mr. Breaux's motion had received a second, Hon. W. P. H. McFaddin of Beaumont, arose and said in part:

"Mr. President:

I want to endorse every word Mr. Breaux has spoken. I would add to it if I could, but I feel that words are inadequate to give expression to the debt of gratitude we owe you. We owe you much and the debt grows greater with the years. It is personal and the whole industry in all its branches feels it deeply. I second the motion to adjourn."

The Association then adjourned sine die.

Rice Tariffs

PRESIDENT S. A. KNAPP

It gives me great pleasure to be with you on this occasion, and to greet you under the prosperous conditions of the rice industry which are everywhere evidenced about us. Possibly in our most sanguine moments we did not conceive of such a restoration of prosperous conditions as exist at the present time, after a year of such disaster as that of 1904. It is my sincere hope that the rice producers of our country, and the rice millers as well, will profit by the experience of the past and make careful provisions for the future.

It is with some regret that we were not able to have our annual meeting at an earlier date, but possibly it has resulted in no deleterious effects on the general industry.

In accordance with your request at our last session, I proceeded to Washington to do the best for the rice interests possible in view of the legislation proposed under the so-called Philippine bill. There we met a peculiar condition of things. President Roosevelt, actuated doubtless by a broad philanthropy, had proposed that all restrictions placed upon the importation of the products of the Philippine Islands into the United States be removed, except a differential upon sugar and tobacco, which finally was placed at 25 per cent. The Republican members of the House and Senate were understood to be favorable to this legislation, and somewhat anomalously, the Democratic members concluded that it should be accepted as a Democratic measure because they considered it in the interests of free trade relations with the world. The outlook, therefore, for such as were friendly to the rice interests was the most unfavorable that I have known since I have been acquainted with legislation at Washington. Such was the haste in presenting this measure to the House that the Ways and Means Committee of the House closed its hearings before we were aware that the question was open for argument. All that could be done in the House by the most persistent effort was to place rice in line with sugar and tobacco, giving it an advantage of 25 per cent tariff on importation to the United States from the Philippine Islands. This placed rice upon a fighting basis and I regard it as a great victory under the circumstances. In the Senate longer time was given

to all interests before the committee. This committee is composed of able and fearless men and they were determined to give the fullest opportunity for discussion, so as to reach, if possible, the merits of the case. In the course of the hearings it was my privilege to appear before this committee in your behalf. It is not necessary here to do more than epitomize the argument which I used on that occasion, and, privately, with many Senators.

First. The basis of justice in the establishment of any tariff is to equalize, as nearly as possible, the different fiscal conditions of the people of different countries; so that the richer and more powerful country may not crush financially the weaker and less fortunate country, and that the nation of limited education and development and the nation that has taken slight advantage of modern improvements may be placed upon a basis of equality in trade relations with the nation of high earning capacity and great facilities. One nation may not be much more highly taxed than another, and without some regulating trade feature would be at a disadvantage in the exchange of commodities with its more favored neighbor. This is not intended as an argument for or against a tariff, but is simply stating the measure of justice in any tariff, as I understand it. Without such basis all tariff regulations are solely methods of revenue or of oppression.

Second. A high civilization is largely a question of high earning capacity on the part of the masses of the people, and this is especially true under modern conditions. It is impossible to have the facilities for business, for conveyance of thought and persons with great rapidity without this high earning capacity. This being true, it is almost an absurdity to attempt to join together people of low earning capacity and of a high earning capacity under the same system of laws, because the one or the other must be crushed by their operation. Either the nation of high earning capacity will fall to the level of the lower, and hence be unable to pay for or procure the things necessary to sustain the higher.

Third. Let us apply these principles to the Philippines: Either they are Americans and are in every sense able to carry their share of the burdens of government, and are, therefore, entitled to the full benefits of our laws, or they are not our equals and cannot be in a full sense Americans, and consequently should not be brought under the same system of government. Every beneficent system of laws, such as those that have been enacted for the people of the United States, carries with it certain benefits and it also involves certain responsibilities, they are not entitled to the benefits. As stated, an essential condition of high civilization is the maintenance of high taxes, because it is expensive. If a people cannot stand the taxation, then how are they entitled to the benefits? This we may apply to all people. Why should they demand good roads if they are not able to pay the taxes necessary to build them, or schools and colleges if they cannot furnish

the money to sustain them? If they are Americans in the fullest sense then our tariff and revenue laws and all other laws should be immediately extended to the Philippine Islands; but everyone acquainted with those islands is aware that this would crush them in an incredibly short period of time, because the average Filipino does not earn enough money in a day to pay the prices that provisions would command under our tariff. If then they cannot live under our laws, why not consider them, not as full American citizens, but as an annexed territory under our guidance, with such rights and privileges as it is possible for them to have, without injuring the people of the United States. That this has been the prevailing thought is shown by the fact that they are allowed their own revenue laws and their own tariff, which is, on most things, merely nominal. Now if we must devise a method of living together, they with their low earning capacity and consequent civilization, the only way to prevent their being a constant menace to us and a constant disturbance to our fiscal conditions is to require them, when they ship any of their products to the United States, to pay the difference between their civilization and ours, or, expressed in other terms, to pay the difference between the tariff suited to their earning capacity and the tariff suited to our earning capacity. This would give them the largest freedom, allow them to import food at a very low rate, give them absolute control over trade relations with other countries; but when they send to this country they would simply make good the difference.

This Philippine bill not only violated the foregoing principles of law, principles which every nation has more or less observed in adjusting relations with a people of less development but it proposed a great injustice to our own nation. It proposed to allow all their products free admission to our protected markets, thus giving them the most favored markets of the world; at the same time it allowed them to have all the advantages of a low tariff of their own making and suited to their conditions for purchasing supplies, which, with their cheap labor, would enable them to produce many things lower than they could be produced in the United States. In other words, it offered to the Philippine people greater privileges than could be granted to the citizens of any State in the Union. This is unjust, if not unconstitutional. If the same measure were proposed here in the United States, to discriminate in favor of the people of one State, giving them a cheap tariff under which to purchase their supplies, and allowing them free access to the markets of the whole United States for sale of their products, it would be declared unconstitutional, and it is doubtful if it would find a single advocate in the whole country, outside of the State benefitted. If a bill had been introduced into Congress to allow the people of Massachusetts to import free hides and all raw material necessary to the shoe industry, without extending the same privilege to the other States, such a bill would not be considered. Yet this is exactly the proposition in this case.

Applying this general deduction to rice: By actual investigation

it was found that rice could be bought on the continent of Asia at \$1.40 per hundred, with the hull removed. This could be transported to the Philippine Islands and after paying their nominal duty of 22 cents per hundred for such rice, could be placed upon the Philippine market at \$1.80 per hundred, and realize some profit. This figure then would determine the price of rice in the Philippines. The American or Philippine merchant could then buy upon the market at Manila or other ports, rice at \$1.80 per hundred, transport it to New York at 40 cents per hundred, and, under such a law, have it admitted free. This rice would, according to quality, be worth from three to four dollars per hundred in New York. They produce in the Philippine Islands about twelve million barrels of hulled rice. A small amount imported into our country would break our markets and destroy confidence. For whose benefit? It would not be a particle of advantage to the Philippine producer, because the exporting of any quantity would not raise the price. The price would be governed by the cost of importing similar rices from the continent of Asia. Therefore this bill would be simply in the interests of the speculator, without a particle of advantage to the Philippine people, and to the ruin of our American rice industry.

In regard to the future of the rice industry, permit me to say that in my judgment there will be considerable increase in the area planted in Texas and Arkansas the present year, and possibly some in Louisiana. I sincerely hope that the crop will not be so large as to seriously injure the market. But it is important that we be exceedingly alert in striving to extend our markets. There are only two directions in which this can be done: First, the home market. A better knowledge of the great value of rice as a staple food must be thoroughly impressed upon the American people. This I am satisfied can be done without a large expenditure of money. As we have often said, if the consumption of rice can be increased to 40 to 50 pounds per capita, it will solve the rice problem for many years. It is my impression, after looking over the field, that the most hopeful sections for operations are in the Southern States. Here the competing foods are highest, and here the people are most acquainted with rice and the methods of preparing it. It is my belief that one dollar expended in developing a rice market in the South will yield as great a result as five dollars expended in the North.

It is not necessary here to discuss definite methods; we can take this up later. But in accordance with your instructions, I am preparing a series of articles on the value of rice as a food.

The second line of great markets open to us consists of the islands of the Carribean Sea, and the Central and South American Republics. We are large patrons of these several states, and from most of them we import vastly more than we sell them. It is therefore only a matter of justice that our trade relations be so adjusted that we can get some value received through our exchanges, and rice is one of the commodities which they consume largely. If suitable

trade legislation can be secured in the immediate future, it will greatly stimulate the industry. To that end I have taken up negotiations with our Department of State, and will submit to you, for your consideration, the present status of our correspondence. In view of the possible expansion of the rice industry in the United States, it is imperative upon us to give immediate attention to the question of markets, and to adopt some systematic method of increasing them.

In this connection, I want to say that the New Orleans Board of Trade has taken this question up and will hold a conference on the subject April 2nd, and everyone within the hearing of my voice, be he miller, planter or merchant, is invited to attend that conference and come prepared to express his views and help us to offer to the State railroad commission such car service rules as will give us relief as against the conditions that have maintained the past several years, or, in the alternative, if car service rules are not wanted, to say so, and then let us, for once and all, cease our complaint, if we never get cars to move our rice.

It may be that the transportation lines are absolutely helpless in this matter, and, with all their foresight, with all their money and with all their good intention, they are left in a position to simply say: "We will do all we can, and that's all." If that is the case, then, let them come out publicly, throw up their hands, pull off their immigration agents and let us for the next two or three years keep at a standstill so as to give the railroads a chance to catch up, because it certainly does not seem right to ask people to come into our homes and then, when the time comes to move their crops, make them suffer. I appreciate fully that the railroads say: "Get the business and we will take care of it," but I submit that to get the business you must first have the facilities. You would not think of going out for a drive unless you first had a horse and buggy, and a little later on in life you would anticipate the bigger crowd by providing a barouche, and that is the way it is with the transportation lines; when they prospect a territory or a country, nobody better than they should know what its necessities are going to be, and nobody better than they are better able to provide facilities, and, in the alternative, all that is left for us to do is to get together, establish private car lines on the principle of the refrigerator lines, that run into the fruit country, so that we could have the equipment on hand when it is needed. Don't the private refrigerator lines of the country handle the peach, berry and other perishable crops in that wise? And don't the same principle apply as compensation for the service as applies in all traffic; rates of freight are made that cover the cost of that service, including the fact that that equipment has to lie idle for several months in the year. That is the one point to emphasize in this car service question. Excuses don't go, because it is always within the power of the railroads to make the rate of freight, as to the commodity handled, compensates for the service, including equipment and all the collateral that go with it.

Summarized and sifted down, it all means this: If we have cause for complaint; if we feel that we are aggrieved, if we will just get together and act as a unit, taking the transportation lines into our confidence in the discussion of these questions, I believe that remedy will apply and that the rice industry will get to be, what I hope to live to see it be, one of the staple, wealth producing cereal crops of the United States.

TRANSPORTATION AND CAR SERVICE.

S. Locke Breaux, New Orleans, La.

He holds that shippers are at the mercy of the Railroads Unless they stand together and pull for the common good.

Transportation and car service is a pretty big subject and so far as rice is concerned, there is none more important. Though the two subjects are as one, they follow in sequence, and therefore I shall first take up transportation, placing before you such views as present themselves to my mind.

Primarily, without transportation, the development of rice on our western Louisiana prairie lands would never have taken place. Therefore, we must not lose sight of the fact that to the railroads—and when you say “transportation,” that is what you mean—must be given credit for having been the initial force in the development that has taken place, so that, whatever may be our criticisms of the transportation lines; however much we may differ with their policies, the fact does remain that throughout it all they are our friends and that in helping them we are also helping ourselves.

One of the prerogatives and privileges of friendship in the telling of plain truths and, for the friend's own good, doing things or forcing him to do things that, though at the time appearing harsh and unnecessary, really redound in the end to his benefit, and this principle as applied to the transportation lines is particularly true, because on almost any proposition that you go to the railroads to for, one is met, generally with a refusal, and it is only after chunking them up continually that the service is had that should apply, even though invariably the railroads in the long run are as much beneficiaries as are the people they serve.

Transportation lines, though they are financed and handled by private corporations, enjoy their right of being by public franchise, and are given peculiar and particular privileges because of the fact that they are public servants, and, therefore, in dealing with the question of transportation, it is well to bear in mind that they owe a certain public servitude, and the very fact that that is their

position in the economy of the different commonwealths, is the reason that we have State railroad commissions in order to represent in a concrete way the views of the people throughout the communities that the transportation lines serve.

We all know how difficult it is with the average individual, in the practical working of his business with the railroad companies, to have his differences and grievances, actual or imaginary, given proper attention and for this reason, it can't be impressed too strongly that the way to get what we think coming is by getting together, as in the case of the Rice Association of America, the New Orleans Board of Trade and other kindred bodies, on all matters appertaining to transportation facilities, rates of freight and what not. This was demonstrated the past two years when those of us who believed that lower rates of freight should apply, went before the State Railroad Commission, and, forsooth, the people who opposed our contention were not so much the railroad companies, but those of our own craft. The hearing developed into a difference of opinion as between the city and the country, the broad principles as to whether lower rates of freight should prevail or not, being lost sight of and it was not until the city and the country had joined hands that we got a decision favorable to our contention that has saved this year \$50,000 to the rice industry in the State of Louisiana, and that will continue to do so for years to come, so that, I should say that our friends, the transportation lines, to perform servitudes, for which at base they exist, will only perform their duty to its fullest under continued, constant and persistent pressure of those of us who pay the freight.

The great trouble that I find in the practical workings of business is the fact that those who have charge of the roads at this end of the line, and with whom we are thrown in contact, really but execute instructions given them from headquarters, and that on those questions, whatever might be their predilection, if headquarters, either Chicago, New York or San Francisco, as the case may be, writes them: "enough of this subject; we don't want to hear any more about it," that settles it, and we payers of the freight at this end of the line soon realize that, beyond a certain point—and that point fixed by a man who looks at the question through a telescope—we are impotent to go.

That brings me to the fact that our Legislature is soon to meet, and that the State railroad commission is going to make application to the Legislature for the enactment of such laws as will strengthen their position under the constitution, and put them in a position where their mandates and rules will be effective, and I commend to your thought and consideration a look into a study of this question so that your Legislators, when they appear at Baton Rouge, will feel that their constituents want the commission's hands strengthened so that our friends, the transportation lines, will not presume on

their friendship, and because they are our friends, do what the friend so often does: rub it in.

Before dismissing this phase of the subject, I want to, speaking in a personal way, say that when the question of a State railroad commission was being agitated, I was one of the few members of the New Orleans Board of Trade who voted against it, believing at that time that the average merchant, through their boards of trade, and by concert of action, could accomplish more than through a third party, but I am frank to say that the experience of the past few years has demonstrated to me that I was wrong, and that you come nearer getting what you go after if you carry a club in your hand, than if you go after it with your hat in your hand. The State railroad commission has served us in very good stead.

Now, coming to the question of car service. What has been the situation, so far as the rice industry of this State is concerned for the past several years? My own experience, and that I believe of every man within my hearing, who has had rice to ship, whether state or interstate, has been that, when the time came to move the stuff, there was always lack of cars, and so far back as I can recollect, it has always been one excuse and then nother.

I might go into detail as to those excuses, but I really don't consider that pertinent, because I don't think that anybody, or any transportation line doing business in Louisiana, can seriously controvert the fact that I have stated.

Now, in the neighboring State of Texas, it is a matter of fact—and I have made it my business to inquire from several sources—that we don't hear of any complaint at all in the matter of getting cars. Occasionally a requisition will be made and it may take the three or four days to get that requisition filled. Now, so far as we are concerned in Louisiana, we are told that this is an agricultural country; that we ship more than we bring in; that New Orleans is not a manufacturing city, in the sense, we will say, that St. Louis, Chicago or Cincinnati are, and that for those and other reasons we can't expect to get the service. Well, I submit that that kind of reasoning begs the question. Railroads when they build through an agricultural country, know, and nobody knows better than they, what the conditions are, or that are going to confront them. They know that the products of that country are going to be offered them for transportation within certain periods of time, and I assume that in fixing the rates of freight on the commodities out of that territory, that that is borne in mind, and, yet, apparently, it don't make much difference whether we have short crops or big ones, or what kind of seasons we have, we always do have trouble about tonnage. Therefore, it seems to me that the question of car service rules, which are to come up before the commission on April 23rd, should be given careful consideration by every one, and we should go to Baton Rouge prepared to advocate the passage of rules, should we believe that such rules will give us relief.

IMPROVED METHODS OF RICE FARMING.

Dr. J. F. Naftel, Crowley, La.

"Improved Methods of Rice Farming" has been assigned me as a subject for an address before this association. What remark I shall make cannot properly be styled an address. It is more in the nature of suggestions, which have been suggested to me, both by observation and experience, and are given with the hope that an interest may be awakened in this very important subject.

With poor farming, if there be any profit at all, it is meager. Improved farming means better farming, so that the profits of the farm will be thereby increased, thus enabling the farmer to reduce and finally eliminate his indebtedness; build up and improve his farm. The farm is his capital and the farmer only enriches himself when he adds to its value. The farm is his bank and by increasing his deposits, he can draw more largely without risk.

Profit, as is well known, consists in the difference between the cost of production and the selling price. The latter is beyond his control; he must sell, if he sells at all, at the market price. The former can be largely controlled by himself, and is thus a very personal and important matter to him. It is a self-evident truth that he whose product cost the least to produce, will be the most thrifty.

Let us now consider some of the means by which the cost of production can be lessened. This may not apply to all farmers, but it does to many if not to the large majority of them. Business and good farming must go hand in hand. Interest and percentage play a more important part, in the financial condition of farmers, than one who has given the subject only a superficial thought would imagine.

Again I wish to state that he who would derive the greatest profit from his farm must use good business and good farming methods combined. They cannot be separated. They must go together. If a farmer should mortgage his farm for any considerable amount, paying 24 1-2 per cent interest, the chances are that he would go broke, and if he did, scant pity would he receive for by his own act he courted disaster.

How different is it if he buys a plow or any other implement, or any thing else, giving his note for, say, \$65.00 due in six months at 8 per cent interest, when \$60.00 cash would buy the plow? That man is paying a little over 24 1-2 per cent interest. Sixty dollars at 24 1-2 per cent interest will not quite pay his note when due. As he expects to pay for it out of his coming crop, he has to that extent practically

mortgaged his crop for that amount, and it not infrequently happens that his crop will not pay the indebtedness incurred against it. The illustration I have used is a conservative one.

Farmers who buy at time prices pay rather more than less than 24 1-2 per cent—a pretty fair profit. If he could only save that for a few years, even if he did not have anything more, he would be (relatively speaking) knee-deep in clover.

I read the statement published in an agricultural report several years ago, that time prices cost the farmers of the South 35 per cent interest, and it added "no other agricultural country in the world could stand such a drain." Is it not plain that the business end of farming needs more attention? This is not a theory but a condition which confronts us. It is also to be noted that he who buys for cash is more careful of his expenditures, and usually takes better care of what he already possesses.

The farmer may not be able to at once abandon the credit system, but he should plan with that end in view. It would be better far, to curtail his acreage, and make more profit on what he raises. He should supply his wants for the farm of everything the farm will produce. He should raise horses, mules, cattle, hogs and feed. They can be raised as cheaply here as anywhere, and in so doing he will maintain the fertility of his farm, and not impoverish it as he necessarily must do if grain crops are to be produced and sold to provide for all his needs.

It is not difficult to see what a change would occur in this most favored region, when diversified farming shall have been adopted; the credit system abandoned; and the farmer saves this enormous per cent. Then, truly, this will be the country in which prosperity abounds.

Another means by which the cost of production may be reduced is by increasing the yield. If a ten-barrel to the acre crop selling for \$3.00 per barrel, allowing the cost to be \$20.00 per acre for expenses, gives a profit of 50 per cent, a fifteen-barrel crop selling at the same price and costing the same to produce, gives a profit of one hundred and twenty-five per cent, or two and a half times the profit of the ten-barrel yield, so that he who raises 100 acres of rice producing 15 barrels to the acre derives the same profit as he who raises 250 acres yielding 10 barrels to the acre.

It is, undoubtedly, the part of wisdom to strive for the larger yield rather than cultivating the largest number of acres possible. The cost of production is largely determined by the yield. The necessary steps most likely to obtain the best results will now be considered:

In all crops, rice included, drainage is of prime importance. Changes are continually going on in this old earth of ours, and they

are necessary in order to derive the greatest results from the soil. These changes may be hastened by our efforts; or retarded by our neglect.

Scientists call these changes disintegration, which is rendering the plant elements in the soil soluble, so that they may be assimilated by plant life. If these changes do not take place rapidly enough, the land becomes less fertile as the soluble elements are consumed. It is then said that the land is becoming exhausted, and the farmer buys commercial fertilizer, putting on from one to two dollars worth to the acre. The chemist tells us that the plant elements in the first three feet of our soil, at their commercial value, are worth seven thousand dollars to the acre, if they were soluble. The chemical analysis of productive and non-productive soil gave the same results—the difference being; in one they are soluble; in other insoluble.

It is the amount of soluble elements that determine the capabilities of the soil. Nature has placed within our reach the means by which the soil can be rendered more fertile, if we but use them. Every farmer can have a fertilizer factory on his farm, and its doors will never be closed; operations will continue day and night, winter and summer; no expensive machinery to be installed. Nature has done that for him, but he must do his part, and one of the first things to be done in order to start this fertilizer factory, is to drain, and drain well.

Disintegration of the soil elements by which they are rendered soluble is caused by bacteria. This is one of the recent discoveries made by science, and in order for them to work or even to exist, they must have air. The soil must be aerated and it cannot be aerated unless it is drained. The advantage of drainage, if for no other reason than the one already set forth, is of sufficient importance to enlist the careful consideration of all intelligent farmers.

But there are other considerations. If sufficient drains were made and the plowing done in such a manner that the surplus water could be gotten rid of as quickly as possible, much valuable time might be saved in spring or crop time. Time is money if profitably used. Then the farmer would not have to wait so long for the sun and wind to evaporate or dry the puddles and ponds that are to be seen after each heavy rainfall; and then as it often happens, another rain will come just about the time the ground gets in condition to work.

Then again, much seed is lost and poor stands secured by the want of proper drainage. Water grasses and especially "dog hair grass" which is so pernicious to the growing crop, can only be exterminated by thorough drainage. Grain can be harvested much more cheaply on well drained land and the quality will be better. Larger loads can be brought to the threshing machine; the machine will do more rapid and efficient work—thus increasing very materially

the results for the expenditures, besides having the product in the best possible condition for the market.

It often enables plowing to be done in the fall and winter when it could not otherwise be done. It helps along amazingly in the spring, especially if the spring is a backward one. Land plowed at that time, if drained, works much better in seeding time; is much more productive; it has been aerated.

Another means by which the fertility of the soil can be maintained is to turn under as much vegetable matter as possible. Do not burn off your grass or trash. Plow them under. Do not be deceived by thinking all the fertile elements are contained in the ashes. The most costly to replace has gone up in smoke—nitrogen.

Besides, the decaying vegetable matter in the soil becomes a part of the machinery of the fertilizer factory which should be in operation on every farm. In its decay carbonic acid gas is formed, which dissolves or renders soluble material for plant food.

Again, I say, do not burn, but rather plant or sow some crop on a portion of the farm each year for the purpose of turning under. The most suitable for that is the nitrogen gathering variety of plants, viz: the cow pea.

The decay of vegetable matter in the soil matter forms what is called humus and renders the land more fertile, and is more easily cultivated. Stable manure and rotten stack bottoms would play an important part along the lines enumerated. Vegetable matter in its decay furnishes plant food which is appropriated by the growing plants with avidity. No other fertilizer can perform so many functions or produce such results for like cost.

If all has been done that I have indicated, success cannot be expected unless the proper cultivation has been effected. The ground must be well plowed and thoroughly pulverized, so that a good seed bed may be obtained for the reception of the seed and the growing plants. The little fibrous roots must have fine soil from which to extract nutriment. Then again, cloddy ground dries out too rapidly in dry weather, which may prevent the seed from germinating or cause it to die before it is sufficiently rooted.

The next thing to be considered is seed. Every farmer should raise his own seed, and only when he finds some other farmer with a superior variety should he buy. Importing seed from other lands and from other localities is not devoid of danger. Where did the rice maggot come from? To my mind it is as clear as the noonday sun. It has been brought here in seed rice. I have fears for the future if seed rice is to be continually brought in, and I think my fears will be shared by any thoughtful person who will take the pains to visit the office of the Crowley Rice Mill, and see the pictures of the Japs in their rice fields with their cans of oil, their nets and their

buckets gathering up and destroying the bugs. If we get these pests, we will be put out of business.

It is necessary for us to be continually getting our seed elsewhere? What reasons can be given? What arguments produced to show that we cannot develop a variety of rice that is more suitable to our soil and climate, than can be obtained elsewhere?

Let us see what has been done with other crops. Corn has produced 255 bushels to the acre. That was done, I believe in South Carolina—not a very good corn State, either. Wheat, 80 bushels. Oats, 125 bushels. These results were produced by good cultivation and selecting the best for a series of years. All grains and plants follow the same law. Unless care be taken they tend to degenerate, or go back to its original type. On the other hand, they will continually improve by selecting the best until the highest type is obtained.

I have in mind a place where 60 bushels of wheat is produced to the acre. In that country a small plot of ground, enough to produce the farmer's seed, is sown each year. Before harvesting this plot, the farmer goes through same, selecting the choicest heads until he gets enough to sow a like patch the next year, thus always selecting the best from the very best. If this method was adopted by the farmer for a series of years seed rice would be raised that could not be surpassed. If this be not so, then the law that like begets like and "every seed bringeth seed after its kind" must be annulled.

We would not only supply our seed but others would come to use because of its superiority. There is money in raising good seed rice, and he who expects to derive the largest returns from his land must raise his own seed.

The various details in regard to planting, watering and harvesting I have omitted. They would consume too much time, and they are also well understood by the experienced farmer.

In conclusion I would say that the farmer be educated. It is an error to suppose that the farmer can be as successful without as with an education. It is within his power, if he but use the time he otherwise wastes. It will not only be a profit, but a great satisfaction as well, and add to his self respect as an individual.

The farmer should stand upon the same place as the lawyer, the minister, the merchant and the doctor. As all other pursuits depend ultimately upon him for prosperity, he should be of equal dignity. Socially, politically and in every relation of life, the farmer is entitled to equal standing with men of other professions, but he must be educated.

In the nature of things, every farmer cannot be the best, but he should strive with that end in view. A stream cannot rise higher

than its source; neither is one likely to succeed beyond his efforts. Pride in his home and farm, pride in the community in which he lives, pride in his State and country, and pride in himself should stimulate him to greater endeavor along these lines.

HOW TO INCREASE CONSUMPTION.

E. L. Reid, Orange, Texas.

In an unguarded moment, when the bars of discretion were evidently down I permitted myself to accept a very kind invitation from your committee to meet with you today and lead in the discussion of a very important subject to rice men, never of more importance than now—the subject of “Increased Consumption.”

I now find myself somewhat in the predicament of a negro I once knew up in Mississippi, who attempted to make a prayer one night at a negro prayer meeting, and could get no further along with his petition than, “Oh Lord we thank thee we air here.” After repeating these words several times, and becoming conscious of the fact that he was stuck, closed very hurriedly with the words, “and we aint gwine nowhere.”

While I am quite willing to thank, and do now thank your honorable committee for the honor conferred—and can cheerfully and truthfully say that I am glad to be with you today, in the matter of preparing anything of interest on this subject that would be new to the gentlemen I see before me today, I very much fear I have made a dismal failure—in fact, like the darkey, I haven't been able to go nowhere.

I first delved into statistics, as I thought how pleasant it would be to convince you all in a statistical manner, how the consumption of rice in the United States in the past few years had gone forward by leaps and bounds, but the more I delved the more disgusted I became with statistics. The man who coquettes with rice statistics, as applied to the consumption of rice, will find himself in the middle of a bad fix—almost as bad as that of the ambitious rough rice buyer who purchased rough rice last fall at \$4 per, and expected to realize a profit from same in February of the present month, or not later than March 15th. In the matter of statistics I haven't been able to tie to any—save a very few prepared by your worthy president and with which you all are doubtless familiar—from which the next bunch that came along did not jar me loose, and the more I figured the more I got tangled in my mathematical legs.

For example: "The rate of increase in the consumption of rice in the United States is approximately twenty million pounds per year, and while the production is increasing at a very rapid rate, the domestic growers can only produce about 52 per cent of the total amount consumed."

Again: "The consumption of rice per capita in this country is now (1904) about six pounds. Six or eight years ago it was only about three pounds."

In the year 1904, according to statistics issued by the Rice Association of America and the Louisiana and Texas Rice Millers and Distributors' Association (I wish we could abridge that name), the production of the two States of Louisiana and Texas alone was 5,127,251 bags of rough rice, equivalent to about the same number of pockets of cleaned rice, or in round numbers, 512,000,000 pounds. The population of the United States for the year 1904 was something over 75,000,000. Now if any of you rice experts can reconcile these statements, I am ready to take my hat off to him; in fact he could sell me fancy head rice and deliver screenings and I would pay the draft without asking for a quarter allowance. The fly in the ointment seems to be to be that little statement about the "domestic growers not being able to produce more than 52 per cent of the consumption," and yet I gleaned these items from a book issued by a gentleman who is endorsed as "probably the world's leading authority on rice, today in all of its various phases."

Another little example of the unreliability of rice statistic, and I am through with this part of the subject. Recently the reports of our little daily came into my office in search of rice news. The reporters are our friends and I always make it a point to treat them courteously, believing that publicity is a great advantage to our business; the more people know about rice the more they eat it, and the more they eat of it, the more they like it. Well, this young man and I began a little figuring on this same subject of consumption of rice, I supplying the facts and he doing the figuring. I told him that our home town of Orange, with its 5,000 or more, inhabitants, consumed about 50 pockets of rice per month, and taking these two items, inhabitants and pockets, as a basis, we figured out that our per capita consumption was about 12 pounds per annum, and I further stated that if the balance of the United States would do as well, the rice farmers would have to raise about seven million bags per annum to meet the trade requirements above what was imported. Imagine my surprise on reading the paper next day to see that I was quoted as saying that Orange consumed 500 pockets of rice per month, and that if the balance of the United States would do as well we could easily dispose of seventy million bags. Co, with the politicians, I can now say, "deliver us from our friends," and away with statisticians—especially if he is a rice statistician. I think we rice millers must have figured about this way when we purchased

the crop of 1905. I am not in a position to vouch for all Texas, but for myself, I am ready to 'fess up; but then, man born of woman is full of everything save foreknowledge otherwise known as "horse sense"—some of that wonderful production of 1905, instead of going into the greedy gullets of the consumers, evidently went into the capacious maws of Northern warehouses, where moth and rust do not corrupt and weevils enter not.

However this may be, gentlemen, the facts are good enough for encouragement, and when we consider that among cereals and grains rice undoubtedly ranks first in importance as regards food value, and first as to number of persons who consume it, and that our little 6 or 7 pounds per capita consumption, is but a mere dribble to what it should and will be, then we can readily say, without regard to the amount we annually produce, or as to our capacity for greater production, that as to consumption of rice in these United States of America, we have only said good morning, the full day is just ahead and laden with promise. But to attain full measure of success we need to be very much alive and awake to the situation; we need missionary work in almost every direction. Notwithstanding the greatly increased production of rice during recent years in the United States, foreign rices still enter our markets in appreciable quantities, especially is this true in the extremes, East and West. This should not be, until our consumption has increased way beyond the point of production. Just last week I was reading a very interesting article of Isabel Gordon Curtis, in the April number of the *Delineator*, a favorite magazine with the ladies, on "treatment of cereals;" but when I came to this paragraph: "Now we will put on the rice to cook; but first it is necessary to wash it thoroughly; we can have no idea how much dust has clung to it, or how many soiled hands have handled it since it grew in Japan or China—" and then I lost all interest in that article on rice, and concluded that Isabel Gordon Curtis didn't know how to cook rice, anyway. Then I thought of the missionary work done by this association in its rice kitchens at Buffalo and St. Louis, and other places North and East, and I wondered if all that work had gone for naught. No, I thing not. We must just keep everlastingly at it, and we must do it now—do it now is a good motto—and we rice men should get the habit. Publicity is what we need, every mill man and every canal man should send out with each letter he writes some rice literature, let it be a recipe for cooking, or what it may—something to sing the glory of rice. I would suggest something like this, borrowed from a warm friend of the cereal in New Orleans: "Rice—the staff of strenuous life; read this: Rice, 87 per cent nutriment; beef, 45 per cent; eggs, 27 per cent; potatoes, 21 per cent. No cheaper food—none better—try it." That's the point; we want people to give it a trial. Rice is not only the staff of strenuous life, but it is fit for the very young, the middle aged and the very old, a fine thing for the invalid and the infirm.

We must extend the use of rice by every possible means—none too small to be overlooked, and no friend too insignificant to be considered. If our rice friends were just half as persistent as that fellow who gets out those circular letters for the Street Railway Advertising company, I am persuaded somebody would hear something about rice; for that fellow has found the key to success, and he is working it for all it is worth—"if you want a thing go after it."

Again I repeat, we must extend the use of rice by every possible means at our command. We should not only flood the country with literature extolling the virtues of rice, but we should see that every awarding board for supplies of the various public institutions over the country, such as orphan asylums, asylums for the insane, blind asylums, prisons, penitentiaries (I am sure that these fellows get such luxurious delicacies and various other eleemosnary institutions—has a friend of rice among their number—one that will see that rice gets its due. Then there is the hotels, dining cars, and various other public institutions where we can make our influence for rice felt. Not many years ago few, if any, of our leading hotels, right here in the South, served rice, except as an occasional dish. I am glad to report that our town hotel serves it in some form at every meal, and the menu card bears this legend: "Orange county rice;" and the guests eat it, too.

We millers are distributing rice in car lots from Hell Gate to the Golden Gate, from Kalamazoo to Key West, and into the islands of the sea, spreading a stream of the life giving cereal from Portland, Ore., to Portland, Me., and from the ice clad peaks of the North to the sun-kissed plains of the South, but in some places the spread is quite thin; what we want to do is to thicken up the thin places. We have increased from three pounds per capita to seven pounds in less than ten years—a wonderful increase—but what is that little seven pounds in comparison to the Oriental countries where the consumption runs as high as 300 pounds per capita per annum? While we cannot, from the varied nature of our inhabitants, ever hope to reach such a limit, we certainly can hope to increase our consumption within the next few years to at least fifteen or twenty pounds. At that figure I think everything will be lovely and the miller and distributor relieved of a great deal of anxiety. Certainly the prospect is a pleasant one. Gentlemen, shall we make it a reality? It's up to you and I.

GOVERNMENT CO-OPERATION AND EXPERIMENTAL WORK.

Capt. J. P. Slattery, U. S. Department of Agriculture.

Our great and beneficial government has only in late years taken an interest in agricultural matters. European governments were

early in the field in this class of work. Germany, France, Holland, Sweden and England have taken advanced position in this great work, which has been of immense benefit to their citizens. The greatest mind of these respective countries, the greatest scientists, have been enlisted in the cause of advancement of agricultural investigations. Our country was young and the land was fertile. Exact scientific work was not demanded for a time by the farmer. His lands under the crude methods employed, were becoming less fertile yearly.

As a rule the American farmer of the past generation and in many cases of the present day did not study how to increase the fertility of his lands. Rather he followed the setting sun to newer lands. He was bold and fearless. Richer lands always laid to the westward. With his trusty rifle to defend his loved ones from the hostile Aborigines, he found a new home.

But the time came when such lands were not to be acquired, merely for the taking. The immense increase in population gave value to all lands. Then a new change of thought came over the farmer. Instead of moving he found it more profitable to increase the fertility of his present holdings. Agricultural knowledge came into demand. The science of farming commenced to be taught, agricultural colleges were established in every State. Our government raised the office of agriculture to a great department of state, equal to the other great divisions of government. From this date great advancement was made by the national Department of Agriculture, in forwarding and guarding all our great interests. Explorers and investigators were sent to all quarters of the globe.

I will mention only a few results of this course. The navel orange was discovered in Brazil. It will be remembered that while the Smyrna fig tree grew to perfection in California, yet it refused to produce fruit in its adopted home. The national Department of Agriculture took the matter under consideration, and some of its explorers discovered that a certain bee was the distributor of the pollen from tree to tree. The bee was introduced into California, and now this lucious fruit is produced in Colifornia, equal to the fruit in its original home.

I will remind you that it was the Department of Agriculture, through its agent, Dr. S. A. Knapp, which introduced several species af Japan rice which has proven very prolific on the Gulf Coast, and has been of inestimable value to this country.

This great division of our government also studies diseases of plants and live stock. It has performed valuable work in controlling Texas fever among cattle. I only mention these few benefits among the hundreds which have arisen from the watchfulness of our public servants. But to each respective state must we look for the full exploitation of agricultural experimental work. The national depart-

ment sends its explorers abroad and searches the world for what may seem useful for our needs.

It introduces what is new, but here its offices end. The respective States must undertake the experimentation of the work. But while the government has done much, the farmer and the State must do the greater part. The farmer must co-operate. The State must carry on experiments. But little as yet has been done for the rice planter in this line, and much remains to be done. Rice culture is in its infancy. But little thought has been given to the science of its culture.

To the present Secretary of Agriculture, Hon. James Wilson, too much praise and appreciation cannot be accorded for the great work which has been done by him in agricultural work since he has been in office, especially in the South, to which portion of the country he has devoted the greatest time and attention.

THE PROBLEM OF DISTRIBUTION.

James L. Wright, Crowley, La.

In the few remarks which I shall make upon the subject of "Rice Distribution" (and which subject, by the way, could have been very much more ably handled by Mr. Orme to whom it was originally assigned), I desire to proceed upon the theory that the main solution to be worked for is the accomplishment of five important results connected with the distribution, as follows:

- 1st. Elimination of competition.
- 2nd. Reduction in cost of distribution.
- 3rd. Better facilities for placing rice before the trade.
- 4th. Inauguration of an advertising campaign.
- 5th. Mutual co-operation of all sellers.

And with your kind permission I shall touch briefly upon the importance of bringing about the conditions which will not only make it possible, but accomplish most thoroughly the five results enumerated.

First. In the matter, of eliminating competition among the distributors of rice to as great an extent as possible, it hardly seems worth while to take up time in referring to the various and many reasons why this should be done. It will be readily granted that the distribution of any commodity, whether a staple or not, is brought to the highest degree of satisfaction only when the majority of sellers have, either by agreement among themselves or by other

means, arrived at a plan for the successful elimination of that "throat-cutting competition," each with all the others (to use a term frequently heard among the sellers of rice) which has caused either a decline in the market price on the article being sold, or created the impression among buyers that (because of the over-zealous efforts of the competing sellers to increase their individual distribution) the supply of such article is either largely in excess of the demand, or can be bought much below the prices quoted by the holders—a most natural inference when active competition among fifty or sixty millers and nearly as many dealers brings a crowd of brokers buzzing around the buyer with countless lines of samples, and possibly as many different ideas of value.

Second. As regards the cost of distribution under the methods which have been in vogue since the establishment of the rice mills outside of New Orleans, and which still maintain their hold upon three-fourths of the rice mills of Louisiana and Texas, there hardly seems room for argument on the point that, unless there can be an increase in the revenue received for selling the cleaned product, there must of necessity be a reduction in the present high and excessive expenses of the sales departments, because of the fact that the rapid increase in competition for the business has naturally increased the cost of getting the business. The great increase in the competition for individual distribution among mills has, to entirely too great an extent, so affected the average values of the clean product, particularly during the past three years, as to bring the average selling price below that figure at which the commission of three and one-half per cent would cover the cost of distribution. And even if that were not the case the fact still prevails that with the keen competition for the buying of rough rice, or for securing such toll business as may still be had which let us all hope may be entirely eliminated before two more seasons have passed), does not permit the mills as a whole to secure a sufficient quantity of rice to justify the heavy expenses attached to each individual institution under the present system of distribution. Economy has been the watchword in all branches of the rice industry during our past two seasons of depression, and it daily becomes more evident that in the solution of the problems of distribution economy must not only extend to that detail of the business, but must also be followed by a material reduction in the cost of distribution.

Third. Upon the point of creating or securing better facilities for placing rice before the trade, which will naturally also create those conditions necessary to endanger increased consumption, with consequent advantages in the matter of distribution, I wish to offer the theory that the active competition among a great number of sellers (mills, dealers and sales agencies all included) very naturally places in each market a correspondingly large number of rice accounts to be represented. And since none of these sellers will consent to his broker representing all of the others, very naturally these rice

accounts must be divided among several brokers (possibly a dozen or more in many large jobbing centers), with the result that the brokers, with a very few exceptions, must handle various other commodities. Outside of New Orleans, exclusive rice brokers are very scarce indeed. Therefore, they devote to rice only such amount of their time and energy as the commissions received upon same entitle it to, in comparison with the other accounts handled in their offices. I also wish to make the point, based upon a statement several times made to me by brokers, that there are other lines a great deal more profitable to them than their rice accounts. If this be correct, then it must be admitted that our present facilities for placing rice before the trade are in need of great improvement, because of the fact that rice must divide honors at the hands of the man who is expected to place it before the trade for us, with all other commodities handled by him. Very naturally, therefore, the rice end of the business is pushed only in the same ratio as the commissions from its sales make it profitable to the merchandise broker. And upon this theory I wish to also make the point that in the matter of distribution it is of the greatest importance to the industry at large to have in every market of any consequence at least one representative who will devote his entire time, attention and energies not only to the selling of rice to the wholesaler or the jobber, but whose connection with the rice business will be so exclusive as to justify him and make it profitable for him to go even further than this, and act in the capacity of a local advertising manager for his particular market and work continually for an increased consumption.

Fourth. This brings to me the one detail of the rice business to which it can be truthfully said that practically no attention whatever has been paid, and to which in all other commodities, staple or otherwise, it is considered the most important—yes, even the very life of the distribution end of the business. I refer to advertising. That an increased and more satisfactory distribution is absolutely dependent upon an intelligent and active advertising campaign is a point which needs no argument or proof. That the rice industry stands today in greater need of the proper advertisement of rice as a healthy and nutritious article of food cannot be denied. I think it will also be admitted that the cost of such an advertising campaign for individual competitions in such numbers as we now have in the distribution of clean rice to attempt to carry it on—neither would there be that uniformity which is of great importance to the proper advertisement of one certain article, if results are to be accomplished.

Fifth. We are, therefore, brought fact to face with the importance and absolute necessity of mutual co-operation among the sellers of rice if the problems connected with rice distribution are to be solved. It has been proven in the light of our experience during the

past five years that the absence of co-operation engendered only that class of competition which started the market on a downward trend; and it has also been shown that conditions of this kind were offset only by such mutual efforts or co-operation as have been accomplished from time to time among the distributors of rice. The history of every manufacturing and milling industry has shown conclusively that a closer relation among the "first hands" in the business is absolutely necessary for mutual protection and profit. We have all seen those occasions when at times in the distribution of practically all commodities the market seemed burdened with a surplus stock, and when efforts to continue even an average distribution only had the effect of weakening the market and causing lower prices. This applies with special force to the rice business. Furthermore, there is frequently such a great lack of uniformity in the values quoted (because of the absence of co-operation) that jobbers who would otherwise buy large stocks of rice are afraid to invest their money in heavy purchases because of the fear that some sellers, in the absence of uniformity and lack of co-operation, will quote prices so far out of line as to bring about the proper confidence in our market to induce the buying of large quantities, such as the trading we enjoyed before the competition among rice sellers had reached the extent of the present day. It is in such cases as those just mentioned that the necessity of co-operation has become most evident; and the high degree of success which has crowned the few genuine efforts at co-operation in the past among the rice men should certainly encourage and foster any renewed efforts which may be inaugurated toward that end.

If the five points touched upon by me and the facts or opinions advanced are correct to any degree whatever, it naturally follows that there must be a means of accomplishing these results. I take the stand that there most certainly is, and that those conditions most to be desired can be created only by a co-operation of far greater scope than any yet established in the rice industry, or, in other words, a concentration of interests into one, two or three central organizations—either by an amalgamation of all milling and irrigating interests, or by the centralization of all sales through one, two or three selling agencies. It is only by this means that we can eliminate that competition now so detrimental to the profitable distribution of rice; greatly reduce the cost of distribution; create better facilities for placing our rice before the trade through our exclusive rice salesmen; inaugurate an advertising campaign and accomplish great results by reason of the strength to be derived from unity among sellers; and, last but by no means least, bring about that co-operation and confidence among the sellers of rice without which the great strides necessary to be accomplished in distribution will be impossible—but with which we will reap the greatest reward of success.

DRAINAGE AND RECLAMATION.

Henry L. Gueydan, Gueydan, La.

When the executive committee assigned me the two subjects Drainage and Reclamation, for one address, the members had in mind, no doubt, that the one went with the other, that the first essential to reclamation is drainage and that to drain is to reclaim,—the two are inseparable, and might be termed—effort and accomplishment.

The arid West is now being reclaimed by irrigation, fathered by the federal government at a cost of scores of millions of dollars. Better could our government afford to reclaim by drainage the richer low lands of the Gulf Coast of Louisiana and Texas, and for much less money.

Our lands, properly drained and reclaimed, would raise nearly any crop that the irrigated lands of Colorado can raise, and many other money-making subtropical crops that Colorado cannot raise, even with perfect irrigation. It is the long-growing summer, it is the humidity in the air that makes the difference. There are the principal things we buy when we buy tract of land in the coast country. Drainage, irrigation and cultivation are more attributes that man can bring about in Colorado as well as here.

Did it ever occur to you that while Uncle Sam is very generous with the arid West, he is very niggardly with the too-wet South? Is there any special reason why he should spend so much money in reclaiming this desolate and sun-parched territories, and refuse us lesser sums to reclaim our richer low lands? South Louisiana and South Texas are in greater need of farmers than Colorado, and their lands, once reclaimed, will support more inhabitants to the square mile than the reclaimed lands of Colorado, because they are richer lands, and will raise more crops in one year, and more valuable crops, too.

But, has Uncle Sam really refused us money? Have we ever asked it ow him for this purpose? Have we been as energetic and persistent and systematic in our demands as the hustling Westerners?

The projected inthercoastal canal of Louisiana and Texas would be a good start by the government towards reclaiming many hundreds of thousands of acres of most valuable lands. Are we taking the interest in this great project that we should. Have the boards of trade of Houston, Beaumont, Lake Charles, Crowley, New Iberia and New Orleans ever done anything to bring about and further this great enterprise? Have any Louisiana and Texas delegations in Congress

given it much thought? Has our own Rice Association ever moved towards its accomplishment? Congressman Broussard has been active in obtaining an appropriation from Congress for the survey of the proposed route, but he should have the backing of the whole Gulf Coast country. Congressman Ransdell is to be congratulated on his persistent efforts in behalf of our waterways. State aid should be invoked also towards draining and reclaiming all coast lands now unproductive.

Will A. Steidley and H. C. Drew were instrumental in having very good drainage laws passed by the Louisiana Legislature in 1900 and 1902. It is now possible for land owners to form drainage district and tax themselves to obtain the necessary relief. Several of these districts have been created in Louisiana, and, where successfully administered, have done much good. Nearly all the work can be done by dredge boats, at say nine cents a cubic yard. We cannot have too many of these canal diggers in the coast country. I would like to see every ward in every coastal parish in Louisiana, and every district in every coastal county in Texas own a dredge boat to be operated at the expense of those in need of drainage. For instance, the Gueydan Drainage District owns a one cubic yard orange-peel dredge, and anyone within the District can make use of this dredge by paying for operating expenses and all repairs. The crew is picked by the Drainage Board and does good work and quick, so that the work is done at a minimum cost. The dredge boat is kept at work constantly, and there are now several applications for it. I am so convinced of the importance of drainage that I have had a dredge boat built to dig the many canals necessary to drain my old lands south of Gueydan.

In connection with the drainage problem it will be well not to lose sight of the importance of building roads at the same time. A small four to six mule road grader and ditcher is a valuable asset on a large farm. Every half-section line, as well as every section line should have a well-rounded road with a drainage ditch on each side, and necessary bridges and culverts. The road and itches can be built with a road grader on the higher lands. Where the land is low it is cheaper to dredge the drainage canals alongside the section and half-section lines and make roads with dirt therefrom. The dredge boat takes up the work where the road grader ends. This gives us a good drainage ditch on the four sides of each quarter section. In nearly every case the rice levees, with their corresponding drainage ditch at the base can be brought to two of these four boundary outlets, thus affording good drainage of our fields. Very often a few hours work with the 'pusher' will insure perfect drainage to a twenty-acre field. It is my opinion that we should make our drainage ditches deeper, for rice as well as for other crops, so as to keep the subsoil drained to the hard pan during the whole year, except when flooding. As I own a dredge boat and a road grader for use on my own lands, you will readily see that I practice what I preach.

In our Gulf Coast country there are lands that are high enough above the sea level to be reclaimed by natural drainage, while lower lands nearer the Gulf can be reclaimed only by artificial methods. A great many of the most valuable sugar plantations are drained artificially. St. Mary is the richest agricultural parish in Louisiana. The low Cyprement district of St. Mary, which was impassable marsh a few years ago, has been artificially reclaimed, and now produces the best cane of the 'Sugar Bowl Parish' of Louisiana. And the good work of reclamation still goes on. Those engaged in the pursuit of making sugar cane, rice and corn grow where marsh tule grew before, have left the philosopher's 'two-blades-of-grass' benefactor far behind.

To reclaim a square mile of submerged prairie or open marsh, dig with a dredge boat a four foot canal, twenty feet wide, inside the four boundary lines of the section lines for roads. You now have the square mile enclosed by levees or roads on the ofursides, so that no water can flow in. In stall a low-lift pump out at the lowest point that intersects any of the roads, so as to pump out all the rain water. Now dig drainage canals on half-section lines within, both north and south, east and west; and then dig ditches on quarter-section lines. It is surprising how little it costs to take care of the rainfall; and this cost is more than repaid in the more abundant yield of the crops. Another advantage to low reclaimed lands is that they are more easily and cheaply watered. The same water that has been pumped out in the Spring can be allowed to flow in during the Summer months to irrigate the crops—a blessing henceforth—a detriment no longer.

I hope to see the day not far distant when nearly every field in the rice belt will be well drained; when our present low marsh lands will have a canal on every section line to serve the three-fold purpose of drainage, irrigation and transportation; to see our lands thickly inhabited with desirable and prosperous settlers; and the whole Gulf Coast country in a high state of scientific cultivation—the 'Holland of America.' "

PRESS  PRINT
LAKE CHARLES, LA.

Imported Japanese Seed Rice.

KIUSHU VARIETY.

THIS IS THE VARIETY selected in 1898 by S. A. Knapp for the U. S. Department of Agriculture as best adapted to the Southern States. It was recommended by the Imperial Agricultural College and the principal rice experts in Japan. Most Japanese rice is of mixed varieties and has more or less red, owing to the many small fields in central Japan.

The Kiushu variety we import has the following characteristics:

1st. It is a pure bred seed rice.
2d. The grains are large, even and flinty.
3d. The vitality of the seed is such that 35 pounds on good land is sufficient to seed an acre. In one case this season (1900) 30 pounds of seed were used and produced 23 barrels.

4th. It is harder than Carolina or Honduras. It will stand all sorts of grievance and yet make a crop. It makes a crop with less water.

5th. The product per acre is on an average 2 to 4 barrels per acre more than other rice. It has a thinner hull and weighs heavier for same measurement.

6th. It mills better than Honduras, giving six to ten pounds more rice to the barrel and immensely more head rice, being less liable to be chalky.

7th. It has a long head and a firm short straw—about two thirds the straw of Honduras, but much tougher. It will withstand severe storms with very little shelling. In May 1900 we sold a party on the Colorado river, in Texas some of this seed. He planted 150 acres. The Galveston storm ruined his cotton but his Kiushu rice was little injured. It yielded 17 barrels per acre. The straw is green at harvest and properly stacked is better than ordinary prairie hay for stock.

8th. The rapid gain in favor of this rice is shown by the importations. The U. S. Department of Agriculture through Prof. S. A. Knapp, imported 10 tons of Kiushu rice in February, 1899 and distributed to planters. In February 1900 we imported 123 tons, prominent planters taking the whole in car lots. This year the probable importation will be much larger.

Terms:—Foreign rice is higher than last year. Our price for February delivery is \$7.25 per barrel f. o. b. Lake Charles, La. A discount will be made on orders of 5000 pounds and upwards. A special discount will be made on carload lots with guarantee. Where there are sufficient orders to make a carload from any locality the rice will be delivered at the nearest station on the Southern Pacific Railway without extra charge. To secure rice on above terms the order must be received before December 31, 1900.

Special arrangements have been made with Prof. S. A. Knapp of Lake Charles, La., to select, import and distribute this rice. All orders should be sent to him at above address. Delivery February 10 to March 10, 1901.

Terms cash on delivery.
Lake Charles, Louisiana.

H. C. DREW,
S. ARTHUR KNAPP.

Special Notice.—We have 1500 barrels of Kiushu Japan rice raised on sod land from seed imported in February, 1900. We will sell this at \$5.00 per barrel f. o. b. Lake Charles or Welsh.

The Federation of the World

*marked
p 4-5-6-8*

1906

THE FEDERATION OF THE WORLD

BY
WALTER J. BARTNETT

MEMBER AMERICAN SOCIETY OF INTERNATIONAL LAW

SAN FRANCISCO:
THE MURDOCK PRESS

1906

The Federation of the World

The federation of the world—a conception so grandiose as probably to seem chimerical to one who has not observed the signs of the times, seems nevertheless to be slowly but surely taking form and substance.

Far in the past, on the minds of the world-conquerors, shone the ideal of a world united. In the present, on many a mind is shining this great ideal; but now has the dreamt-of tyranny of the past been glorified into the idea of a union of the nations in a voluntary federation.

Like the growth of a tree from a seed, the growth of the modern ideal has been of an inevitable and fateful character; and in its present stage a discerning eye can perceive the outlines of the grand consummation.

Immediately preceding the more definite conception of a world-federation are to be seen a number of nourishing factors—each adding its quota, its energy; as, for example, the application of steam to navigation and to land transportation, the extension of telegraph and telephone, the industrial inventions which have rendered each country dependent on others for vast quantities of supplies, the practice of international loaning of money, the growth of international brotherhoods, the readier and cheaper production of books, the growth of the press, the increase of general education, and the consequent partial elimination of national prejudices; each of these bringing material benefit and inculcating ideas of interdependence and mutual help on a national scale.

Let us consider now that which corresponds to the sapling—the young form which, out of the darkness and groping of

the life in the soil, has risen to view and, though but partly developed, foreshadows the coming tree.

It is commonly accepted that the welfare and prosperity of mankind depend more upon agriculture than upon any other industry. Statistics from all lands on the production and consumption of agricultural products, intelligently disseminated, must affect the destinies of millions of people. Official and reliable data concerning the results obtained by such men as Luther Burbank, and miscellaneous information such as that gathered by organizations like the United States Department of Agriculture, if spread throughout the world freely for the benefit of all who are interested, cannot but profoundly influence for the better the agriculture of the world and consequently improve the condition of the people. If the advance made by our farmers in wheat-growing during the past ten years could be intelligently presented to the peasants of Russia, much of the agrarian trouble of that country would be remedied. If the information that the California fruit-growers possess could be transmitted to the agriculturists in Siberia, fruit-growing would in a decade be one of the great industries of a large portion of that territory. On the other hand, could the agriculturists of our country receive accurate information freely and readily concerning the products of field and orchard and vineyard of the remainder of the world, our advance in these matters must proceed apace. The food supply of hundreds of millions of people is now being brought from far-distant points; to cheapen the marketing and insure the purity of this food must necessarily affect the well-being of those who depend upon it. Reliable information as to crops and as to agricultural products in storage and in transit the world over, will tend to promote a better adjustment of supply to demand, promptly and sometimes with incalculable benefit to millions of people, as in cases of threatened famine.

Our country spends millions per annum in securing information of this character pertaining to its own territory, but the benefits derived are but partial, owing to the lack of accurate statistics concerning other countries.

The inference from all this is: that the welfare of the world is to a considerable degree suffering from a want of co-operation of the nations in this very vital department of human activity; and that it would be to the advantage of all were the governments of the world to come to an agreement on this subject—an agreement best embodied in a permanent form, perhaps, by the establishment of an international board of competent delegates from each nation, whose duty it should be to promote the advancement of all forms of agriculture throughout the world irrespective of nationality or of personal interests.

To one man belongs the honor of perceiving this clearly and of bringing it about—Mr. David Lubin, of California. Through his efforts was the King of Italy converted to his views. Thereupon under the leadership of the King was inaugurated a movement of such strength that finally forty-two nations assented to the plan of co-operation proposed; and but a short time ago the Senate of the United States ratified a protocol committing our country to its support. Thus has been born the International Institute of Agriculture, to be supported by funds from the treasuries of nearly all nations—the first voluntary world-movement of all-embracing import.

So interrelated are human affairs that, having been firmly established and begun its work, this institute will gradually enlarge its scope and more and more firmly cement the common interests of mankind throughout the world. And so potent is suggestion and so fecund are fundamental ideas, that from this new organization and that older one, the International Postal Union, which has accomplished so much for the intercommunication of the peoples of the world, will spring others of their sort.

The movements which are embodied in the Interparliamentary Union and the American Society of International Law are directed toward the codification of international law and the firm establishment of principles that will be recognized by the courts of every land. During the Russo-Japanese trouble the peoples of many lands were concerned with the

question as to what articles were contraband. The principles of international law as interpreted by various writers were not uniform, the result being that merchants were at a loss as to what course of action to follow. This is an example of many that might be presented wherein great benefits will flow from the coming together of all nations in an institution that will reduce these matters to order and uniformity; the principles finally settled upon, to become active by being incorporated in the various international treaties.

In connection with the establishment of the International Institute of Agriculture and the formulation of definite laws operative between the nations in peace and in war, there may well be considered the establishment of a permanent body of delegates to regulate matters of international commerce, thus providing for greater commercial freedom, minimizing the risks of commerce, and affording greater legal protection and personal security to the people that engage in commerce. Through the power of the Federal Government to regulate interstate commerce, we in our country have been able to correct some of the greater abuses that flow from the selfishness of man; for instance, that of the sale of impure foods, and that of the lack of sanitation of packing establishments. Such matters could be regulated on a world-wide scale by an International Commerce Commission.

In relation to the foregoing, and matters for consideration by such a commission, are the following:—

1. The adoption of a uniform standard of exchange throughout the world. We all know the great benefits that have resulted from the adoption by many nations of the gold standard. Yet the adoption of this standard is but a part of the great work that must be done to render stable the commerce of the nations. When all have adopted the gold standard—as they doubtless will—a second step will be required, namely,—

2. The adoption of a common system of exchange, or money which will be good the world over. There is no reason why a system of exchange cannot be devised that will be a common measure of value in all civilized lands.

3. The establishment of a common standard of weights and measures. The good this will accomplish is obvious. The use of the metric system is gradually being extended; in another decade it will probably have become universal.

4. The introduction of a universal language. Such a language, of scientific construction and capable of easy expansion concurrent with growing needs of nomenclature due to new inventions and scientific discoveries,—a language which shall, along with the mother-tongue, be taught in the schools of all nations,—would be an important factor in the promotion of international understanding and popular benefit.

Through all these things will the peoples of the earth be brought into closer and closer commercial relations. Commerce will be greatly increased. In many ways will the material welfare of all be advanced. Through the masses of the populations will be diffused a greater and greater knowledge; and the consequent better understanding of one another will result in a further gain—a gain inexpressible in terms of commerce.

The question may now be asked: What is to be the effect of these movements upon the destiny of nations?

Let us try to answer this.

First: The true function of government is the advancement of the welfare of all classes. This function applies most particularly to the care of the proletariat. To advance the masses morally and intellectually it is essential to advance them first in a material way: it is requisite to supply them with work and increase their productive capacity—their power of acquiring for themselves from soil and mine and factory and trade a greater income and thus a better environment and more leisure. For example, the people of Russia must be taught how to utilize the energy of their vast water-power, as the people of New York use that of Niagara and the Californians that of the streams from the Sierra Nevada. The workers of the world who are following primitive methods must be shown how to more fully develop the energies of soil and mine and stream through modern methods. Thus will be aroused in them renewed and more intelligent industry, with

greater scope for the employment of their minds: this, seemingly slow though it may be, will inevitably result in intellectual, moral, spiritual, and political progress. This awakening of the higher nature in the masses will gradually be brought about by the interworking of many factors, notably through free and compulsory education, but chiefly perhaps through the wide diffusion by the individual governments of knowledge appealing to the immediate self-interest of men, enabling them to earn more with a given amount of labor,—knowledge derived from the general information and the statistics published by such international institutes as we have spoken of.

Secondly: The greater enlightenment of the people of all lands means ultimately the greater stability of government. As the people become more enlightened, they will have an ever-growing voice in government. As this proceeds, they will demand—and some are beginning to demand it now—freedom from the burden of taxation for the purpose of maintaining the immense standing armies and the great navies. In Italy the income tax alone is 14 per cent of incomes, and the total tax in some sections of that country amounts to 30 per cent of the gross earnings of the people. Already in Italy there is a movement of great proportions opposing the voting of further sums for army and navy. The masses of Hungary are thinking the same way, as also are a large party in France and a considerable party in Germany. The prosperity of Canada and Australia has tended to broaden the minds of the masses of England in respect to taxation: perhaps it was partly in consequence of this that the voters of England in the last election more forcibly than ever before expressed themselves in opposition to the expenditure of large sums of money for the maintenance of the army.

In this connection the Russian nation is a particularly interesting subject. The peasants of Russia are thinking potently. The Douma, temporarily discountenanced, will become within a decade a power little dreamed of today by many of the statesmen of Europe. Russia is the one country in Europe that can be called the United States of Europe. The most despotic of governments, she nevertheless is think-

ing today the thoughts of America and studying American institutions, and in the next twenty years will have enforced many of our American ideas. Like the United States, she is composed of many races. The Russian territories contain a population of 140,000,000 people, divided into 111 races. During the past thirty years the government has been preparing for the formation of the most democratic state in all Europe: unconsciously it has been laying the foundations of a great constitutional monarchy with power vested in the people. This has been partly accomplished through the intercommunication between remote portions of the Empire provided by the construction of one of the greatest railroad systems in the world. The government now owns about 30,000 miles of railroads, valued at more than \$1,500,000,000. When the history of the past century is written, the construction of the great Siberian Railroad must be recorded as one of the most potent civilizing factors of the century. Along the line of that railroad millions of peasants will settle in the next twenty years. Emigration from European Russia into the Siberian territory will be rapid. Russia now has her outlet on the Pacific. She contemplates building a new railroad, to run from Lake Baikal through Chinese territory to Peking and the port of Tientsin. This road will open to the people of Siberia, for their agricultural products and their timber, the great markets of China; and the construction of the Panama Canal will give to this vast country a world-market. When it is remembered that Siberia is as large as the United States, that it is situated mostly in the temperate zone, that it is fertile, and that in great part the climate resembles that of Illinois, one can readily understand that here the Russian peasant will rapidly advance materially and commercially, and that the form of government he will ultimately have, will be a liberal one modeled in all probability after that of the United States.

It is the destiny of the United States to extend a friendly hand to the civilization that will develop in the Russian territory bordering on the shores of the Pacific. With the friendly aid of the United States, the great markets that will

open up for the products of field and forest and mine and factory of all Russia, the gradual enlightenment of the farmers and operatives of all classes in the way of improved methods learned through the agency of the international institutes, the whole population of the Empire will come in time to have the same incentives to general progress that the people of the United States have; they will see their opportunities in the lands they already possess, will endeavor to develop them to the utmost, and, like the peoples of other countries, will mightily oppose through their representatives in the Douma the maintenance of a great standing army.

As a general proposition we may say that the principle of the government of the people by the people for the people, is becoming universal, and that when the peoples of the European countries finally express themselves fully, it will be first and foremost in the way of refusing to pay taxes for the maintenance of great armies and navies. This will probably occur within the next twenty years; it will be a bloodless revolution; and its effect will be most beneficial and far-reaching, as the following considerations will indicate:—

The expenditures by the nations of Europe for military and naval purposes aggregate probably more than \$1,500,000,000 per year. In the standing armies and the navies of those nations there are now about 4,000,000 men. This vast number of men constitutes just so much energy directed to other than productive ends. What it costs to maintain these men represents, on the one hand, money derived from governmental revenues other than taxes, which money might be used by the government for the public benefit; and on the other hand, money derived from taxes, which money, retained by the tax-payers, would better their condition.

Were European states to disarm as against one another and retain armies and navies for policing only, there would probably be released say three-quarters of these 4,000,000 men, or 3,000,000 men in good physical condition, among them a considerable number of very intelligent minds. Assuming that one-tenth of these would emigrate to the New World, we have left 2,700,000 to engage in productive work in Euro-

pean countries. Of these about 135,000 would be officers, men of trained minds. Assuming that these 2,700,000 men would, on an average, earn \$400 per year apiece, this would mean an increase of over \$1,000,000,000 per year in wages alone. It is likely, too, that the great majority of these men would work for others and receive wages considerably lower than the value they produce.

And further: We should have that part of the governmental revenues other than taxes, and that part of the incomes of civilians expended by them as taxes, at present devoted to the maintenance of these men and the equipment, fortifications, men-of-war, etc., corresponding to them—re-distributed and turned into more beneficial channels. The money thus set free to be applied to public improvements, and that now expended by civilians as taxes, but in the event of disarmament restored to them, would amount in round numbers to, say, \$1,000,000,000.

We should therefore have to the credit of European nations, as the result of disarmament, a yearly increment of wealth which we may conservatively estimate at \$1,000,000,000, and a yearly addition to public improvements and personal comfort and well-being represented by the amount of \$1,000,000,000,—a total betterment of \$2,000,000,000!

While the foregoing figures cannot in any case be considered exact, they nevertheless are so nearly so as to indicate the magnitude of the benefit that would result from disarmament.

In addition to the above, the following words from Mr. Vivian of the British House of Commons are to the point:—"War expenditure lessens the national and commercial credit, intensifies the unemployed problem, reduces the resources available for social reform, and presses with exceptional severity upon the industrial classes."

And the following from an editorial in "The Japan Weekly Chronicle" (Kobe):—"War" (and he might have added—a constant readiness for war) "creates an incubus of debt which lies as a permanent dead weight upon a country's life and enterprise—which militates against those works of public utility absolutely necessary for the national progress, and

necessarily imposes a burden of taxation which is felt by every class."

The following also is pertinent:—In 1905 England spent on her army and navy an amount exceeding \$300,000,000, whereas in the same year she appropriated to Education, Science and Art only \$79,000,000. These figures need no comment.

As reason, or the great common-sense of mankind, is bound to triumph in the end, we may predict with absolute confidence that in a comparatively short time—now that the movement has been started—the benefits that so obviously will accrue from the cessation of international wars, will appeal with so compelling a force to the peoples of Europe that the governments will finally heed their voice and gradually disarm. In this it is likely that the weaker nations will lead. Italy—ever one of the first nations to advance new movements—will vote to disarm, retaining but a moderate standing army and a small navy. France will follow. The people of England will presently refuse to appropriate money for extensions of the military or the navy: this the precursor of disarmament, which will follow in time. Even the people of Germany, headed as they are by the ambitious Kaiser, who is the sole force of any magnitude opposing the peace-idea, will in the course of a few years bring about reforms in the interests of reason and general well-being.

The nations having partly disarmed, due to the enlightenment of the people and their greater voice in the government, the appeal to arms in cases of international friction will inevitably become less potent than the appeal to peace through arbitration—with the consequent maintenance of commercial and governmental stability.

Therefore—repeating our propositions: first, that the true function of government is the advancement of the welfare of all classes; and secondly, that the greater enlightenment of the people of all lands means ultimately the greater stability of government; and setting beside these propositions the fact that the principle of the government of the people by the

people for the people is becoming universal, and the fact that the nations are beginning to realize the self-interest that lies in co-operation—we have a warrant unimpeachable for the faith that is in us; namely, that in the course of but a few years we shall see the shaping of a true world-movement—for Japan and China, the United States of America, and the rest of the civilized world will join with the nations of Europe—toward the effectuation of an international understanding embodied in a permanent institution of universal scope.

We have now considered those things that correspond to the hidden, unconscious forces which precede the appearance of the tree above ground, and we have considered the things which correspond to the early growth and gradual shaping of the tree: let us now consider that which corresponds to the tree itself, developed.

In this permanent institution in which all nations will join, the full characteristics of the world-federation will begin to show forth—hesitatingly at first, for it will be subjected to storms of criticism, blights of self-interest, heats of prejudice; but, even so, it will grow the hardier, and more deeply will it send its roots down into the heart of humanity and to greater purpose will it raise aloft its noble presence in the pure air of altruism, of universal benefit and good-will.

This permanent institution, this parliament of widest scope, which is to embody the international understanding, will from its very nature eventually include within its purview the more specialized international institutes. The details of its development we can hardly foretell with definiteness, but we may say with some confidence that the earliest action taken by the great nations of the world will probably be the signing of a protocol whereby they will cede to the jurisdiction of the parliament a certain armament, a certain number of ships and sailors and soldiers, for the purpose of executing the decrees of the tribunal; thus enabling all the nations with safety to disarm as against one another, retaining only such armies and navies as they may need for policing purposes. The protocol

will develop into a constitution providing for executive, judicial and legislative departments, and embodying articles which in time all nations will ratify. And upon this must inevitably follow the arbitration of international disputes, the cessation of international war.

Strange is it to contemplate—and we see in it the working of the Reason which rules the world—that to the head of the most despotic of the great nations and to a representative of the most democratic belongs the credit of first practically urging the idea of the promotion of a peace universal: to the Czar Nicholas and to Andrew Carnegie is the world indebted for the preliminary shaping of this grand conception.

Mr. Carnegie has given much thought to this subject. Several years ago he pointed out the great benefits that must result from the organization of the nations into "The United States of the World." His interest in the American Society of International Law and in the peace conferences, and his construction at The Hague of the Temple of Peace, where will be housed the International Board of Arbitration and also, we hope, the International Institute of Agriculture and all other international institutes, for we believe that in this case the sooner will be effected the union of all in a true International Parliament—all this on the part of Mr. Carnegie will contribute much to the success of this great movement which has for its object the preservation of peace and the betterment of the peoples of all lands.

It is greatly to be desired that the International Institute of Agriculture be permanently housed at The Hague. The presence there of the representatives of that institute, working together to better the economic conditions of their respective countries, would be a factor of great potency in advancing the cause of the International Board of Arbitration and universal peace. **The Temple of Peace should be selected as the home for all the world-movements.**

With the federation of the nations under a constitution ratified by all; with the devotion of human energies in this

way to the material, intellectual, and moral welfare of humanity; with the growth of tolerance through knowledge; with the perception which is bound to arise, of the interrelation of all mankind and of the fact that the happiness and prosperity of other peoples contribute to our own prosperity and happiness;—with all this we have the fullness of growth which corresponds to the developed and firmly planted tree,—a tree indeed, whose trunk is humanity itself, whose greater limbs are the greater nations and whose smaller limbs are the smaller nations, whose roots are the roots of humanity in the Source of All, whose sap is the Spirit of Life.

Inevitable, fateful, not to be stayed in its growth—obviously a part of the Divine Plan—proceeds this great idea. Let the mothers and the teachers of the land aid in its progress. To spread this gospel is a work of sublime importance. Men and women are needed for this, and men and women are needed in whom to embody the delegated powers of the nations. In every nation is one person best fitted to serve as its representative. At the present we are singularly favored—we Americans: our most efficient person is known to us. I refer to our President, Theodore Roosevelt.

Already has President Roosevelt achieved for himself a permanent place in history. The great services he has, even so far, rendered the cause of international arbitration and of the world's peace, have determined that. His timely and insistent mediation in the Russo-Japanese war resulted in bringing to a conclusion and to a satisfactory settlement one of the most costly and bloody conflicts in the history of civilization. His work, together with that of President McKinley and John Hay, prevented the partition of China; and during his administration the United States has taken its place among the great world-powers. Besides this, the tendency of his mind and scope of his thought are plainly evinced in this recent sending of Mr. Root on his mission to our sister nations in South America—a mission which will not only assure them of our cordiality and goodwill, but will tend to bring them into closer relations with one another and ameli-

orate greatly the industrial, commercial, and other conditions prevailing among them, by leading them to the principle of resorting in cases of misunderstanding, not to arms, but to arbitration, thus to a considerable extent directing them into line with the great world-movements.

When Mr. Roosevelt shall have completed his work as Chief Executive, what better cause can he serve than that of the active promotion of universal peace? Our country urgently needs as its representative in the conferences at The Hague a man such as he. It should appoint him, and should empower him unstintedly to act with his confreres from the other great nations in formulating a plan for international arbitration and federation. He has proved his worth and his capacity. He would attain the end he set out to attain. We hope—nay, we urge—that when the time is opportune, the United States of America constitute him its Permanent Delegate to the International Board of Arbitration, the first Parliament of the Federation of the World.

How better conclude than with the vision of a poet whose insights the world is hastening to verify and confirm to the full? Looking from the past to the future, he noted the progress of humanity from the reign of physical force and compulsion—the day of the brute in man—and saw it culminate in the regnancy of moral suasion and justice—the day of true manhood, when:

“—— the war-drum throb’d no longer, and the
battle-flags were furl’d
In the Parliament of man, the Federation of the
world.”

And going farther—searching to the heart of things with the eye of insight—he prophesies the next step, the elimination of internal, that is, industrial or insurrectionary, strife under the sway of Reason;—the outcome of it all, when:

“—— the common sense of most shall hold a fretful
realm in awe,
And the kindly earth shall slumber, lapt in uni-
versal law.”

ANNOUNCEMENT

TWENTY-EIGHTH ANNUAL MEETING

OF THE

AMERICAN ECONOMIC ASSOCIATION

TO BE HELD AT

WASHINGTON, D. C.

MONDAY, DECEMBER 27,
TO THURSDAY, DECEMBER 30, 1915

ISSUE OF DECEMBER 8, 1915

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TWENTY-EIGHTH ANNUAL MEETING

The Twenty-eighth Annual Meeting of the American Economic Association will be held in Washington, D. C., from Monday, December 27, to Thursday, December 30, 1915.

The American Historical Association, the American Statistical Association, the American Sociological Society, the American Political Science Association, the American Association for Labor Legislation, the Nineteenth International Congress of the Americanists, the American Society of International Law, the Naval History Society, the American Folk-Lore Society, the American Anthropological Association, the American Archaeological Institute of America, and the Mississippi Valley Historical Association will hold their annual meetings in Washington at the same time. The Second Pan American Scientific Congress is also to be in session in Washington from December 27 to January 8. A large measure of coöperation has been arranged for between Section IX (Transportation, Commerce, Finance and Taxation) of the Congress and the American Economic Association. This section will be the guest of the American Economic Association at the meetings on Wednesday afternoon and on Thursday morning, while on Thursday afternoon there will be a joint session of the two bodies.

Information respecting these various meetings can be obtained from the Secretaries, who are in part as follows: American Historical Association, W. G. Leland, Carnegie Institution, Washington, D. C.; American Statistical Association, C. W. Doten, 491 Boylston Street, Boston, Mass.; American Sociological Society, Scott E. W. Bedford, University of Chicago, Chicago, Ill.; American Political Science Association, Chester Lloyd Jones, University of Wisconsin, Madison, Wis.; American Association for Labor Legislation, John B. Andrews, 131 East 23d St., New York City; Second Pan American Scientific Congress, Glen Levin Swiggett (Assistant Secretary General), Pan American Union, Washington, D. C.

Persons not members of the Association will be cordially welcomed at all except the business meetings.

PROGRAM

Papers in the regular sessions are limited to twenty minutes each, discussions to ten minutes for each speaker named on the program, five minutes for others. Those who read papers or take part in the discussions are requested to furnish the Secretary with manuscript of their papers or remarks.

MONDAY, December 27

- 9 P. M. Reception by the Secretary of State and the Officers of the Pan American Scientific Congress to the members of the visiting Scientific Societies, at the Pan American Union, Seventeenth Street

TUESDAY, December 28

- 10 A. M. FIRST SESSION. Large Banquet Hall, Hotel Raleigh

Presiding, President Willcox

Paper : Probable Changes in Foreign Trade of the United States
Resulting from the European War
Emory R. Johnson, University of Pennsylvania

Discussion under the ten minute rule

Moritz J. Bonn, University of Munich
Glover D. Hancock, Washington and Lee University
Carl E. Parry, Ohio State University
B. O. Hough, New York City
R. H. Hess, University of Wisconsin.

General discussion under the five minute rule

Paper : Budget Making and the Increased Cost of Government
Frederick A. Cleveland, New York City

Discussion under the ten minute rule

John A. Fairlie, University of Illinois
Charles McCarthy, University of Wisconsin
S. Gale Lowrie, University of Cincinnati

General discussion under the five minute rule

- 2 P. M. Meeting of the Executive Committee. Hotel Raleigh

- 3:30 P. M. SECOND SESSION. Continental Hall, Eighteenth Street

Joint meeting with the American Historical Association in the interests of securing a building for housing the federal archives

Presiding, The Honorable Miles Poindexter, United States Senator from Washington

Addresses

1. The Value of Archives to the Student of Economics
Frank W. Taussig, Harvard University
2. The Value of Archives to the Administration
Gaillard Hunt, Library of Congress
3. Some Examples of what American States, Cities, and Business Corporations have done for the Preservation of their Archives—
Illustrated
Benjamin F. Shambaugh, University of Iowa
4. Some Examples of what Foreign Governments have done for the Preservation of their Archives—Illustrated
Waldo G. Leland, Carnegie Institution of Washington
5. Some Examples of Present Conditions in the Federal Archives—
Illustrated
Leo F. Stock, Carnegie Institution of Washington
6. Architectural Studies of the Proposed National Archive Building—
Illustrated
Louis A. Simon, Washington, D. C.

8 P. M. THIRD SESSION. Hotel Willard

Joint meeting with the American Historical Association
Presiding, Rear-Admiral Charles Herbert Stockton, U. S. N., President
of George Washington University

Presidents' Addresses

1. The Apportionment of Representatives
Walter F. Willcox, American Economic Association
2. The Relation of History to Nationalism
H. Morse Stephens, American Historical Association

Following the session on Tuesday evening, a section of the Grill Room of the Hotel Raleigh will be reserved for the members of the Associations who wish to gather for a smoker.

WEDNESDAY, December 29

9:30 A. M. Business meeting of the Association, with reports of officers, committees, etc. Oak Room, Hotel Raleigh.

10:30 A. M. FOURTH SESSION. Oak Room, Hotel Raleigh

Subject: Economic Costs of War

1. The theoretical side, John Bates Clark, Columbia University
2. The statistical side, W. S. Rossiter, Concord, N. H.

Discussion under the ten minute rule

George E. Barnett, Johns Hopkins University
E. W. Kemmerer, Princeton University
John Koren, Boston, Massachusetts
Alvin S. Johnson, Cornell University

General discussion under the five minute rule

12-2 P. M. Luncheon*

2:30 P. M. FIFTH SESSION. Large Banquet Hall, Hotel Raleigh

Presiding, Balthasar H. Meyer, Interstate Commerce Commission
Subject : Recent Tendencies in Economic Theory

Paper : Economic Theorizing and Scientific Progress
J. H. Hollander, Johns Hopkins University

Paper : The Role of Money in Economic Theory
Wesley C. Mitchell, Columbia University

Discussion under the ten minute rule

John M. Clark, University of Chicago
H. J. Davenport, University of Missouri
David Friday, University of Michigan
W. H. Hamilton, Amherst College

General discussion under the five minute rule

8:30 P. M. Reception by the Regents and Secretary of the Smithsonian
Institution to the Scientific Societies meeting in Washington,
at the New National Museum, Tenth and B Streets, N. W.

THURSDAY, December 30

9:30 A. M. Business meeting of the Association, for the election of officers,
etc. Large Banquet Hall, Hotel Raleigh

10:30 A. M. SIXTH SESSION. Large Banquet Hall, Hotel Raleigh

Paper : Maintenance of Retail Prices
Frank W. Taussig, Harvard University

Discussion under the ten minute rule

L. H. Haney, University of Texas
W. F. Gephart, Washington University
J. R. Turner, Cornell University
P. T. Cherington, Harvard University

General discussion under the five minute rule

12-2 P. M. Luncheon*

2:30 P. M. SEVENTH SESSION. Large Banquet Hall, Hotel Raleigh

Joint meeting with Section IX of the Pan American Scientific
Congress

Subject : The Relation of Public Finance to Private Credit

Paper : The Requisites for the Encouragement of the Investment of
Foreign Capital
Willard Straight, New York City

*On Wednesday and Thursday from 12 to 2 o'clock, a special dollar luncheon will be served in
a reserved section of the main dining room of the Hotel Raleigh.

Discussion under the ten minute rule

C. M. Pepper, Washington, D. C.
G. E. Roberts, New York City
W. S. Kres, New York City

General discussion under the five minute rule

Paper : (To be announced)

Discussion

6:30 P. M. Subscription dinner, at \$1.00 per plate, for the women members of the American Economic Association, the American Historical Association, and the American Political Science Association, at the Hotel Powhatan, Pennsylvania Avenue and Eighteenth Street

9 P. M. Smoker at the Hotel Raleigh, to which the visiting members of the Association are invited by the local members.

TRANSPORTATION

It is not probable that reduced railroad fares will be offered. Negotiations are still in progress, however, and if special rates are secured it is probable that local ticket agents can give information concerning them. The Secretary's office will be glad to furnish further information upon request.

HEADQUARTERS

The headquarters of the Association will be at the Hotel Raleigh, Twelfth Street and Pennsylvania Avenue, and all of the meetings except the joint sessions with the American Historical Association will be held in the hotel.

A Bureau of Information and Registration will be maintained on the first floor of the Raleigh, and members are asked to register there upon their arrival.

ACCOMMODATIONS

The Raleigh makes the following special rates for accommodations :

Rooms for one person, \$2, \$2.50 and \$3 per day

Rooms for two persons, \$3, \$3.50 and \$4 per day

Rooms with bath for one person, \$3, \$3.50, and \$4 per day

Rooms with bath for two persons, \$3.50, \$4, \$4.50, and \$5 per day

Rooms with twin beds, two persons to a room, \$4 and \$5 per day

Rooms with twin beds and bath, two persons to room, \$5, \$6, \$7, and \$8 per day

Parlor, bedroom, and bath, for two persons, \$10 and \$12 per day.

It will be noticed that the minimum rate for a room without bath, when occupied by one person, is \$2 per day, for two persons, \$3, or \$1.50 each. These three-dollar rooms are furnished with one double bed, but for those of our members who so desire, a couch-bed, to give separate sleeping accommodations, will be installed without additional charge.

Other hotels at which accommodations may be secured are :

Bellevue, 15th and I Streets

Capitol Park, Union Station Plaza

Cochran, 14th and K Streets

Congress Hall, New Jersey Ave., S. E., near Capitol and opposite House Office Building

Continental, Union Station Plaza

Gordon, 16th and I Streets

Harrington, 11th and E Streets

New Ebbett, 14th and F Streets

New Richmond, 17th and H Streets

New Varnum, New Jersey Avenue and C Street, S. E., near Capitol and opposite House Office Building

Occidental, Pennsylvania Avenue

Powhatan, Pennsylvania Avenue, 18th and H Streets

Shoreham, 15th and H Streets

Willard, 14th Street and Pennsylvania Avenue