

71-12,629

WILLIAMS, Charles Fredrick, 1943-
WILLIAM M. JARDINE AND THE DEVELOPMENT OF
REPUBLICAN FARM POLICY, 1925-1929.

The University of Oklahoma, Ph.D., 1970
History, modern

University Microfilms, A XEROX Company, Ann Arbor, Michigan

Copyright by
Charles Fredrick Williams

1971

THE UNIVERSITY OF OKLAHOMA
GRADUATE COLLEGE

WILLIAM M. JARDINE AND THE
DEVELOPMENT OF REPUBLICAN FARM POLICY, 1925-1929

A DISSERTATION
SUBMITTED TO THE GRADUATE COLLEGE
in partial fulfillment of the requirements for the
degree of
DOCTOR OF PHILOSOPHY

CHARLES FREDRICK WILLIAMS
Norman, Oklahoma
1970

WILLIAM M. JARDINE AND THE
DEVELOPMENT OF REPUBLICAN FARM POLIOY, 1925-1929

APPROVED BY

Edmund C. Zito
Donald J. Benthong
Samuel J. Benthong
W. J. Calkins
L. A. Gorman

DISSERTATION COMMITTEE

ACKNOWLEDGMENTS

Acknowledgments are due Dr. Bill G. Reid who first introduced me to this subject, and Dr. Gilbert C. Fite who directed this study. Special appreciation is also extended to Dr. Donald G. Berthrong, Dr. A. M. Gibson, Dr. Dougald Calhoun, and Dr. Victor Elconin, all of whom read the manuscript.

TABLE OF CONTENTS

Chapter	Page
I. THE REPUBLICAN FARM DILEMMA	1
II. THE ROAD TO WASHINGTON	33
III. THE NEW SECRETARY'S FARM FORMULA	65
IV. THE SEARCH FOR A FARM POLICY: PHASE I	94
V. THE SEARCH FOR A FARM POLICY: PHASE II	138
VI. FARM POLICY CHALLENGED: MCNARY-HAUGENISM ...	167
VII. FARM POLICY FOUND: THE JARDINE PLAN	190
VIII. FARM POLICY DEFENDED: THE 1928 PRESIDENTIAL CAMPAIGN	215
IX. CONCLUSION	243
BIBLIOGRAPHY	250

WILLIAM M. JARDINE AND THE
DEVELOPMENT OF REPUBLICAN FARM POLICY, 1925-1929

CHAPTER I

THE REPUBLICAN FARM DILEMMA

When Warren G. Harding finished his inaugural oath on March 4, 1921, he inherited one of the most perplexing farm problems ever faced by an American President. Agriculture had been generally prosperous during the first two decades of the century, but beginning in the summer of 1920, prices began a decline that continued for over a year. Isolating the causes for the depression proved difficult, but most economists agreed that much of the blame could be placed upon World War I and the conditions growing out of that conflict.¹

With the outbreak of war in 1914, agricultural prices

¹The best study of the postwar farm depression is James H. Shideler's Farm Crisis, 1919-1923 (Berkeley, 1957). Also see the pertinent chapters in U. S. Department of Agriculture, The Yearbook of Agriculture, 1940 (Washington, 1941); Gilbert C. Fite, George N. Peek and the Fight for Farm Parity (Madison, 1951) and Murray R. Benedict, Farm Policies of the United States, 1790-1950 (New York, 1953).

began to move upward. Moreover, they continued to climb in the immediate postwar period. High prices were accompanied by rapid expansion in production and cultivated acreage.² As an example, wheat acreage increased from 55,000,000 acres to more than 73,000,000 between 1914 and 1919.³ In the South, cotton production also climbed, and in the Midwest hog numbers displayed a similar trend. But what was more important to the farmers, prices stayed high and generally in line with the wages earned by city workers.⁴

From an average of ninety-seven cents per bushel in 1914, wheat rose to \$2.47 by June, 1917. This was the price paid at the farm; still higher prices were offered at terminal markets.⁵ Likewise cotton, after a slow start, brought enormous profits. Beginning in 1917, and for three years thereafter, cotton averaged over twenty-five cents a pound and in 1919, with the prices at thirty-five cents, the cotton crop earned more than \$2,000,000,000--a price which to that date had not been equaled.⁶

The same trend was evident in the livestock industry,

²Yearbook of Agriculture, 1940 (Washington, 1941), 277-94.

³U. S. Department of Agriculture, Agricultural Statistics, 1936 (Washington, 1936), 6.

⁴Ibid., 75-76, 219.

⁵Ibid., 6.

⁶U. S. Department of Agriculture, Yearbook of Agriculture, 1928 (Washington, 1936), 6.

particularly in hog production. In 1914 prices were about \$8 per hundredweight at the farm; by January 1919 the price had risen to approximately \$15.50 and in July of that year it was \$19.⁷ Closely associated with hog production was the development of corn acreage. Since corn was used primarily as hog feed, the price per bushel tended to fluctuate with the price of swine. However, the increased demand for corn brought on by the war, and two poor crop years occurring the same period, forced prices so high that it was unprofitable for the producers to buy corn to fatten hogs. In the spring of 1914 the price of corn was seventy-five cents per bushel and gradually moving upward.⁸ What is more, there were no price controls on corn such as that of the Food Administration's on wheat, and it appeared that the hog industry would be ruined because of expensive feed. But in the fall of 1917 the Chicago Board of Trade set the maximum price for corn at \$1.28 per bushel and refused to accept any higher bids. At the same time the work of Food Administration officials in enlisting the cooperation of buyers to assure a price of at least \$15.50 per hundredweight for hogs permitted producers to make profits.⁹

Beef cattle prices followed a pattern similar to that of the pork market. Before the war Argentina had been the

⁷Ibid., 930.

⁸Ibid., 714.

⁹Yearbook of Agriculture, 1940, 286-87.

primary source of meat for Europe; but after the conflict began, a shipping shortage limited Argentine ability to reach the European markets. The United States was able to capitalize upon this situation by having adequate shipping and being much closer to European centers of trade.¹⁰ In 1914, exports of beef from American ports were approximately 145,000,000 pounds; by 1918, though, the figure was 583,000,000 pounds. Beef cattle prices advanced from an average of \$6.24 per hundredweight in 1914 to a high of \$10.40 at the end of the war. By 1919, however, due in part to the 20 percent increase in cattle numbers during the war years, prices had declined to \$9.61.¹¹

Much of this wartime prosperity for farmers, however, was absorbed in higher costs of operation. While agricultural prices rose, the cost of production also increased. The price of farm land, hired labor, livestock feed, and interest rates on rural mortgages more than doubled between 1914 and 1921. The expense of farm implements more than tripled, freight rates increased, and the cost of living soared upward.¹²

¹⁰G. E. Warren and F. A. Pearson, The Agricultural Situation (New York, 1924), 20-21.

¹¹Yearbook of Agriculture, 1928, 911.

¹²U. S. Congress, House, Report of the Joint Commission of Agricultural Inquiry, 67th Cong., 1st Sess., Serial 7922, Part I, pp. 182, 184, 188-96; Business Men's Commission on Agriculture, The Condition of Agriculture in the United States and Measures for its Improvement (Washington, 1927), 81-83.

These conditions made it extremely difficult for farmers when deflation set in. Beginning in the early summer of 1920, farm prices began to drop drastically. Cotton sold for 37 cents a pound in July, however, by December it brought only 14 cents. Less than one year later, June, 1921, the price had plunged to 10 cents--a figure below the prewar average. Other commodities, wheat, pork and cattle, followed a similar trend. Minneapolis wheat was selling for \$2.96 a bushel in July, 1920 but had dropped to 92 cents by December of the following year. Prices of good steers, which in September, 1920 averaged about \$14.95 per hundredweight, had slipped to around \$7.31 by November, 1921. As a result of these changes, the price index paid to producers fell 40 points between June and September 1920 and by 1921 gross farm income had declined to \$10,521,000,000. In 1919 farm income had been \$17,825,000,000.¹³

Reasons for the sharp price decline could be found in a number of areas. To begin with, the end of the war had severely limited European markets, and other agricultural nations which had also enjoyed wartime expansion, rose to challenge the United States' position in world trade. These countries enjoyed a particular advantage, since their labor costs were less than half of those of the American farmer. Their land prices were also lower. In addition, most

¹³U. S. Department of Agriculture, Yearbook of Agriculture, 1922 (Washington, 1923), 593; Yearbook of Agriculture, 1940, 280-89.

American competitors remained largely debtor nations and could trade in "kind" on world markets.¹⁴

The decline in foreign markets in turn, forced agriculturalists to become more dependent upon the metropolitan areas for a market. Unfortunately the growing industrial society was changing in ways that were not always beneficial to farmers. American dietary habits were changing as people consumed more fruits and dairy products and reduced their consumption of fats and starches; tractors were replacing many horses and mules which freed millions of acres for food production that had been previously needed for livestock feed. The discovery of rayon and other synthetic materials also served to reduce the demand for cotton products. Since production of wheat, cotton and fats had been especially stimulated by the war the farmer found himself faced with the prospect of producing huge amounts of commodities for which there was no profitable market.¹⁵

The farmers' plight was increased by the fact that they had gone into considerable debt to produce their crops. Moreover, diversified farming was no longer practiced to any great extent, and the cultivation of only one or two main crops forced them to buy many of the commodities they had

¹⁴U. S. Congress, House, Joint Commission on Agricultural Inquiry, 89-96; U. S. Congress, House, Report of the National Agricultural Conference, 67th Cong., 2d Sess., Serial 8103, p. 54-63.

¹⁵Business Men's Commission, The Condition of Agriculture, 98-102.

previously raised themselves. At the same time agricultur-
alists increased their standard of living. They bought new
machinery, built and repaired farm buildings, purchased ad-
ditional acreages, and installed improved household conven-
iences. All of this served to drive farmers deeper into
debt and, with a decline in prices, many were unable to meet
interest and principal payments.¹⁶

The deflationary period of 1920-1921 forced a number of
banks and loan companies to foreclose on many farmers in de-
fault. Insurance companies, as well as other financial or-
ganizations, obtained large holdings through these foreclo-
sures, but in many cases being unable to resell at a profit,
they rented the land to the former owners.¹⁷ As a result
of this practice the ratio of farm tenants, as compared to
farm owners, increased. By 1921, 38.1 percent of all far-
mers were tenants; by 1925 the percentage had increased to
38.6 percent. This figure, nationally remained fairly con-
stant throughout the remainder of the decade. In the South-
east, tenantry declined because many farmers, particularly
Negroes, abandoned farming and moved elsewhere. Tenantry
increased, however, in the Southwest, North Central, and
the Mountain regions.¹⁸

¹⁶Ibid., 103, 109; U. S. Congress, House, National
Agricultural Conference, 14-26.

¹⁷Business Men's Commission, The Condition of Agricul-
ture, 61-64.

¹⁸U. S. Congress, House, Joint Commission on Agricultural

The depression caught both the farmer and the Republican administration unprepared to cope with it.¹⁹ The return to normalcy, the lingering problems of Versailles, and disarmament all received higher priority than domestic farm relief. Harding, although sympathetic to the farmers' troubles, had no solutions and made no mention of the problem in his inaugural address.²⁰ He did, however, select Henry C. Wallace, a respected and knowledgeable farm editor from Iowa, to be his Secretary of Agriculture. Wallace began work immediately on a farm program but admitted that it would take some time to draft an acceptable policy. To those farmers facing bankruptcy almost daily, his presence was small consolation.²¹

While Republicans were reestablishing themselves in Washington a barrage of farm relief remedies were laid before Congress. At times it seemed as though confusion reigned supreme. But a strong undercurrent of support was shown for cooperative marketing in the plans put forward, and it soon

Inquiry, 213-23; National Industrial Conference Board, The Agricultural Problem in the United States (New York, 1926), 10-11.

¹⁹E. D. Ball, "Shall We Have a Policy of Future National Development?" 6 page typescript memorandum [1921] in National Archives, General Records of the Department of Agriculture, Record Group 16.

²⁰U. S. Congress, Senate, Inaugural Address of President Warren G. Harding and Vice President Calvin Coolidge, 67th Cong., Special Session, Senate Document No. 1, Serial 7932, pp. 1-3.

²¹Henry C. Wallace, "The Agricultural Situation," Press

became a very popular relief measure.²² Indeed, with the exception of the McNary-Haugen movement, the cooperative marketing idea was the only agricultural proposal that gained any semblance of a national following. The motivating philosophy of cooperative marketing was for several farmers of a given commodity, say wheat, to pool their harvests and then bargain collectively for better prices. Cooperating in this fashion allowed them to avoid competing with one another for top prices. Traditionally, competition in the open market had placed farmers at a disadvantage in so far as the national economy was concerned. Ironically, leadership for both these movements, at least in their early stages, came from men not associated with the Department of Agriculture.

During the presidential campaign Harding had given some support to cooperatives by advocating "cooperating associations for the sale of farm products," but he said little about the subject once in office. Herbert Hoover, Secretary of Commerce in Harding's cabinet, added his support to the movement when he began a drive to establish a Federal Farm Board that would rely upon cooperative marketing to provide an orderly export distribution system.²³

Release, March 13, 1921, copy in National Archives, Record Group 16; Henry C. Wallace, "Protection for Agricultural Products," Press Release, May 15, 1921, copy in ibid.

²²"Agriculture Legislation in the 68th Congress," Congressional Digest, III (May, 1924), 264-65.

²³"Harding on Agriculture," The New Republic, XXXV (September 22, 1920), 83-85; Andrew Sinclair, The Available Man,

The Joint Commission on Agricultural Inquiry also recommended the use of cooperatives as did both of the National Agricultural Conferences called by Harding and Coolidge.²⁴ Furthermore, the mainstream of the Republican party feared that unless the Party endorsed some type of farm program, representatives of the more radical farm groups would pass their own legislation. The administration therefore approved the cooperative movement, and for a time cooperative marketing was hailed as a panacea for the farmers' trouble.²⁵

The cooperative idea was by no means new to farmers, the Grange had experimented with cooperative stores and manufacturing establishments as early as the 1870's, but these earlier attempts at organization had proved largely ineffective and disappointing. As a result, growth was slow and irregular.²⁶ Officials in the Bureau of Agricultural Economics made the first detailed study of cooperative associations. Their study dealing with the years 1912 to 1915 reported only 5,424 organizations and the majority of the firms

(New York, 1965), 198-204; James H. Shideler, "Herbert Hoover and the Federal Farm Board Project," Mississippi Valley Historical Review, XVIII (March, 1956), 712-13.

²⁴U. S. Congress, House, National Agricultural Conference, 170; U. S. Congress, Senate, Preliminary Report of the Agricultural Conference, 68th Cong., 2d Sess., Senate Document 190, Serial 8413; pp. 2-5; "The President's Agricultural Conference," Congressional Digest, IV (October, 1925), 265-68.

²⁵Wilson Gee, American Farm Policy (New York, 1934), 4-45.

²⁶Solon J. Buck, The Granger Movement (Cambridge, 1913),

were small, independent, local units. Local grain elevators accounted for over one-third of the associations and an almost equal number was reported in the dairy industry. But the livestock, cotton, and tobacco industries demonstrated little interest in cooperative marketing.²⁷

The increased production of agricultural commodities during the war, however, added popularity to the farm cooperative movement, and in the immediate postwar years there was a significant increase in membership. A second study, conducted in 1919, reported over one-fourth of the farmers in California, North Dakota, Kansas, Iowa, Wisconsin, and Michigan used cooperatives as selling or purchasing agencies. Associations in Minnesota, South Dakota, and Nebraska showed an even larger percentage of members. But still, farmers in New England, the South, and the Rocky Mountain regions revealed only limited interest in cooperatives.²⁸

The real strength of the cooperative movement, however, was yet to come. From 1920 until late 1923 it achieved national attention and support. A third survey, made by the Agriculture Department officials in 1922, disclosed over 10,000 active organizations. Most of these associations were

239-77.

²⁷Lloyd S. Tenny, "Rise of Cooperative Marketing in the United States," Congressional Digest, IV (October, 1925), 255-56.

²⁸Ibid.; "Farmers' Cooperation in the North Central States," Monthly Labor Review, XVI (March, 1923), 658-69.

still small but the important thing to farmers was the new method used in their organization. These cooperatives were organized either on a regional or federated basis. That is, local coops put forth a joint effort to market their produce together, or producers over a fairly broad area banded together under a central administration. This type of organization was a significant step away from the previous local and independent units. What is more, the membership in fifty of these newer groups was larger than the total estimated membership of all these associations covered by the 1925 study. Equally important was the fact that cooperatives, for the first time, were spread throughout the entire country.²⁹

The boom in cooperative membership was no accident and much of the credit for the movement's success can be attributed to the personal efforts of a California lawyer, Aaron Sapiro. Reared in an orphan's home, he studied to be a Rabbi, but soon lost interest in religious work and turned instead to the study of law. His impoverished background gave him a sympathetic attitude toward the "exploited farmer." It should also be pointed out that his "sympathy" was rewarded with a very lucrative business among the farming interests. At one time over sixty agricultural groups employed him as an attorney.³⁰ Sapiro's close association with the

²⁹Tenny, "Rise of Cooperative Marketing," 255-56.

³⁰Silas Bent, "Three City-Bred Jews that the Farmer

agricultural industry led him to believe that the key to the farmer's economic success lay in cooperative marketing. After a careful study of cooperative organizations, he began to formulate an idea. Using the California groups as a basis, he analyzed the causes of success and failure of each individual association and by coalescing the factors of success, arrived at a "model plan."³¹ "There are two types of cooperative organizations . . . worth real attention," he said, "one is the so called cooperative movement, which is a producer's movement. The other is a cooperative buying movement, which is a consumers movement."³²

Sapiro argued that most of the previous attempts at cooperative organization had failed because they were based on the consumer idea made popular in England, Sweden, and Russia.³³ These cooperatives operated under what was known as the Rochdale Plan and attempted to remedy the farmers' basic business problem of buying at retail but selling at wholesale prices. In order to achieve this objective farmers pooled their resources to form a company that could both buy and sell commodities at wholesale prices. To eliminate the

Trust," Outlook, CXXIV (August 8, 1923), 554; E. C. Linderman, "Sapiro the Spectacular," The New Republic, L (April 13, 1927), 216.

³¹Merle Crowell, "Nothing Could Keep This Boy Down," American Magazine, XC (May, 1923), 16.

³²Aaron Sapiro, "True Farmer Cooperation," World's Work, XLVI (May, 1923), 84.

³³Ibid., Crowell, "Nothing Could Keep This Boy Down," 16.

middleman these cooperatives went into manufacturing and produced most of the items that farmers normally bought from retail stores. Under this arrangement a cooperative needed initial capital in order to industrialize but as it became profitable, dividends were passed on to the consumer.³⁴ The political and social condition of the European nations made this plan more feasible there than in America but even so a majority of the early cooperatives in the United States followed the Rochdale design.

This method of organization posed a problem, however, because individual cooperatives operated for the benefit of their own members and were therefore frequently in competition with each other. This was particularly true in America with the prevailing private enterprise system, and was nowhere better illustrated than in the Midwestern states. There, managers of local grain coop elevators bought from individual farmers and then tried to sell at a higher price on the open market. If the market price was up or they could wait until it went up, then the cooperatives operated at a profit. If however the manager was forced to sell when the market was down then obviously the cooperative suffered a loss.³⁵ Sapiro believed these practices contributed directly

³⁴Sapiro, "True Farmer Cooperation," 85. Jacob Baker, et. al., Report of the Inquiry on Cooperative Enterprise in Europe, 1937, (Washington, 1937), 19-22.

³⁵U. S. Congress, Senate, Cooperative Marketing, 70th Cong., 1st Sess., Senate Document 95, Serial 8859, pp. 72-75,

to failure and were largely responsible for the lack of interest in cooperatives.³⁶

The drawbacks of individual marketing became a major selling point for Sapiro's idea, and he began to organize the farmers into marketing groups. Three cardinal rules were laid down for this new method of organization. The first rule called for all cooperatives to be organized on a commodity basis, rather than restricted to a particular geographical area. In the Midwest, for example, this would mean that all wheat growers would form local marketing associations regardless of county or state boundaries. To further insure success, rule two limited membership to farmers only, and the third principle allowed the associations to be organized solely for business purposes.³⁷

The California Plan, as the new movement was known, incorporated many of the factors that had proved so successful in industrial consolidation. As such it was a significant departure from older, individual tactics employed earlier.³⁸ Sapiro drew up a contract, which was binding for five years, and every producer of a certain commodity was asked to sign. No cooperative was formed until at least a majority, more

284-87; "Volume of Business of Middle West Cooperative Societies, 1921," Monthly Labor Review, XVI (May, 1923), 1115-16.

³⁶Sapiro, "True Farmer Cooperation," 85.

³⁷Ibid., 88; Larsen and Erdman, "Aaron Sapiro," 252-54.

³⁸U. S. Congress, Senate, Cooperative Marketing, 233-47, gives an extended account of cooperative development.

commonly 75 percent, of the farmers raising a particular commodity within a general area signed the contract. After a cooperative was organized, the producer merely delivered his crop to the association which assumed full responsibility for grading, processing, and marketing the product.³⁹

By assuming such a large role in the farmer's business, it was essential that suitable financial arrangements be worked out. Here again the California Plan differed with the Rochdale Plan in that the former was organized with only limited capital provided by the individual shareholders. Under Sapiro's scheme, it therefore became necessary for each cooperative to obtain credit from the local banks in order to insure payment once the farmer delivered his commodities, Sapiro made another important contribution to the cooperative movement by winning the confidence of bank officials.⁴⁰

As an example of how this arrangement functioned, the Midwestern wheat associations in 1921 arranged with the local banks for a fair price on the annual crop. The loan advanced by the cooperatives allowed from \$1 to \$1.25 per bushel, depending upon the grade of wheat delivered. Upon delivery, the grower was given a receipt stating the amount and grade of his wheat. This was exchanged at the association for a draft, or agricultural paper. The draft was then taken to a

³⁹Bent, "Three City Jews," 554.

⁴⁰Larsen and Erdman, "Aaron Sapiro," 248-49; Gilbert C. Fite, Farm to Factory: A History of the Consumer Cooperative Association (Columbia, 1965), 7.

cooperating bank, where it was discounted at the current rate and the farmer was paid the amount of the paper, less the discount. If there was a profit after the cooperative sold the year's crop, the balance was divided among the growers on a percentage basis. Similar arrangements were worked out with the producers of other commodities.⁴¹

Sapiro's efforts in organizing farm cooperatives on the West Coast soon attracted national attention and he traveled through the country explaining his new idea.⁴² A great impetus to his campaign came when Bernard Baruch, former director of the War Industries Board, recommended to the Kentucky Tobacco Growers Association that Sapiro be employed as their counsel. After studying the situation, Sapiro recommended the same type of cooperative for the tobacco growers that had been so successful with other commodities in California. He signed over 55,000 farmers to contracts and established what appeared to be a sound tobacco cooperative. This was a significant inroad into southern agriculture which previously had remained largely disinterested in cooperative organizations.⁴³

From Kentucky Sapiro went to Virginia and to the Carolinas where he organized over 75,000 bright-leaf growers. In Oklahoma a successful broom corn cooperative was organized

⁴¹Sapiro, "True Farmer Cooperation," 94.

⁴²Larsen and Erdman, "Aaron Sapiro," 257-58.

⁴³Linderman, "Sapiro the Spectacular," 216.

when over 34,000 farmers signed contracts, and similar developments were reported from almost every section of the nation.⁴⁴ Eventually over 750,000 farmers joined the cooperative associations and producers seemed to be on the threshold of forming a strong and effective cooperative movement throughout the United States.⁴⁵ A good example of Sapiro's influence was in the individualistic South where cooperatives had their major support. Though Sapiro was not the only advocate of commodity cooperatives, he did play a major role in establishing over thirty associations and by 1923, numbered over sixty cooperatives among his clients.⁴⁶ So great was his role that the "California Plan" became known as the "Sapiro Plan."

By late 1923, though, as so often is true with movements that are dependent upon a single individual or issue, the cooperative idea had declined in popularity and other relief suggestions were proposed.⁴⁷ A variety of factors were responsible for the lagging interest. The associations had been organized too fast; Sapiro's whirlwind tactics left much confusion; and many farmers were anticipating unattainable results. The marketing practices of the "Sapiro Plan" made it

⁴⁴Ibid.

⁴⁵New York Times, March 20, 1927, p. 3.

⁴⁶Bent, "Three-City Jews," 595; Linderman, "Sapiro the Spectacular," 287.

⁴⁷U. S. Congress, Senate, Cooperative Marketing, 299-302.

necessary for policy to be directed from a central authority down to the producer and many farmers resented such dictatorial tactics. Also, hasty organization caused many coops to get into financial trouble.⁴⁸ But probably the major reason for the fading interest was the inability of cooperatives to obtain much better prices for farm products. In order to have significantly increased farm prices cooperatives would have had to have tight control over almost the whole output of a commodity. This could not be done unless the cooperative could gain and hold the support of nearly all growers of the product. Farmers in 1923 were still too individualistic to completely follow that approach.⁴⁹ Consequently, they began to look elsewhere for a solution to the agricultural dilemma and many businessmen, dependent upon agriculture for sales, also began to give serious thought to the problem.

This was the background for the McNary-Haugen bill, the most celebrated farm proposal of the decade. The ground work for this new approach to farm relief was laid during the height of the cooperative movement's popularity, and it too was dependent upon the leadership of a single individual. George N. Peek was the first to formulate the basic principles of the bill and it was largely to his credit that the

⁴⁸ U. S. Congress, House, Agricultural Relief Hearings, 68th Cong., 2d Sess., Serial 60, 186-90.

⁴⁹ Oliver Merton Kile, The Farm Bureau Through Three Decades (Baltimore, 1948), 118; John D. Black, "The Progress of Farm Relief," American Economic Review, XVIII (June, 1928), 252-271.

proposal was kept before Congress for half a decade.

Peek though not a farmer himself, had long been familiar with agrarian problems. He was reared on a farm, but left soon after graduating from high school and after a few odd jobs was employed in the credit manager's office of Deere and Webber, a subsidiary of Deere and Company.⁵⁰ His work attracted the attention of company officials and in 1901, he was promoted to manager of the John Deere Plow Company of Omaha, Nebraska, another branch of the parent company. The firm was in poor financial condition when Peek took over the management, but by utilizing the relatively prosperous times during the first decade of the twentieth century, and employing skillful business management, Peek converted the struggling company into one of the most profitable branches of the parent Deere and Company.⁵¹ Peek was one of the bright personalities in the spreading Deere organization and when the company began reorganization to keep abreast of the rapid consolidation going on in some industries, he was made Vice-President in charge of sales.

Peek excelled at salesmanship, and as Deere and Company expanded steadily, he became prominent in the business world. But it was not until the United States entered World War I that Peek claimed national attention. He was appointed as industrial representative of the War Industries Board, and

⁵⁰Fite, George N. Peek, 21-23.

⁵¹Ibid., 24.

under the leadership of Bernard Baruch, served with distinction. When the war ended, however, he returned to private business. He turned down his old position with the Deere Company and accepted the Presidency of the Moline Plow Company, of Moline, Illinois.⁵²

Although Peek was unaware of it when he assumed the Presidency, the Moline Plow Company was in poor financial condition and on the verge of bankruptcy. One of the first things Peek did was to employ Hugh Johnson, an attorney who had also served on the War Industries Board, and together they worked diligently toward solving the company's financial tangle. But the battle was uphill all the way, the internal organization of the company was outdated, and Peek did not have the aid of prosperous times as he did earlier. When the depression hit in 1920, the company's difficulties became even worse. Peek and Johnson continued their efforts to put the company on a paying basis, but as the depression deepened they realized that they could not hope to sell plows to penniless farmers and therefore turned their attention to the causes and remedies of agriculture's problems.⁵³

The conclusion reached by "the men from Moline," after a careful study of the situation, revealed their business background. They believed that the farmer's trouble lay in

⁵²Ibid., 39.

⁵³Ibid., 37.

the operation of the protective tariff.⁵⁴ Both Peek and Johnson were aware that the tariff was helping certain manufacturing and industrial interests to show a profit. But, though protecting manufactured goods, the tariff was ineffective on agriculture commodities. Thus the farmer sold on the open market, but bought on a protected market and was at a decided disadvantage in purchasing power. What made the agrarian's problem so noticeable, was the fact that a surplus was produced in a number of commodities. When the excess was sold on the world market, invariably the domestic price was depressed to the level of the world price.⁵⁵ The task then, was to segregate the surplus so that it would not depress the home market, and make the tariff effective on agricultural commodities so that the domestic price could rise behind tariff walls. Peek explained the problem and gave his solution this way:

. . . America raises about 800,000,000 bushels of wheat. Of this production we use at home about 650,000,000 bushels. The remaining 150,000,000 must be marketed abroad. If the world price is \$1 a bushel then the farmer gets not merely \$1 on 150,000,000 bushels, but on 800,000,000 bushels. His total crop revenue is \$800,000,000.⁵⁶

The root of the farmers' problem then, was the surplus. However, if the surplus was to be separated, the tariff would

⁵⁴Ibid., 38.

⁵⁵Ibid., 39.

⁵⁶George N. Peek, "The McNary-Haugen Plan for Relief," Current History, XXIX (November, 1928), 275.

have to remain in effect to insure a fair price for agriculture. Peek elaborated on his plan:

. . . let us assume the McNary plan /as the plan became known/ is operating, that the surplus is segregated in the market and that the price rises to \$1.40 a bushel. /The protective tariff in 1924 was 42¢ per bushel on wheat/ The total revenue now would be \$1,120,000,000, an improvement of \$320,000,000.⁵⁷

Now that the domestic price was improved, it remained for the surplus to be sold on the world market which was still approximately \$1 a bushel. Obviously at least forty cents a bushel would be lost on the 150,000,000 excess bushels or approximately \$60,000,000. Peek and Johnson also considered who was to bear this loss. They proposed that a charge be levied against each bushel of wheat brought to market. In this manner the farmer would be paying for the cost of selling the surplus he helped create, and the government could remain free from intervention in the farm problem. Peek continued his explanation with the already familiar example:

. . . to arrive at this charge, /on the surplus/ costs and losses would be spread out over the whole crop. A total loss of \$60,000,000 on 800,000,000 bushels means that each bushel is liable for $7\frac{1}{2}$ cents. A fee of 8 cents a bushel would be ample to cover all possible cost and losses of the operation.⁵⁸

Here then was what Peek and Johnson thought was a simple plan that could promise quick relief to the existing central cooperative market facilities; and it was not so radical

⁵⁷Ibid., 276.

⁵⁸Ibid.

as to ask for government intervention. Neither Peek nor Johnson were professional economists and did not foresee the problems that their plan could run into.⁵⁹

Convinced of the feasibility of their idea the "men from Moline" set out to gain the approval of the agricultural groups. Early in 1921 Peek presented his proposal to James R. Howard, President of the American Farm Bureau Federation. Howard liked the idea but was unable to give the strong backing Peek desired. Bureau officials were already committed to the cooperative marketing idea and the Peek plan was too sectional in nature to appeal to the southern cotton growers, the North Central dairymen, and the specialized farmers on the East and West Coasts. It also seemed a little too radical to several of the Bureau's conservative leaders.⁶⁰

But Peek and Johnson were determined that their plan would have a full hearing. An opportunity was provided when Secretary of Agriculture Wallace persuaded President Harding to call a National Agricultural Conference to study the farm situation. Peek was selected as a delegate to the Conference and welcomed the occasion to present his ideas. He was in for a disappointment, however, because the Conference was dominated by businessmen who opposed any scheme that would tend to raise the cost of living.⁶¹ Many believed that Peek's

⁵⁹Fite, George N. Peek, 46-69.

⁶⁰Kile, Farm Bureau, 106-07.

⁶¹U. S. Congress, House, National Agricultural Conference, 186-95.

proposal would do just that and Conference officials refused to give him an opportunity to discuss his ideas. Thanks to his persistence, however, Peek was able to capitalize upon the agricultural sentiment held by a few of the Conference members. In the closing days of the meeting he managed to gain a few supporters for his idea and was able to get his basic principle "a fair exchange value for all products with that of all other commodities," incorporated into the proceedings of the Conference.⁶²

After the Conference adjourned Peek remained in Washington pressuring Secretary Wallace, economists, and Congressmen to accept his proposal. Wallace welcomed any plan that would ease the tense agricultural situation, but Departmental economists were somewhat skeptical of the administrative and economic problems the plan might create.⁶³ They did promise to keep an open mind on the subject, though, and with that concession, Peek and Johnson returned to Moline to further perfect their plan.

When none of the major farm organizations would endorse Peek's proposal he published a pamphlet containing the basic principles of the plan and through this medium, large numbers of farm leaders became acquainted with the drive for "equality for agriculture."⁶⁴ The publicity brought a quick

⁶²Ibid., 171

⁶³Fite, George N. Peek, 50.

⁶⁴Ibid., 54.

response from a large number of state and local organizations who enthusiastically supported the new measure. The failure of the cooperative movement to bring about a fast recovery of farm prices and the absence of any clear cut policy from the administration led many more to flock to the Peek proposal. Wallace, after polling farm opinion in 1923, publicly endorsed the Peek principles. He then sent Charles J. Brand, a consulting specialist in the Department, to confer with Peek and draft a bill embodying the chief points of the plan. It took some time to work out a suitable arrangement, but with the aid of Senator Charles McNary of Oregon and Representative Gilbert N. Haugen of Iowa, who sponsored the measure, a bill was introduced into Congress on January 16, 1924.⁶⁵

The McNary-Haugen bill declared that a general agricultural emergency existed because of continued economic depression, inequality in prices, and crop surpluses.⁶⁶ To combat these problems the bill proposed that an agricultural export corporation, with five directors, be established. The corporation, chartered for ten years with an initial capital of \$200,000,000 paid by the United States Treasury, was

⁶⁵Ibid., 59; Charles J. Brand, "The Price Balance Between Agriculture and Industry," Proceedings of the Academy of Political Science, XI (January, 1925), 174; James H. Shideler, "The Development of the Parity Price Formula for Agriculture, 1919-1923," Agricultural History, XXIV (1953), 77-84.

⁶⁶U. S. Congress, The McNary-Haugen Bill, 68th Cong., 1st Sess., Report No. 631, Serial 8228, pp. 3-4.

created for the special purpose of buying and disposing of surplus agricultural commodities. Eight basic items, wheat, flour, rice, wool, cattle, sheep, and swine qualified as surplus products.⁶⁷ The bill also called for the appointment of a special commission consisting of the Secretaries of Agriculture, Commerce, Treasury, the Chairman of the Tariff Commission along with three directors and an administrative commissioner. This commission under the chairmanship of the Secretary of Agriculture, was to oversee the affairs of agriculture and work in close cooperation with the Secretary of Labor to determine "ratio" prices on agricultural products.⁶⁸

Labor department officials were to compute the average "all-commodity" price for the period 1905-1914. At the same time, officials would determine the "basic-commodity" price for the same period on the eight items mentioned. A current "all-commodity" price was also compiled. Then commission officials would figure the current "basic-commodity" price. The ratio between the current "all-commodity" and the current "basic-commodity" price, was to bear the same relation as the prewar "all-commodity" and the prewar "basic-commodity" price.⁶⁹ Price ratios were to be compiled and published monthly. The period 1905 to 1914 was selected because during

⁶⁷Ibid., 4.

⁶⁸Ibid., 3-5.

⁶⁹Ibid., 33-34.

that time farm and industrial prices were relatively equal in terms of purchasing power.⁷⁰

As an example of how the ratio price would work, and for the purpose of comparison, assume that the prewar "all-commodity" price index was 100. By 1923, the "all-commodity" index had risen to 156. This meant that, on the whole, prices were 56 percent higher than the prewar period. The prewar price of wheat, one of the basic commodities included in the bill, had been ninety-eight cents a bushel. Under the ratio plan, wheat in 1923 would sell at 156 percent of ninety-eight cents or \$1.53 a bushel. This would be the "ratio" price.⁷¹ This was essentially what was later to become known as "parity" or fair prices. Other provisions of the bill gave the President power to declare a special emergency to exist whenever the domestic price for any basic commodity slipped below the ratio price. This emergency could be called, however, only if there was an exportable surplus of the respective commodity.⁷²

Purchasing and selling surpluses were other significant provisions of the plan. The bill stated that commission officials were to estimate, for each year, the monthly export surplus of each basic commodity. A recommendation was then

⁷⁰Ibid.

⁷¹Ibid.

⁷²U. S. Congress, House, Committee on Agriculture, Hearings, McNary-Haugen Bill, 68th Cong., 1st Sess., H. R. 5563, Serial E, Parts 1-15 (Washington, 1924), 726.

made to the corporation that it buy such an amount monthly. All purchases were to be made at the ratio price.⁷³ In the event the actual domestic price dipped 10 percent lower than the ratio price, the commission would recommend an increase in surplus purchasing. The corporation's holdings were to be sold on the foreign market at a time the commission deemed advisable. Surpluses could also be disposed of on the domestic market, but not below ratio prices.⁷⁴

One of the most controversial measures of the bill was the provision calling for an "equalization fee." The amount of the fee was arrived at by the commission estimating the probable yearly losses and expenses of the corporation. The losses would be charged against the total production of each basic commodity included in the bill. The total production would be divided by the net losses to determine the amount of the "fee" to be levied against each bushel or pound of the commodity sold.⁷⁵ The fee was collected at the time the producer sold his crop. The purchaser would pay the producer the domestic ratio-price, minus the amount of the fee. The purchaser was required by law to buy the "scrip" and it was to be easily obtained from the Post office, much the same as postage stamps. Post Office officials then would

⁷³Ibid.

⁷⁴Ibid.

⁷⁵U. S. Congress, Senate, Agricultural Export Bill, 68th Cong., 1st Sess., Report No. 410, Serial 8221, pp. 5-6.

turn the money over to the corporation and the equalization fees were to be placed in an "equalization fund."⁷⁶

The losses and expenses of the corporation would be paid from this fund. Should the commission overestimate the cost of operation for the corporation, and all the equalization fund not be used, then a dividend was paid, on a percentage basis, to the holders of "scrip."⁷⁷

An example of how this plan would work is easily applied to wheat. Say the corporation estimated its losses to be ten cents a bushel, and to cover the cost of administering the surplus, doubled its estimate. It would then declare that every buyer must purchase "scrip" to match the equivalent of twenty cents a bushel. Every farmer that sold his wheat at \$1.60 a bushel, would receive \$1.40 in cash and twenty cents in "scrip." The "scrip" would be of no value unless the corporation overestimated the cost of operation. In that event, the farmer would redeem his "scrip" on a prorata basis.⁷⁸ Should the estimate be too low, then of course the fee would have to be raised the following year. The equalization fee and the ratio price plan were the heart of the original bill.

⁷⁶U. S. Congress, House, Hearings, McNary-Haugen Bill, 68th Cong., 1st Sess., 726.

⁷⁷Ibid.

⁷⁸Ibid.; "The McNary-Haugen Bill and the Farmer," The Independent, CXII (April 12, 1924), 1919-21.

Wallace's endorsement of the Peek proposal brought to a head a long continuing feud between himself and Commerce Secretary Hoover. Ostensibly the dispute concerned the division of responsibility between their cabinet positions but in reality it was more fundamental than that. Wallace in accepting the idea of governmental participation in economic matters, violated the party creed of Republican regulars. Hoover was a leading spokesman for this latter group and the Agricultural Secretary's policy was anathema to him. The elevation of Calvin Coolidge to the presidency after Harding's death simply added to Wallace's difficulties. Coolidge shared Hoover's belief in laissez-faire capitalism and Wallace realized his days were numbered as a cabinet official.⁷⁹

The threat of political repercussions in the presidential campaign of 1924 forced Coolidge to delay his request for Wallace's resignation. Fortunately, the President's political expediency saved him from any possible embarrassment when Wallace died of complications following an appendectomy. Rather than face the possibilities of selecting a new secretary that might be unpopular with farm voters Coolidge appointed Assistant Secretary Howard M. Gore to be acting Secretary of Agriculture. Gore's subsequent election as Governor of West Virginia, opened the way for Coolidge to appoint

⁷⁹"Encroachment of the Department of Commerce upon the Department of Agriculture in Marketing and Economic Investigation," 17 page mimeographed memorandum, and related correspondence in Calvin Coolidge Papers, Library of Congress, Division of Manuscripts, Series I, Box I.

a new secretary who would conform to his own philosophy. These circumstances served as the background for the nomination of William M. Jardine.

CHAPTER II

THE ROAD TO WASHINGTON

Jardine was born in Oneida County, Idaho, near the small town of Malad on January 16, 1879.¹ His father was of Scotts-Welsh descent and came to America in 1867 at the age of twenty-one. In the United States, the senior Jardine found employment with the Union Pacific Railroad Company which was then laying track on the transcontinental rail system. He worked with the company until the railroad was completed in what was then Idaho territory.² The area was still largely unsettled and occasionally came under the threat of marauding Indian tribes but the young immigrant liked it, and decided to settle there. He established a claim to a farm and later homesteaded on it. He married Rebecca Dudley and began to raise a family. William Marion was one of seven children born to the Jardine couple.³

The senior Jardine was bothered by rheumatism and young

¹New York Times, February 15, 1925, p. 1.

²William M. Jardine to A. G. Quigley, March 26, 1929, William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box I.

³Wichita Eagle, January 26, 1938.

William, his family called him Bill, learned the responsibilities of frontier farm life early. He enjoyed farm work, however, and by the time he was twenty had engaged in a variety of activities ranging from plowing to sheep shearing.⁴ The demanding routine of farm duties left little time for recreation or schooling. What rudiments of education Jardine received were sporadic and usually sandwiched into three or four winter months during a lull in farm activity. He attended a small, rural school near his father's farm and was fortunate in having a capable instructor. Little is known of Jardine's first teacher but Jardine later remembered his strong emphasis upon economics, particularly the economics of agriculture.⁵

Despite his interest in education, Jardine was forced to leave school because of his father's declining health. He had only progressed through the basic elementary grades but the economic needs of his family were pressing. In order to supplement the family income Jardine decided to seek full-time employment.⁶ Leaving Idaho at the age of sixteen, he traveled to the Big Hole Basin in Montana. There, he hoped to find work one one of the many ranches and was not

⁴"William M. Jardine," Current Opinion, LXXVIII (April, 1925), 415.

⁵The New York Times Magazine, March 1, 1925; The Wichita Eagle, January 26, 1938.

⁶Walter Burr, "The Cowboy Secretary of Agriculture," Country Gentleman, XC (May 2, 1925), 17, 40.

disappointed. Ranchers often needed additional help and Jardine "hired-out" for thirty dollars a month. He also received a twenty-five cent bonus "for each horse he broke."⁷

The young cowboy worked in the Big Hole area for four years. He learned individualism and self-reliance, and became well acquainted with the problems of frontier farming and ranching. However, he was never able to forget his early elementary schooling and in the winter of 1899 returned to his father's farm determined to seek more education. "Nobody told me to go," [to school] he said, "I just decided I ought to go."⁸

Jardine's father was opposed to his son's returning to school. The nearest college was miles away and he had little money to spend on education. "I don't see any use in it," [education] he told his son, "if a man's got it in him it'll come out whether he's educated or not." "That's true enough," Jardine argued, "but if he gets an education, it will come out faster." His father unable to counter that logic, finally agreed.⁹

The former cowboy resumed his education under the most adverse circumstances. In addition to having very little money, he set out for the campus of Utah's Agricultural

⁷The Sunflower (Wichita, Kansas), March 4, 1948.

⁸Burr, "The Cowboy Secretary," 17.

⁹Interview with Paul I. Wellman in Kansas City Times, January 26, 1938.

College at Logan in the middle of winter. Jardine had had difficulty in selecting a college to attend. A friend was going to the Utah school and suggested that "Bill" come along and room with him. Jardine agreed and the two began their trip a few days after Christmas.

Upon arriving they had trouble finding lodging. After much searching they finally found a room with a small stove but otherwise almost bare of furniture. The two newcomers tried unsuccessfully to build a fire in the stove and spent the night shivering. The next morning Jardine, demonstrating a trait that was long to distinguish him as a frank and outspoken individual, telephoned the President of the college. "We're cold and don't aim to freeze anymore in that room," he told the astonished educator, "how about you putting us up for tonight while we get a better room." The President agreed and the two soon found suitable lodging.¹⁰

The new student encountered other equally pressing problems. Jardine, having sacrificed his schooling to supplement the family income, never attended high school and could not meet the college's entrance requirements. Furthermore, current school expenses had to be met. Again President J. M. Tanner proved an invaluable friend. He gave his approval to Jardine's request to be admitted without a high school diploma and, admiring the boy's spunk, arranged with

¹⁰Ibid.

Jardine's father to provide some financial assistance.¹¹

Jardine enrolled in prefreshman work as an engineering student. He admitted that "getting to school at that late age [20] didn't make memory work as easy for me as the others who had been going to school the usual years" But there was one thing he could do, as he remembered: "I could get the meat out of a subject quicker than the memory boys."¹² His grades, for the first year, were not as high as those of some of his peers, but his ability to understand and digest a subject claimed the attention of his instructors as well as the President of the college.¹³

After completing the first year, and upon the recommendation of the President, Jardine took a summer position with a surveying team. Even though it was a minor job, carrying the chain for the team, it gave him an opportunity to visit many areas of the sparsely settled territory. His travels and work with the survey team stimulated his interest in western farming.¹⁴ He became particularly interested in the semi-arid soil conditions of the area and upon returning to college in the fall, changed his attention to agricultural subjects. He selected agronomy as a major course of

¹¹Kansas City Star, February 1, 1955.

¹²Interview with Uthai Vincent Wilcox, undated copy in William M. Jardine Collection, Ablah Library, Wichita State University, Wichita, Kansas.

¹³The Kansas Industrialist, February 5, 1919.

¹⁴The New York Times, February 15, 1925, p. 1.

study because he believed it would allow him to pursue his interest in dry land farming. President Tanner's offer to give him a teaching position, if the major were completed, also influenced Jardine to specialize in agronomy.¹⁵

Jardine was an active student and apparently enjoyed college life. He was a "good mixer" and quickly became a leader in the student body. Although he had never played football, he developed an interest in the sport after being encouraged by his mathematics professor and decided to "try-out" for the team.¹⁶ He was less than six feet tall and never weighed more than one hundred fifty pounds, but his speed and agility won him the respect of both players and coaches. In his senior year, Jardine was named Captain and recognized as the outstanding star of the team. In addition to his athletic activities he also found time to edit the college magazine and participate in numerous extra-curricular activities.¹⁷

Social activities did not hinder Jardine's academic performance, however, and he made a fine scholastic record. His academic record was so good, in fact, that for his last two years in school he served as a student assistant in the Agronomy Department. The position paid \$40 a month and

¹⁵The Dearborn Independent (Michigan), June 23, 1923.

¹⁶The Sunflower, March 4, 1948.

¹⁷The Kansas Industrialist, February 5, 1919; Kansas City Times, January 26, 1938.

allowed Jardine to concentrate his study on agriculture. Jardine's services and abilities in this capacity were early recognized and upon graduation in 1904, President Tanner offered him a position as Associate Professor of Agronomy.¹⁸

Shortly after assuming the teaching position, an opportunity to work more closely with the problems of arid farming lured the young Professor from the college campus. He accepted the office of Secretary and Manager for the Utah Arid Farm Company. This private company had purchased seven thousand acres of desert land in Utah, intending to experiment with scientific methods of removing sagebrush in an attempt to make the land productive. Jardine gained much practical experience in dry land farming while working with the company, but the next year an administrative change at the college occurred and Jardine returned to serve as Director of Agronomy at his alma mater.¹⁹

Jardine had been with the college only one year when once again the opportunity to work first hand with agricultural problems occupied his interest. His extraordinary high scores on a civil service examination attracted the attention of officials in the Department of Agriculture.²⁰ In 1907, he accepted their invitation to become Assistant United States Cerealist in charge of dry land investigations. This

¹⁸The Dearborn Independent, June 23, 1923.

¹⁹The Orange Judd Illinois Farmer, March 1, 1925.

²⁰He scored 94 on an examination with 100 as a perfect

position enabled Jardine to travel throughout the United States and provided him with invaluable knowledge of farming operations in most sections of the nation. His superiors recognized his "drive" and ability, and he received regular promotions.²¹ During his three year tenure he established twenty-three experiment stations over the western half of the nation. He also became an authority on soils and crops, and an expert on dry land farming.²²

Even though he enjoyed his work with the Agriculture Department, Jardine was always alert for opportunities to advance and in 1910, he resigned from the department and became an agronomist with the Kansas State Agricultural Experiment Station. Henry J. Waters, President of Kansas State Agricultural College, remembered Jardine from a visit the latter had made to Kansas during the course of his dry land grain investigations. When a vacancy at the station occurred, Waters made a special effort to recruit the former agronomy professor.²³ He assumed the duties of his new position on July 1, 1910. He was highly successful in his experiment station job and three years later, when the Dean of

score.

²¹He received an average increase in salary of \$2,500.00 for the three year period. Copy of promotion certificate in William M. Jardine Papers, Ablah Library, Wichita State University, Wichita, Kansas.

²²Kansas City Star, February 1, 1955.

²³Interview, Bill G. Reid with L. E. Call, Dean Emertius, Kansas State University, December 9, 1965.

Agriculture at Kansas State resigned, Jardine was offered that position. He readily accepted and at the same time was made acting Director of the experiment station. Later, on April 1, 1913, Jardine was promoted to Director.²⁴

From his early college days, he had expressed an interest in scientific agriculture and in his new position Jardine soon established his reputation as an avid disciple of scientific research. Being an agronomist, he emphasized the importance of on-the-farm observation in evaluating new varieties of crop plants.²⁵ He bought a farm near Manhattan and there demonstrated his agricultural ability by establishing a long range program of production, using modern scientific methods to build up the land.²⁶ But the new Dean's interests were not confined to applied science. He was particularly concerned with basic research in the fields of natural science, economics, engineering, and business administration.²⁷ Ironically, his efforts in scientific investigation were designed to aid the farmer to achieve greater production--a practice which would later be the root cause of the farm problem.

Though serving in a dual role as Dean of Agriculture

²⁴Interview, Bill G. Reid with Mrs. E. L. Holton, December 9, 1965.

²⁵Kansas State University, Bulletin 484 (Manhattan, Kansas, 1965), 21.

²⁶Burr, "The Cowboy Secretary of Agriculture," 40.

²⁷R. K. Nabours, "The New Secretary of Agriculture as

and Director of the College's Experiment Station, Jardine still found time to participate in numerous outside activities. From 1915 to 1916 he served as President of the International Dry Farming Congress, a tribute to his knowledge of dry land farming, and from 1916 to 1917 he acted as President of the American Society of Agronomy. Jardine had previously served as President of the Northern Pure Seed Company, and in 1912 he was guest lecturer in the Department of Agriculture's graduate school which met at Michigan State Agricultural College.²⁸

During World War I Jardine was placed in charge of promoting agricultural production in Kansas. He was also named Co-chairman of the state's Council of Defense. By using statistics and scientific data compiled at the research station, he educated area farmers as to the best methods in planting, cultivating, and harvesting their crops. His efficient and wise planning in this area won him national recognition.²⁹ Jardine also published a bulletin outlining the procedure for training boys engaging in farm work. The pamphlet receive favorable comment from government officials and educators alike.³⁰

The next "break" in Jardine's career came in 1918 when

a Supporter of Research," Science, LXI (April 17, 1925), 415.

²⁸The Kansas Industrialist, February 5, 1919.

²⁹Ibid., March 6, 1918.

³⁰Ibid.

President Henry Waters resigned his position at Kansas State to accept a new assignment with a Kansas City newspaper. Speculation quickly developed as to who would be his successor. Governor Arthur Capper had taken a personal interest in the college and wanted to continue its national prestige in the field of agricultural services. At his request, the Board of Regents made an exhaustive search for a suitable replacement. After accumulating a long list of capable candidates, and with Capper's heartiest support, the Board selected Jardine as the best man available for the position.³¹ He assume office on March 1, 1918.

The new President was already emerging as a national figure on agricultural matters, and his new position enhanced his reputation. One of his first actions as President was to accept an invitation from Agriculture Secretary David Houston, along with Benjamin H. Hibbard, economist at the University of Wisconsin, to go to Washington and study the Department's work in farm management. Working with Assistant Secretary O. J. Christie, the two educators made a detailed study of the Bureau of Farm Management. In their report to the Secretary, they recommended that the office be broadened to include the principles of farm economics and that the Bureau become the directing force in formulating economic policy. Jardine in particular emphasized that farmers needed

³¹Interview, Bill G. Reid with R. I. Throckmorton, December 9, 1965; The Kansas Industrialist, February 5, 1919.

a standardized system for keeping records and accounts and help in marketing their produce. The enlarged Bureau as conceived by the committee, could easily aid in these areas and could coordinate other economic functions as well.³² It was from these basic recommendations that the Bureau of Agricultural Economics was organized in 1922.

Having completed his work in Washington, Jardine returned to Kansas, just as the armistice ending World War I was signed. As Chairman of the state's Council for Defense he had played a major role in mobilizing support for the war effort. Now, as one of the leading agricultural officials in the state, he began preparation to receive the returning veterans. He called the Council into a special conference to discuss soldier land settlement and other postwar agricultural problems.³³ Kansas had contributed about 80,000 young men to the armed services. Of that number about 60,000 had come from farms. Helping them return to civilian life with a minimum of disruption was a herculean task.³⁴ Jardine in particular was concerned about farm tenancy and wanted to hold its growth to a minimum. Consequently, the

³²C. J. Christie, W. N. Jardine and B. H. Hibbard to David F. Houston, November 1, 1918, National Archives, General Records of the Department of Agriculture, Record Group 16.

³³William M. Jardine, et al., Hearings on Soldier Land Settlement and Post-war Agricultural Problems, December 18, 1918. Copy in pamphlet collection, U. S. Department of Agriculture Library, Washington D. C.

³⁴Ibid., 1-2.

Council recommended that Kansas State College, working through its Experiment Station and Extension Division, and in conjunction with the County Farm Bureau, serve as a clearing house to disseminate information on farm labor opportunities and acreages for sale. The Committee also recommended that every effort be made to aid tenants in buying farms. An active road building program to take care of any "surplus unemployed" was an additional recommendation of the Conference.³⁵

With the war over the new President concentrated his attention on the needs at the college. Under his leadership the institution made significant strides. Of particular note was the aid given to farmers in developing diversified farming. Through the extension service, college officials distributed a great deal of information aimed at stimulating the growth of cooperation among farmers, and otherwise assisting the farmer in "helping himself."³⁶

The former cowboy established himself as an efficient and capable administrator. Although he made it a point to stay out of the classroom, he remained close to all phases of school activity. He also undertook an active building campaign. Construction on a new building for the agricultural sciences named after former President Waters, was one of his first projects. In addition he convinced the Board

³⁵Ibid., 6.

³⁶The Orange Judd Illinois Farmer, March 1, 1925.

of Administration that the President of the college needed a new residence. He also appointed a committee to study proposals for a memorial to the soldiers of World War I. After a slow beginning the committee selected a plan to build an athletic stadium to commemorate the deeds of Kansas State's former students. Jardine had remained an avid sports fan since his college days and the project was accepted with his heartiest support.³⁷

During his tenure as President, Jardine earned the reputation as a decisive and sometimes outspoken individual. "Make a decision and stick by it," he advised, "You won't have any trouble if you are right 51 percent of the time."³⁸ A few students fell victim to this policy but to a large degree the new college head enjoyed their confidence. When a strike by coal miners in the southeastern part of the state threatened to paralyze the college because of lack of fuel, Jardine demonstrated his political conservatism by offering the support of the men students at the college for work in the mines. Governor Henry Allen gratefully accepted Jardine's message and several students were used.³⁹

³⁷Interview, Bill G. Reid with L. C. Call, December 9, 1965; Julius T. Willard, History of the Kansas State College of Agriculture and Applied Science (Manhattan, Kansas, 1940, 240.

³⁸Clipping in Clippings file, William M. Jardine Papers, Ablah Library, Wichita State University, Wichita, Kansas, no title, no date.

³⁹Willard, History of Kansas State, 258. The students

Even though he was an educator, Jardine was never far removed from agriculture. His views were respected and when the postwar farm depression hit, farmers looked to him for leadership. In an effort to stabilize prices, he encouraged producers to form commodity pools and bargain for the best marketing prices. Being a wheat farmer himself, Jardine led in the formation of a wheat pool for Kansas. His experience in working with this organization had a great deal of influence upon his later agricultural philosophy.⁴⁰

Commodity pools may have been temporarily expedient, but most agriculturalists recognized that something more fundamental was needed to insure rural prosperity. Jardine, assisted by Eric Englund and other staff members of the experiment station, began work on a comprehensive farm program. The results of their efforts were published in pamphlet form and centered around four areas--research, education, cooperation, and legislation.⁴¹

As Jardine saw the problem, many Kansas farmers were facing bankruptcy because they planted the same crop on the same piece of land year after year. This practice not only depleted the soil's fertility but also forced the farmer to

had volunteered for the work before Jardine sent a telegram to Governor Allen.

⁴⁰Clipping in Clippings File, William M. Jardine Papers, Ablah Library, Wichita State University, Wichita, Kansas, no title, no date.

⁴¹William M. Jardine, A Sound Agricultural Policy For Kansas (Manhattan, Kansas, 1922), 3-5.

depend almost exclusively upon one crop.⁴² In view of this he proposed that Kansans adopt a soil management program that would build and conserve the soil's fertility. Such a program would include rotating crops on a yearly basis and planting legumes and other cover crops that would replace organic matter in the soil.⁴³

In the case of one crop economy, the college President urged farmers to diversify their operation. "Putting all the eggs in one basket," as he called it, kept the individual at the mercy of inevitable fluctuations in the market and weather. The chances of failure were great. By diversifying, however, farmers not only reduced the risks of losing a crop but would also stabilize the agricultural market because where one or two crops failed, others would succeed. Greater diversity would bring about greater stability from year to year in the total value of crops produced and insure prosperity to the state's economy.⁴⁴

To implement such a policy Jardine planned to use the research facilities of the college and experiment station. Too many programs had been put into effect, he believed, without adequate information. Such practices frequently resulted in loss of time and misdirected effort, not to mention costly experimentation. If adequate research was

⁴²Ibid., 6.

⁴³Ibid., 7.

⁴⁴Ibid.

conducted to determine the best soil management programs and to discover the crops most adaptable to diversification, the college President was sure that a basis could be laid for a sound agricultural policy.⁴⁵

Once the research was conducted, Jardine planned an extensive education program to present the information to the public. Ignorance and prejudice, he believed, were the chief obstacles to agricultural progress because farmers traditionally produced on the basis of past experience and were slow to accept innovations. However, the educator was confident that the college and experiment station would overcome these difficulties. The overwhelming number of students in agriculture at Kansas State either returned to the farm or went into agriculture related occupations. It was with these students that he believed change would begin. Then, through the college's extension service, lectures, and publications, research information could be disseminated to all parts of the state. Jardine's "faith in mankind" led him to believe that knowledge of the "facts" was tantamount to change in agricultural practices.⁴⁶

But the college President was not so naive as to think that the state's agricultural problems could be solved by education alone. He insisted that farmers must also learn to cooperate--not only with one another but with bankers

⁴⁵Ibid., 30.

⁴⁶Ibid., 31.

and merchants as well. The increased complexity of society forced greater integration between agriculture and non-agricultural industries. In view of this Jardine believed each segment of the economy must recognize both its own functions and its dependence upon other segments of the economy. "Cooperation is not to be regarded as a panacea," he said, "but the principle of cooperation must be taken into account and intelligently applied in the development of a sound agriculture policy."⁴⁷

A final step in developing a sound agricultural policy for Kansas came under the heading of legislation. Jardine purposely reserved this topic for last because he was skeptical of legislation providing solutions to economic problems. He realized that certain laws, for example those regarding quarantine, standardization, and inspection, were necessary, but he was reluctant to go much beyond this. The kind of legislation he perceived was that which expressed sound ideals and principles and which was designed for long range operation. He viewed the agricultural depression as a temporary adjustment and did not include it in his concept of "long range" policy. "The main object of legislation in economic matters," he said, "should be to bring about a situation in which men, while in the main pursuing their own interest, will at the same time act in harmony with the general welfare in the present and with the welfare of

⁴⁷Ibid., 32-33.

posterity."⁴⁸

A close examination of Jardine's program for Kansas reveals his basic conservatism. The plan was traditional, long range in scope, and offered little promise of either temporary or long range relief to agriculture's chief problem--low prices. Rather than promise the spectacular, he chose to emphasize modest reform. Planting less wheat by diversifying the farming operation, striving for better yields and quality per acre by maintaining soil fertility, introducing livestock as a source of income and food supply, and maintaining a better farm organization in general, was a program with which few could disagree. But at the same time, it offered little immediate help to a farmer facing bankruptcy.

Jardine's program was well received by state farmers and he was in much demand as an agricultural advisor. He traveled through most of the state giving speeches and advice on agricultural matters. He also began a radio program to provide weekly information to farmers.⁴⁹ As has been mentioned, the farm depression gradually polarized policy makers into two camps--those supporting cooperative marketing, or the conservatives, and those favoring the George Peek proposal, sometimes considered the radicals. The Kansan's

⁴⁸Ibid., 35-36.

⁴⁹William M. Jardine, "Making Farming Pay Today and Tomorrow," typescript copy of radio speech in William M. Jardine Papers, Library of Congress, Division of Manuscripts,

philosophy was particularly attractive to the former group.⁵⁰

The college President's work soon received attention in the White House. President Calvin Coolidge had inherited the farm problem from his predecessor, and had still been unable to come up with a solution. He was receptive to almost any plan, so long as it was in line with traditional economic theory, and the Kansas program appealed to him.⁵¹

In the spring of 1924 the President placed enough confidence in Jardine to ask his opinion of a bill creating a federal marketing board, which was then being considered in Congress. Jardine gave a favorable reply to the proposal. The fact that it had been drafted primarily by Commerce Secretary Herbert Hoover did nothing to injure his prestige in official Washington.⁵² A week later Hoover telegraphed Jardine asking his opinion on the McNary-Haugen bill. Jardine replied that the bill "would ultimately accentuate the situation by stimulating unbalanced agricultural production, increasing the cost of living and would not beneficially

Box I.

⁵⁰"Jardine Chosen as Secretary of Agriculture," Banker-Farmer (March, 1925), 4.

⁵¹"President Coolidge Outlines Agricultural Policy," Congressional Digest, IV (October, 1925), 261.

⁵²William M. Jardine to Calvin Coolidge, April 7, 1925, Ag 3, Agriculture:--Federal Marketing Board, Official File, Commerce Papers, Herbert Hoover Papers, Herbert Hoover Presidential Library. (Hereafter cited as HHP, HHPL).

affect the foreign situation."⁵³ He went on to comment on the bill's unsound economic principles, explaining how that it would raise the cost of living, defeat attempts to adjust production to demand and jeopardize the cooperative movement.⁵⁴ In fact the agricultural philosophy expressed in the letter was so near that of Hoover's it was difficult to tell them apart.

In May, 1924, Jardine used an invitation to address the Chamber of Commerce in Cincinnati, Ohio, as an excuse to visit Washington D. D. In the capitol city, reporters asked him about the farm situation and specifically about his opposition to the McNary-Haugen bill. Jardine repeated some of the points he had made earlier in opposing the bill, then using the text of the speech he was to give in Cincinnati, he elaborated upon his opposition to the proposal.

He began by chiding the McNary-Haugenites for their simplistic belief in legislation and questioned why they did not seek to reduce the cost of labor, machinery, clothing, lumber, and other things the farmer had to buy.⁵⁵ He also rebuked the radicals for questioning their opponents' loyalty

⁵³William M. Jardine to Herbert Hoover, April 14, 1924, Ag 3, "McNary-Haugen bill--Material Kept Together by Order of the Chief," Official File, Secretary of Commerce, HHP, HHPL.

⁵⁴Ibid.

⁵⁵William M. Jardine, A Discussion of an Agricultural Export Corporation (Manhattan, Kansas, 1924), 1.

to agriculture.⁵⁶ He then discussed the proposal at length.

Jardine maintained that the McNary-Haugen bill was price fixing because the government, in the form of the Labor Department would determine the ratio at which prices were to be established. Moreover, he believed that this was an impossible task since the price in each surplus commodity would have to be determined for every grade and at each terminal market. Such a practice, he said, would invoke hundreds of different ratios.⁵⁷

Once an attempt was made to increase agricultural prices, Jardine insisted that rates for other commodities would also rise, thereby raising the overall price level. With living costs increased, laborers would demand higher wages and that in turn would force consumer prices and manufacturing costs upward even further. In this process agricultural prices could never catch up with the average price level.⁵⁸ Furthermore, American businessmen would find it difficult to sell higher priced manufactured goods abroad. High domestic prices would allow foreign industrialists to import their products over the tariff wall. This influx of imported manufactured products would reduce the market for home producers. Consequently, workers would face unemployment which in turn would lead to reduced consumption of agricultural

⁵⁶Ibid.

⁵⁷Ibid., 2.

⁵⁸Ibid., 4.

products. With the general public consuming less, and agriculturalists producing more, due to the hope of higher prices, the overall economy would be threatened.⁵⁹

The McNary-Haugen supporters argued that the equalization fee would prevent over-production but Jardine did not agree. "The object of the plan is to raise the price of farm products in the immediate future," he claimed, "and higher prices always stimulate output."⁶⁰ Consequently, the surplus which was already the reason for depressed prices, would simply be aggravated, and readjustment to postwar conditions merely postponed. "The need of agriculture," he insisted, "is to reduce the production of hogs, cattle, and wheat and not to increase it."⁶¹

The future Secretary was also opposed to what he called the "dumping aspects" of the McNary-Haugen proposal. Exporting huge quantities of surplus food stuffs would cause foreign countries to retaliate against all American products. Such action might possibly do permanent damage to America's world markets. Even if foreign nations did not move to protect their own farmers, he continued, there was a limit to what the world market could consume. Increased supplies above that demand would not create more consumers. In addition to this, Jardine believed that "dumping" would break

⁵⁹Ibid.

⁶⁰Ibid., 5.

⁶¹Ibid.

the world price and force an even greater disparity between foreign and domestic prices. This decrease in the world price would more than absorb the gains made by farmers through domestic inflation.⁶²

One of the most discussed points about the bill concerned whether or not it would put the government into business. Jardine agreed that it would. He based his belief upon the fact that the ratio price established by the Department of Labor would depend upon the general price level rather than the supply and demand of farm produce. Since the price was to be determined on a month to month basis, the college President claimed that dealers and processors would not buy agricultural products unless the government guaranteed the price ratio. Moreover, because the price would change so frequently, dealers and manufacturers would not risk storing crops or animal products for fear that the price may be lowered any day by a decline in the general price level.⁶³

Consequently, in Jardine's view, farmers faced two alternatives---either to secure the guaranteed profits as established by the price ratio, or to sell their plant facilities to the government. Either way the government was interfering in business and risked the possibility of "carrying the whole national stocks of raw or manufactured material

⁶²Ibid., 6.

⁶³Ibid., 7.

between harvest and consumption.⁶⁴

In what was perhaps his most subtle point of opposition the college President claimed that the scrip provision, or equalization fee, in the bill would be the equivalent of fiat money. In addition to being an inflationary device, the scrip would be almost impossible to collect because the fee would be hoarded by speculators rather than returned to the corporation. The bill prohibited trading or substituting scrip, but Jardine insisted that enforcing this provision would require an official at every point of trading. As a result a huge, unmanageable bureaucracy would be built up.⁶⁵

Finally, Jardine objected to the McNary-Haugen proposal because it would stifle the cooperative movement. Cooperatives were designed to secure better prices for farmers by reducing the cost of distribution. However, in his view, the McNary-Haugen measure would cause farmers to look to legislative remedies instead of to "self-help." When the plan failed, as he was sure it would, the cooperative movement would start again--after having lost much time in the process.⁶⁶

The Cincinnati speech established Jardine as one of the foremost critics of the McNary-Haugen movement. The

⁶⁴Ibid., 8.

⁶⁵Ibid.

⁶⁶Ibid.

prospects of using cooperatives to "help farmers help themselves," particularly appealed to the businessmen attending the convention. The western educator's ideas were also read with interest by Herbert Hoover and the Commerce Secretary made a mental note of Jardine's views.⁶⁷

The farm relief problem promised to be a major issue as the presidential campaign for 1924 neared. The Coolidge administration had been injured to some extent in the farm states by the feud between Hoover and Secretary of Agriculture Wallace but party regulars were unsure how much. To placate the farmers as much as possible, Coolidge promised to call a special agricultural conference to discuss the farm problem. In August he began to collect the names of prospective delegates. Just what role the President had in mind for the commission was not immediately clear. Interestingly enough, the committee he originally selected consisted of five men, all of whom were in places of political power.⁶⁸

Hoover disagreed with the President over the make-up of the committee. In a letter to Coolidge he pointed out that

⁶⁷The Topeka Capitol, October 29, 1929.

⁶⁸The men Coolidge selected were Frank Lowden, former Governor of Illinois, O. E. Bradfute, President of the American Farm Bureau Federation; Charles Barrett, President of the National Farm Organization, L. J. Tabor, Master of the National Grange and J. L. Coulter, Dean of the West Virginia College of Agriculture, Herbert Hoover to Calvin Coolidge, August 29, 1924, Calvin Coolidge Papers, Library of Congress, Division of Manuscripts, Series 1, Box 240.

it was not geographically balanced, did not include a trained economist and did not include anyone experienced in cooperative marketing.⁶⁹ In view of these facts he recommended that the committee be enlarged to seven or possibly nine members. He went further and suggested that William M. Jardine, whom he described as "a distinguished economist, . . . who had stood staunchly for sound safe policies in agricultural development" be included if the committee was reorganized.⁷⁰ Coolidge pondered Hoover's recommendation and finally agreed to reorganize the committee, and expanded it to nine members so that it would be more representative of the agricultural states. However, he waited until a week after his election to notify the members of their selection.⁷¹

Upon arriving in Washington, the members of the committee learned that Coolidge had in mind a three fold task for them. First of all, he wanted the committee to make a special investigation of the emergency then existing in the livestock industry. In a broader sense he wanted it to study

⁶⁹Ibid.

⁷⁰Ibid.

⁷¹Mailing list for delegates to the Agricultural Conference, November 7, 1924, Calvin Coolidge Papers, Library of Congress, Division of Manuscripts, Series 1, Box 240. In the reorganized committee Lowden and Coulter were deleted. It consisted of Robert D. Carey, former Governor of Wyoming; R. W. Thatcher, Director of the New York State Experiment Station; W. C. Coffee, Dean of Agriculture, University of Minnesota; Fred H. Bixby, President of the American Livestock Association; Ralph P. Merritt, President of the Sun-Maid Raisin Growers and Jardine.

the agricultural situation and recommend suitable legislation to remedy the problem.⁷²

The conference members began their deliberation in late November but progress was slow. Chairman Robert Carey, former Governor of Wyoming, proved less than a dynamic leader. Furthermore, Charles Barrett and O. E. Bradfute were hindered by the fact that important elements in their respective organizations, the National Farm Organization and the American Farm Bureau Federation, had endorsed the McNary-Haugen bill.⁷³ In view of these circumstances, Jardine, with his outspoken personality and strong opposition to the McNary-Haugen proposal, quickly became the unofficial leader of the committee.⁷⁴

Jardine's projecting himself into the leadership role of the conference had special significance. Howard M. Gore, the acting Secretary of Agriculture had been elected Governor of West Virginia and it was public knowledge that Coolidge was seeking a successor. Also, it was well known that the President had invited Jardine to take a Sunday cruise with him on board the Presidential yacht, the Mayflower, during the Kansan's first weekend in Washington. What was

⁷²"Agricultural Committee appointed by President Coolidge Opens Session," Press Release, November 19, 1924, Agriculture--McNary-Haugen Bill, 1927-28, Personal File, Department of Commerce Papers, HHP, HHPL.

⁷³Hoover to Coolidge, August 29, 1924, in ibid.

⁷⁴Boston Evening Transcript, February 21, 1925: Topeka Journal, March 5, 1925.

discussed on that trip was never publicized but a friend of Jardine's probably expressed the spirit of it when he wrote, "I feel very confident that there was something more to this invitation than just a pleasure ride."⁷⁵ Apparently, in talking with Coolidge, the former cowboy, as well as others, got the impression he would soon be appointed Secretary of Agriculture and he used the committee to enhance his chance.

Selecting a new agricultural secretary, however, was something Coolidge did not take lightly.⁷⁶ He considered the agriculture post one of the most important in the cabinet and the Wallace-Hoover feud had only accentuated its importance.⁷⁷ The farm organizations were unable to agree upon a candidate and the nominations for the position mounted. At one time Coolidge had almost two hundred dossiers on his desk.⁷⁸ But the President would not be rushed into a decision, despite the controversy surrounding the office. He did offer the job to Hoover but the Commerce Secretary refused to accept it and suggested the name of Jardine instead.⁷⁹

⁷⁵C. V. Topping to William M. Jardine, November 19, 1924, National Archives, The President's Agricultural Conference, 1924-1925, Record Group 16.

⁷⁶Stuart O. Blythe, "Mr. Coolidge Goes on His Own," The Country Gentleman, XC (March 7, 1925), 17, 53.

⁷⁷The Washington Post, February 15, 1925; New York Times, February 15, 1925, p. 1.

⁷⁸"Endorsements: For Secretary of Agriculture," Coolidge Papers, Library of Congress Series 1, Box 1.

⁷⁹Herbert Hoover to Calvin Coolidge, November 3, 1924, Coolidge Papers, Library of Congress, Series 1, Box 4.

By the middle of January, 1925 rumors spread through official Washington that the President had narrowed the agriculture list to a half a dozen men. Jardine, considered by many to be the administration's spokesman at the agricultural conference, was said to have the inside track. However, there were a few obstacles to his nomination. Coolidge wanted a capable administrator well verse in all phases of business management. Jardine's only experience had been administrative. Furthermore, and perhaps most important, the Kansas congressional delegation had endorsed J. C. Mohler, Secretary of the Kansas Board of Agriculture.⁸⁰ Jardine's opposition to the McNary-Haugen bill had alienated seventh-district Congressman J. N. Tincher, and Senator Arthur Capper as head of the Farm Bloc, was hesitant to support anyone so closely aligned with Hoover's philosophy.⁸¹ When it became apparent, however, that Jardine was the only one from Kansas with a chance at the cabinet post, the delegation endorsed him unanimously.⁸²

Several Congressmen from the Midwestern states also opposed the Kansan's nomination. In Iowa, where the McNary-

⁸⁰Theodore D. Hammett to Herbert Hoover, December 9, 1924, Ag 3--Applications for Secretary of Agriculture, Official Files, Secretary of Commerce, HHP, HHPL.

⁸¹J. N. Tincher to William M. Jardine, February 24, 1925, William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box 5.

⁸²Charles Curtis to Calvin Coolidge, February 11, 1925, Coolidge Papers, Library of Congress, Series 1, Box 4.

Haugen movement was the strongest, the state Farm Bureau Federation organized a concentrated telegram campaign against his selection.⁸³ If the opposition had any influence with Coolidge he did not reveal it.

In late January and early February of 1925 the agricultural commission made its report to the President. The first report, concerning conditions in the cattle industry, was followed by a more extended report on general agricultural conditions. At the insistence of Jardine the commission recommended that a "Federal Marketing Board" be established to give assistance to farm cooperatives.⁸⁴ While the conference elaborated on the agricultural situation in much detail, the cooperative marketing proposal received the greatest attention and support in the final report.

Perhaps it was coincidental, but on February 13, shortly after the conference made its preliminary report to the President, Jardine received an invitation to the White House. Because of the "whispered reports," he felt confident that the President intended to offer him the cabinet post. Coolidge was in a talkative mood, but he talked in generalities--never mentioning the secretaryship. Jardine left depressed, convinced that Coolidge had never been considering him for the job, or if he had been, changed his

⁸³Telegrams in Coolidge Papers, Library of Congress, Series 1, Box 4.

⁸⁴The Topeka Journal, March 5, 1925.

mind after their conversation. He stopped by the Cosmos club and told his friends of the disappointing visit. Then he went home only to find a telegram from Coolidge offering him the position.⁸⁵

⁸⁵The Topeka Capital, October 29, 1929.

CHAPTER III

THE NEW SECRETARY'S FARM FORMULA

Soon after making his decision, the President sent the new Agriculture Secretary's name to the Senate for confirmation. It had been customary for new cabinet appointments to be presented at the special session of Congress called at the beginning of each new Presidential term. But to avoid any prolonged debate on the nomination Coolidge sent the appointment early.¹ Supporters of the McNary-Haugen proposal threatened to block Jardine's confirmation but that threat failed to materialize. The Senate Agricultural and Forestry Committee, headed by Congressman George W. Norris, gave a favorable report on the President's recommendation and Jardine was confirmed without a record vote.²

The new Secretary's nomination generally received favorable press notices. Several reporters, believing him to be French, pronounced his name "Jardeen," but this error was soon corrected when Coolidge introduced him to the press corps. His name is "Jardyne," the President said--"he's a

¹New York Times, February 15, 1925, p. 1.

²Ibid.

scotsman."³ The newspaper men were impressed by their first interview with the new agriculture Chief. The New York Times commented editorially, "This appointment is . . . excellent." The Baltimore Evening Sun predicted that there would be no federal soup kitchens in Washington and praised the new Secretary's "opposition to government meddling in the economic affairs of the farmer." Editors of the Louisville Courier-Journal said that he was "eminently qualified to administer the Department of Agriculture." Senator Arthur Capper in his Topeka Capital wrote that the new Secretary was "energetic, competent, and hardheaded." The Syracuse Post Standard was pleased that "he [Jardine] suits Secretary of Commerce Hoover," and the Washington Evening Star was impressed by his "mental and moral courage," in opposing the McNary-Haugen bill.⁴

The farm papers were likewise generous in supporting the new Secretary. The Farm and Ranch, published in Dallas, said his appointment was "a wise choice; he is safe, sane, direct in method, discreet, a friend of the public as well as the farmer and he knows agriculture." Iowa had been a hot bed for the McNary-Haugen proposal but editors there were

³Clipping in Scrapbook, William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box 7, no title, no date.

⁴The New York Times, February 17, 1925, p. 22; The Baltimore Evening Sun, February 15, 1925; The Louisville Courier-Journal, February 16, 1925; The Syracuse Post-Standard, February 15, 1925; The Washington Evening Star, February 16, 1925.

willing to give Jardine the benefit of the doubt. Wallace's Farmer guardedly commented that he "is unquestionably the most acceptable man President Coolidge could have named, so far as employees of the Department of Agriculture are concerned, . . . this means a lot from the standpoint of efficient government." The Iowa Homestead predicted that "President Coolidge, Mr. Hoover and the new Secretary will work in harmony" and former Agriculture Secretary David Houston writing in the Successful Farmer, called the nomination a "happy selection" because "Dr. Jardine has never aligned himself with any faction, nor has he been a politician." The Progressive Farmer of Birmingham, Alabama mentioned that "from the scientific standpoint he is probably better equipped and has a better background of experience than any Secretary of Agriculture we have yet had." A similar theme was echoed by the editor of Hoard's Dairyman of Ft. Atkinson, Wisconsin.⁵

Lest the new Secretary read his press clippings and forget his duties, a few papers sought to point out the difficulties he faced. The Prairie Farmer of Chicago pointed out that his association with the President's Agricultural Commission might handicap him in the Middle West.⁶ Furthermore the more militant farm leaders were disappointed with

⁵Quoted in "Cowpuncher in the Cabinet," Liberary Digest, LXXXIV (February 29, 1925), 9-10.

⁶Ibid.

Coolidge's selection because they believed that agricultural policy would now be formulated by Hoover and the Commerce Department. Chester C. Davis, then Commissioner of Agriculture for the state of Montana, wrote to George Peek that Jardine's appointment means that "we are outsiders at the Department of Agriculture, probably for the next four years."⁷ A Kansas farm spokesman wrote: "we are hopeful that our Jardine will feel more independent since he has landed the job."⁸ The spokesman also promised to "bring pressure to bear on him" if the new Secretary "sold out" to the business interests.⁹ It was primarily this type of comment which prompted one popular magazine to write that, "it looks as if he [Jardine] is going to have a good deal of trouble after he gets in [the Cabinet]."¹⁰

Despite these ominous predictions, the former college President looked forward to serving in his new position. At forty-six he was the youngest member of Coolidge's new cabinet and he reintroduced a Rooseveltian atmosphere to the sophisticated business-like Washington society of Coolidge, Hoover, and Mellon. In addition to playing golf and fishing,

⁷Chester C. Davis to George N. Peek, Undated [1925], George N. Peek Papers, Western Historical Manuscripts Collection, University of Missouri Library, Columbia, Missouri, Box 7, Folder 223.

⁸Andrew Shearer to R. A. Cowles, February 24, 1925, in ibid., Box 7, Folder 225.

⁹Ibid.

¹⁰"A Secretary for the Business Side of Farming,"

he rode almost daily on a high spirited horse named Cal. Later Jardine changed the horse's name, explaining that the "critter" was much too "rambunctious" to bear the name of the dignified Coolidge. His speech was filled with western colloquialisms, and terms such as "way out yonder" and "tommyrot" punctuated cabinet and other dignified meetings.¹¹ Yet, even though his conversation may have been amusing, or embarrassing, to Washingtonians, the new Secretary had good rapport with the farmers. One journalist wrote: "He can lean against a hog fence and talk crops with the owners."¹² This ability to "talk the farmers' language" soon proved a valuable asset to him.

While Jardine utilized agrarian metaphors, he also displayed a keen knowledge of the agricultural situation. He spoke in the rural venacular, but at the same time contributed to sophisticated American journals as well as foreign periodicals.¹³ A typical conversation with Jardine soon revealed that he had a clear conception of the administration's farm philosophy. He had definite convictions that a farm should be operated as a business concern, and consistently referred to the farm as a "manufacturing plant;" the farmer as a "business manager;" and stress that the "quality of the

Outlook, CXXIX (February 25, 1925), 286.

¹¹Kansas City Star, February 1, 1925.

¹²Boston Evening Transcript, February 21, 1925.

¹³Orange Judd Illinois Farmer, March 1, 1925; New York

commodity must be improved."¹⁴ The new Secretary insisted that he had no panacea for agriculture. "My aim," he said, "will be to pick out a number of practical and constructive things that farmers can put into practice . . . and push them hard."¹⁵ These general attitudes quickly won for him the complete confidence of Coolidge.

Any improvement in the agricultural situation, Jardine maintained, must come from a combination of individual efficiency, cooperative enterprise, and wise public policy. To the satisfaction of the business community he pointed out that agriculturalist could and should adopt many of the fundamental principles that had been successfully used by industry.¹⁶ To do this farmers must reduce waste in production and distribution, expand markets, find new uses for their products, organize producers for greater bargaining power, and enlist government aid in research and in the maintenance or creation of favorable market conditions.¹⁷ Also,

Times, August 21, 1925, p. 3. See Jardine's articles in the American Academy of Political and Social Science and other popular periodicals.

¹⁴William M. Jardine, "The Farmer is a Businessman," Nation's Business, XIII (April, 1925), 13-14.

¹⁵Press Release, March 26, 1925, copy in National Archives, General Records of the Department of Agriculture, Record Group 16.

¹⁶William M. Jardine, "A Sound Agricultural Policy for the Future," undated copy in U. S. Department of Agriculture Library, Pamphlet Collection, Washington, D. C., 1-5; Jardine, "Farmer is a Businessman," 13-14.

¹⁷William M. Jardine, "An American Agricultural Policy,"

he believed legislation should be enacted to help reduce surpluses in farm products so that price fluctuations would be held to a minimum. In taking such a position the former educator was careful to avoid making any suggestion for mandatory acreage controls. Instead, he favored a legislative program that would educate farmers as to consumer demands and assist cooperatives in handling agricultural commodities. But, generally speaking, the Secretary was not enthusiastic about legislative panaceas. "Only 10 percent of the farmers' problem can be solved by legislation," he explained, "the remaining 90 percent must come from the farmers."¹⁸

Jardine was well aware of the general agricultural situation. He pointed out that farmers, in appraising their dilemma, must take into consideration the events which had occurred since 1920. The burden of heavy taxes, debts, and fixed charges, were all results of wartime readjustment which had come more clearly into focus since the beginning of the decade.¹⁹ The Secretary also recognized the significance of the rapidly developing urban areas. He admitted that the United States had made long strides toward becoming an industrial nation, but, he argued, for this reason agriculture

undated copy in U. S. Department of Agriculture Library, Pamphlet Collection, Washington, D. C., 1-4; William M. Jardine, "The Farmer Must Help Himself," The Country Gentleman, XC (April 11, 1925), 49.

¹⁸"William M. Jardine," Current Opinion, LXXVIII (April 11, 1925), 414-15.

¹⁹Jardine, "The Farmer Must Help Himself," 3.

should play an even more important role in the national economy.²⁰ He discounted the idea that the country was industrializing at the expense of farming. The enormous resources of the land; the fact that American farmers enjoyed the highest living standards of any farm group in the world, proved to Jardine that agriculture could hold its own with any other group. He conceded, though, that one of the major problems of the decade was how to assure agriculture a fair share of the national income.²¹

Jardine built his solution to the problem around an eight point program which included both farm and government action. From the farm standpoint, he concluded, it was essential to adjust production to market requirements. For example, he pointed out that America's per capita wheat consumption was about six bushels per year and the United States' population in 1924 was something over 110,000,000. This meant that on the average the United States used about 600,000,000 bushels of wheat for domestic purposes. Farmers could produce more than fourteen bushels of wheat per acre

²⁰William M. Jardine, "The Farmer, His Fellow Farmers, and Other Folks," The Country Gentleman, XC (April 18, 1925), 43-46; William M. Jardine, "The Farm Situation and the Middle Western Business Man," undated copy in U. S. Department of Agriculture, Pamphlet Collection, Washington D. C., 1-2.

²¹William M. Jardine, "The Farmer is Master of His Fate," The National Republic, XIII (September, 1925), 5, 44; Jardine, "The Farmer is a Business Man," 14, 16; William M. Jardine, "Speech Before Meeting of the Illinois Agricultural Association," January 21, 1926, copy in William M. Jardine Papers, Ablah Library, Wichita State University, Wichita, Kansas.

and since 1920 the average wheat acreage had been approximately 62,000,000 acres annually, and consequently supply had far exceeded demand.²² It was this surplus which forced wheat prices down.

The Secretary's solution to this problem was to try to balance supply and demand. To accomplish this he proposed a reduction in domestic wheat acreage to around 50,000,000 acres. This in turn would raise prices.²³ He proposed to implement such a program by educating farmers as to its merits. Once agriculturalists saw that lower yields would bring higher prices, Jardine was convinced that they would voluntarily reduce their acreage. A similar program was to be set up for all surplus commodities. According to Jardine, with the exception of farm cooperatives to aid farmers in this venture, no other controls were necessary.²⁴

Only after farmers had done all they could "to help themselves," should public agencies assume any responsibilities. Jardine believed that the Agriculture Department could perform a vital service as an information center. He planned to supply farmers throughout the nation with up-to-

²²William M. Jardine, "The Farmer Situation and the Middle Western Business Man," December 17, 1925, typescript copy of article in William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box 5, pp. 2-4; William M. Jardine, "We Must Stop Exporting Wheat," Nation's Business, XI, (1924), 21.

²³Ibid., William M. Jardine, "Farmers Must Settle Their Own Problems," Farm Life, XLIV (April, 1925), 17, 52.

²⁴Jardine, "The Farm Situation," Jardine Papers, Library

date production and market statistics. By using this material agriculturalists would know what was going on in other sections of the country and adjust their plans accordingly. At the same time, he intended to use the Department's influence to correct a number of basic grievances that had long plagued agriculture.²⁵

Farm taxes, which were becoming an increasingly heavy burden to the farmer, were among the questions which, according to Jardine, needed attention first. For example, because the majority of state and local revenue came from property taxes, rural property holders were forced to contribute a larger share of their income to support state and local government. The problem was aggravated by the fact that many people were moving to urban centers. While state and county expenses increased, the number of property owners declined and forced the remaining owners to pay even heavier taxes. In contrast, industry, which had received a tremendous boost from the war, continued to grow and prosper but managed to escape much of the tax burden, because the tax structure was based primarily on real estate.²⁶

of Congress.

²⁵Jardine, "An American Agricultural Policy," 1-6; William M. Jardine, "What the Government Can Do to Help the Farmer," typescript copy of interview with Wheeler McMillen, November 1, 1925, National Archives, Record Group 16.

²⁶William M. Jardine, "Laws and the Farmer," The Country Gentleman, XC (December, 1925), 4; William M. Jardine, "The Agricultural Problem," Saturday Evening Post, CXIII (October 16, 1926), 169.

Jardine believed the farmers' tax load could be lessened which would help them realize a greater profit from their farm dollar. The first step was to tighten the administrative machinery of the taxing system. Since property taxes had long been the sources of revenue, serious inequalities had crept into assessment valuations. The Secretary called for new land assessments that would take into consideration the earning power of the property. For this reason, Jardine suggested that "intangible wealth," in the form of personal property, should also be taxed. This would bring the city dweller in for his share of the levy and broaden the tax base.²⁷

In the long run Jardine believed that there should be a redistribution of the tax burden between state and local governments. Under the existing system local governments carried the major part of the taxing load in order to maintain schools and roads. But, as the nation and states made technological advances, and as the population increased, school and road needs quickly outgrew the capabilities of local governments.²⁸ Jardine pointed out that states already assume the responsibilities of establishing minimum standards for education. Why then could they not also assume

²⁷Jardine, "Laws and the Farmer," 4; Jardine, "Agricultural Problem," 169.

²⁸William M. Jardine, "Taxation," Agricultural Policy Booklet, Jardine Papers, Ablah Library. This book contains selected speeches, articles, etc., representative of

some of the financial burden in maintaining those standards. On the same basis, he proposed that the states finance public roads which served more than one local community. "Public functions of state wide importance," he said, "should be supported by the state as a unit rather than largely by independent units" ²⁹ If this could be done, the Secretary concluded, farmers would not have to bear as much of the expense and consequently raise their income. ³⁰

Migration to the cities posed not only increased tax burdens for farmers, but transportation difficulties as well. In addition to reducing the number of tax payers in rural communities, the growth of urban centers also forced agriculturalists to transport their commodities long distances to market. Even though freight rates had been an agrarian grievance since the late nineteenth century, Jardine still believed that they were a basic reason for the farm depression. His program called for a complete overhaul of the freight rate structure. New rate adjustments were to be made that would take into account the market value of farm products, as reflected over a reasonable period of years. Likewise, the new schedules would consider the influence of rates on the economic development of different regions and

Jardine's agricultural policies.

²⁹ Ibid.

³⁰ Ibid., U. S. Department of Agriculture, Yearbook of Agriculture, 1925 (Washington, 1926), 24-26.

the country as a whole.³¹

The Secretary did not limit the transportation problem to railroads alone. He also pointed out that agriculturalists should make the most of the emerging national highway system by seeing that good roads connected their farms with other transportation facilities.³² Jardine deplored the practice of building and improving roads, however, by a system of taxation that placed the burden on farm land. He contended that agricultural traffic on main roads made up a small part of the total use. In view of this fact, he believed taxation for road improvements should be made on a state-wide basis.³³ Over-improvement of local and county roads also siphoned off many of the farmer's tax dollars. The former educator pointed out that farmers often went to great length to construct hard surface roads in areas where dirt or gravel roadbeds would serve just as well. He demonstrated that such improvements did not measurably increase the value of the adjacent farm lands and should subsequently be kept at a minimum.³⁴

³¹Jardine, "Laws and the Farmer," 79.

³²William M. Jardine, "The Public and Highway Transportation," May 28, 1925, speech before the Midwest Transportation Conference, Chicago, Illinois. Jardine Papers, Library of Congress, Box 5.

³³Ibid., U. S. Department of Agriculture, Yearbook of Agriculture, 1926 (Washington, 1927), 18-19.

³⁴Ibid., 20.

His program also called for consideration of waterways as a method of transporting farm commodities. Ocean freight rates had remained at their prewar level and offered cheap transportation. Jardine advocated development of the interior river systems, particularly the Mississippi and St. Lawrence, so they could be effective outlets for farm products and consequently reduce freight rates.³⁵

The question of transportation was directly associated with what Secretary Jardine believed to be the underlying cause of the whole farm problem, that of marketing.³⁶ For this reason he gave strong support to the cooperative movement and he emphasized that farmers must utilize better business methods in their operation. He denied the charges of those who characterized the cooperative movement as a "selfish class movement" and a "menace to society." Rather, he maintained, agricultural production was essential to the national welfare. Therefore, it was imperative that farmers market their products on equal terms with industry.³⁷

As the American economic system became more complex the distance, in terms of miles, between the producer and

³⁵Jardine, "Agricultural Problem," 169; William M. Jardine, "Waterway Development," Agricultural Policy Booklet, Jardine Papers, Ablah Library.

³⁶"Secretary Jardine's View of the Farmer's Problem," Congressional Digest, IV (October, 1925), 263, 283.

³⁷Jardine, "The Farmer, His Fellow Farmers, and Other Folks," 4, 46; "Subsidized Speculation," The Country Gentleman, XCII (October, 1927), 26.

consumer materially widened. Naturally, with greater distances involved, market costs increased. Jardine pointed out that the individual farmer was almost powerless under such circumstances. But with organization, agriculturalists would be in a better position to sell their crops. Financing, insurance, standardization, storage, and distribution of commodities, he continued, could all be done more efficiently and with less cost through cooperative associations.³⁸

In addition to improved marketing power, Jardine believed cooperatives could adjust production to market needs and improve the producers bargaining power over price. He thought it was essential for farmers to have an effective bargaining voice in order to minimize market fluctuations.³⁹ To gain price balance, however, the Secretary stress that producers must organize on a commodity basis and represent a majority of the farmers who produced products handled by the association. For example, a wheat cooperative should have the support of more than half of the farmers in its district; otherwise it could not control enough of the grain to affect the market.⁴⁰

³⁸William M. Jardine, "Cooperative Marketing," Agricultural Policy Booklet, Jardine Papers, Ablah Library.

³⁹Jardine, "Farmer is a Business Man," 16; Jardine, "Farmer, Master of His Fate," 5, 14.

⁴⁰Jardine, "The Farmer, His Fellow Farmers, and Other Folks," 4, 46.

Supplying the consumer's demands quickly and at reasonable cost; bargaining with prospective buyers for the best possible price, and all the while attempting to regulate production to market demands, was Jardine's prescription for an efficient, successful cooperative. If a majority of the farmers throughout the nation subscribed to this type of organization, the Secretary was sure prosperity would soon return. However, Jardine emphasized cooperative organizations must be voluntary--a fact which had long hindered their usefulness.⁴¹

Farm credit was another obstacle in the farmer's drive for prosperity. The depression had revealed a serious weakness in agricultural credit facilities. In some regions for instance, local capital was insufficient to meet the legitimate needs of agriculture. This forced the cost of short term loans to prohibitive heights. As a result, crop liens and chattel mortgages were common, and the producer was often forced to market his crops under unfavorable circumstances in order to meet immediate bank notes.⁴²

In addition to mortgages, banking practices also contributed to farmer distress. In some regions, particularly

⁴¹William M. Jardine, "Cooperation and the Federal Government," November 24, 1925, speech before the National Milk Producers Federation, National Archives, Record Group 16.

⁴²William M. Jardine, "The Local Bank and the Farmer," typescript copy of article for Dollars and Sense, Jardine Papers, Ablah Library; "The Banking Situation in the Middle West," The Commercial and Financial Chronicle, CXXIV

the Midwest, credit conditions became so bad that numerous banks failed. This impaired confidence and caused many solvent banks to maintain extremely high cash reserves. Also, many local banks shifted their funds from agricultural investments to government and industrial securities.⁴³ As a result, there was a scarcity of credit and agriculture suffered. To remedy this situation, Jardine proposed that farmers organize agricultural credit corporations so they could be eligible to receive funds from the federal government. He particularly directed his proposal toward the Midwest where large numbers of banks and bank failures were common. Essentially, Jardine believed farmers would benefit more from a few adequately financed banks, than from a large number of banks with only minimum capital.⁴⁴

Another aspect of the agricultural problem was the public land policy. Until the 1920's the government had parcelled out the public domain to private individuals and corporations and encouraged farmers to bring as much land as possible into production. After passage of the Newlands Act in 1902, the federal government had actively participated in reclaiming many acres of submarginal land to make it

(January 26, 1927), 567.

⁴⁴William M. Jardine, "Farm Credit," Agricultural Policy Booklet, Jardine Papers, Ablah Library; typescript copy of article by Jardine for the American Bankers Association Journal, no title, no date, in National Archives, Record Group 16.

suitable for cultivation.⁴⁵ Jardine noted the problems of this practice were not realized until the advent of modern technology. However, with power machinery and large acreages the farmer could easily produce a surplus, which in turn forced commodity prices down.

In reality the perennial surplus crops, wheat, corn, cotton, and tobacco, were hardly affected by reclamation in the 1920's. However, the fact that irrigation was coming into increasingly wider use, opened the possibility of both expanded acreages and greater production per acre. This potential was opposed by Jardine since it came at a time when he thought there was already too much land under cultivation. In his view, the former land policy amount to a form of government exploitation, not only aggravating the surplus problem but also cheapening the labor and property of all established farmers. The Secretary's program called for a comprehensive classification of all undeveloped land in the nation. Feasibility studies would then be made to determine how each portion of land could best be utilized. At the same time a land policy was to be formulated that would benefit all sections of the nation, rather than aid a few favored regions or localities.

In addition, Jardine proposed to check the amount of new acreage brought into cultivation until markets could be found for the existing farm surplus. He planned to spend

⁴⁵Jardine, "Laws and the Farmer," 79.

more than one billion dollars to take submarginal lands out of production.⁴⁶ To offset the economic losses of the uncultivated areas, the federal government, working in close cooperation with the states, would engage in a broad program to reforest those regions.⁴⁷ Closely associated with this idea was the Secretary's belief that farmers must not only reduce acreage, but as mentioned earlier, also diversify their farming operations. Jardine also suggested turning much of the land in production back to grazing and pasture.⁴⁸

The last, and most difficult point in Jardine's agricultural program concerned the farm surplus problem. Characteristically, he regarded surpluses with the same conservative outlook that distinguished his general program. He maintained there were two remedies to the problem--efficient management of production, and better marketing and distribution.⁴⁹ The latter approach included the problem of

⁴⁶Ibid.; William M. Jardine, "A Land and Tenancy Policy," undated copy in U. S. Department of Agriculture, Pamphlet Collection, Washington, D. C. Milton S. Eisenhower to Author, July 10, 1969. Neither Coolidge nor Hoover would go along with this idea and the proposal was dropped.

⁴⁷William M. Jardine, "Reclamation and the American Farmer," undated speech given before the Reclamation and Land Settlement Conference, copy in National Archives, Record Group 16.

⁴⁸Ibid.; William M. Jardine to F. W. Moore, March 30, 1925, in ibid.; William M. Jardine, "Farmers as Managers," Annals of the American Academy of Political and Social Science, CXVIII (January, 1925), 18-87.

⁴⁹Jardine, "The Farmer Must Help Himself," 3-4; William M. Jardine, "Agricultural Surplus Control," Annals of

storing the "carry-over." Jardine did not consider surpluses, generally, as the "villian" that some farm leaders made them out to be. Instead, he theorized, it was often necessary to carry over a product from one season to another, particularly if the product was involved in manufacturing. Also, he wanted to use the surplus carry-over as a national reserve to guard against the fluctuating and seasonal production which often increased consumer prices.⁵⁰

Naturally the question of storage involved the problem of credit. But, in addition to credit, there was the matter of orderly control and transfer of commodities from storage to the consumer. Jardine believed the federal government could aid in solving the problems of storage and credit, and cited the United States Warehouse Act of 1914 and the Federal Intermediate Credit System as examples of how he thought this goal might be achieved.⁵¹ The Warehouse Act provided cooperatives with a standardized warehouse certificate which was universally accepted as sound collateral for loans. Thus, farmers could carry and market their crops in an orderly way with those associations cooperating under

the American Academy of Political and Social Science, CXLII (March, 1929), 45-53.

⁵⁰Jardine, "Agricultural Problem," 174; U. S. Congress, House, Committee on Agriculture, Agricultural Relief Hearings, 69th Cong., 1st Sess., Serial 0, Part 16 (Washington, 1926), 1304-05.

⁵¹Jardine, "Laws and the Farmer," 4; Jardine, typescript copy of article for American Banker Association Journal, 4-6.

the Warehouse Act. In 1923, Congress established the Federal Intermediate Credit System to supply production and marketing credit, particularly for agricultural commodities. Jardine hoped to broaden this system and make federal funds available to cooperatives for the purchase of new plant facilities and new equipment.⁵² He emphasized, however, that greater utilization would have to be made of the existing storage and credit conveniences before farmers could realize the advantage of such practices.⁵³

Unfortunately, the answer to the distribution question was not as easy as the solution to the storage and credit problems. Jardine believed collective action was necessary, but denied that federal agencies had any responsibility in handling or distributing farm commodities. The Treasury could lend money, and Agriculture Department officials could provide information about the best markets, but getting products to the places of trade was the problem and responsibility of the farmers.⁵⁴

The Secretary opposed any governmental interference in the channels of trade because he felt such action would not be tolerated by the consuming public. While he favored

⁵²U. S. Congress, House, Agriculture Relief Hearings , 69th Cong., 1st Sess., 1308-10.

⁵³Ibid.

⁵⁴Jardine, "What the Government Can Do to Help Farmers," 4-8.

higher farm prices, he was nevertheless convinced that there was a limit to what the consumer would pay. Setting prices too high would increase output, lower consumption and destroy the balance of supply and demand. This, he thought, would do even greater injury to the farmer. Also, if governmental buying and selling were successful, it would smother the cooperative movement by eliminating incentive for collective action.⁵⁵

The surplus problem was not confined to any one section of the nation and for that reason Jardine opposed attempts to gain special favors for one class of farmers at the expense of other producers. He pointed out that farmers of the East bought western grain; the South was a heavy purchaser of northern pork products, grain, and feedstuffs, and the North served as a market for southern cotton products. The Secretary, therefore, insisted that any surplus program must uniformly benefit all agricultural interests. "Legislation designed to affect the prices of farm products," he said, "must have full regard not only for common interest, but likewise for conflicting interests of all regions."⁵⁶

The agricultural surplus question brought Jardine into direct opposition to the McNary-Haugenites. As has been

⁵⁵Jardine, "Agricultural Problem," 176; U. S. Congress, House, Committee on Agriculture, Agriculture Relief Hearings, 68th Cong., 2d Sess., Serial 00, Part 7 (Washington, 1925), 234.

⁵⁶Ibid., William M. Jardine, "Farmers Place Under the

mentioned, he opposed the bill for a number of reasons, but more than anything else he disliked the measure because it conflicted with his own conservative philosophy of self-help. The way to restore the farm dollar, he maintained, was for farmers to reduce their agricultural production to domestic consumption plus what could be profitably exported. Tampering with the tariff and price structure, as the bill proposed, would only aggravate the problem.⁵⁷

The Secretary's tariff philosophy conformed essentially to the historic Republican policy of protection. He pointed out that agricultural exports were gradually declining while other exports were increasing in relative importance. This was true whether compared with total exports of all products, or with total domestic production. From these facts, Jardine concluded that since agriculture was becoming less, and industry more dependent on the foreign market, it should have protection against foreign competition on the domestic markets. His proposal was aimed as a warning to some western Congressmen who were advocating that agriculture be put on an equal status with industry, or that the whole tariff structure be revised.⁵⁸

Sun," Century, CXIII (March, 1927), 547.

⁵⁷Merle Thorpe, "The New Secretary of Agriculture," World's Work, L (May, 1925), 88; U. S. Congress, House, Agriculture Relief Hearings, 69th Cong., 1st Sess., 1305.

⁵⁸Jardine, "An American Agricultural Policy," 5-9; William M. Jardine, "Speech Before the Republican Club, New

Jardine disagreed with the belief that industry was the only part of the economy benefiting from the tariff. He pointed out that on the average, almost one-third of the production met competition from foreign imports on the domestic markets. For those producers who did face competition, the tariff was definitely helpful.⁵⁹ Here the Secretary "plugged" for his idea of reducing production to market demands. He stated that those commodities, particularly dairy products, beef, vegetable oils, and spring wheat, whose output was approximately what the domestic market required, were in fairly good shape.⁶⁰ As Jardine also pointed out, the United States imported a number of products in large quantities, the most common being, sugar, wool, edible nuts, and hides. He believed it would be unwise to deprive those producers of tariff protection merely because some farm crops were not yet in a position to profit from the tariff.⁶¹

Even though Jardine believed production should be regulated to demand, he did not wish to reduce farmers to mere gardeners for industry. He was particularly concerned about the continued decline in overall agricultural production.

York," December 17, 1927, National Archives, Record Group 16.

⁵⁹William M. Jardine to Calvin Coolidge, June 15, 1927, National Archives, Record Group 16.

⁶⁰Ibid., U. S. Department of Agriculture, Yearbook of Agriculture, 1928 (Washington, 1929), 32-33.

⁶¹Ibid.

"Ultimately," he said, "we must either balance our domestic structure so that the country will maintain . . . a prosperous agriculture capable of making us self-sufficient . . . or we must follow the way that leads to dependence on foreign food supplies" ⁶² He deplored the thought of the United States becoming dependent on foreign countries for its basic agricultural commodities and believed tariff protection would prevent that from happening. However, tariff policy should apply to all commodities meeting foreign competition and not be reserved for just the surplus products. In typical Republican form he advocated that agriculture be treated as an "infant industry." He made his position clear by saying: "The only method of setting up a workable and effective tariff for agricultural products is to do what used to be done decades ago for manufacturing industries, namely to fix rates at such a height as to effectively give the home market to domestic producers." ⁶³

In adopting such a tariff policy the new Secretary did not intend that American farmers should grow no surpluses. Rather, he realized that it was necessary to export certain commodities, such as cotton and tobacco. But at the same time he insisted that the future lay with American markets. "We need to get away from the idea that our agricultural

⁶²William M. Jardine, "The Tariff," Agricultural Policy Booklet, Jardine Papers, Ablah Library.

⁶³Ibid.

prosperity depends largely upon our ability to produce surpluses for sale abroad," he wrote, "after all the home market is our most important market" ⁶⁴ In advocating such a philosophy Jardine demonstrated his close economic kinship to Henry Clay and William McKinley who had espoused similar ideas in previous generations.

If agriculturalists did concentrate upon the domestic market, Jardine stressed that they would have to produce "quality" products. He pointed out that the American public consumed a higher quality of goods than any other people in the world and would not be content with second-rate produce. However, producing for a limited market made it necessary for the American farmer to find out what consumers wanted. To illustrate this idea, the farm Secretary pointed out that Bostonians would pay a higher price for brown eggs while buyers in New York preferred white eggs. Rather than quarrelling with these habits, he insisted that farmers cater to these wishes and thereby increase their income. ⁶⁵

Helping farmers standardize their product was another area in which the former educator believed that cooperatives could be of assistance. Farmers notoriously sold their commodities in bulk quantity, leaving the dealer to sort out and determine the condition, grade, and quality of the

⁶⁴Jardine, "What the Government Can Do to Help the Farmer," 4.

⁶⁵Ibid.

product. In so doing, both the farmer and the consumer paid for his work. According to Jardine, commodity associations should accept this responsibility for standardizing farm products and discovering market needs. They could then provide goods to the exact specification of the wholesaler and thereby receive a higher price.⁶⁶

Here then was the Secretary's philosophy. Contrary to those who would have the government seek to solve the agricultural dilemma, Jardine maintained that farmers must work out their own problems. Farmers could gain a greater share of the consumer's dollar only by balancing production to demand and developing orderly marketing. Balancing production would mean farmers must voluntarily reduce acreage, diversify their operations and maintain efficient business methods in farming. The Agriculture Department could help by making the latest information on market demands and prices available to the farmers, overhauling freight rates, improving credit facilities and revising its reclamation policies.

Farm cooperatives were the Secretary's answer for orderly marketing. The government would make initial funds available to cooperatives which would organize on a commodity basis and buy the surplus production. The cooperatives would then store the surplus and gradually release the commodities when the market was most favorable. Should the surplus be too large and prevent selling in one year, the cooperative

⁶⁶Ibid., 4, 49.

would store the commodity and wait for suitable markets. The loan from the federal government was to be paid back from profits made by the associations. Farmers, by adopting these business techniques in selling would be taking the first step toward "stabilizing" the farm dollar.⁶⁷ Even after outlining his formula for farm prosperity, Jardine still insisted that any permanent improvement in agriculture must come primarily through the industrious efforts of the sane, thoughtful, progressive farmers." "There is no formula under the sun," he wrote, "that can guarantee the well being of the inefficient producers."⁶⁸

A brief on Jardine's policies demonstrates that he remained fairly consistent throughout his tenure as a cabinet official. Despite the critical condition of agriculture, he continued to advocate conservative remedies for the farm problem. He well summed up his philosophy when he said in 1927:

I want to make it clear that, for the long pull, I am an optimist on farming conditions. Our agriculture may be distressed, but it is far from being disabled. In the long run, it will have its measure of prosperity, for such can not be permanently withheld from that portion of the community which produces the necessities of life and which does so on terms of highest relative efficiency. When the tide turns badly against us it but sets in motion

⁶⁷U. S. Congress, House, Agriculture Relief Hearings, 69th Cong., 1st Sess., 1306-07.

⁶⁸William M. Jardine, "Speech at Mandan, North Dakota, July 4, 1925," National Archives, Record Group 16.

those forces which ultimately will swing it in favor again. If the experience of previous generations teach us anything it is that one of the best times to buy a farm is when farming seems in poorest repute. I am an optimist, believing meanwhile that it is the real optimist, who will work hardest and most effectively to make better times a reality.⁶⁹

It was this philosophy which endeared him to the conservatives but at the same time alienated the more progressive McNary-Haugen group. But regardless of the attitude taken by these two groups the new Secretary's real test lay with the "dirt" farmers. They were in no mood to listen to theoretical formulas and with McNary-Haugen support growing everyday Jardine knew he had to develop some policy that would produce results. Consequently he began work in earnest on a program that would insure the farmer's allegiance to the administration.

⁶⁹Jardine, "Farmers Place Under the Sun," 545.

CHAPTER IV

THE SEARCH FOR A FARM POLICY: PHASE I

By March, 1925, attitudes toward agricultural policy had polarized around two schools of thought. One group, the McNary-Haugenites, wanted the government to fix farm prices, either directly or indirectly, through an export corporation or by having the government engage in the business of buying and selling produce. On the other hand there were those who believed that the only way to improve the farm situation was to give farmers a chance to control their own marketing facilities.¹

Supporters of the McNary-Haugen plan tried in 1924 and again in 1925 to get their idea approved. However, each time a hostile Congress voted the measure down. Critics of the proposal said that in addition to putting the government in business and fixing prices, the McNary-Haugen bill would also stimulate overproduction and benefit grain dealers and speculators more than farmers. Others charged that

¹"Farmers Washington Reporting Service," March 9, 1925, Herbert Hoover Papers, Herbert Hoover Presidential Library, Personal Files, Subject File: "A to Agriculture," folder, "Agriculture Correspondence, 1924-1928," p. 2-3. (Hereafter cited as HHP, HHPL).

dumping surpluses abroad would cause foreign governments to retaliate by raising their tariff schedules and, besides being unworkable, sectional, and socialistic, the measure was unconstitutional.²

Consequently, the Coolidge administration which accepted most of these charges against the McNary-Haugen bill, tried to develop a program around cooperative marketing. The agricultural plank in the 1924 Republican campaign platform had called for governmental assistance to cooperatives.³ The President elaborated upon this in his state of the union message in which he called for legislation that would allow farmers to work out their own problems. Also, as a result of the Agricultural Conference, the administration had supported a bill in the second session of the sixty-eighth Congress that would loan money to cooperatives, to aid them in getting established, and create a federal farm board to oversee the activities of farm coops. This bill had been sponsored by Senator Arthur Capper and Representative Gilbert Haugen but was defeated by the McNary-Haugen supporters in December, 1924.⁴ This legislation had marked the extent of

²U. S. Congressional Record, 68th Cong., 1st Sess., May 20, 1924, p. 9015, 9032-34, 9036-45; ibid., 68th Cong., 2d Sess., 1925, pp. 2746, 4498. For comment on the McNary-Haugen bill's provisions see pp. 23-27 in the first chapter of this study.

³Republican National Committee, Republican Campaign Textbook, (Chicago, 1924), 74.

⁴Congressional Record, 68th Cong., 2d Sess., December

Coolidge's efforts to solve the problem.

The next meeting of Congress promised to be different. In addition to Coolidge taking office "in his own right," and perhaps thereby exercising more determined leadership, William Jardine, in taking over the Department of Agricultural, brought with him a reputation for "getting things done." The "drift" and lack of action that had characterized the Department since the death of Henry Wallace would be ended--or so many people thought. The fact that the Republicans had maintained control of the Senate by a narrow margin in the 1924 elections served as an added incentive for the administration to develop an acceptable farm program.⁵

Before the new Secretary could begin work on such a program, a number of rather complex problems invited his attention. To begin with, grain futures on the Chicago Board of Trade were showing wide and erratic fluctuations. In reality this action was the continuation of a movement that had its beginning as early as the summer of 1924. For example, May wheat prices advanced from \$1.19 3/8 in July, 1924, to a high of \$2.05 7/8 in January, 1925.⁶ This

3, 1924, p. 52-53.

⁵Republicans in the 68th Cong., controlled the House of Representatives by a 225 to 205 margin and the Senate by a margin of 51 to 43. There were two vacancies. Bureau of Census, Historical Statistics of the United States: Colonial Times to Present (Washington, 1960), 691.

⁶"Fluctuations in Wheat Futures," 69th Cong., 1st Sess.,

increase of more than eighty-six cents was a most unusual advance during peace time.

By virtue of the Grain Futures Act, passed in 1922, the Secretary of Agriculture was given the responsibility for regulating the grain exchanges. This act authorized the Secretary to designate contract markets on which future trading could be done. Among other things the proposal also empowered the agriculture Secretary to enforce rules and prevent manipulation of prices and "grain cornering" by dealers or operators on such boards of trade.⁷ Naturally, any major break in the market would be a cause of concern for the Agriculture Department.

From its January peak, the price suffered a severe break in early February and in twelve trading days the market lost twenty-eight cents--down to a low of \$1.77½. The price was started upward again reaching a high of \$2.02 on March 2.⁸ The market then suffered an utter collapse. By March 6 the price was down to \$1.80 and on March 13, the figure was quoted at \$1.67--a fifteen cent break from the following day.⁹ The price continued to plunge until reaching

Senate Document 135, p. 1.

⁷U. S. Statutes at Large, XLII, 67th Cong., Part I, 998-1003.

⁸"Fluctuations in Wheat Futures," 2.

⁹Ibid.; Rollin E. Smith to William M. Jardine, March 13, 1925, National Archives, General Records of the Department of Agriculture, Record Group 16.

a low of \$1.36½ on April 3. This decline represented a loss of 65½ cents over the month of March. On four days in that month, 6, 13, 17, and 30, the price range for the day varied over ten cents per bushel.¹⁰

These violent fluctuations practically paralyzed the grain and milling business and provoked a strong protest from growers and trade associations. The Secretary's office was bombarded with complaints against the "professional" gamblers and speculators on the Chicago Board of Trade. On March 18, Jardine called for an immediate investigation of the situation and in a telegram to J. W. T. Duvel, Grain Futures Administrator, outlined the Department's plan of action.¹¹

The farm Secretary advised Duvel to guard against any possible publicity which might affect prices and urged him to report as promptly as possible upon the fundamental conditions regarding the Department's powers under the Grain Futures Act might hamper any attempt at disciplinary action but he also promised to "render [the] greatest possible service . . . consistent with the facts." The next day Duvel wrote to W. G. Campbell, who was in charge of the Department's regulatory work, that he believed the break was due

¹⁰"Fluctuations in Wheat Futures," 2.

¹¹"Secretary Jardine Directs Investigation of Recent Fluctuations in Grain Prices," March 18, 1925, National Archives, Record Group 16; William M. Jardine to J. W. T. Duvel, March 18, 1925, in ibid.

to "short sellings" on the market but the transactions had been covered up so well he could not be positive about this assumption.¹²

A few days later the Grain Exchange Supervisor sent a memorandum to the Secretary. In his report Duvel stated that rumors floating around the Exchange indicated that local banks had forced grain dealers to liquidate their holdings. These steps were taken after banks in Winnipeg had forced Canadian pools to act in a similar fashion. He emphasized, however, that he could find no real foundation for these reports and repeated his inability to uncover any heavy, concentrated short selling. While he had his suspicions, Duvel could not pinpoint the cause, for the sharp fluctuations.¹³

Despite mounting pressure from grain growers, dealers, and other parties interested in the Chicago Board of Trade, Jardine delayed taking action on the matter. At a special press conference called by the Secretary on March 26, he refused to comment on the situation. In response to a question about the investigation, he replied that until the Grain Futures Administration made its report, he had nothing to say.¹⁴ In private, though, he admitted that the

¹²J. W. T. Duvel to W. G. Campbell, March 19, 1929, in ibid.

¹³J. W. T. Duvel to William M. Jardine, March 24, 1925, in ibid.

¹⁴"Secretary Jardine's First Conference with Newspaper

matter was serious. In a letter to a former colleague at Kansas State College, he wrote that "there has been a lot of crooked dealings going on. I don't know if we can catch those responsible . . . but we are going to do our best."¹⁵

On April 1 Duvel made an extended report to Jardine. He pointed out that after two weeks of auditing the books of the various companies operating on the Exchange he had uncovered "several accounts of very suspicious character."¹⁶ Almost all of these accounts led to New York and on through New York to Florida. "There is evidence," he reported, "that the operations were wisely and carefully distributed in order to cover-up as much as possible."¹⁷ But even with this disclosure, the Grain Futures Administrator confessed that he was not sure that he would find any violation of the law.

One interesting bit of information uncovered was the fact that one of the heaviest sellers in grain futures on the Exchange was a firm known as the Grain Marketing Company.¹⁸ This company, organized under the auspices of the American Farm Bureau Federation in October, 1924, contracted to

Men," March 26, 1925, typescript copy of questions in ibid.

¹⁵William M. Jardine to W. E. Grimes, March 28, 1925, in ibid.

¹⁶J. W. T. Duvel to William M. Jardine, April 1, 1925, in ibid.

¹⁷Ibid.

¹⁸Ibid.

purchase the terminal elevator properties of a selected number of grain companies and merge these firms into a single clearing house. The idea behind such a merger was to give farmers control of the marketing process. The Armour Grain Marketing Company, the Rosenbaum Grain Corporation and the firm of Rosenbaum Brothers agreed to sell their holdings to a cooperative chartered as the Grain Marketing Company.¹⁹

The company was capitalized with \$1,000,000 common stock, \$25,000,000 Class A preferred stock and 500,000 shares of Class B stock, the latter being held as a mortgage by the grain firms whose properties were to be purchased. Class B stock was to be retired with proceeds secured from the sale of Class A stock to the farmers. The new firm also borrowed \$4,000,000 for working capital from the vendors in question. This loan was to be repaid by July, 1925.²⁰

Having signed a contract recognizing these arrangements, the company applied for and received incorporation under the Illinois Cooperative Marketing Act. The new cooperative took over the staff and offices of Armour Company and George E. Marcy, a director of the Armour interest, became the chief executive of the Grain Marketing Company. This enterprise had a capacity of almost 50,000,000 bushels

¹⁹William L. Chevery, "Farmers in the Pit," Atlantic, CXXVI (March, 1925), 282-83; "Exit the Grain Marketing Company," The Saturday Evening Post, OXOVIII (October 3, 1925), 3.

²⁰Ibid.

and began operations on the Chicago Board of Trade.²¹

The Grain Marketing Company was hampered, however, because it failed to gain full recognition as an agricultural cooperative under the Capper-Volstead Act. Farmers, due to their suspicion of the grain dealers involved in the company, were reluctant to purchase its stock until the federal government extended recognition. On March 4, 1925, thirty minutes after he had taken his oath of office, Jardine received a call from an official of the company asking the Secretary to interpret the act broadly enough to allow the organization to qualify as a coop. This Jardine refused to do.²² His decision was a severe blow to the firm because its success was dependent upon gaining acceptance as a cooperative. Unless the organization could sell its shares, it could not buy the mortgage held by the grain companies and would be subject to prosecution. It is not clear whether or not there was a connection, but two days after Jardine gave his interpretation the Chicago grain market began a sharp decline.²³

On March 30--a day when prices fell $13\frac{1}{2}$ cents, Duvel discovered that the Grain Marketing Company's sales totaled almost 7 percent of the entire market. Furthermore a large portion of those sales, more than one million bushels, was

²¹Chenery, "Farmers in the Pit," 283-85.

²²William M. Jardine to William M. Settle, July 8, 1926, National Archives, Record Group 16.

²³"Fluctuations in Wheat Futures,"⁷⁶

for the account of Jessie Livermore, a New York speculator, long noted for his dealings on the Exchange. Previous to this discovery, rumors had persisted around the Board of Trade that Livermore was behind the price break and was reaping huge profits in short selling.²⁴ For the moment, however, the Grain Futures Administrator did not have sufficient evidence to establish definite manipulation.

While Jardine continued the investigation, his office was flooded with letters advising him what action to take and offering reasons for the break. Most writers agreed that professional speculators were responsible for manipulating the market and that they should be prosecuted. Governor Walter Pierce of Oregon, in a telegram to Coolidge, declared that "millions of dollars have been taken from innocent citizens by unscrupulous speculation," and demanded that something be done.²⁵ Other writers suggested that the collapse was brought on when the public, acting upon rumors that large profits were possible, became too heavily involved in the grain market. These rumors were supposedly spread by "gamblers" who hoped to profit by a break in the market.²⁶ Still others charged that the entire Exchange

²⁴Duvel to Jardine, April 1, 1925, National Archives, Record Group 16.

²⁵New York Times, April 22, 1925, p. 27.

²⁶Arthur Nordwall to William M. Jardine and W. E. Grimes to William M. Jardine, March 25, 1925, National Archives; Record Group 16.

system was an attempt by millers, exporters and dealers to keep the prices down so that they might purchase grain more cheaply.²⁷

Quite obviously the reasons behind the market fluctuations were more complex than most people supposed. Jardine was aware of this and resisted pressure to take fast action against the Chicago Board of Trade. He waited for Duvel to complete his investigation and in the meantime had several meetings with officials of the Exchange to discuss the market's operations. The Secretary's personal feelings toward solving the market's variation was to place a limit on the daily spread in prices. However, he was reluctant to state that idea in public.²⁸

By early May the new farm Secretary had a fairly good picture of the grain market's activities. Duvel and his assistants had completed their cursory investigation and were ready to report their findings. On March 13, after spending a day in conference, Jardine made public a "preliminary report on the investigation of grain price fluctuations." In this report he described the methods used in the inquiry. Besides auditing the records of the various members of the Chicago Board of Trade, officials in the Department of Agriculture, in cooperation with specially

²⁷C. E. Fisher to Walter M. Pierce, April 22, 1925, in ibid.

²⁸William M. Jardine to Frank L. Carey, May 12, 1925,

designated representatives of the Justice Department, made a search through the files of telegraph and telephone companies for evidence showing a "concerted action or understanding on the part of principal operators or speculators to bring about a manipulation in the market."²⁹ The probe revealed that the wide fluctuations were due primarily to heavy trading of a limited number of professional speculators and that some evidence did show "attempted or actual manipulation of the market."³⁰

In spite of the information compiled by the Grain Futures Administration, Jardine confessed that it was "difficult to get evidence that will serve as a basis for any definite positive action to be taken under the authority invested in me under the Grain Futures Act."³¹ However, he warned that the Chicago Exchange should take "immediate steps to put their institution in order," or otherwise he would be "compelled to make recommendations to Congress for additional legislation."³²

The Secretary emphasized that the investigation would

in ibid.

²⁹"Preliminary Report on Investigation of Grain Fluctuations is Made," May 13, 1925, National Archives, Record Group 16.

³⁰Ibid.

³¹William M. Jardine to Alonzo E. Taylor, May 13, 1925, in ibid.

³²Ibid.

continue. He indicated his concern for finding a way to eliminate a repetition of the erratic and destructive price changes and promised to use his authority to insure that quotations in future trading would more accurately reflect the price determined by supply and demand.³³ He also warned that unless the gambling stopped, he would close the Exchange.³⁴

While Jardine was busy with the grain investigations another pressing issue demanded his attention. The latter problem concerned the merging of the Morris Meat Packing Company with Armour & Company. Since World War I, the Morris Company had run into difficult times and was rapidly going bankrupt. Consequently, in November, 1922 the Armour company asked then Secretary of Agriculture Henry C. Wallace for permission to incorporate the Morris firm into its own company. Under the terms of the Packers and Stockyards Act, passed by Congress in 1921, the farm Secretary was to rule on all such mergers.³⁵ Wallace, after conferring with the Attorney-General, replied that he could not give an opinion on a question of this nature in advance of the transaction.³⁶

³³Ibid.

³⁴New York Times, May 14, 1925, p. 1.

³⁵Statutes at Large, XLII, 67 Cong., Part I, 159-69.

³⁶"Statement of Secretary Wallace concerning complaint against Armour & Company," February 26, 1923, National Archives, Record Group 16.

Wallace's full statement was rather vague and officials at the Armour and Company interpreted it broadly enough to fit their own intentions. On December 30, the Armour company entered into a written contract with Morris & Company "to acquire all the physical assets, business, and good-will" of the latter firm. Upon learning of this sale the Secretary filed a complaint against Armour & Company, charging it with "restraining interstate commerce."³⁷

Following Wallace's action, the directors of Armour & Company transferred their dealings with the Morris company to one of their subsidiaries, the North American Provision Company. They also modified their original agreement with Morris by providing that "no stock or share capital owned in whole or in part by Morris & Company should be transferred to Armour & Company or its nominee, the North American Provision Company." In taking such steps the company hoped to avoid the charge of restraining trade. The final purchase was then completed on March 28, 1923. In April, Armour & Company took further steps to protect its transaction by filing an answer to Wallace's charge in which they specifically denied they had violated, or were violating, any provision of the Packers and Stockyards Act.³⁸

Upon these issues then, hearings began on the last

³⁷Ibid.

³⁸"Secretary of Agriculture vs Armour & Company of Illinois," et. al., Docket 19, Conclusion and Order,"

day of April and continued until October 31, 1924. The Counsel for the Agriculture Department was given until January 2, 1925 and Armour & Company until February 21, 1925, to draft and submit their final arguments for the Secretary's consideration. Following those deadlines, the Secretary would hear the oral arguments and give his decision. Wallace's death before the hearings were completed, complicated the issue. His assistant Howard M. Gore continued the proceedings but since he was leaving office shortly, was reluctant to take any final action. The day Jardine was nominated to fill the post, Gore sent him a telegram requesting that he come to Washington and set in on the oral arguments.³⁹ For unspecified reasons Jardine did not accept the invitation and the matter was still waiting to be considered when he formally took office.

After attending to the most immediate needs of the Department, Jardine began hearing the oral arguments of the case on April 6. These discussions were concluded on April 11. From this testimony it was apparent that two ideas were in basic conflict. Government attorneys argued that Armour, by taking over the other company had in fact weakened its competitors. The defense countered, however, by stressing that the merger had in reality made its client better able

September 15, 1925, in ibid., 4.

³⁹Howard M. Gore to William M. Jardine, February 15, 1925, in ibid.

to compete with Swift & Company and the other larger meat processing firms. The Secretary listened to the statements without comment but promised to give the evidence his most careful consideration. Privately he admitted that it would take him three or four months to reach a decision.⁴⁰

Few people could envy the predicament Jardine found himself in just three months after taking office. The question involving the Chicago Board of Trade was a perfect issue for those charging that business would control the Agriculture Department and Jardine knew he had to move most carefully. Naturally friends of former Secretary Wallace watched the new Secretary's handling of the packer merger closely and would be quick to criticize any decision which ran counter to their old employer's judgment.

To add to the new Secretary's problems, a severe drought stretching through western Texas, eastern New Mexico, eastern Colorado, western Kansas and portions of California brought severe hardships to thousands of farmers. Most wheat growers found their crops such total failures they had no seed grain for fall planting. In an effort to ease their plight, a number of farmers wrote to the Department of Agriculture asking for federal loans to buy seed.⁴¹

⁴⁰Ibid., 5; William M. Jardine to H. J. Waters, May 1 1925, in ibid.

⁴¹W. H. Rule to William M. Jardine, March 21, 1925; Clarence J. Morley to William M. Jardine, June 12, 1925; Sam W. Martin to William M. Jardine, June 22, 1925; W. J.

This practice was not unusual. On several occasions since 1918, Congress had appropriated funds for distressed farmers to buy seed grain.⁴² But the timing of the requests was embarrassing to the new farm Secretary. Congress had adjourned by the time the full extent of the drought was known and since only the legislative body could appropriate the necessary money, Jardine had to deny their requests.⁴³ This of course did not help his public relations, and added to the other issues under consideration, created a substantial body of unhappy farmers. In an effort to determine the extent of agricultural unrest Jardine planned an extended tour of the western states. He also wanted to use the trip as an opportunity to explain the administration's farm policy.

Leaving Washington on May 27, the Secretary traveled by train to Chicago. There he visited the union stockyards and attended a luncheon with the officials of the exchange. On the afternoon of the 28th he addressed the delegates to the Mid-West Transportation Conference on the public's use of highway transportation. One question being considered by the conference was the effect motor trucks were having on railroad traffic.⁴⁴ Several representatives of the rail

Huskey to William M. Jardine, June 23, 1925, all in ibid.

⁴²C. W. Warburton to Leroy D. Willey, March 16, 1925, in ibid.

⁴³C. W. Warburton to W. H. Rule, March 31, 1925, in ibid.

⁴⁴Chicago Tribune, May 28, 1925.

companies were quite concerned about the truck's potential threat. But, Jardine assured them that on the basis of studies made by his Department, trucks could not compete with the "long haul" capabilities of the rail systems. Instead he pointed out that the two should complement each other, with trains moving goods over long distances and trucks then taking over to distribute commodities locally.⁴⁵

The agricultural Chief also used the occasion to emphasize the importance of transportation in marketing farm products. As has been mentioned, the Secretary believed that fast and economical distribution of agricultural commodities was an essential ingredient in restoring the farm dollar. By using trucks for local "short haul" services rural producers could escape the more expensive, time consuming process of shipping by rail. They would also receive better prices for their commodities because quick delivery preserved the quality of the products. In this respect, Jardine admitted, trucks were "taking away the business" of railroads; but this was as it should be because the former would provide better service.⁴⁶ At the same time, he stressed that all forms of transportation, rail, water, and highway, should be coordinated. In this way, each could be developed to its highest point of usefulness to the public

⁴⁵"Address of W. M. Jardine before the Mid-West Transportation Conference," May 28, 1925, in ibid., 3-4.

⁴⁶Ibid.

without detracting from the others.⁴⁷

Following his speech to the Transportation Conference, Jardine made a brief talk over a local radio station. The address was very "low-key" and he went to some length to point out the Department's public services. The eradication of pests, governmental inspection of meat, and the enforcement of the Food and Drugs Act were a few of the issues he chose to elaborate upon. He was careful to avoid any references to politics and made no mention of current legislation. Illinois, the home state of George Peek, was one of the leading proponents of the McNary-Haugen bill and the Secretary saw no reason to arouse any political emotions. Rather than talk about the economic side of agriculture, he emphasized the scientific contribution his agency had made.⁴⁸

From Chicago Jardine traveled to Kansas City and from there continued on to Manhattan. Kansans were already familiar with the former educator's agricultural philosophy and he did not bore them with prepared speeches. After visiting briefly with friends, he resumed his tour, going to Utah. He arrived at Ogden on June 3 and spent a couple of days renewing old acquaintances. On the 6th he gave the commencement address at his alma mater. Again he carefully avoided making any political references. Instead, closely

⁴⁷Ibid., 11.

⁴⁸"Address of W. M. Jardine, over Station WLS, Chicago, May 28, 1925, in ibid.

following his prepared speech, he told of the opportunities in agriculture and stressed the usual rehortic of graduation speakers. However, in private talks he continued to emphasize the need for balanced production and cooperative marketing.⁴⁹

After spending several days relaxing in Logan, Jardine traveled to Salt Lake City. There he made the dedicatory speech at the opening of the "Wendover Road Out-Off." This forty-one mile section of highway across the Utah desert was a vital link in the nation's transcontinental highway system. The farm Secretary again pointed out the value of a good road system and called upon leaders of the western states to accelerate their building of transportation systems. Since the major portion of revenue for road building still came from local resources, he also urged state officials to revise their tax laws to ease the counties' tax burden.⁵⁰

Los Angeles was the next stop on Jardine's itinerary. In an address to the Chamber of Commerce on the 15th he made his most political speech to date. As has been mentioned, California had developed a highly successful cooperative marketing program and the Secretary used that success as an example to other states. "California, remained a

⁴⁹The Ogden Standard-Examiner (Utah), June 6, 1925.

⁵⁰The Desert News, (Salt Lake City), June 13, 1925;
The Salt Lake City Telegram, June 13, 1925.

white spot while most of the other sections were obscured by the gloom of the depression," he said, and this was due to her cooperative organization.⁵¹ No doubt this statement was for the benefit of farm leaders from Nevada, Arizona, Utah, and Kansas who were also attending the meeting." In the last analysis," he continued, "the farmer has to work out his own salvation" and "cooperatives provided the most efficient way for this to be done."⁵²

The Secretary spent several days in California trying to get better acquainted with the leaders of the state's cooperative associations. In so doing he hoped to gain an insight into the reasons for their success and then "extend this information to other sections of the country."⁵³ He was not disappointed. Touring the state from Los Angeles to Sacramento, he visited cooperatives ranging from the Southern California Cotton Producers to the Sun-Maid Raisin Growers. After almost two weeks of study he concluded that "California's practical ideas and her established system of cooperative marketing . . . must be adopted in other states . . . if national agriculture is to free itself of its most important griefs."⁵⁴

⁵¹Los Angeles Times, June 16, 1925.

⁵²Ibid.

⁵³Sacramento Union, June 25, 1925.

⁵⁴Ibid.

Following his extended stay in California Jardine began his return trip to Washington by way of Oregon, Montana and the Midwestern states. In Corvallis, Oregon, he said that farmers must become efficient merchandisers to ensure prosperity and to that they must adopt business methods in farming.⁵⁵ He again spoke before the Chamber of Commerce and outlined his traditional policies. After a "stop-over" in Portland he moved on to Montana. The Secretary had no major speeches scheduled in the "Big-Sky" state and spent his time there visiting the Department's experiment station and some of his old friends in the Big Hole Basin. The Montana ranch lands brought back nostalgic memories for the former cowboy but his visit was marred when he became ill. For several years he had been bothered by a stomach disorder and a doctor now diagnosed Jardine's sickness as a reoccurrence of that problem.⁵⁶

Fortunately the farm Secretary's illness was not considered serious and after a day's rest he continued his trip. His next scheduled stop was Mandan, North Dakota where local residents had planned elaborate fourth of July ceremonies in conjunction with his appearance. As part of the festivities an old friend, who had worked with Jardine when both were teenagers, challenged the former cowboy to ride a

⁵⁵Corvallis Gazette-Times (Oregon), June 26, 1925.

⁵⁶The Anaconda Standard (Montana), June 30, 1925; The Butte Miner (Montana), June 30, 1925; The Dillon Examiner (Montana), July 1, 1925.

"bucking bronco" in the town's rodeo. The Secretary accepted and that coupled with the speech he was to make promised to highlight the celebration.⁵⁷

Jardine's health caused him to forfeit the challenge-- although he did ride a horse in the parade. Towns' people were disappointed and if they had read any of his previous speeches were no doubt disappointed again. The only new material he added was to urge area wheat farmers to "diversify their farming operation."⁵⁸ His admonition to "adjust the volume of production;" "improve the quality of the product;" and "organize cooperative associations," were becoming quite familiar. North Dakotans were naturally interested in the speculation on the Chicago Board of Trade and the farm Secretary also spent some time discussing the Department's role in solving that problem. He still had no definite plan for ending the speculation, but warned that unless the Board took action soon "he would go to the full limit of the law in compelling them to do so."⁵⁹

Almost two-thirds of the western trip was now over. Jardine's mission had been to get a first hand view of western farming conditions and familiarize farm leaders with the Department's policies. If a standardized speech could

⁵⁷ Grand Forks Herald (North Dakota), July 4, 1925.

⁵⁸ "Address of William M. Jardine at Mandan, North Dakota, July 4, 1925," National Archives, Record Group 16.

⁵⁹ Grand Forks Herald, July 5, 1925.

do the latter, than many westerners were well informed. His strategy had been to optimistically forecast the return of prosperity and emphasize his own program while ignoring the McNary-Haugenites. Only two stops, Omaha, Nebraska and Ames, Iowa remained, but they could easily be the most important in fulfilling the Secretary's objectives.

Omaha had not originally figured prominently in Jardine's plans. A statement reportedly made by him to the effect that "too many farmers were hoarding grain," had been printed in several midwestern papers. The statement, as interpreted by many farmers, associated them with professional speculators and many were upset.⁶⁰ While the statement supposedly was made in California it was not brought to the Secretary's attention until he reached Omaha. With so many potential political liabilities still unresolved he could ill afford another and Jardine was quick to deny making such a statement. To his credit it should be pointed out that no evidence of such a statement was ever confirmed. In his prepared speech he said that most farmers had given up thinking that the government could provide "good times" for them and added that "it is not the function of the government, nor is it possible to bring prosperity by legislation."⁶¹

⁶⁰Paul B. Talbot to William M. Jardine, June 17, 1925, National Archives, Record Group 16; J. J. Ryan to William M. Jardine, July 8, 1925, in ibid.

⁶¹Omaha World-Herald, July 9, 1925.

From Omaha the Secretary traveled to Iowa--the stronghold of McNary-Haugen support. Iowans were waiting for him and a crowd of more than five thousand gathered on the campus of the state's agricultural school at Ames to hear him address a meeting of the state's farmers.⁶² In preparation for his visit, college officials had arranged for his speech to be broadcast throughout much of the state over a radio network. It was by far the largest, and perhaps most important, group he had spoken to. One newspaperman commented that it was as much a political rally as it was a farm meeting and "it looked as though . . . every candidate for any position, from the Legislature to the United States Senate were afraid not to come."⁶³

In his prepared speech Jardine gave his usual optimistic forecasts in what was by now becoming a list of slogans: "The depression was over," "farm income had returned to near normal," and the "purchasing power of farm products was almost equal to non-agricultural commodities." He repeated that he had no "short-cut remedies" for the situation and included his usual suggestion of balanced production, orderly marketing, reform in the tax and freight rate structure and diversifying farming operations. Again he made no

⁶²"Iowa Hears Jardine, Press Release, July 10, 1925," National Archives, Record Group 16.

⁶³Iowa Homestead, July 26, 1925.

reference to the McNary-Haugen bill.⁶⁴

But then in a surprise move he laid down his prepared statement, moved away from the radio microphone and talked "informally" about McNary-Haugenism, price fixing, acreage reduction, and other pertinent issues. Although a large portion of the crowd supported the measure, the former cowboy boldly critized the McNary-Haugen proposal. He said that it would take better men than Iowa had already sent to Washington to convince him that the farmer would receive any real benefit by such an artificial measure. Instead, he repeated his old phrase that the farmer could not be "legislated into prosperity." "We are regulating everybody," he said, "the less regulating we have to do the better for all of us."⁶⁵

The audience listened attentively, but not enthusiastically, to the Secretary's speech. Too many of them had suffered too long and had listened too frequently to the McNary-Haugen propaganda to be moved by his optimism. Following the meeting he talked privately with several of the state's farm leaders in an effort to win their support for cooperative marketing. Few doubted his sincerity, but at the same time he had little success. Even the editor of the Iowa Homestead, a strong supporter of the Secretary,

⁶⁴"Address by W. M. Jardine at Ames, Iowa, July 10, 1925," National Archives, Record Group 16.

⁶⁵Iowa Homestead, July 16, 1925.

admitted that "it is doubtful if it would be correct to assert unqualifiedly that Secretary Jardine made a good impression on Iowa."⁶⁶

Iowa was the last stop on Jardine's itinerary. In eight weeks he had traveled more than four thousand miles, delivered eleven speeches, participated in two rodeos and talked with hundreds of people. He was exhausted and physically ill. His stomach disorder had continued to plague him through much of the return trip and he decided to go to Wisconsin for a brief rest. On his way he stopped in Chicago to confer with officials of the Grain Marketing Company. The firm's stock had declined since the March fluctuations on the Chicago Exchange and relations between the company's directors and the Secretary were strained.

The marketing firm was on the verge of economic collapse. Officials had been able to sell only sixty-six thousand shares, at \$1.00 per share, of the companies' stock and could not begin to repay the \$4,000,000 loan they had borrowed to begin operations. Before leaving on his trip to the western states, Jardine had appointed a committee to examine the policies of the company. Editors Dan Wallace, Carl Williams and C. V. Gregory along with Gray Silver and E. F. Rosenbaum of the Grain Company, were chosen to make that study. Despite the protest of Silver Rosenbaum, the farm editors gave a very pessimistic report of the firm's

activities. They pointed out that the company had been too closely associated with speculative transactions and wrote that "it is doubtful whether the Grain Marketing Company can ever be reconstituted in such manner as to gain the confidence of the grain farmers of the United States."⁶⁷ Jardine found further evidence of this "lack of confidence" on his western trip.⁶⁸ Consequently, his attitude toward the company had changed little when he arrived in Chicago. When he again refused their petition to be included under the protection of the Capper-Volstead Act, the company had little choice but to begin dissolution proceedings.⁶⁹

After a few days rest in Wisconsin the Secretary began his return trip to Washington. On the way he stopped off in Philadelphia to address the American Institute of Cooperation which was holding its inaugural session in that city on July 20. In his speech he made his most eloquent plea to date for cooperative marketing. He claimed that cooperatives could, in time, not only solve the farmers' production and marketing problems, but also provide the basis "for improving the rural life of the nation, and insuring a better understanding of national and international problems." In short he pictured farmer coops as the panacea

⁶⁷New York Times, July 15, 1925, p. 3.

⁶⁸D. A. Wallace, C. V. Gregory and Carl Williams to William M. Jardine, July 20, 1925, National Archives, Record Group 16.

⁶⁹William M. Jardine to Calvin Coolidge, June 4, 1925,

for rural society."⁷⁰

Upon returning to Washington, Jardine had time to review his western trip. On July 22, he met with reporters and said that he was ready to call agriculture "safely convalescent" and that he had been "greatly encouraged in what he saw during his travels through the West."⁷¹ Letters from his brother in Oregon informed him that the general reaction to his visit had been favorable. Of course, his brother wrote, "there are very good people in the state who do not entirely agree with your cooperative marketing plan." The elder Jardine, however, was convinced that "the common sense you preached [will] have an influence in quieting people down."⁷² In a letter to Ralph Merritt, Director of the Sun-Maid Raisin Cooperative in California, the Secretary said that he was "optimistic about the prospects of the coming year." Crops in Oregon, Montana and North Dakota had looked so favorable that he did not look "for any radicalism to come out of . . . those states this fall or this coming year." He also mentioned that he planned to call a conference in the fall to discuss and draft a plan for cooperative

in ibid.

⁷⁰"Address by W. M. Jardine Before American Institute of Cooperation," July 20, 1925, in ibid.

⁷¹"Statement on Agricultural Conditions made by W. M. Jardine at Newspaper Conference," July 22, 1925, in ibid.

⁷²James Jardine to William M. Jardine, July 15, 1925, in ibid.

marketing.⁷³

It was apparent that he had seen nothing in his western travels to change his mind on agricultural policy. In a special article prepared for the New York Times he reviewed his impression of the trip. "I repeated my view many times," he wrote, "that legislation can only be a supplementary means of correcting the ills of agriculture" and he was gratified "to be supported in this view by thoughtful people" ⁷⁴

He returned more convinced than ever that farmers were not looking for what he called "a major agricultural program of legislation." Instead, according to the Secretary, "they are content to work out their own problems in the main by individual and cooperative marketing."⁷⁵ The only legislation he was willing to consider was that which would service or reform cooperatives. If his letter to Merritt was any indication, it was apparent that Jardine was preparing to challenge the McNary-Haugen group in the next session of Congress with a new and improved bill for cooperative marketing.

While Jardine may have been sincere in the assessment of his western venture, it was obvious that he had gained a distorted view of the situation. He had received a cool

⁷³William M. Jardine to Ralph P. Merritt, July 23, 1925, in ibid.

⁷⁴New York Times, August 2, 1925, VIII, 1.

⁷⁵Ibid.

reception in Iowa as he did at practically every place he visited. The editor of the Omaha World-Herald complained that upon his arrival in that city, the Secretary was met by executives of the Chamber of Commerce and then divided the great portion of his visit among the bankers, packing company officials and the grain dealers. "Only an hour before his departure," continued the editor, "did he find opportunity to talk with men who could be fairly said to represent farmers of this region."⁷⁶ As a result Jardine obtained only a superficial view of the situation, gained from second hand sources. As the Omaha publisher pointed out, talking with "dirt" farmers might not have changed Jardine's views but he would at least have gained some sense of the urgency of the situation.⁷⁷

In looking over the Secretary's itinerary it became apparent that Omaha was not an isolated incident. In every state he visited Jardine associated with the same commercial and business interests. At no point did he spend any length of time with the "real" farmers who were confronting the daily hardships of the depression. By their very nature the groups Jardine talked with, to learn the farm situation, were optimistic in outlook, and generally speaking, had experienced the depression only in the sense that their interests came in contact with agriculture. Admittedly the trip

⁷⁶Omaha World-Herald, July 10, 1925.

⁷⁷Ibid.

was long and had to be covered fairly rapidly. But even in considering this there is little to conclude but that the farm Secretary deliberately avoided the "dirt" farmers.

Regardless of the political implications of his western trip, Jardine found several problems still unresolved upon his return to Washington. The packer merger and reforms in the Chicago Board of Trade still awaited his attention. Through the summer a number of agriculturalists and cattlemen had written the Secretary to give him advice on both of these issues. He had also "sounded-out" farmers' opinions on his tours. Most of those affected by the packer merger urged Jardine to approve the union and he decided to rule on that matter before turning to the potentially explosive grain exchange issue.⁷⁸

Testimony concerning the merger amounted to more than twelve thousand pages of typewritten material and Jardine spent several days examining the record.⁷⁹ By mid-September he had come to the conclusion that the complaint should be dismissed and at a special news conference announced that decision. Contrary to Wallace's complaint the new Secretary ruled that "neither the purpose nor the effect of the merger

⁷⁸William Hirth to William M. Jardine, July 19, 1925; J. B. Case to William M. Jardine, August 6, 1925; and Benjamin C. Marsh to William M. Jardine, August 19, 1925, National Archives, Record Group 16.

⁷⁹"Secretary of Agriculture vs Armour & Company of Illinois, et al., Docket 19, Conclusion and Order," September 15, 1925, p. 5, in ibid.

was price fixing, monopoly or unreasonable restraint of commerce."⁸⁰ Furthermore, as Jardine interpreted the Packers and Stockyards Act, the measure did not condemn the "purchase by one competitor of the physical properties, business and good-will of another competitor."⁸¹ He also reasoned that Congress in passing this legislation, knew the situation in the meat packing industry. Had that body intended to prevent such transactions it could easily have written a prohibitory clause into the original bill. The fact that it did not "left open a field for the lawful and normal disposition of properties by competitors."⁸²

Jardine's decision was obviously a classic statement of conservative business philosophy. But perhaps as an indication of how strongly that sentiment dominated the period, his ruling was generally supported by public opinion. Most people expressing their feeling on the subject agreed with the position taken by the Missouri Farmers' Association that "the government should by some means have prevented it before the actual consolidation took place."⁸³

A decision concerning the Chicago Board of Trade

⁸⁰Ibid., 6.

⁸¹Ibid.

⁸²Ibid.

⁸³Ike T. Pryor to William M. Jardine, September 18, 1925; R. Lee Mills to Joseph E. Ransdell, September 17, 1925; and H. J. Waters to William M. Jardine, September 18, 1925, all in ibid.

promised to be more difficult. Jardine recognized the economic role the Exchange played in grain marketing and did not want to unduly upset the balance. However, criticism of the Board continued to mount in the summer months and in the words of Clifford Gregory, editor of the Prairie Farmer, "dusting the piano" would not sufficiently settle the issue.⁸⁴ Millers, deploring "the wishy-washy attitude" of Jardine were particularly critical of both the Department of Agriculture and the Board of Trade.⁸⁵ Commerce Secretary Hoover also believed that the situation was getting out of hand and urged Jardine to give the Directors of the Exchange a deadline for instituting reforms.⁸⁶ The latter agreed that a deadline was necessary, but suggested that perhaps it would be better to wait and see what action the Board would take. Periodically, on his western tour the farm Secretary had denounced the speculative practices of the Chicago firm; but otherwise he was reluctant to do more than suggest that the Exchange establish a clearing house and limit the range of daily price quotations.⁸⁷ He was particularly adamant about the Exchange adopting its own regulation procedures and

⁸⁴ Clifford Gregory to William M. Jardine, July 17, 1925, in ibid.

⁸⁵ C. A. Owens to William M. Jardine, June 5, 1925, in ibid.

⁸⁶ Herbert Hoover to William M. Jardine, August 17, 1925, in ibid.

⁸⁷ William M. Jardine to C. C. Isley, July 29, 1925, in ibid.

repeatedly insisted that he would intervene only if "self-regulation failed."⁸⁸

Through much of August Jardine was hospitalized by the reoccurrence of his old stomach disorder and was limited in instituting reform in the Board of Trade. Upon his discharge during the last week in August, however, he resumed private discussions with the Director of the Board. A series of reform measures were worked out from these talks. To begin with the Exchange members agreed to establish a clearing house and allow non-resident members to vote on the Board policies by mail. The Secretary believed that by increasing the number of voting members, the influence of speculators would be all but eliminated.⁸⁹

Further negotiations between Jardine and the grain market officials resulted in the Exchange setting up a committee on business conduct and giving the Directors power to limit daily price fluctuations in emergency situations.⁹⁰ In the Secretary's views, these provisions, added to the previous reforms, were sufficient to regulate the grain exchange. He praised the Board's "far-reaching" action and

⁸⁸Ibid.; William M. Jardine to Herbert Hoover, August 29, 1925, in ibid.

⁸⁹William M. Jardine to Leslie F. Cates, September 12, 1925, in ibid.; "Secretary Jardine commends program proposed by Board of Trade," Press Release, September 29, 1925, in ibid.

⁹⁰"Jardine Praises Board's Action," Press Release, October 10, 1925, in ibid.

said it was now "possible for the Department of Agriculture to cooperate effectively" with the Chicago firm.⁹¹

Apparently the reforms were broad enough to satisfy most of the Board's critics as well. Clifford Gregory wrote that "comment out here is all favorable to the course which the Secretary has pursued," and other letters expressed a similar theme.⁹² Jardine, by emphasizing self-regulation and relying upon a firm but practical approach to the problem had succeeded in winning the confidence of those involved with the Grain Exchange. The fact remained, however, that speculation and manipulation of prices did occur, and the Secretary realized that he had not solved the matter.

With the Board of Trade problem out of the way, at least for the time being, Jardine resumed his attempts to work out a broad farm program. From his western tour he had learned that farmers were not satisfied with the recommendations of the President's Commission and that a new approach would have to be taken.⁹³ Time for reconvening Congress was rapidly approaching, making it even more important for the farm Secretary to get a plan outlined.

In his estimation, previous bills had failed to win congressional support because they were too "sectional" in

⁹¹Ibid.

⁹²C. V. Gregory to F. M. Russell, October 20, 1925, in ibid.

⁹³F. M. Russell to F. R. Gooding, August 24, 1925, in ibid.

nature. To avoid this he decided to invite farm leaders from all sections of the nation to come to Washington and help him draft a new bill. Invitations were mailed in the middle of October and within a few days delegates began to arrive. Significantly, only those men who were known advocates of the cooperative marketing approach to agriculture accepted the invitation to Washington.⁹⁴ Jardine had tried to get some support from the McNary-Haugen crowd but those he invited turned down his request.⁹⁵ Consequently, the outcome of the conference was a foregone conclusion.

Within a week the farm representatives had agreed on a general bill. While details of the proposal remained somewhat vague the leaders were in unanimous agreement on one provision calling for the establishment of a "Cooperative Marketing Division" in the Department of Agriculture.⁹⁶ The Division's primary responsibility would be to advise local cooperatives on organizational and financing techniques but would have no regulatory or supervisory powers. The new agency would also collect crop and market information from the various government bureaus, both in and out of the Agriculture Department, and disseminate that material to local

⁹⁴A List of delegates is given in the New York Times, November 1, 1925, p. 21.

⁹⁵William Hirth to William M. Jardine, October 25, 1925, in ibid.

⁹⁶"Cooperative Leaders Approve Plan to Extend Work of Department," Press Release, November 1, 1925, in ibid.

associations. Finally, conference members had in mind asking Congress for an appropriation large enough to allow the Secretary of Agriculture to hire "experts" to work out any problem that might arise in the cooperative operations. Just how many experts and at what salary the delegates failed to specify. The philosophy behind this proposal was to spur the development of new cooperatives as well as assisting those already in operation.⁹⁷

The conference proposal reconciled the views of the major cooperative marketing advocates. Their united stand promised stiff opposition to the McNary-Haugen forces in the next Congress. That Coolidge gave his unqualified support to the conference's recommendations was further proof that the administration was preparing to challenge the McNary-Haugen program.

Having formulated the basic principles of a farm relief bill Jardine went "to the people" to gain support for his program. In speeches before the American Farm Congress, meeting at Kansas City, and the National Cooperative Milk Producers Federation, at Philadelphia, he repeated his cooperative formula for farm relief and made a special plea for their support.⁹⁸ Also, in his annual report to Congress

⁹⁷Ibid.

⁹⁸"Address of William M. Jardine Before the American Farm Congress," November 17, 1925, in ibid.; "Address of William M. Jardine Before the National Milk Producers Federation," November 24, 1925, in ibid.

the Secretary included a lengthy discussion of the cooperative movement and placed his department solidly behind it.⁹⁹ The President even got into the act by accepting an invitation to address the annual convention of the American Farm Bureau meeting in Chicago. Coolidge's speech was almost a carbon copy of many of the statements his Secretary of Agriculture had been making and was very disappointing to many of the bureau delegates.¹⁰⁰

Despite the administration's efforts to mobilize support for its cooperative marketing plan, several western Congressmen let it be known that they were not satisfied and intended to challenge the "Jardine Plan" in Congress. Editors of the New York Times, usually sympathetic to the administration, also indicated their disappointment with Jardine's program by commenting, "there is no magic in the name cooperation, and more is necessary than legal authorization or Government assistance."¹⁰¹ The writers went on to point out that by the Department of Agriculture's own statistics, 200 out of 243 cooperatives had collapsed since 1912.¹⁰² Yet, in spite of these objections, Jardine refused to modify his position. In his annual report released early in

⁹⁹"Official Reports to Congress of the Secretary of Agriculture," November 25, 1925, copy in ibid.

¹⁰⁰Text of Speech in New York Times, December 8, 1925, p. 8.

¹⁰¹Ibid., November 26, 1925, p. 22.

¹⁰²Ibid.

December he again advanced the organization of cooperatives as the basis for agricultural prosperity.¹⁰³

The first session of the sixty-ninth Congress opened on December 7. Two weeks later Senator McNary and Representative Haugen thinking it unwise to unduly antagonize the administration, introduced the "Jardine Cooperative Marketing Bill" in their respective houses. As submitted, the bill called for the establishment of a Division of Cooperative Marketing in the Agriculture Department. At the same time, to show that he had not forgotten his own program, McNary also reintroduced his export corporation bill.¹⁰⁴

Jardine's bill was immediately attacked by western house members. Led by L. J. Dickinson of Iowa, they claimed the bill was inadequate and unsuited to the conditions then prevailing in western agriculture. Dickinson called the bill a "sugar pill" but admitted that it would "do no harm, and if given a long time and proper care may do some good."¹⁰⁵ This view again summarized the point of issue between the two groups. Jardine and the administration continued to view any solution to the farm depression as a long range program while Dickinson and his supporters insisted upon a plan which would quickly improve agricultural conditions.

¹⁰³Ibid., December 7, 1925, p. 14.

¹⁰⁴Congressional Record, 69th Cong., 1st Sess., December 21, 1925, p. 1233.

¹⁰⁵Ibid., 1290.

Pressure for the administration to offer a broader program continued both in and out of Congress. The largest corn harvest in years and subsequent declining prices only served to arouse farmers in the Midwest. On December 22, representatives of the Grain Belt Committee and the American Council of Agriculture decided to meet in joint session at Des Moines, Iowa for the purpose of discussing the agricultural legislation then pending in the sixty-ninth Congress. Conference delegates were highly critical of the administration's "inadequate" program. In a resolution, they attacked Jardine's proposal "as a means of salvation of the farmers with information of which farmers never had so much in their lives."¹⁰⁶

Other resolutions introduced at the Des Moines meeting revealed a widening chasm between the administration and western farm leaders. While low farm prices was the immediate point of conflict a more fundamental difference was building around the protective tariff. Previously, McNary-Haugen advocates had been willing to accept the tariff, provided farmers received their share of the protection. But now traditional Republican Congressmen were threatening to revise the entire structure unless the administration did something to ease the farmers plight. Coolidge had sensed this dissatisfaction during a brief visit he had made to

¹⁰⁶Des Moines Register, December, 22, 1925,

Iowa in June.¹⁰⁷ At that time he had considered the threat to be nothing more than rumors. Now, however, it was apparent the situation was more serious. Spokesmen at Des Moines, stated the issue flatly--Congress must choose between industry and agriculture. If industry insisted that it could not exist without the tariff then it should be willing to take agriculture "in on the deal." If business leaders refused to do this then they "should not blame farmers if they invoke the principle that self-preservation is the first law."¹⁰⁸

The language of this statement was such that it could not be ignored. Coolidge and Jardine read it carefully and the next day the Secretary of Agriculture issued a statement in which he said the surplus question needed further study.¹⁰⁹ Although he nowhere mentioned the export problem and reiterated his faith in cooperatives, the Des Moines representatives nevertheless interpreted the statement as a conversion. Bold headlines in the Des Moines Register proclaimed "Jardine Turns About Face," and intimated that western farm pressure was responsible for his decision.¹¹⁰

¹⁰⁷Washington Evening Star, June 12, 1925; U. S. Daily Digest, June 11, 1925.

¹⁰⁸Des Moines Register, December 22, 1925.

¹⁰⁹"Statement of W. M. Jardine, Secretary of Agriculture, on the Subject of a plan to Handle Surplus Farm Products," December 23, 1923, National Archives, Record Group 16.

¹¹⁰Des Moines Register, December 23, 1925.

Naturally the newspaper story was upsetting to the administration's conservative supporters and Jardine was quick to deny that he had changed his mind.¹¹¹ The agitation was sufficient, nevertheless, to convince Coolidge that a broader agricultural program was needed. Congressional elections were scheduled for the next year and he wanted to insure a strong showing for his party. Ignoring the legal holiday, on the 26th the President called Jardine to the White House and began an earnest discussion with him on the western farm situation. Unrest was growing in eleven states--most of which were traditionally loyal to the Republican party. In an effort to hold these states in the Republican column, Coolidge had decided to propose additional farm legislation. This decision coincided with the Secretary's press release on December 23, and the latter readily agreed with the President. Obviously he could not disagree.

Following this conversation, Jardine announced that the administration was willing to sponsor a new farm bill that would create a commission to dispose of farm surpluses. However, he stressed that it must be understood from the beginning that such a measure would in no way provide for price fixing and must not involve governmental marketing of crops.¹¹² Provisions of the bill would again be worked out

¹¹¹William M. Jardine to Dante M. Pierce, December 31, 1925, National Archives, Record Group 16.

¹¹²New York Times, December 27, 1925, p. 1.

by a committee of farm leaders. The Secretary promised to call such a conference as early in the new year as possible.¹¹³

Upon that note the first phase in the search for a conservative farm policy ended. For all practical purposes the McNary-Haugenites had won round one. It is true that they had not been able to get their bill passed but what is more significant, the administration, even with all the "built in" conservative support, had to modify its own program in the face of western political threats. The second round of the farm fight promised to be most interesting and significant.

¹¹³Ibid.

CHAPTER V

THE SEARCH FOR A FARM POLICY: PHASE II

By January, 1926, the agricultural depression had become a pressing political issue. The Des Moines Conference, with its resolutions criticizing the Coolidge administration, renewed fears of insurgency among Republican leaders. Many party men could recall a similar movement in 1910, also beginning in Iowa, which led directly to the defeat of the National Party. That revolt had been brought on in part by the Payne-Aldrich tariff and now, with the talk of tariff revision growing in the Middle West, party regulars were¹ disturbed.

The task of placating the farm groups continued to rest on the shoulders of agriculture Secretary Jardine. In many respects this seemed almost hopeless. The President had repeatedly insisted that he would not involve the government in the farm situation. On the other hand, farm leaders at Des Moines had made it clear that they would not be satisfied with any measure which failed to raise prices. Drafting a program that would satisfy Coolidge and still approximate

¹New York Times, January 1, 1926, p. 1.

their demands was indeed a difficult job.

In keeping with his announcement of the previous month, the Secretary of Agriculture began preparations for calling a new conference of farm leaders. Again invitations to attend a "National Cooperative Marketing Conference" to be held January 12-15, were mailed to the leading spokesmen of the cooperative organizations. Several editors of the "standard farm papers" were also asked to come and give their advice on the farm problem. No one from the so called "grain belt" was invited.² Apparently Jardine believed that farmers would have to accept some form of cooperative organization regardless of the political consequences such a program might have on his party.

Supposedly this new conference had been called in response to criticism that the administration's farm program was "inadequate." But, it did little to alter that charge. Rather than propose additional legislation, conference delegates chose to review the Cooperative Marketing bill sponsored by Jardine and already introduced in Congress. After a rather superficial examination of the bill the representatives voted to amend the measure to aid officials in the Agriculture Department in disseminating "informational and counseling services." The group also voted to create a special committee to consider the problems "arising

²H. H. Bowman to Calvin Coolidge, January 15, 1926, National Archives, General Records of the Department of

out of the surplus." No substantive changes were made in the original bill.³

While the Conference was still in session, Jardine was called to testify before the House Agriculture Committee, headed by Congressman Gilbert Haugen. That committee had just begun hearings on the cooperative bill sponsored by the farm Secretary. In testimony before the committee, Jardine said that he wanted this special division created within the Department because he believed the principles of cooperative marketing were sound and that such action would give prestige to the movement.⁴ He also pointed out that the measure represented the combined views of more than four-fifths of the cooperative organizations in America. However, when questioned on this point, he admitted that certain interests, particularly the livestock industry had been omitted.⁵ Congressman Thomas A. Doyle of Illinois was disturbed that all agricultural commodities had not been included because he claimed they would be at a disadvantage in competing with those associations included in the bill. To this Jardine replied, "I do not think they those not included

Agriculture, Record Group 16.

³Walton Peteet and Charles W. Holmes to William M. Jardine, January 12, 1926, in ibid.

⁴U. S. Congress, House, Committee on Agriculture, Cooperative Marketing Hearings, H. R. 6240, 69th Cong., 1st Sess., Serial A (Washington, 1926), 3.

⁵Ibid., 8.

in the bill⁷ need to be afraid . . . except the inefficient ones, and you are not for them The inefficient co-operatives will never get anywhere anyhow."⁶ This statement was revealing, particularly since the Secretary criticized the McNary-Haugen bill for not representing all the agricultural commodities.

Some of the committee members thought that Jardine was trying to advance the cooperative bill as a substitute for other farm relief bills but this he denied. Instead, he said that he was only interested in getting a "long range program" established so that he could "go on to something else." When pressed as to whether he thought there was an emergency facing agriculture, the Secretary evasively replied "some say there is, and some say there isn't."⁷ The administration Republicans refused to recognize the farm depression as anything more than a "temporary economic adjustment;" on this assumption they formed their farm policy in the 1920's.

A growing body of farmers, however, did not accept Jardine's views. Letters in the Secretary's files, which had been delivered in a steady volume since 1920, clearly indicated that agrarian unrest was spreading to many sections of the nation. The Farmer's Educational and Cooperative Union of Colorado, at a meeting of its annual convention,

⁶Ibid., 14.

⁷Ibid., 10, 17.

passed a resolution deploring the low prices in agricultural products and demanded that "Congress . . . give us such legislation as will correct these abuses."⁸ The Governor of Montana along with that state's Farm Bureau chapter, endorsed the idea of an export corporation."⁹ Finally, a banker in Kewanee, Illinois complained that "the common talk is that the Republican party has . . . gone back on the farmer."¹⁰ Perhaps more significantly, several farm magazines and newspapers which had previously been either neutral or sympathetic to the administration now came out in support of legislation that would include the idea of an export corporation. The editor of the Omaha Bee commented that if such a corporation "does not work out it will be the farmer who will have to stand the chief loss"¹¹ The Chicago Tribune added its editorial prestige to the movement by stating that "the export corporation is the farmer's own solution to his own problem," and "should be given a trial."¹² The key, however, to the export corporation principle, according to

⁸"Memorial adopted by the Farmer's Education and Co-operative Union of Colorado," January 21, 1926, copy in National Archives, Record Group 16.

⁹H. H. Bowman to Calvin Coolidge, January 15, 1926, in ibid.

¹⁰W. E. Gould to William M. Jardine, January 27, 1926, in ibid.

¹¹Ballard Dunn to F. M. Russell, January 23, 1926, in ibid.

¹²Chicago Tribune, January 22, 1926.

the Tribune, was for farmers to "decide quickly on the form it shall take and unite to get it."¹³

The opportunity for "farmers to unite" seemed to avail itself in the closing days of January when Iowa's Governor John Hammill, endorsed plans for a new farm conference. Hammill, as chairman of the December meeting, had been instructed to arrange another conference within a month to include the eleven states in the Corn Belt.¹⁴ The first conference, although attended by farm leaders from other states, was primarily an "all Iowan" meeting and the purpose of this second conference was to broaden the base of support.

The North Central States Agricultural Conference, as the January meeting was known, opened on the 28th in Des Moines and was attended by over 100 delegates. Representatives to the conference, listened to the usual rhetoric from several speakers then voted to endorse the principles of the Dickinson bill. This measure was the bellwhether for the second McNary-Haugen bill and had been introduced in the House on January 4 by Representative L. J. Dickinson of Iowa.¹⁵ The delegates also agreed to a basic agricultural

¹³Ibid.

¹⁴Des Moines Register, January 29, 1926. Iowa, Illinois, Nebraska, Minnesota, Ohio, Indiana, Missouri, Michigan, Kansas, Wisconsin and South Dakota were considered "Corn Belt States."

¹⁵U. S. Congressional Record, 69th Cong., 1st Sess., January 4, 1926, p. 1452.

program built around an export corporation and pledged to work more closely with the various farm organizations for the presentation of a joint agricultural program in Congress. In the closing hours of the meeting, Chairman Hammill appointed an "Executive Committee of Twenty-Two," composed of two delegates from the represented states, to carry out the recommendations of the conference.¹⁶

Jardine and other administration officials watched this activity anxiously. The ability to attract that many delegates from eleven states, plus the obvious lobbying potential of the "executive committee," was something that could not be taken lightly. Still the farm Secretary had expected the delegates to endorse the export corporation idea and he was more concerned over the political consequence of the conference. A few days before the meeting opened he had written to H. W. Awry, a close friend in Kansas who had been chosen as a delegate, and asked him to analyze the political sentiment at the conference.¹⁷ On February 3, Awry complied with that request and wrote that the meeting had impressed him as being well organized "to press the claims of all the central West agricultural problems" and that he was surprised, "with the amount of support that was clearly in evidence which will support an export corporation," The Kansan

¹⁶Des Moines Register, January 29, 1926.

¹⁷William M. Jardine to H. W. Awry, January 26, 1926, National Archives, Record Group 16.

was also worried over the fact that a number of the representatives had told him "that their congressional delegations were practically solid for legislation along this line . . . /of an export corporation/" and also because "the sentiment was unanimous with respect to the resolution"18

The only exception that Awry saw to this "solid front" was in the delegation from Missouri. He said that group did not appear to have much "enthusiasm at any time" and was "apparently divided as to the endorsement of the Dickinson plan." However, he continued: "Mr. Hirth /the leader of the Missouri delegation/ seemed to be solidly back of everything that was in the convention."19 This split was also noticed by other delegates and L. R. Clausen, a member of the Missouri delegation, had pointed this out in an earlier letter to Jardine. According to Clausen, the meeting had been prearranged by those who were interested in putting over a more or less particular program." He admitted, however, that there was strong sentiment to put "agriculture on parity" with other industries.20

These letters were of small consolation to Jardine. All through January, 1926, and continuing through most of February he held meetings with the various farm leaders

¹⁸H. W. Awry to William M. Jardine, January 23, 1926, in ibid.

¹⁹Ibid.

²⁰L. R. Clausen to William M. Jardine, February 1, 1926,

representing cooperative marketing. The discussions ended largely in frustration. "I have found no general agreement upon any particular measure of relief or upon any particular set of principles" he wrote to Awry, "somebody puts up a plan to increase the price of grain and the dairying people /or some other group/ come along and object."²¹ In the meantime western opposition continued to mount and rumors began to circulate that a union between the grain and cotton producers was eminent.

In an effort to keep abreast of these developments Jardine wrote to a close friend, C. R. Noyes of St. Paul, Minnesota, asking him to evaluate the situation.²² Noyes replied that the situation seemed to be becoming more uncertain everyday and in his opinion another decline in prices would precipitate an open revolt. He also pointed out that the western agricultural leadership seemed to be dividing into two groups--either of which could be "full of dynamite." In his view, there was one group which sought a coalition with southern Democrats "with the avowed purpose of lining up a new block or even party." On the other hand, there was a group which desired procrastination on the farm question so they would have a "live issue" in the next election.

in ibid.

²¹William M. Jardine to H. W. Awry, January 25, 1926, in ibid.

²²William M. Jardine to C. R. Noyes, February 6, 1926,

Either way Noyes saw nothing but trouble for the regular Republicans unless the agricultural problem was settled in the near future.²³

Noyes went on to point out that the idea of a board or commission had been the common denominator in all the major farm relief proposals. Only leadership was needed to work out some type of compromise between the various groups and he urged Jardine to assume that position. By taking the initiative now, before the agricultural issue came to a head, the Secretary could insure himself the support of the western politicians.²⁴

Jardine realized that leadership was needed but he was reluctant to assume that role. He preferred to wait, hoping that the farm organizations could come up with a program that would catch the imagination of the people and Congress and yet be within the range of acceptance by conservative Republicans. In a letter to Noyes, however, he admitted that "the time is not far distant when I should take a determined and positive stand as to what I think Congress should do to relieve the situation."²⁵ In the meantime, he continued his optimistic forecast about prices improving and

in ibid.

²³O. R. Noyes to William M. Jardine, March 1, 1926, in ibid

²⁴Ibid.

²⁵William M. Jardine to W. R. Noyes, March 24, 1926,

farmers being "better-off" than at anytime since 1920.²⁰ It was apparent, however, that words were rapidly losing their influence with the farmers.

By April, the Secretary had made up his mind on how to proceed with the farm issue. After conferring with Commerce Secretary Hoover, he began to formulate a basic agricultural program closely patterned after Hoover's earlier "farm board" proposal.²⁷ In a public statement he said he opposed the Dickinson bill then under consideration by the House Committee on Agriculture and in response to letters from Senator Arthur Capper and Congressman Haugen he issued a detailed statement giving his views on legislation.²⁸ The program as conceived by Jardine, was one that recognized merchandising rather than production as the key to the surplus problem. While he realized that some effort should be made toward adjusting production to demand, he nevertheless insisted that legislation could best aid the marketing end of

in ibid.

²⁶William M. Jardine, "Address Before Texas and Southwestern Cattle Raisers Association," March 10, 1926, in ibid.

²⁷Herbert Hoover to William M. Jardine, April 1, 1926, in ibid. Hoover's letter contained an outline of their conversation, including a Farm Marketing Board, an advisory council and working capital for cooperatives.

²⁸New York Times, April 7, 1926, p. 22; William M. Jardine to Gilbert H. Haugen, April 13, 1926, National Archives, Record Group 16; William M. Jardine to Arthur Capper, April 13, 1926, in ibid.

agriculture.²⁹

To aid farmers in marketing their products Jardine recommended the creation of a federal farm board. Such a board would be assisted by an advisory council and would disseminate information on market conditions to farmers. The board should also be empowered to grant loans to needy farmers over and above that which they could get from the existing credit facilities. Aiding producers in establishing cooperatives and advising Congress on the need for legislation were additional functions that Jardine planned for the board.³⁰ To his way of thinking, the success of this system depended upon getting cooperatives established which could operate without federal assistance. While the government might need to make initial loans to get a cooperative in operation, within a given time the association should be able to "stand on its own" and began repaying the note. Just how the money was to be repaid, or when repayment would begin, he failed to mention.³¹

The farm Secretary also stressed that both the board and advisory council should be made up of highly qualified personnel. The decisions they rendered and the information disseminated must be such that would lead to the growth of

²⁹William M. Jardine to Gilbert N. Haugen, April 13, 1926, in ibid.

³⁰Ibid.

³¹Ibid.

sound marketing agencies which could effectively merchandise agricultural products. He admitted that such a board might at times err in its judgment, make an unwise loan, and cause the government to suffer financial loss. However, he rationalized that the government had lost millions of dollars over the years in stimulating production through reclamation projects and minor additional losses was a small price to pay for a prosperous agriculture.³²

Even though, Jardine strongly believed in the farm board principle, he was reluctant to assume the leadership in the farm relief fight. "These are all matters for Congress to decide," he said, although he admitted that he would consider it "unfortunate if some legislation along this line were not enacted during this session."³³ Fortunately, the Secretary did not have to assume leadership because his close friend, Congressman J. N. Tincher of Kansas quickly outlined a bill incorporating Jardine's basic ideas.

The bill drafted by Tincher provided for the establishment of a "Federal Farm Advisory Council, composed of three members from each of twelve Federal Land Districts." The measure also provided for establishing a farmers' marketing commission of seven members. This commission was to include the Secretary of Agriculture and six other members appointed

³²William M. Jardine to Arthur Capper, April 13, 1926, in ibid.

³³Ibid.

by the President. The Chief Executive was to select these six with the advice and consent of the Senate from a list of eighteen names submitted by the advisory council. For the purpose of making loans to cooperative marketing associations, the bill provided for a loan of \$100,000,000 to be appropriated from the Treasury. Power was given to the Commission to raise additional funds by issuing debentures to the extent of ten times the amount of the appropriation.³⁴

Tincher introduced his bill in the House on April 15, and the proposal was assigned to the House Committee on Agriculture. Congressman Haugen, who had been holding almost continuous hearings on farm bills since January, quickly scheduled the Tincher bill for discussion and called Jardine to testify.³⁵

In a prepared statement, the former educator said he endorsed the bill because it would give an impetus to collective action; it would give farmers adequate credit and allow them to hold their crops until prices went up; it would stabilize the market for all products and did not involve governmental price fixing or putting the government into the business of handling farm products. The Secretary also said that the commission would allow farmers to shape

³⁴U. S. Congress, House, Agricultural Act of 1926, Report No. 994 to accompany H. R. 11327, 69th Cong., 1st Sess., April 15, 1926, typescript copy in ibid.

³⁵Congressional Record, 69th Cong., 1st Sess., April 15, 1926, p. 7553. Jardine testified on April 19.

their own national policies and control their own marketing agencies.³⁶

Under questioning Jardine explained how he thought the plan would work. In the past, he admitted, many cooperatives had failed because they could not pay producers a large enough portion of the price of their crop at the time of sale. Most cooperatives operated on the principle of paying a certain percent of the market price at the time of delivery and the remainder after the cooperative had sold the commodity--hopefully at a higher price. Since farmers needed capital for current operations not many of them could wait for the cooperatives to make the final payment. The Tincher bill recognized this problem and authorized cooperative associations to borrow enough money from the commission to pay farmers most of the current price at the time the farmer delivered his crop.

The cooperative would then store the commodity and gradually sell the product as the market demanded. This would allow an orderly flow of products to the consumer. Should all the surplus not be sold in a given year, the cooperative would carry it over for the next year. By following this practice associations could not only pay the producer a reasonable price at harvest time but also stabilize

³⁶"Statement of Secretary of Agriculture Jardine Before Agricultural Committee of the House, April 19, 1926," type-script copy in National Archives, Record Group 16.

the market the year around.³⁷ Farmers would have their money when they needed it and cooperatives, by controlling the flow of commodities into the market, could eliminate the "peaks and valleys" in farm prices. The commission would make the initial loan at $4\frac{1}{2}$ percent interest and the cooperative, by charging its members a fee equal to 6 percent interest, could put the balance into a "sinking fund" to repay the original note. Associations could also borrow money from the commission to buy needed plant and warehouse facilities and repay the loan in the same way.³⁸

Naturally the House Committee members had a number of questions for Jardine. Congressman James Aswell, of Louisiana asked the Secretary if the "small fee" cooperatives charged their members to repay the loan to the commission was not the same as the equalization fee in the McNary-Haugen bill. Jardine insisted it was not because the fee would be levied "voluntarily" by the cooperatives themselves. The government would simply receive its money, plus $4\frac{1}{2}$ percent interest and would have no hand in setting the fee. When queried about what would happen if the cooperative failed, or for some reason could not repay the note, the farm Secretary admitted that the Treasury would have to suffer the loss. However, he proposed to spread the loan out

³⁷U. S. Congress, House, Committee on Agriculture, Agricultural Relief Hearings, 69th Cong., 1st Sess., Serial C, Part 16 (Washington, 1926), 1305-1306.

³⁸Ibid., 1307-1308.

over a period of as many as twenty years to give the associations ample time to repay.³⁹

Congressman D. H. Kincheloe of Kentucky worried about the effect that higher prices would have on the plan's success. Jardine agreed that putting prices "out of line with supply and demand" would bankrupt the proposal and he hesitated to say how high he thought prices should go. Instead he offered an example "Wheat prices this past year," he said, "started out at \$2 per bushel but fell to around \$1 per bushel by fall. What I want to see," he continued, "is stabilization between the dollar wheat . . . and that \$2 wheat."⁴⁰ He stressed that the price must be "reasonable." When queried on what this would be, he said it would change from year to year. Each year the board would compile statistics on the estimated production of each crop and pass this information on to the cooperatives. These associations would then contract on a voluntary basis with the individual growers for delivery and would pay the same price throughout the marketing season. The price would vary according to the production of the various commodities. Jardine never accepted the possibility that cooperatives, in following these practices, could also control consumer prices. Rather he insisted that a reasonable price was based in part upon what the consumer would pay. If the charge was too high the

³⁹ Ibid., 1316-17.

⁴⁰ Ibid., 1309.

cooperative would simply loose the market.⁴¹

In essence then it would appear that the former educator was willing to allow consumers to determine agricultural prices. However, upon closer examination, it became clear that Jardine was simply following his old theory of having farmers supply what and when the market demanded. The board would determine how much of a commodity, say wheat, would be consumed in a given month, and, by working through the farm organization, release only that amount upon the market. Rather than dumping the entire wheat crop on the market during harvest time between June and August, sales would be spread out over twelve months. One obvious fallacy to this scheme was that the board had no way to keep local cooperatives from selling whenever they chose to do so. This was the same trouble that cooperatives frequently had with individual farmers in the past.

There were a number of other flaws in the Tincher bill. The problem of carrying over surpluses from one year to the next was a concept that cooperatives were unsuited for. Jardine proposed that the costs for storing this "carry-over" be paid by levying a small tax on each producer. To keep the fee as low as possible it would be spread out over several years. Since there was a notorious turn-over in cooperative membership, Congressman Marvin Jones of Texas asked

⁴¹Ibid., 1331.

the Secretary what would happen if a farmer joined a cooperative, got the benefit of higher prices, then cancelled his membership before the fee could be levied." This, to Jones' way of thinking, would force new members to pay for the surpluses produced by other farmers. Jardine admitted that he had not "thought this through" and that perhaps this was one area which needed further study.⁴² In reality his "voluntary cooperation" allowed cooperatives no control over their members.

The Tincher bill was only one of three measures being considered by the House Committee on Agriculture. The Dickinson bill, which had been introduced in January, had been taken over by the McNary-Haugen supporters and, after a few minor amendments, became the Haugen bill. A third bill, another attempt at compromise, was introduced by Representative James Aswell of Louisiana. Aswell's bill called for the creation of a National Farm Marketing Association, comprised of twelve individuals, which would recommend systems of accounting for farm cooperatives, disseminate crop and market information, encourage diversification and acquire or dispose of facilities for storage. A \$10,000,000 appropriation was to be authorized for these purposes. No more than eleven of the committee's twenty-one members could agree upon any one of the bills and consequently all three

⁴²Ibid., 1337.

were sent to the floor of the House for consideration.⁴³

Jardine received a number of letters criticizing his support of the Tincher proposal and these remarks were soon echoed in Congress. An Illinois farmer wrote Jardine that "it looks like you and the President are determined to give the farmers something they don't want and will do us no good." The writer also threatened, "if you insist on giving us pink pills in place of a real remedy . . . we will answer with our votes."⁴⁴ Another farmer in Missouri wrote that he did not see how the bill could do any good and did not "understand why you [Jardine] continue to take a position opposed to the wishes of the farmers."⁴⁵

Much of the political opposition to the administration's bill, as the Tincher proposal was being called, was organized by George Peek, President of the Executive Committee of Twenty-Two. In a letter to the members of the House Agricultural committee, he stated that the bill did "not meet any of the objections sought by the farm organizations and the Committee of Twenty-Two." In a detailed analysis of the proposal he said he also objected to the bill because it provided no mechanism or funds for making the tariff effective

⁴³Congressional Record, 69th Cong., 1st Sess., April 27, 1926, p. 8337.

⁴⁴Henley Eversole to William M. Jardine, April 20, 1926, National Archives, Record Group 16.

⁴⁵Julien N. Friant to William M. Jardine, April 26, 1926, in ibid.

on agricultural products; no provisions were made to handle the surplus or stabilize markets or prices, and finally, it gave no aid for carrying over surplus products from one year to the next or for finding markets abroad.⁴⁶

Peek's letter signaled the beginning of new opposition to Jardine's policies. In the House, opponents of the bill echoed Peek's criticism by calling the measure "a mere gesture or pretense," and said that it could not afford any "substantial relief for farmers" but only succeed in forcing them "deeper in debt." In the words of one critic the bill was "nothing more than a political three-shell game--a sleight [*sic*]-of-the-hand trick to lull the American farmer into silence and inaction by making them believe that the administration is doing something for them." Similar sentiments echoed through the chamber as Representatives debated the merits of farm relief hour upon hour. The lower House was divided just as the Agricultural Committee had been. The administration had the votes to block passage of a new McNary-Haugen bill but not enough to insure the adoption of its own program.

While Congress was discussing farm legislation, Jardine again decided to take his "case to the people." The rumored

⁴⁶George N. Peek to members of the House Committee on Agriculture, April 19, 1926. Chester C. Davis Papers, Western Historical Manuscripts Collection, University of Missouri Library, Box 13, Folder 512.

⁴⁷Congressional Record, 69th Cong., 1st Sess., May 7,

union of western grain farmers with southern cotton producers had been successfully concluded in March and the possibility of a bi-partisan farm bill was a distinct possibility. Southern farmers were unhappy, not only at low prices, but also because many believed the weekly crop forecasts published by officials in the Department of Agriculture played into the hands of speculators who used this information to force prices down.⁴⁸ Consequently, the farm Secretary decided to visit several southern states in an attempt to ease the tension.

In a speech before the Farmers' Union at Pomona, Florida, Jardine made a strong plea for support of the Tincher proposal. He said that in his opinion the bill would pay the way for better stabilization of prices and prevent the "gluts and fluctuations" which frequently disrupted the market.⁴⁹ The farm board and the advisory council were designed to help farmers become better organized and in the Secretary's opinion this was the first step toward economic progress. In an obvious reference to the Haugen bill he said that he had little hope for any permanent solution to the surplus

1926, pp. 8953-54.

⁴⁸These price forecasts gave a brief summary of farm price tendencies, business conditions that affected the demand for agricultural products, prospects as to supplies and consumption or utilization of the more important agricultural commodities. In the Department's judgment, farmers needed this information in order to plan their own production and marketing. William M. Jardine to Joseph E. Ransdell, October 19, 1927, National Archives Record Group 16.

⁴⁹"Address Before the Farmers' Union," Pomona, Florida,

problem through "subsidies, special taxes or dumping programs." Appealing to the southern concept of states rights and individualism, he emphasized that "this legislation the Tincher bill⁷ renders sound and effective aid in the farmers' own efforts to help themselves."⁵⁰

At Charleston, South Carolina a few days later, the Secretary talked about the need of better organization and cooperation. Although he did not mention the Tincher bill by name he said he was confident that cotton farmers would "unite in any program that promises better economic returns"⁵¹ His speech was not very well received. The reason for this was probably contained in the Department's "crop outlook" for May, which had been issued only the week before. According to the report, cotton planting was behind schedule and in some sections much of the crop had to be replanted. Cotton men were also worried over continued low prices and to them there was little in Jardine's message to offer encouragement.⁵² W. E. B. DuBois, commenting on the speech, said "Jardine . . . has shown an agility in mental gymnastics for which we had scarcely given him credit . . . he succeeded in saying just about as near nothing as one would

May 1, 1926, National Archives, Record Group 16, 3-4.

⁵⁰Ibid., 5.

⁵¹"Address Before the Atlantic Cotton Association," Charleston, South Carolina, May 10, 1926, in ibid.

⁵²"Backward Seasons Retard Agriculture," Press Release,

expect of a public official who did not dare tell the truth."⁵³

Less than two weeks after Jardine's Charleston speech, on May 21, the House rejected the Haugen bill.⁵⁴ If the Congressional vote was any indication, the Secretary played only a minor role in this defeat. Despite his speaking tour, southern Representatives gave sixteen more votes to the new proposal than they had given to the first McNary-Haugen bill. Florida and South Carolina, the two states where Jardine made his strongest appeal, gave four votes for the measure while in 1924 no representative from either state had voted for the bill.⁵⁵ Admittedly, there may have been greater support for the measure had he not made the tour, but even so, the Haugen group had made significant inroads into the South. It remained to be seen whether or not the latter could build upon that support.

After the defeat of the Haugen bill, the only hope for agricultural relief in the sixty-ninth Congress rested with the Tincher and Aswell bills. Both measures had been advanced as amendments to the Haugen bill but voting was

May 2, 1926, in ibid.

⁵³Editorial in New York Crisis, reprinted in Des Moines Register, June 25, 1926.

⁵⁴Congressional Record, 69th Cong., 1st Sess., May 21, 1926, p. 9861.

⁵⁵John D. Black, "The McNary-Haugen Movement," The American Economic Review, XVIII (September, 1928), 411.

delayed because of procedural objections.⁵⁶ The Tincher proposal, having the endorsement of both Jardine and Coolidge, was generally considered the more significant of the two bills. However, there was a serious question as to how strongly the administration favored the measure. Jardine continued to make public statements supporting the bill, but the political pressure from the White House, which was necessary for passage, was noticeably lacking.⁵⁷ A majority of the letters the Secretary received from farmers throughout the nation revealed strong opposition to the Tincher bill and many cooperative organizations voiced their dissent as well.⁵⁸ Consequently, Tincher withdrew his bill rather than face the embarrassment of defeat.⁵⁹

Following defeat in the House, attention on the agricultural issue shifted to the Senate. The upper house had been slow in taking up the question of farm relief legislation. The Committee on Agriculture and Forestry, after closing hearings on April 13, attached a rider containing the basic

⁵⁶Congressional Record, 69th Cong., 1st Sess., May 21, 1926, p. 9850.

⁵⁷"Address Before National Association of Credit Men, New York City, New York, May 25, 1926," William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box 5.

⁵⁸Letters in Secretary's Files, National Archives, Record Group 16.

⁵⁹"The President's Recommendation to the 69th Congress: Agriculture," Congressional Digest, V (June, 1926), 184.

provisions of the Dickinson bill to H. R. 7893.⁶⁰ In essence, the committee was trying to substitute the principles of the old McNary-Haugen bill in the Senate under the disguise of the administration-sponsored, Cooperative Marketing bill. The Senate opened debate concerning this amended bill on June 1. Opponents of McNary-Haugenism were not fooled by this procedure, however, and quickly moved to counteract the substitute proposal. On June 16, Senator Simon Fess of Ohio introduced an amendment embodying the essential principles of the Tinch bill.⁶¹ The amendment clearly had had the support of both Jardine and Coolidge and was the administration's challenge to the McNary-Haugenites in the Senate.

The latter group tried to meet the challenge, but after a few days of debate it was apparent their support was lacking. On June 24, the committee bill was easily defeated.⁶² The administration's promise for farm relief legislation "in this session," rested with the Fess amendment, which incorporated the Jardine proposal. On June 25, President Coolidge issued a statement in which he urged the Senate to pass Senator Fess's proposal. He said he favored legislation

⁶⁰Ibid., (May, 1926), 148. H. R. 7893 was the administration sponsored bill creating a Division of Cooperative Marketing in the Department of Agriculture and had been introduced and passed in the House during January.

⁶¹Congressional Record, 69th Cong., 1st Sess., June 16, 1926, p. 11349.

⁶²Congressional Record, 69th Cong., 1st Sess., June 24, 1926, p. 11864. The vote was 45 no--39 yes.

which would create a federal farm board to advise farmers on production, aid farmers in owning and controlling cooperatives, and provide adequate capital from public funds to allow those associations to operate. In his opinion the Fess proposal would do all these things and would "profoundly assist farmers."⁶³

The Fess Amendment faced heavy odds in ever gaining senatorial approval, but what chances it had were destroyed three days before the measure came up for a vote. On June 25, official Washington learned that Jardine was listed on the faculty of the "Round-up College of Scientific Price Forecasting" then meeting in Chicago. This "College" had been organized by J. Ralph Pickell, for the purpose of educating "prospective speculators" in the operations of the stock exchanges. Following their training a majority of Pickell's students became "professional gamblers" in agricultural futures. Actually the farm Secretary had merely accepted an invitation to address an opening session of the "College" but this information was not immediately known. To many Congressmen it was evident that the Secretary was in collusion with grain speculators to fix farm prices.⁶⁴

Consequently, Senator Thaddeus Carraway of Arkansas introduced a resolution calling for Jardine to "submit to the

⁶³Washington Post, June 25, 1926.

⁶⁴William M. Jardine to National Farm School Conference, May 27, 1926, National Archives, Record Group 16, New York

Senate" information as to how long he had been associated with the school; whether the information he gave to the school could be used to determine and forecast grain prices; whether he gained the information because of his position, and finally, whether the information was detrimental to the public good.⁶⁵ Jardine was quick to deny any connection with the College and pled innocence of any wrong doing. He pointed out that he was not "on the faculty" and that his scheduled speech before the opening session had in fact been cancelled. However, had he attended he would have discussed the "statistical work of the Department," and "regulation of grain marketing under the Grain Futures Act" and "reforms in grain marketing." All of this he felt was in the public interest. He concluded by saying that he could not forecast the future markets of grain, nor did he have access to information that would make that possible.⁶⁶

Jardine's statement was factually correct but enough of a shadow had been cast to insure defeat of the Fess Amendment. When the proposal came up for consideration on June 29, it was overwhelmingly defeated.⁶⁷ The Senate then after

Times, June 27, 1926, p. 24.

⁶⁵Congressional Record, 69th Cong., 1st Sess., June 26, 1926, pp. 12017-12018.

⁶⁶William M. Jardine to Thaddeus Carraway, June 26, 1926, National Archives, Record Group 16.

⁶⁷Congressional Record, 69th Cong., 1st Sess., June 29, 1926, p. 12206.

a few minor amendments approved the House bill creating a Division of Cooperative Marketing in the Department of Agriculture. This new division was to be placed under the supervision of the Bureau of Agricultural Economics and was designed to assist in the work and development of farmers cooperatives by providing advice and statistical service. It was to be primarily a fact-gathering agency and would simply inform farmers as to the best techniques in organizing and operating a coop. The division was also allowed a \$225,000 operating budget. Jardine had supported this proposal from the beginning and took satisfaction in seeing at least part of his program enacted. A few days later Congress adjourned without considering any additional farm relief legislation. Consequently, despite the administration's promise to "do something for the farmers," another session ended with no significant results. The McNary-Haugenites were not finished, however, and vowed to take their case to the people.

CHAPTER VI

FARM POLICY CHALLENGED: MCNARY-HAUGENISM

Failure of the Republicans to enact an effective farm relief program promised to figure prominently in the fall political campaigns. Editors of the New York Times predicted that the President would be accused of being under the influence of big business, indifferent to the needs of farmers, and the sponsor of a protective tariff that discriminated against agriculture.¹

The United States Chamber of Commerce also sensed this reaction from a survey it conducted on the agricultural situation. According to the Chamber's report, editorial opinion from across the nation indicated an increasing volume of agrarian dissatisfaction that could be a "potential political force."² Several editors were specifically unhappy with Congress and the President for being "dominated by the industrial East and refusing to revise the tariff."

¹New York Times, July 1, 1926, p. 4.

²Chamber of Commerce of the United States, "Editorial Survey: The Agricultural Situation," June 23, 1926, copy in Herbert Hoover Papers, Herbert Hoover Presidential Library, Personal File, Subject File: "A to Agriculture," Folder, "Agricultural Correspondence, 1924-1928." (Hereafter cited

Significantly, the report indicated that while there was little support in the southern press for the "demands of the corn belt as formulated in the Haugen bill," there was genuine concern over the protective tariff.³

The possibility, then of an agrarian, Democratic-Republican coalition rested upon the willingness of traditional Republican protectionists to agree to reduce the tariff and traditional Democratic "states-rights advocates" to accept federal support of farm prices. In the past more anomalous political alliances had been made, but Chamber officials were skeptical that such a compromise could be reached under the existing circumstances. A split between the eastern and western wings of the Republican party over the agricultural issue, was a much more likely development.⁴

Evidence that a division in the party was near came in early July. At the height of the debate on the Fess bill, William Settle, President of the Indiana Farm Bureau Federation, issued a statement in which he said in part that "the brains that promoted the Grain Marketing Company are the brains that are promoting the Fess-Tincher legislation."⁵ The obvious effort to associate Jardine and the administration

as HHP, HHPL)

³Ibid.

⁴Ibid.

⁵U. S. Congressional Record, 69th Cong., 1st Sess., June 29, 1926, p. 12116.

with grain speculators on the Board of Trade was too serious to go unchallenged. On July 8, Jardine replied to Settle's statement in a sharp letter made public in a press release. The Secretary charged that the statement was a deliberate attempt to discredit him and had no basis of fact. He also pointed out that it was his refusal to recognize the Grain Marketing Company as a valid cooperative that led to its demise. Furthermore, he insisted that according to the Fess-Tincher bill, a cooperative had to qualify under the Capper-Volstead Act before being eligible to receive federal loans. In view of these facts Jardine maintained the charge was unfounded.⁶

This clash set the tone for a debate between "regular Republicans" headed by the Coolidge administration and dissident party men from the farm states that continued sporadically all summer. Midwestern Republicans held out the possibility of joining with the Farm Labor Party, a third party with local support in several states, in an effort to counter "eastern, industrial influence."

At the beginning of July, the threat appeared to have some potential. Former Governor Frank Lowden of Illinois was increasingly put forth as an individual who could attract strong support throughout the West and provide leadership for the movement. The embryo, then, of an insurgent

⁶William M. Jardine to William H. Settle, July 6, 1926, National Archives, General Records of the Department of Agriculture, Record Group 16.

Republican-Farm Labor Party was in the making. According to the rebels, the price for abandoning their threat to bolt the party was for Republicans in the East to modify their attitude "toward reducing agriculture to peonage and agree to aid the farmers with more far-reaching legislation."⁷ A decision on these plans would supposedly be reached in a special meeting scheduled at Des Moines, July 21-22.

President Coolidge and his advisors seemed not at all alarmed by these developments. According to Senator Simon Fess, who Coolidge had appointed to tour the areas of farm dissatisfaction, the revolt would "disappear as did the greenback and free silver movement."⁸ Regular Republicans in general, believed that the West could not survive without the East and that the protective tariff benefited agriculture as much as it did industry. Corn belt representatives, however, hoped to shatter this eastern complacency. On the final day of the Des Moines Conference, delegates adopted a farm program "identical" to that which the last session of Congress rejected. They also passed a resolution condemning "the short-sighted industrial policy expressed by spokesmen for the National Administration including Secretary Mellon, Secretary Jardine, and Secretary Hoover."⁹

⁷New York Times, July 20, 1926, p. 23.

⁸Ibid., July 22, 1926, p. 3.

⁹Des Moines Register, July 22, 1926.

It seemed that reconciliation between the two factions was all but impossible. There were, however, subtle undercurrents developing in the Midwest that would mollify much of the factionalism. Thirty-two Senators were up for re-election in November. Of that number seven were in the South which Republican strategists conceded to the Democrats. In the remaining twenty-five states, Republicans considered their chances of winning better than even--providing the party did not split. Should that happen, Democrats were given a better than average chance of winning in a majority of the states. It was this message that leaders quietly spread to workers in the insurgent states.¹⁰ The alternative was clear, remain loyal to the party or face defeat in November. In reality then, the only decision for the rebels to make was whether to gamble on the possibility of organizing a third party strong enough to defeat both Democrats and Republicans. Even success in this venture would no doubt spell defeat for their farm program.

These and other questions were answered individually by the various state Republican organizations and was well illustrated by the Iowa Republican Convention. The Iowa Convention opened the day following the Des Moines farm conference and several individuals who participated in the latter meeting were also present at the Party gathering. However,

¹⁰New York Times, July 20, 1926, p. 23.

a different atmosphere was exhibited.¹¹ Despite rumors that a resolution condemning the administration would be introduced, leading to a possible split in the party, no such action was forthcoming. Instead, a resolution endorsing President Coolidge was passed and party harmony was preserved. A watered down resolution calling for "legislation that will enable farmers to control and manage their excess products at their own expense . . ." did pass and at least one speaker charged that "Secretary Jardine went over to the enemy [In the fight for a farm relief bill] in the first skirmish . . . we have been betrayed in the house of our friends," he said. But even so, these statements could hardly be considered treasonable and the entire proceedings were characterized by the absence of a precise and definite program which might possibly alienate party members.¹² The convention's atmosphere was graphically captured by an editorial in the New York Times when the writer cryptically commented that "the politicians are hotter for their own "relief" than the farmers for theirs, and more likely to get it."¹³

Other states in the Midwest followed Iowa's example and an uneasy truce between the insurgents and the administration was established. Political expediency, however, was a poor

¹¹Des Moines Register, July 23, 1926.

¹²Ibid.

¹³New York Times, July 23, 1926, p. 12.

foundation upon which to build a congressional campaign. Consequently, Jardine scheduled a number of speaking engagements in an effort to demonstrate the administration's concern over the agricultural situation.

On a tour through New York and New England and the farm Secretary told his listeners that he recognized their problem of heavy debts and low prices, and he understood why many farmers were upset with the tariff. But recognition did not mean acceptance and he would not say that he believed the tariff should be revised. Instead, he outlined his general program for aid to cooperatives and predicted better prices for farm producers.¹⁴

From New York he traveled to Kansas to address a meeting of that state's Farmers' Union. In the last session of Congress, all but one member of the Kansas Congressional delegation had voted for the McNary-Haugen bill and the state promised to be a good test for party loyalty. At Kansas City, Topeka, and Osawatomie he spent a great deal of time in private conferences with friends and party leaders.¹⁵ At the latter town, he outlined an agricultural program almost identical to the previously defeated Fess-Tincher bill, and assured his listeners that cooperative marketing was the only

¹⁴Ibid., August 22, 1926, p. 2; September 1, 1926, p. 1.

¹⁵Kansas City Star, September 6, 1926.

solution to the farm problem.¹⁶

Jardine also took time in his Osawatomie speech to attack the McNary-Haugen bill. He particularly singled out the equalization fee principle and claimed it would not work. To support his charge, he quoted figures to show that the average U. S. wheat yield was about 835,000,000 bushels, of which 175,000,000 bushels were sent abroad for sale on the world market. This left 660,000,000 bushels for domestic consumption. Of this, farmers used 144,000,000 for livestock feed. In addition, farmers and their families constituted about one-third of the nation's population and therefore consumed about one third, or 123,000,000 bushels, of the total amount produced. Added together, this meant that farmers used about 412,000,000 of the 660,000,000 for themselves.

In reality then the farmer was paying the equalization fee twice. He was not only assessed for every bushel sent abroad but also had to pay for that wheat which he bought back in the form of stock feed and flour. Consequently, the farm Secretary argued that the McNary-Haugen principle would not work and at best would simply take the money out of one pocket and put it in another.¹⁷

Republican strategy in the campaign was based on Jardine's presenting the administration's traditional program

¹⁶"Address Before the Kansas Farmer's Union, September 6, 1926," National Archives, Record Group 16.

¹⁷Kansas City Star, September 7, 1926; Beloit Gazette (Kansas), September 7, 1926.

and then gaging the reaction. If he was well received then he would be scheduled for a second speaking engagement in October. It did not take long to get the results. Senator Charles Curtis, in checking the sentiment, reported to Coolidge that Jardine's speech "did the party no good" and said it would be a mistake for the Secretary to return.¹⁸ Officials in the state Republican central committee echoed Curtis's assessment. In their view, Jardine's presence would only stimulate the McNary-Haugen supporters to greater activity and such was not conducive "to a quiet, sane and sensible campaign."¹⁹

Equally discouraging reports were heard from other parts of the country. President Coolidge was shielded from criticism somewhat by his personal popularity, but the same was not true for Jardine. The farm Secretary became the "whipping boy" for most disgruntled politicians and farmers. Congressman L. J. Dickinson charged the former educator with being an "unsound economist and a disgrace to his office." He added the sooner Jardine was out of office the better.²⁰ An Arkansas farmer wrote that, "Jardine should be teaching school and not trying to handle practical problems."²¹ And

¹⁸Charles Curtis to Calvin Coolidge, September 16, 1926, Calvin Coolidge Papers, Library of Congress, Division of Manuscripts; Series 1, Box 1.

¹⁹Kansas City Star, September 7, 1926.

²⁰Quincy Herald Whig (Illinois), September 6, 1926.

²¹A. W. Campbell to Calvin Coolidge, September 28, 1926,

from Indiana a critic wrote "it is your business to see that the farmer gets a square deal."²² To add to the problems late reports from the South indicated one of the largest cotton crops in history--raising the spectacle of low prices and loud protests from the cotton belt.²³

True to the initial response, cotton prices soon began a decline. Farmers, charging that price manipulations by speculators at the cotton exchanges were responsible, appealed to Washington for assistance.²⁴ Jardine responded with a promise to investigate the charges, but pleaded that lack of authority prevented him from making a complete study.²⁵ In a later statement the farm Secretary urged cotton growers to make the most of existing cooperatives and asked the Federal Intermediate Credit banks, as well as local banks, to assist properly organized cooperative marketing associations "in making loans to farmers."²⁶

The political consequences of the break in cotton prices

Coolidge Papers, Library of Congress, Series I, Box 227.

²²John H. Busse to William M. Jardine, September 24, 1926, National Archives, Record Group 16.

²³"Comment of Secretary Jardine on Agricultural Conditions," September 17, 1926, in ibid.

²⁴Letters in Secretary's File, in ibid.

²⁵"Statement by Secretary of Agriculture Jardine on alleged manipulation of Future Trading in Cotton," Press Release, September 24, 1926, in ibid.

²⁶"Statement on the Cotton Situation," October 8, 1926, in ibid.

were not as great as might have been anticipated. Republican strategist had already written off the southern states anyway and had little to loose. The misfortune, however, did cast some doubt upon the administration's ability to draft an agricultural program that would bring prosperity. It should be pointed out that the McNary-Haugenites had no immediate solution to the cotton problem either because such a large surplus would obviously make the equalization fee unworkable. November would reveal that group with which the public wished to cast its lot.

Party professionals may not have been disturbed about the farm unrest but many of the administration's supporters were. J. W. Searson, a friend of Jardine's and Professor of Agriculture at the University of Nebraska wrote that the problem was serious and suggested that perhaps the East was miscalculating the depth of western discontent. He strongly urged the Secretary to invite the leaders of the protest movement to a conference in Washington. By discussing the issue, Searson hoped some kind of compromise could be reached between the administration and its critics.²⁷

Jardine assured Searson that he did not underestimate the feeling in the Midwest. However, the Secretary also said that he could not help but believe that support for the McNary-Haugen approach was dying and leaders of the movement

²⁷J. S. Searson to William M. Jardine, October 2, 1926, National Archives, Record Group 16.

would be hard put to ever mobilize as much strength as they had in the last session of Congress.²⁸ The Secretary went on to say that in the past he had tried to get together with the men leading the McNary-Haugen campaign and had been unsuccessful. He was disappointed at not being able to do so and argued that their stubborn refusal to compromise was the reason for his lack of success. "I made many concessions," he said, "and they made none Their mind is closed to all but one thing."²⁹ Furthermore, Jardine said the timing for such a meeting was bad. "For me to suggest a further conference with these gentlemen," he wrote, "would be interpreted to mean that I was ready to accept the McNary-Haugen bill without modification."³⁰ He was not ready to do this and was willing to gamble on his party's chances of winning in November.

As election day neared, both parties naturally predicted victory. Even though the administration had not fulfilled its promise of passing a farm relief bill, party leaders were counting on farmers to vote their usual conservative ticket.³¹ At the same time, Democrats, although they too had not been very active or precise about helping

²⁸William M. Jardine to J. S. Searson, October 12, 1926, in ibid.

²⁹Ibid.

³⁰Ibid.

³¹New York Times, November 1, 1926, p. 1, 14.

farmers, were nevertheless hoping that rural voters would blame the Republicans for not implementing a farm program and allow Democrats to gain support outside the South.

The election results were less than decisive. Democrats picked up five seats to deadlock the Senate 47 to 47 but with Republican Vice President Charles Dawes presiding, the latter party kept its control of the upper house. In the House of Representatives Democrats gained thirteen seats but were still badly outnumbered 237-195 by the Republicans.³² The agricultural issue figured prominently in the outcome of an election in only one state--Oklahoma. There, first district congressional candidate E. B. Howard made the McNary-Haugen bill, which his opponent, incumbent Samuel J. Montgomery, had voted against, the key issue and won. In the remaining contests, prohibition, local issues, or a combination of elements overshadowed farm relief.³³

With the election over, talk of resuming the "farm fight" resurfaced. Since mid-July a dedicated group of McNary-Haugen supporters, led by George Peek, had been carefully planning strategy for the short session of the sixty-ninth Congress and they were now ready to resume their activity.

In late November, leaders of the movement met in St.

³²Ibid., November 3, 1926, p. 1ff.

³³Ibid.

Louis to discuss a more effective approach to the farm problem. After a couple of days of debate the conference again endorsed the principle of the McNary-Haugen bill and agreed to work as a "bloc" in Congress to pass surplus control legislation. A few southern representatives were still afraid the bill would commit them to a high protective tariff but reluctantly agreed to cooperate.³⁴

Peek passed the conference's recommendation on to McNary and the Senator promptly resumed work on another bill. The new draft compromised the original provisions still further in an attempt to eliminate those points opposed by the administration. The revised bill retained the idea of a federal farm board which was to work through the cooperatives in disposing of surplus crops. There was to be one member of the board from each of the federal land bank districts. Basic commodities for which the board would try to maintain fair prices included wheat, cotton, rice, and hogs. Tobacco was added later. Butter and cattle were exempted. The inclusion of rice and tobacco indicated the influence of southern support.³⁵

The equalization fee was also retained to pay for losses on exports or to help cooperatives to hold surpluses for higher prices. A loan of \$250,000,000 was to be provided

³⁴Des Moines Register, July 7, 1926.

³⁵Congressional Record, 69th Cong., 2d Sess., January 15, 1927, pp. 1726-30.

until the equalization fee could be collected. No basic commodity was exempted from the fee and provisions were also made for a commodity advisory committee for each product processed. However, in order for a product to be handled, at least half of the producers had to vote in favor of the plan.³⁶

Actual changes in the bill were more apparent than real. The new proposal avoided reference of the world price plus the tariff, and referred to "orderly marketing of basic agriculture commodities" instead. Equalization funds were renamed "stabilization funds," a word favored by Jardine. An insurance provision was included to allow cooperatives to be insured against a decline in prices. The changes in the commodity list have already been mentioned.³⁷

The fourth McNary-Haugen bill was introduced in the Senate in late December. It provoked very little debate because the issues had been well formed. Support had been well organized and welded together by seven years of farm depression. When the act came up for vote on February 11, 1927, it passed by an eight vote margin.³⁸ Almost all the new votes came from the South, but additional support also came from the Pacific Coast region. Perhaps the real significance of the vote, however, was the large number of

³⁶Ibid., 1730-33.

³⁷Ibid.

³⁸Ibid., 3518.

Congressmen who abstained from voting.³⁹

In the House, supporters of the measure decided to adopt the Senate bill as their own. By doing this they hoped to save time and avoid a pocket veto by the President. Every attempt to amend the proposal was voted down and on February 17, the Senate bill passed by a vote of 214 to 178. Thirty nine House members did not vote but at long last the McNary-Haugenites had cleared the first hurdle. Now it was up to the President to make his decision.⁴⁰

Quick passage of the McNary-Haugen proposal came as somewhat of a surprise to Jardine and administration leaders. As has been mentioned, the Secretary did not think proponents of the measure could muster enough support for passage in the short session of the sixty-ninth Congress. Yet, even after that had been accomplished he did not get excited. As early as October, 1926, Jardine had decided on a course of action in regard to the McNary-Haugen plan. Acting on the advice of Ralph Merritt, Manager of the Sun-Maid Raisin Co-operative in California, the Secretary decided to avoid a public confrontation on the issue. Merritt had said that in his estimation no farm program could be enacted "before the end of the short session of Congress," and from reports that he received from other parts of the country, Jardine was

³⁹Black, "McNary-Haugen Movement," 409-10.

⁴⁰Ibid., 409..

convinced that this was true.⁴¹ Consequently, he made a special effort not to antagonize the McNary-Haugenites or do anything that would add support to their cause. He did, however, continue to lobby for a balanced production and orderly marketing approach to agriculture. Apparently, his plan was to allow the McNary-Haugen group to run their course, then begin an earnest campaign for his own program in the summer of 1927.⁴²

After both houses passed the bill, speculation quickly developed as to whether or not Coolidge would veto it. Congressmen were well aware that he had consistently opposed the equalization fee in particular and the bill in general. But with the Presidential election nearing many "McNary-Haugenites" believed that Coolidge would not dare risk losing the agriculture vote.⁴³ The President acting with his usual caution asked Secretaries Jardine, Hoover, and Mellon to prepare separate memorandums stating their positions on the bill. He also asked Attorney-General J. G. Sargent to examine the measure's constitutionality.⁴⁴

⁴¹Ralph Merritt to William M. Jardine, October 29, 1926, National Archives, Record Group 16

⁴²"Address before the National Grange," November 12, 1926, in ibid.; "Adjustment of Cotton Acreage Needed," Press Release, November 28, 1926; "Making Cooperation a Success," typescript copy of article by Jardine for November Report of Kansas State Board of Agriculture, in ibid.

⁴³Kelley, "McNary-Haugen," 176-77.

⁴⁴Calvin Coolidge to William M. Jardine, February 19,

Jardine prepared an elaborate discussion of the bill and in a cover letter to Coolidge, recommended that the measure not be approved.⁴⁵ In listing his objections to the bill the agriculture Secretary repeated many of the arguments that he had previously advanced. The proposal was not broad enough in scope to "aid farmers as a whole," he said, and would "injure rather than promote the general welfare."⁴⁶ He also pointed out that the bill was in direct opposition to what scientists and "thinking farmers" had been trying to develop for over half a century--namely to encourage diversified farming and move away from one-crop farming.⁴⁷

The "federal farm board" section of the bill also came in for criticism by Jardine. According to the measure, the board would enter into contracts with those processing agencies which handled the surplus commodities named in the bill. The board was also authorized to pay all losses, costs, and changes incurred by those processors having contracts with the government. In so doing, the Secretary claimed the measure could be exploited by the millers, meat packers, and other firms having contracts with the government.⁴⁸ "It

1927, National Archives, Record Group 16.

⁴⁵William M. Jardine to Calvin Coolidge, February 10, 1927, in ibid.

⁴⁶William M. Jardine, "General Objections of the McNary-Haugen Bill," in ibid.

⁴⁷Ibid., 4.

⁴⁸Ibid., 10.

seems incredible," he wrote, "that the producers of hogs, corn, /etc/ should be offered a scheme of legislative relief in which the only persons who are guaranteed a profit are the . . . processors."⁴⁹

According to Jardine, the McNary-Haugen proposal also gave the federal board power to establish prices on the designated commodities. To his way of thinking this was price-fixing. Furthermore, since the bill covered some of the basic food staples in the American diet, he believed it carried dangerous connotations. Once the principle of fixed prices was accepted at least in the judgement of the farm Secretary, it could easily be extended to include a "multitude of other goods and services." Such a practice would upset the normal exchange relationships on the open market and lend to economic chaos.⁵⁰

The farm Secretary reserved some of his sharpest criticism for the "equalization fee." He called it a "tax on . . . the vital necessities of life" and resented the arbitrary power the farm board would have in levying the fee. In his view, this represented a tax which benefited only a small segment of the general public and was therefore "class legislation." He charged that in reality this amounted to the government using its coercive powers of taxation so that a

⁴⁹Ibid.

⁵⁰Ibid., 11.

few might profit at the expense of many.⁵¹

Jardine went on to say that the equalization fee would not act as a brake on production. In order for the bill to succeed, he claimed, the federal farm board, sitting in Washington, would have to tell the farmers exactly how much of a commodity they could produce. Though this idea was not far removed from the minds of Peek and the McNary-Haugen crowd, to Jardine and the conservatives it was the most obnoxious kind of economic heresy.⁵²

The Secretary further charged that the proposal would dislocate the "economic machinery" of the country. "It would substitute governmental price fixing and taxpayers money," he wrote, "for the efficiency and integrity of private, competitive enterprise."⁵³ In a few words this summed up what the political and economic struggle surrounding the farm fight was all about. On the one hand, Jardine, and his cohorts could not accept the principle of governmental direction in domestic emergencies, while Peek and his colleagues insisted that was what must be done. The fallacies of both arguments lay in the fact that McNary-Haugenites believed they could segregate agriculture from the rest of the economy, while the conservatives continued to insist upon "private enterprise" in a society in which monopoly and price

⁵¹Ibid., 16.

⁵²Ibid., 18.

⁵³Ibid., 19.

and production controls had greatly modified the policies and practices of such business enterprise.

Jardine submitted his memorandum to the President on February 19 and waited for the latter's reaction. He confessed that he did not know what Coolidge intended to do.⁵⁴ Neither did most of official Washington. Peek and the McNary-Haugen supporters tried to influence the Chief Executive by a letter and telegram campaign, but, as they were to find out, their correspondence had little influence.⁵⁵

Because of the economic connotations of the bill, the President relied heavily upon his Treasury Department. Mellon had been a foe of the measure from its inception and drafted a particularly harsh denunciation of it. On February 22 he went to the White House for a conference with Coolidge and carried a copy of the draft with him.⁵⁶ Three days after this meeting Coolidge issued his veto of the McNary-Haugen bill.⁵⁷

The message accompanying the vetoed bill was a "scissors and paste job" from the statements of Jardine, Hoover,

⁵⁴William M. Jardine to F. M. Russell, February 22, 1927, Ablah Library, Wichita State University, Wichita, Kansas.

⁵⁵See letter in Secretary's Files, National Archives, Record Group 16.

⁵⁶"Memo to Mr. Mills," February 22, 1927, National Archives, General Records of the Department of Treasury, Record Group 56.

⁵⁷Coolidge's veto message printed in the Congressional

and Mellon, with the constitutional objections of Attorney General Sargent thrown in. The President used less than half of the memorandum submitted by Jardine but utilized a large portion of the Treasury draft. As such it was a long repetitive document in which Coolidge said he objected to the bill because it was too sectional, it involved price-fixing, it would increase production and decrease consumption, and the administrative machinery necessary to run the program would create an unworkable and unwieldy bureaucracy. He concluded by saying the bill was unconstitutional.⁵⁸

For Jardine and most conservatives on the farm issue Coolidge's veto was an especially pleasing document. It left no questions about the President's position and offered even less chance of compromise. In short the veto was an absolute repudiation of a "radical" approach to agriculture and Jardine was convinced a majority of farmers supported it. "The response has been most encouraging," he wrote a few days after the veto, "and assures me that farmers generally do not want unsound measures thrust upon them."⁵⁹

The McNary-Haugenites did not have the votes to override the Presidential veto, so once again the proposal was killed. Peek and his colleagues were determined to resurrect

Record, 69th Cong., 2d Sess., February 25, 1927, 4771-73.

⁵⁸Ibid.

⁵⁹William M. Jardine to Carl Williams, March 9, 1927, National Archives, Record Group 16.

the issue, however, and began work immediately on a new bill that would satisfy Coolidge's objections. Having pushed the measure through Congress once, they were confident of doing it again. The administration, seeing that the "radicals" were becoming increasingly better organized, gave more than passing interest to their demands. The ever-present political threat poised by the farmers, coupled with Jardine's desire to get a suitable, conservative farm bill passed by Congress served as added ingredients to the farm fight. The agriculture Secretary began work on a new bill designed to take the initiative from the McNary-Haugenites.

CHAPTER VII

FARM POLICY FOUND: THE JARDINE PLAN

For the most part Coolidge's veto of the McNary-Haugen bill received wide support. Fred C. Trigg, editor of the Kansas City Star wrote Jardine that in so far as Kansas was concerned he had "heard only three" people express opposition to the veto. On the other hand, he pointed out that a fellow editor had taken a straw poll in the state and out of a group of fifty farmers, found only eight or ten objecting to the President's decision.¹ A farmer from Iowa City, Iowa wrote in support of the administration's policy and remarked that "the spirit of unrest and lack of confidence in the administration⁷ had been caused largely by sundry politicians."² A Minnesota farmer commented that "the producers of the soil in the Northwest agree with you fully."³ Similar

¹Fred C. Trigg to William M. Jardine, March 21, 1927, William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box I.

²Robert N. Carson to Everett Sanders, March 2, 1927, National Archives, General Records of the Department of Agriculture, Record Group 16.

³Charles L. Drake to Calvin Coolidge, March 26, 1927, in ibid.

letters were received in Washington from almost every state in the union.

Coolidge and Jardine realized that support would erode, however, unless some effort was made to outline an agricultural program. Trigg hinted at this in his letter and urged Jardine to "start your program as quickly as you can get it formed." The editor also recommended that "it [the program] should come from the President" because he believed in that way "the farm fight would be more effective."⁴

Jardine hardly needed such urging. For the past two years he had adhered to the philosophy that Congress should take the initiative in formulating farm legislation and the only results had been the vetoed McNary-Haugen bill. Now he was in a better position to press for his own program. The basis for his policy, balanced production and orderly marketing through commodity cooperatives, was already well known, but as yet he had been unable to sell that idea to the public. Consequently, in April he began laying groundwork to popularize his program. Seven years of depressed farm prices, the inability of the McNary-Haugenites to get their program approved, plus the popularity of the President, all promised to make his work easier.

The former educator used an appearance before the Business Men's Commission on Agriculture, as a forum to begin his

⁴Trigg to Jardine, March 21, 1927, Jardine papers, Library of Congress.

campaign.⁵ He told the Commission he was not fooled by the past mistakes of cooperative marketing and admitted that there were problems in the system. But he believed a successful system of cooperative marketing could be worked out. In fact past errors had to be corrected because in his view only "mass marketing" would solve the farm problem.⁶ Members of the Commission were very much interested in what the Secretary had to say. However, some of the delegates thought that Jardine was placing too much trust in the capabilities of cooperatives. A. R. Rogers, acting Chairman of the Commission, argued that cooperatives could not solve the farm problem because they were not able to control either production or the activities of those farmers who refused to join.⁷ He asked Jardine if there was any solution to either of these problems. The Secretary replied with a definite, yes. "The government," he said, "could intervene, a course which he opposed because it would take a "bigger standing army than we have now," or the farmers could solve the matter themselves

⁵The Business Men's Commission was sponsored and financed by the National Industrial Conference Board and the United States Chamber of Commerce for the purpose of studying the farm problem. After several months of examination, the Commission published its report entitled: The Condition of Agriculture in the United States and Measures for its Improvement (Washington, 1927).

⁶"Testimony of William M. Jardine before the Business Men's Commission on Agriculture," April 12, 1927, typescript copy in National Archives, Record Group 16, p. 25-26.

⁷Ibid., 34.

through organization and education.⁸ That part of his philosophy was no different from what he had been saying even before coming to Washington, but he did indicate that he would present a more specific policy in the near future.

There were several factors which made it imperative for the Secretary to implement a basic farm program. In addition to the political repercussions, there was a more fundamental problem of rural migration to the cities. In fact, this latter problem was reaching such proportions that in the minds of some economists it threatened the economic foundations of the nation. The Republican farm policy in the first half of the decade had been based on the premise that some readjustment in the farm economy was necessary. That is, they thought there should be some flow of people and capital out of agriculture.

As has been mentioned, farmers overexpanded during the war and their increased efficiency in the 1920's kept production high. Even though there was a steady outward movement in population from farms to the cities, there was, in economic terms, still too many farmers, and they were producing more commodities than could be sold at profitable prices.

In Jardine's view many of the surplus farmers were small, inefficient operators who never could expect to make

⁷Ibid., 34.

⁸Ibid., 35.

any money. His program of improved organization and more efficient marketing would primarily aid the big producer. He had repeatedly said that he was not concerned about the inefficient producer because there was no way that he could be helped.⁹

Obviously this attitude was directed toward the small farmers--those who did not have the money or acreage to diversify their operation, who were so deeply in debt they had to sell their crops as soon as they were harvested to meet mortgage payments, and in general lacked the means to convert their farms to "an efficient business organization." Consequently, the depression was welcomed to some degree because it forced the small, inefficient farmer off the land and allowed the big producer more room in which to operate.¹⁰

Now, the fallacy of that program was being seen. Migration to the city had continued at a steady pace even after the partial recovery of prices in 1923, and increased as the decade wore on. So great was the movement in fact, that Jardine and other members of the department feared that the overall economy would be damaged. According to statistics

⁹William M. Jardine, "The Agricultural Problem," Saturday Evening Post, CXVII (October 16, 1926), 174; U. S. Congress, House, Committee on Agriculture, Agricultural Relief Hearings, 69th Cong., 1st Sess., Serial O, Part 16 (Washington, 1926), 1337.

¹⁰Sixty-four percent of those leaving the farm between 1917 and 1926 operated 174 acres or less. "Movement of Population from Farms to Cities," undated typescript report, National Archives, Record Group 16.

compiled by officials in the Bureau of Agricultural Economics, farm population in 1926 declined by 649,000 persons--the largest decrease in any year since 1920.¹¹ While the Secretary found nothing alarming in those figures for a single year, he was disturbed over the inability of the government to halt the general movement. "The migration of labor from the farm to industries," he said, "has attained an impetus which no power can halt."¹²

The problem of continued migration of farmers to the cities carried important economic connotations. Jardine, however, saw little to change the situation until a shortage of food commodities became serious enough to force prices up to a level where farmers could "once again make a profit." In the meantime Jardine admitted that the country faced a real possibility of "under production" from which it would take years to recover. "One of the biggest jobs of the government today," he continued, "is to keep farmers on the farm from now on."¹³

Such a statement indicated that Jardine was either awfully naive or he was trying to discount the efforts of those who were working for surplus control legislation. It was hardly fitting for a person of the Secretary's position.

¹¹"Farm Population Shows Big Decrease Last Year," Press Release, April 20, 1927, in ibid.

¹²Ibid.

¹³New York Times, April 21, 1927, p. 18.

He had already admitted that the government, under its present policies, could not stop the migration, and his past statements offered little hope that those policies would be changed. If he was really concerned with keeping people on the farm he should logically have been working for some sort of program which would have provided decent farm prices and stopped the population drain. But, according to Jardine's philosophy, the government should not try to influence prices even though by his own admission it was necessary for the nation's welfare to do something to hold people on the farm.

Still, Jardine was not so calloused as to ignore the farmer's economic problem. He had a plan for agriculture, but as he had told the Business Men's Commission, it was a "long range" plan which would take time to implement--provided of course he could get it approved by Congress.

Further insight into the Secretary's program came in early May when he addressed the International Wheat Pool Conference meeting in Kansas City. The former educator had long been associated with wheat pools and was particularly interested in their success. While he was not ready to give blanket endorsement to the pooling idea, he nevertheless indicated that pools should play a basic role in any agricultural program. At that meeting he also said that the first step toward agricultural relief was for all "cooperative associations marketing grain," whether they were "farmers' elevators, pooling associations or terminal marketing

agencies," to be unified into one system.¹⁴ Only in this way could conditions, leading to mass marketing techniques, be established. The Secretary foresaw this type of organization spreading across national boundaries and in time incorporating agricultural producers of all nations.¹⁵ How representative this attitude was in the Coolidge administration cannot be accurately determined but such thinking differed markedly from the "economic nationalism" espoused by the proponents of McNary-Haugenism.

No doubt much of Jardine's speech was rhetoric, but he also offered some specific proposals to the grain producers present at the meeting. Departing from his prepared statement, he told the conference the strength of the government's agricultural organization and \$25,000,000 would be thrown behind the cooperative movement. The money, to be used for acquiring elevators, terminals and other physical facilities, was the heart of the offer.¹⁶ Although the Secretary called this "the administration's new farm relief policy," most of the delegates present could see little in the proposal that was different from previous ideas conceived in Washington. Several members had been strong supporters of the McNary-

¹⁴"Address Before the International Wheat Pool Conference," Kansas City, Missouri, May 5, 1926, National Archives, Record Group 16, p. 9.

¹⁵Ibid.

¹⁶Kansas City Star, May 8, 1927.

Haugen bill and used their influence to keep the conference from making any endorsement of the proposal. Instead the representatives agreed to take the "administration's offer" back to their own individual associations for consideration.¹⁷ Jardine still had much work to do if he was to gain the support of western farmers.

The Secretary's efforts to reduce the gap between himself and the grain belt farmers was marred by several intervening problems. To begin with in 1927, another drought had struck much of western Kansas, parts of the Oklahoma and Texas panhandles and some sections of western Nebraska. Farmers in those regions lost much of their wheat crops and were badly in need of help.¹⁸ Florida citrus growers having been hit first by a hurricane and then a late frost were also in desperate financial straits.¹⁹

To compound the problem, Jardine, after touring the winter wheat regions affected by the drought, made the mistake of saying that these poor conditions "might be reflected in future [crop] reports." This remark was made at an impromptu news conference and the Secretary did not elaborate. Nevertheless, to those reporters present it was a "leak"

¹⁷Ibid.; William M. Jardine to S. R. McKelvie, May 13, 1927, National Archives, Record Group 16.

¹⁸Ernest Downie to William M. Jardine, July 18, 1927, in ibid.

¹⁹Tampa Morning Tribune (Florida), June 14, 1927, copy in ibid.

concerning future prices and the information was quickly relayed to the grain exchanges.²⁰ The results were predictable. Within a matter of hours prices jumped 6 cents a bushel on wheat, only to be followed by a decline of $4\frac{1}{2}$ cents. Naturally, this instability drew a strong protest from farmers and millers alike.²¹ Coolidge asked Jardine for an explanation and the farm Secretary replied that his statement had been misinterpreted, that he at no time, mentioned anything about prices and that in fact he lacked the necessary information to make such a prediction.²² His explanation was probably true but his opponents again used the incident to suggest a coalition between the Department of Agriculture and professional speculators. This did nothing to improve the Secretary's relationship with the farmers.

These problems notwithstanding, Jardine continued his efforts to write a new farm program. By the middle of June he had a tentative plan ready. Using the cooperative machinery as a basis, he outlined an idea calling for the establishment of "stabilization corporations" in each of the commodities producing surpluses. The purpose of these corporations was to stabilize prices, either by controlling the flow of crops to market or entering the market to buy excess

²⁰Bernard J. Rothwell to Calvin Coolidge, June 10, 1927, in ibid.

²¹Ibid.

²²William M. Jardine to Calvin Coolidge, June 16, 1927,

commodities. The corporations were to be organized, voluntarily, by individual farmers or farmers' organizations and would borrow money from the federal government to buy surplus products. Buying the excess production would force prices upward and the corporation by carefully marketing that portion of a crop it controlled could, hopefully, make enough profit to repay its loan from the United States Treasury. The plan was still in rough form but the Secretary presented it to several Congressmen to get their reaction.²³

In a long letter to Senator Arthur Capper Jardine said that he was not blind to the limitations of the plan but for the most part he thought it "could do a great deal of good."²⁴ Capper had been at odds with the Secretary for sometime on the agricultural issue but had shown signs of accepting the administration's point of view after Coolidge had vetoed the McNary-Haugen bill. Jardine used his letter to make a strong plea for unity. He pointed out that part of agriculture's problem stemmed from the fact that politicians had not more been able to organize than had the farm organizations. "When you, Senator Curtis, and I get together on this thing," he said, "I am positive we can put across a program for agriculture that will name this administration to posterity

in ibid.

²³William M. Jardine to Arthur Capper, June 15, 1927, in ibid.

²⁴Ibid.

. . . .²⁵

Jardine's tentative proposal drew both praise and criticism and he spent most of the summer listening to the various complaints. He also spent some time in consultation with the President who was spending the summer in the Black Hills of South Dakota. By the middle of July the farm Secretary thought he had eliminated most of the objectionable features and was prepared to offer the plan to the news media.

The new plan was revealed on July 31 by an announcement from the "summer white house."²⁶ According to the press release, Jardine's plan in so far as philosophy was concerned, called for organizing farmers along commodity lines, protecting the public from unreasonably high food prices by the creation of a nonpartisan federal farm board; adequate economic research and service; and finally government credit to cooperatives in the form of a revolving fund. On first reading, the plan appeared to be the same as that in the old Tinch bill. However, two important elements were added. In the first place it was the Secretary's expressed desire to organize cooperatives "from the bottom up"--that is, starting with the farmers. Secondly, he planned to establish a "stabilization corporation" in each surplus commodity to

²⁵Ibid.

²⁶New York Times, August 1, 1928, p. 1.

"stabilize" the markets.²⁷

The mechanics of the proposal called for the farm board to consist of three members, appointed by the President and working in conjunction with the Secretary of Agriculture. A seven member advisory council selected by the Board from names submitted by the cooperatives was also to be created for each agricultural commodity. Finally, the board would organize stabilization corporations as subsidiary organizations to the cooperatives. A sum of \$25,000,000 could be loaned to associations for the purchase of plant facilities and equipment; a similar amount was to be allowed for operating expense; and \$250,000,000 would be available as loans to the stabilization corporations.²⁸

The organization of stabilization corporations was the heart of the Jardine plan. Under the Tincher bill cooperatives were to have borrowed money from the government and advanced it in turn to farmers in the purchase of crops. Borrowers were to repay the loan plus a small interest charge of 2 percent. Profits from that interest would allow the association to repay its loan to the government. Obviously the weakness of this proposal lay in the fact that repayment of the note whether by farmers to the cooperative or by the latter to the federal government rested upon a significant increase in farm prices. Since the Tincher proposal did not

²⁷Ibid.

²⁸Ibid.

require farmers to join a commodity association there was little prospect of cooperatives controlling enough of a particular product to significantly raise prices.

The stabilization corporation promised to add strength to the functioning of cooperatives. By using information on "intention to plant" and "expected yields" the corporation would decide upon a set price for a given commodity and pay that price the year around. Then after determining how much of a particular commodity would be produced, and determining a "fair price" to pay, the corporation would borrow the necessary money from the government and buy the surplus production from the producers. Since the corporation would then control the commodity, it could sell to the public whenever consumer demands required. By selling at a small profit the corporation would repay its note to the federal treasury. Farmers would profit by having a stable price and consumers would benefit by a stable market. The corporation, if it profited after repaying its loan, could either pay a patronage dividend to cooperative members or place the surplus in a sinking fund for future needs.²⁹

As with the Tincher bill, the corporation's ability to set prices left it open to the charge of price fixing, and market control. Jardine, however, argued that buying practices would be controlled by a farm board which would be

²⁹Washington Sunday Star, August 21, 1927.

sufficiently removed from the pressure of farm groups. The board's decisions, designed to protect both public and farm interests, would be based purely upon supply and demand. Consequently, it would not be indebted to any group and would therefore not be influenced by any outside interest.³⁰ In reality Jardine had simply added his concept of stabilization corporations to the federal farm board idea first formulated by Herbert Hoover in the early 1920's.

Consistent with his philosophy, Jardine's plan was a long range program designed to strengthen the economic position of farmers through better marketing practices. It made no promise of creating immediate farm prosperity through legislation. Unlike the McNary-Haugen bill, it did not propose to dump farm products on the foreign market to create a higher basic price at home. Nor did it promise an immediate return to prewar buying power of the various surplus crops. In short, the Secretary's policy was based on the conviction that he could persuade farmers to abandon their centuries old attitude of individualism in favor of business-like cooperation. Through governmental assistance and encouragement, farmers would learn to "help themselves."

By 1927, there was relatively little difference between the McNary-Haugen proposal and the Jardine plan. The McNary-Haugenites had moved toward achieving their goals more and

³⁰Ibid.

more through cooperatives. The only real point of conflict concerned the equalization fee, and both groups were willing to make concessions on that point. The McNary-Haugenites were willing to postpone the fee on certain items, and Jardine's supporters admitted that it could be added to their plan later if circumstances should prove it necessary.³¹

These differences were of minor importance to many observers not immediately involved in the farm fight. Editors of the Washington Star in particular, represented this view. According to their argument top priority should be given to passing "fundamental" farm legislation. To their way of thinking this point was being overlooked. Almost everyone familiar with the subject agreed that the "farm revolt" had been brought on by the low purchasing power of farm products. Since 1921, however, at least according to figures released by officials in the Agriculture Department, farm purchasing power had been improving. From a low of 69 in 1921 the farm price index rose to 86 in June of 1927. If that trend continued, the editors argued, the coveted "pre-war average" would in time be reached, the reason for discontent would be gone, and public sentiment on farm relief legislation cooled. However, the farm problem would not be solved. Farmers were still unorganized, they still could not cope with the changing

³¹"Scope of Jardine Farm-Relief Plan," typescript copy of article prepared for the Washington Sunday Star, August 21, 1927, National Archives, Record Group 16.

economic conditions, and an exceptionally large harvest of any staple would again leave the producer unprotected.³² These sentiments were shared by many who expected the next Congress to pass legislation, establishing for that time, a fundamental long range, agricultural program.

Jardine's proposal was of course, criticized. One of the first to speak out against the plan was J. L. Coulter, President of North Dakota Agricultural and Mechanical College. Speaking before the Institute of Public Affairs at Charlottesville, Virginia, the educator charged that the plan would be ignored by farmers because it required the voluntary organization of all farmers into cooperatives before farm relief could be felt. "There are 7,000,000 farmers," he said, "and today less than 2,000,000 of them are in any sort of farm organization."³³ Farmers had made an attempt to organize, he pointed out, but their enterprises were too small and they were too scattered out to make much progress. "If they were obliged to wait until they were organized," he continued, ". . . there was no relief for them."³⁴ He, along with others, also pointed out the revolving fund was too small to handle crops in a particularly

³²Washington Sunday Star, August 21, 1927. Also see United States Department of Agriculture, Bureau of Agricultural Economics, Index Number of Prices Received by Farmers. 1810-43 (Washington, 1943), 1-36.

³³New York Times, August 16, 1927, p. 24.

³⁴Ibid.

good year. Nevertheless, Jardine continued his plans to introduce the proposal in the next Congress.

Little did the farm Secretary know that his plan was doomed. President Coolidge's statement in August, 1927 that he did not "choose to run" in the 1928 Presidential campaign assured failure for Jardine's efforts. The President's decision removed the power and prestige of the White House from the farm fight. This point became clear to Jardine by late September. In a letter to Thomas Cooper, Dean of Agriculture at the University of Kentucky the Secretary confessed that he could see little "in sight for the next year and a half, now that the President has declared himself, that I can accomplish for agriculture." Instead, he predicted, that "Ninety-nine percent of all that will be done will be for politics."³⁵ Future developments would prove his assessment correct.

Jardine's program received a further setback as a result of the Department's "Price Situation" forecast for September. That report, released on the 15th stated that inclement weather and insect infestation had reduced the quality of cotton fiber and "it is likely that [cotton] prices will decline in the next few months."³⁶ The same statement

³⁵William M. Jardine to Thomas Cooper, September 26, 1927, National Archives, Record Group 16.

³⁶"The Price Situation, September, 1927," Press Release, September 15, 1927, in ibid., 5.

had been made in August and had apparently gone unnoticed. But such was not true for the September release. Editors of the Wall Street Journal saw the statement and immediately relayed the information to the New York Cotton Exchange. As a result, cotton prices declined a maximum of \$7.50 per bale, close to the \$10 limit permitted by the Exchange, and were \$16.50 below peak prices of the week before.³⁷ Cotton producers were quick to respond.

Led by Senator Furnifold Simmons, of North Carolina, they demanded an explanation for the Department's activities.³⁸ Jardine, although not familiar with the statement when it was issued, defended the report, with his usual directness. The statistical information upon which the price forecast had been made, he pointed out, had been regularly distributed for the past two years. At no other time had that material ever materially affected prices. Consequently, he suggested that the quotation was overemphasized by the "speculative" interests and "had unduly disturbed" the market.³⁹

Nevertheless, the incident could not be so lightly

³⁷New York Times, September 16, 1927, p. 1, 1 a.

³⁸Furnifold Simmons to William M. Jardine, September 16, 1927, National Archives, Record Group 16; Julius H. Barnes to William M. Jardine, September 15, 1927, in ibid.

³⁹"Statement of W. M. Jardine, Secretary of Agriculture, on the Cotton Situation," Press Release, September 6, 1927, in ibid.; New York Times, September 16, 1927, p. 1.

dismissed. Letters of protest poured into both the White House and Agriculture Department--many demanding that Jardine resign. Congressman T. Webber Wilson of Mississippi perhaps expressed the sentiment of many southerners when he asked Coolidge to request the Secretary's resignation because of the latter's "incompetency and ignorance of actual conditions. Agriculture is already burdened enough," he continued, "without having a man like Jardine . . . destroy the interests of those he is appointed to serve."⁴⁰

Coolidge, although not ready to ask for Jardine's resignation, was much disturbed about the report. He called for a special cabinet meeting to discuss the issue and when it was over Jardine issued a statement saying that in the future, price trend forecasts would be discontinued.⁴¹ The incident was more than an embarrassment to the farm Secretary. In addition to contributing to his critics' charges that agriculture was being dominated by big business and speculators, the report also had the effect of discrediting much of the Secretary's overall program. Since taking office he had tried to educate farmers to take a scientific approach to farming by using the statistical information supplied by his department. Agrarians, traditionally

⁴⁰ T. Webber Wilson to Calvin Coolidge, September 23, 1927, Calvin Coolidge Papers, Library of Congress, Division of Manuscripts, Series I, Box I.

⁴¹ New York Times, September 17, 1927, p. 1, 5.

suspicious, would now be even more reluctant to trust the Agriculture Department.⁴² Furthermore, the incident served to keep southerners in the McNary-Haugen camp. Before the incident, many cotton growers had taken an interest in Jardine's plan to offer loans to cooperatives. Now, much of that support was negated and valuable votes for the administration were lost in Congress.⁴³

Jardine's plan also suffered in other quarters. As has been mentioned, most editors of the major farm papers had been sympathetic toward the Secretary and his attempts to formulate a farm policy. However, many found this latest proposal particularly objectionable. Loring A. Schuler, editor of the Country Gentleman wrote that the plan was nothing more than "subsidized speculation" and predicted that "even the staunchest supporters of farm relief by Federal law may find it difficult to stomach."⁴⁴

In the same issue Schuler printed solicited statements concerning the administration's plan from some of the leading farm spokesmen. A. E. Taylor, a personal friend of Jardine's and director of the Institute of Food Economics, Leland Stanford University, pointed out a number of ways that

⁴²Jardine to Cooper, September 26, 1927, National Archives, Record Group 16.

⁴³C. O. Moser to Eric Englund, November 7, 1927, National Archives, Record Group 16.

⁴⁴Loring A. Schuler, "Subsidized Speculation," Country Gentleman, XCII (October, 1927), 26.

the agricultural income could be raised, but admitted, "I cannot see that the proposed measure touches these factors." James R. Howard, former President of the American Farm Bureau, wrote that "if the plan proposed to settle the surplus problem without either providing a definite check upon production or creating marketing outlets in addition to those now existing it will fail." Senator Charles McNary commented that "the . . . Administration bill takes the burden of the losses off the farmer and puts it on the tax payers" Sharper criticism still came from Congressman L. J. Dickinson. He said that the scheme was "largely a duplication of the present loaning system," and added "holding crops on borrowed money has ruined every commission firm that has tried it and is too great a risk for the cooperative organization to attempt."⁴⁵

An idea running throughout the comments, either by assertion or implication, was that, to be effective, the administration plan would have to somehow control production as well as marketing. Jardine had resisted this idea all along and still was in no mood to change. Despite three years of debate the farm issue remained essentially unchanged.⁴⁶

No prophet was needed to tell Jardine that his plan was

⁴⁵Ibid.

⁴⁶Ibid.

in trouble. The same might also be said for the McNary-Haugen proposal. From all indications the latter group still had the votes to push its bill through Congress but unless the equalization fee was deleted it faced another certain veto by the President.

In view of this dilemma several farm groups again sought a compromise solution in hopes of getting some farm relief bill passed in the upcoming Congress.⁴⁷ The most representative of the plans put forward was that formulated by officials representing the various farm organizations in Ohio. The compromise plan was a combination of Jardine's proposal and the debenture plan endorsed by the National Grange. Included was a federal farm board, an advisory council for each commodity, and a revolving loan fund. Added to this was the debenture plan which was to be put into effect on surplus farm commodities.⁴⁸ The proposal specified, however, that the surpluses must be handled by "recognized" cooperatives. In this way proponents of the plan hoped to force producers to use cooperatives--a power the Secretary's plan lacked. Incidental to the proposal was a paragraph calling for tariff protection for those agricultural commodities

⁴⁷William M. Jardine to S. R. McKelvie, September 22, 1927, National Archives, Record Group 16.

⁴⁸The Debenture Plan was an idea drafted by Professor Charles S. Stewart of Illinois and endorsed by the Grange. It called for raising farm prices by subsidizing exports. Murray R. Benedict, Farm Policies of the United States, 1790-1950 (New York, 1953), 226-27.

from abroad.⁴⁹

This "new plan" was presented to corn and wheat farmers on October 1, at a meeting in Omaha, Nebraska. Supporters, said the scheme served to place agriculture, by law, on the same favored basis as other industries but did not include the "objectionable" equalization fee. McNary-Haugen sentiment was too strong at the meeting, however, and although a few western politicians showed interest, the proposal was never seriously considered by the first session of the seventieth Congress.⁵⁰

Failure of the compromise proposal returned the "farm fight" to its normal course--a confrontation between the McNary-Haugenites and the Coolidge administration. Friends of Jardine had persistently urged that he take the initiative in presenting legislation in the next Congress, either by drafting a bill or making specific recommendations in the President's annual message.⁵¹ Jardine chose the latter course of action. In preparing his report on agricultural matters for the President's state of the union message, the farm Secretary included a recommendation that legislation be passed embodying the principles of the plan he had worked

⁴⁹New York Times, October 2, 1927, p. 1, 16.

⁵⁰Omaha World Herald (Nebraska), October 2, 1927.

⁵¹S. R. McKelvie to W. M. Jardine, September 5, 1927, National Archives, Record Group 16.

out during the past summer.⁵² He was, however, quite skeptical that any such bill could be pushed through Congress--at least under the prevailing political circumstances. Coolidge noted his agriculture Secretary's report, included the recommendation in his speech, and dutifully read it to Congress. The federal government had a responsibility to assist agriculture, the President said, because of fluctuating seasonal conditions. In view of that, he continued, it would be helpful to provide federal machinery that would include: (1) a continuing Federal Board or Commission, consisting of able and experienced men; (2) equal advantages under this machinery, as between agricultural commodities or producing sections of the country; (3) appropriate encouragement of the cooperative movement in agriculture and (4) a revolving loan fund for the necessary financing."⁵³ The stage was again set for another congressional battle over farm relief.

⁵²"Suggestions Made for the President's Message to Congress," submitted November 15, 1927, typescript copy in ibid.

⁵³Congressional Digest, VII (January, 1928), 8.

CHAPTER VIII

FARM POLICY DEFENDED: THE 1928 PRESIDENTIAL CAMPAIGN

Political jockeying over farm policy began to mount as time neared for convening of the seventieth Congress. The McNary-Haugen group, despite its well organized lobbying force, was having trouble keeping its supporters in line. On the other hand, Jardine seriously considered abandoning the idea of presenting his own plan to Congress. As he interpreted the situation, his only chance of success hinged upon persuading Coolidge to seek a second term. However, a brief meeting with the President in early December, convinced the farm Secretary that no such possibility existed. At a meeting in New York on the 17th he told party leaders that Coolidge could not be drafted and any effort to do so would be futile. Instead, he argued that if Republicans wanted the Coolidge policies continued then they should throw their support to Commerce Secretary Hoover.¹ The specter of Hoover, the old nemesis of Henry O. Wallace, emerging as the top presidential candidate served as added incentive for

¹New York Times, December 18, 1927, p. 26.

rallying the McNary-Haugen forces.

The latter group began working on a new bill immediately after Coolidge's veto in February, 1927. When the seventieth Congress opened the following December they were ready.² The fifth McNary-Haugen bill was a much better prepared document than the previous four had been. Careful analysis of the veto message resulted in a number of modifications. The revised measure applied to all crops and the President was given full appointive powers in selecting a "Farm Board." Cooperative marketing was given strong backing by the establishment of a revolving loan fund set at \$250,000,000--later raised in the House to \$400,000,000--to allow the associations to grant liberal credit. The equalization fee was retained, but it too was modified so that it was to be used only if the loan fund was insufficient.³ In reality the McNary-Haugenites simply incorporated Jardine's plan into their own and attached the equalization fee.

Introduction of the new bill was not accomplished without a struggle. Jardine, although he again avoided active participation, converted a number of Congressmen to his point of view who were willing to challenge the McNary-Haugen

²The new McNary-Haugen bill was not introduced in Congress until the middle of February, 1928, but Peek and his lobbying group kept attention centered on the proposal through December and January. Gilbert O. Fite, George N. Peek and the Fight for Farm Parity (Norman, 1954), 190-91.

³Gilbert N. Haugen, "The McNary-Haugen Bill," Congressional Digest, VII (June-July, 1928), 192, 194.

supporters. The House Committee on Agriculture, in particular, had never been unanimously behind Peek's surplus control legislation and it was in that body that the greatest opposition developed. Opponents of the measure insisted that it was useless to submit a farm bill which the President was sure to veto and retaining that equalization fee would almost certainly guarantee that.⁴ At the same time, since it was an election year, it would obviously help the Republicans to adopt a comprehensive farm bill. Faced with these alternatives, many Congressmen argued for some compromise proposal.⁵

Because of these attitudes, Jardine gained more support for his plan than even he imagined. At one point sixteen of the twenty-one members on the House Agricultural Committee were ready to vote against the McNary-Haugen bill with its equalization fee provision.⁶ Only a spirited letter writing campaign, spearheaded by George Peek and other lobbyists for the proposal saved the bill from being killed in committee. The final draft, including the "fee" provision was finally reported out of the Senate committee on March 28 and from the House on April 4.⁷

Debate on the revised farm bill was characterized by

⁴Washington Evening Star, January 21, 1928.

⁵Cleveland Plain Dealer, January 21, 1928.

⁶Ibid.

⁷U. S. Congressional Record, 70th Cong., 1st Sess., March 8, 1928, p. 4305; ibid., April 4, 1928, p. 5917.

its lack of intensity. Four years of argument had been ample time for most Congressmen to make up their minds. Moreover, the well organized lobbying of Peek and Chester Davis strengthened the bill's chances for passing. But even so, the agrarians still had to trade votes with Congressmen supporting the McFadden Banking bill to insure passage of their proposal. The Senate endorsed the McNary-Haugen bill by a vote of 53 to 39 on April 12 and the House followed suit May 3 by a vote of 204 to 122.⁸ No significant gains were made by the supporters but a large number of absences, 17 in the Senate and 101 in the House, definitely helped the McNary-Haugen cause.⁹

While Congress was in the process of passing the bill, Coolidge received a deluge of mail asking that he also approve the measure. A farmer from North Dakota pleaded with the President not to veto the bill because he could not "hang on much longer under present conditions."¹⁰ Another farmer in Nebraska argued that the "points for [your] veto of the former bill have been met."¹¹ A writer from Ohio

⁸ Ibid., April 12, 1928, p. 6283; ibid., May 3, 1928, pp. 7771-72.

⁹ Ibid.

¹⁰ C. R. Aarestad to Calvin Coolidge, April 15, 1928, National Archives, General Records of the Department of Agriculture, Record Group 16.

¹¹ Harry L. Hohnbaum to Calvin Coolidge, May 1, 1928, in ibid.

suggested that the bill should at least "be tested by actual experience, and if it proves defective it can be amended or repealed."¹²

Of course the usual political threats were made. An Iowa loan company official commented that "a veto of this measure on your part will put Iowa in the doubtful column in the coming campaign."¹³ The governor of that state, John Hammill, telegraphed Coolidge that "the fate of this bill [is] linked up closely with the fortunes of the Republican party"¹⁴ Still another westerner reminded Jardine of the party's pledge in the 1924 platform which enabled Coolidge to win the "enormous farm vote." "If the McNary-Haugen bill is vetoed," he continued, "that vote is not very likely to be repeated."¹⁵

These feelings were not confined to disgruntled farmers. A number of letters from city residents indicated that they too were watching the progress of the farm bill. By the spring of 1928 the boom of "Coolidge prosperity" was slowing down and in the words of a Columbus, Ohio businessman, many urbanites who had formerly opposed the measure were rapidly changing their minds. "They [the city]

¹²Add Burnett to Calvin Coolidge, May 7, 1928, in ibid.

¹³G. N. Titus to Calvin Coolidge, May 5, 1928, in ibid.

¹⁴John Hammill to Calvin Coolidge, May 21, 1928, in ibid.

¹⁵William Lambrie to [William M.] Jardine, May 11, 1928 in ibid.

population⁷ know that something is wrong and they are beginning to think the farmer is the trouble."¹⁶ Other writers echoed a similar theme.

The President fully anticipated letters of this nature and was determined not to be swayed by them. Before the House even took action on the Senate version of the bill Coolidge asked Secretaries Jardine, Hoover, and Mellon to again draft a veto message. The three cabinet members drafted separate documents and then conferred with one another in an effort to coordinate their efforts. Jardine preferred his own arguments but was willing to go along with his colleagues and allow the President to choose which version he preferred.¹⁷

The Secretaries leveled the standard criticisms against the bill--it put the government in business, it violated economic law, it would fix prices, and it would increase production. However, they broadened their objections and attacked the proposal because it allowed the farm board "too much power." The entire agricultural industry could be regulated they charged, by the "arbitrary decision of 12 men, without limitation of any kind."¹⁸ Not only could "the

¹⁶ Charles E. Collins to Calvin Coolidge, May 10, 1928, in ibid.

¹⁷ "Memorandum for the Secretary," April 19, 1928, National Archives, General Records of the Department of Treasury, Record Group 16.

¹⁸ Drafts of the McNary-Haugen Veto Message," April

Board" control agriculture, but also to the Secretaries' way of thinking "it could alter at will the cost of living in the United States, influence the wage levels in all lines of industry, and affect the cost of production."¹⁹ No doubt the latter part of this statement bothered Hoover and Mellon more than any discretionary powers of the Board.

The President accepted his cabinet members' work, but unlike the previous year when he simply "fused" the three papers together, he now asked his own staff to completely revise their statements. As a result the second veto message was a much more concise document that bore the stamp of Coolidge. The Chief Executive said in some ways this new bill was an improvement over the previous year, but it was still "unconstitutional," and "prejudiced" to any sound agricultural policy. He noted that the "equalization fee" was still included, and, although its proponents had gone to some length to deemphasize its importance, Coolidge insisted that the fee was still the heart of the plan. Consequently, he returned the bill without his signature for basically the same reasons that he had given the year before.²⁰ Even though the objections were essentially the same, the tone was not. The second veto was much sharper and even to

19, 1928, in ibid.

¹⁹Ibid.

²⁰Congressional Record, 70th Cong., 1st Sess., May 23, 1928, pp. 9524-27.

some extent defiant. Expressions such as "cruelly deceptive," "repugnant" and "fallacious" left little doubt but that Coolidge considered the whole idea abhorrent.²¹

The Senate made an unsuccessful attempt to override the Presidential veto and the stage was set for the approaching Presidential campaign.²² As could be expected, supporters of the bill vowed to take the issue "to the people." Since a majority of the McNary-Haugenites were still in the Republican column, the party's national convention promised to stage a power struggle.

To Coolidge and many of the party's eastern supporters, this problem was more imagined than real. As overwhelming number of the letters which he and Jardine received on the veto favored the President's position.²³ Even a survey run by the Chicago Tribune indicated support for Coolidge in the Midwest, the hotbed of McNary-Haugenism.²⁴ On the other hand, there were those in the party who, while opposing the McNary-Haugen bill, thought the President should have acted in a more conciliatory fashion, especially since the

²¹Ibid.

²²Congressional Record, 70th Cong., 1st Sess., May 25, 1928, p. 9879-80.

²³Carl K. Hill to Calvin Coolidge, May 26, 1928, National Archives, Record Group 16; Eliha Palmer to Calvin Coolidge, May 26, 1928, in ibid.; Ralph M. Ainsworth to Calvin Coolidge, May 28, 1928, in ibid.; et. al.

²⁴Chicago Tribune, May 24, 1928.

party needed western votes.²⁵ The President was in no mood to compromise, however, and was willing to test his decision before convention delegates.

The Republican convention opened in Kansas City on June 12. During the preconvention planning there appeared a distinct possibility of a party split. Peek and other McNary-Haugen supporters did not have enough votes to control the proceedings, but they did hope to force party regulars to compromise on the farm issue.²⁶ In view of this, delegates from the western states rallied to the support of former Illinois governor Frank Lowden, who had long been a favorite son of the farm relief proponents. This activity caused several party veterans some anxious moments. Essentially the same conditions, so far as farm relief was concerned, existed in the summer of 1928 as in the congressional campaign two years before. If anything, the insurgents had become bolder because now the Presidency was at stake. Hoover, the leading Presidential candidate, and his supporters were clearly worried over these developments.²⁷

Farm Secretary Jardine also watched these political maneuverings carefully. He was confident that Hoover agreed with the policies which he, Jardine, had been trying to

²⁵"A Violent Veto," New Republican, LV (June 6, 1928), 60-61.

²⁶Fite, George N. Peek, 203-6.

²⁷New York Times, June 10, 1928, p. 3.

establish, but at the same time there was the possibility that political pressure might cause the Commerce Secretary to make concessions. Any fears that Jardine may have had about the possibility of Hoover weakening in the face of Republican insurgence was laid to rest when Hoover asked him to draft the agricultural plank for the party's platform.²⁸

The plank, as written by Jardine, was a classic defense of the Coolidge administration's policies. The former educator said that the Republican party would pledge itself to enacting legislation to create a "Federal Farm board clothed with the necessary powers to promote . . . a farm marketing system of farmer-owned and controlled stabilization corporations" ²⁹ This association would "prevent and control surpluses through orderly distribution."³⁰ Furthermore, he favored, "without putting the government into business," "a federal system for organizing cooperatives and orderly marketing of farm products."³¹ In addition to this basic program, Jardine went on to say that the party favored "adequate" tariff protection for those commodities affected by foreign competition. Broadening the export markets and placing agricultural interests on a basis of "economic equality with other industry" were additional items in Jardine's

²⁹"Excerpts from the Republican Platform," Congressional Digest, VII (August, 1928), 282.

³⁰Ibid.

³¹Ibid.

draft.

Jardine conferred with both Hoover and Coolidge after writing the plank. Upon gaining their approval, he personally took it to Kansas City and presented it to the platform committee.³² Peek and his supporters had drafted their own agricultural plank embodying the McNary-Haugen principles and they also placed their ideas before the committee. A test of strength, a preview of future developments, came when the delegates responsible for the platform refused to compromise on the farm issue and rejected Peek's proposal. A short time later the convention as a whole upheld the committee's decision and Peek, with a small group of western delegates, walked out of the convention and joined forces with the Democrats.³³

Farm relief promised to be a major issue in the campaign. Republicans tried to counter any erosion of their support in the West by selecting Charles Curtis of Kansas as their Vice-Presidential candidate. The real test for Republican strength, however, rested upon their ability to convince farmers that the party's farm policy would work. On the other hand, Democrats selected Alfred Smith of New York as their standard bearer. While he did not specifically endorse the McNary-Haugen idea, his speeches were ambivalent

³²New York Times, June 10, 1928, p. 3.

³³Fite, George N. Peek, 206.

enough to allow many westerners to believe that he favored effective surplus control legislation.

Republicans also faced the problem of persuading farmers that Hoover would be sympathetic to agriculture. As Secretary of Commerce he had alienated some farmers who thought he tried to build the Commerce Department at the expense of agriculture. Obviously, becoming a presidential candidate caused his past record to come under close scrutiny and many farmers openly wondered about his attitude. On this matter Jardine rallied to Hoover's defense. In a letter written in April and used in the campaign, Jardine said that charges to the effect that Hoover had encroached on the work of the Department of Agriculture were unfounded and circulated "by a small group with ulterior motives."³⁴ He went on to say that during his tenure as Secretary of Agriculture he had "enjoyed the wholehearted and sympathetic support of . . . Hoover in all matters pertaining to the administration of the Department of Agriculture." The farm Secretary also went to great length to point out that there had not been the "slightest evidence of friction or misunderstanding" between his department and the Secretary of Commerce and there was no "essence of truth in charges" to the contrary.³⁵

³⁴ William M. Jardine to Charles W. Wilson, April 13, 1928, National Archives, Record Group 16.

³⁵ Ibid.

The atmosphere of a Presidential campaign colored the letter but no significant evidence has been found to refute Jardine's statements. His philosophy on agricultural policy so nearly coincided with that of Hoover and Coolidge that there was no basis for dissent. In fact, Jardine's modification of the Hoover farm board issue was so subtle that few historians have noted the difference.

Party leaders had planned for Jardine to play a major role in the campaign and scheduled him for a speaking tour throughout the West in early July. Unfortunately, the farm Secretary became ill upon his return from the Kansas City convention. Doctors at the Naval hospital diagnosed his illness as neuritis stemming from near physical exhaustion and he spent several weeks in Washington recovering.³⁶

Because of his weakened condition, Jardine accepted his doctor's advice and cancelled his speaking engagements. He did, however, make a visit to the West Coast for rest and recovery. Early in September he returned to Washington by train. Along the way, he took the opportunity to visit with as many leaders as possible. Upon reaching Chicago, he issued a statement saying that in his conferences with farm leaders he found "a unanimity of thought" that only the Republican party could solve the problems of agriculture. The Secretary attributed this support to the fact that the

³⁶ New York Times, July 11, 1928, p. 3.

party always "stood for the protection of the American farmer in the domestic market." He neglected to mention that he had talked with only a selected number of "leaders" which may or may not have given him an accurate picture of the region.³⁷

It was no accident that Jardine singled out the tariff for comment. Democrats had been talking about revising the tariff downward since their convention and this attitude was shared by many farmers in the Corn Belt who traditionally voted Republican. Jardine, Hoover, and most party "regulars" were determined to convince farmers that the policy of "protection" was actually beneficial to agriculture.

After returning to Washington, Jardine issued another statement about his western tour and again mentioned the tariff. He said that if rates were reduced, say to the level of the Underwood tariff--as Smith and some Democrats were suggesting, then the "entire farm industry would be thrown into a state of demoralization."³⁸ The farm Secretary also implied that the tariff was the major reason why farm conditions were relatively good.³⁹ This of course was fundamental to the whole farm question. Many farmers agreed that the tariff determined farm prices but they believed that it hurt rather than helped their cause.

The former educator also brought back an optimistic

³⁷Chicago Tribune, September 12, 1928.

³⁸New York Times, September 18, 1928, p. 2.

³⁹Ibid.

picture of western farming conditions. The crops were "generally good" he said, and cattle prices were at an all time high. Wheat prices were up 6 to $6\frac{1}{2}$ cents a bushel, hogs were selling for around \$13 per hundredweight and there were good prospects for a big corn crop. In short, farmers were on the threshold of "full prosperity" and it was Republican policies which were responsible for putting them there. He smugly told national party chairman Hubert Work that Republican nominees had an "ample supply of friends" in the West.⁴⁰ Historically the Republicans always had strong support in that section and the evidence of returning prosperity did not hurt them in the least.

In the month and a half before the November election, party strategists used Jardine as their chief spokesman on the tariff issue. He had fully recovered from his earlier illness and entered the campaign with much of his old vigor. He was careful to discuss the party's "overall farm program" but always the tariff came in for special attention. Republican policies had made a "definite contribution to the recovery of farm prices since the . . . depression following the war," he said, and the tariff was fundamental to that recovery. In a network radio speech on October 4, he again sharply criticized Smith and the Democrats for their talk of abandoning the principle of protection. The farm Secretary

⁴⁰Ibid., September 24, 1928, p. 6.

said, "farmers want higher tariffs as a means of bringing some additional measure of relief to their long suffering industry." Then he selected a number of commodities--beef, wheat, dairy products, and wool--and demonstrated how the protective tariff saved them from competition.⁴¹

The Secretary's assessment differed substantially from the view held by many of the McNary-Haugen supporters. The latter group insisted that the tariff discriminated against farm products and, unless some revisions were made, higher tariffs would only mean greater discrimination. It will be remembered that the initial objective of the movement was to make the "tariff effective on agriculture," and in 1928 the McNary-Haugenites were not convinced that this had been accomplished.⁴² To Jardine, however, the "Peek approach" was fundamentally wrong. "Any program for the permanent solution of the problems of the farmers," he said, "is dependent upon a tariff adequate to insure the domestic market to the farmer"⁴³ Protection from outside competition, organization, and cooperation, to Jardine's way of thinking, would guarantee farmers prosperity just as it had industry.

⁴¹"Radio Address, under the Auspices of the Republican National Committee," October 4, 1928, National Archives, Record Group 16, p. 3.

⁴²Fite, George N. Peek, 207-20.

⁴³"Address . . . Under the Auspices of the Republican National Committee," October 4, 1928, National Archives,

His selecting the tariff for special emphasis was no accident. To many party regulars, including Jardine, agriculture could be restored to its rightful place in the economy only by treating it as an infant industry. Therefore, any "sound" agricultural program, to the Secretary's way of thinking, must start with the tariff. Cooperative marketing could not succeed without it.⁴⁴ Historically, the protection principle had been politically beneficial to Republicans and most were reluctant to deviate from that tradition.

The farm Secretary did not limit the criticism of the Democrats to their "unsound" economic policies. In a speech at Gate City, Virginia, he broadened his attack to include one of Smith's staunchest supporters--the "Tammany Machine" of New York City. Jardine said that "Tammany always has been, and I believe, always will be antagonistic to the interests of agriculture."⁴⁵ In support of this statement he mentioned several pieces of "beneficial legislation passed by the Republican administration and pointed out that "Tammany" had opposed every bill without exception. Smith was a product of that organization, the Secretary continued, and in view of that fact he questioned the Democrats' ability

Record Group 16, p. 8-9.

⁴⁴Ibid.

⁴⁵"Address to be given at Gate City, Virginia," October 13, 1928, William M. Jardine Papers, Library of Congress, Division of Manuscripts, Box 5 p. 1.

to "enact sane laws to benefit the farmers."⁴⁶ Again, pointing "to the record," Jardine argued that "Governor Smith has never carried more than a single agricultural county in the entire state of New York . . ." in running for public office.⁴⁷ By implication then, the Secretary was suggesting that a vote for Smith was a vote against agriculture. To cap his speech, he said: "this campaign has many aspects of a contest between the city and the country."⁴⁸ Posterity would judge which party represented what area.

To say that Jardine's speeches held the farm vote for Hoover, would of course be an overstatement. Nevertheless, the Secretary did play a significant role in the 1928 Presidential campaign. He was an excellent speaker and his "down to earth" qualities made him an effective campaigner. Since he had written the party's agricultural plank, he had no reservations about speaking out forcefully for Hoover and defending past Republican policies. After recovering from his illness he played a key role as a party spokesman on the farm issue. He also made special visits to New York, Colorado, and Montana, states considered in the doubtful column by Republicans, to work with the local party organizations. By late October he was predicting that the "corn

⁴⁶Ibid., 3.

⁴⁷Ibid., 4.

⁴⁸Ibid., 5.

belt" was safe for Hoover.⁴⁹ Election day confirmed that prediction. Even though farm relief was a major issue, prohibition, religion, the "eastern establishment" and numerous local issues also served to keep most of the western states in the Republican camp.⁵⁰

The election of Hoover proved too much for the McNary-Haugen crowd. The movement had split during the campaign with one group openly supporting Smith and the other remaining loyal to the Republicans. Now, with the resounding Republican victory, there was little for the "insurgents" to do but accept the administration's approach to the farm problem.⁵¹

Defeat for McNary-Haugenism was cause for rejoicing in other quarters. Jardine, in particular, was delighted with the election results. As he interpreted the sentiment, voters had given a clear mandate to the policy he had been advocating since taking office nearly four years earlier, and the possibilities of "constructive" farm legislation seemed bright. He was convinced that agriculture had been saved from the "economic heresy" espoused by the McNary-Haugen supporters.

⁴⁹New York Times, October 21, 1928, p. 4.

⁵⁰Gilbert O. Fite, "The Agricultural Issue in the Presidential Campaign of 1928," Mississippi Valley Historical Review, XXXVII (March, 1951), 653-72.

⁵¹Fite, George N. Peek, 221-25.

That the McNary-Haugen bloc planned to abandon its legislative program became clear in late November. Word leaked out that Senator McNary was preparing a bill to incorporate Jardine's proposals and would introduce it in the short session of the seventieth Congress. That rumor was confirmed when the Senator from Oregon filed S. 4602 on the opening day of the session.⁵²

The new proposal was essentially the same bill as the last McNary-Haugen bill--except it did not include the equalization fee. In its barest outline the bill called for establishing a federal farm board to assist farmers in organizing and managing cooperative marketing associations and for making loans to them for the purpose of strengthening and developing a strong, comprehensive system of cooperative marketing. Also, "advisory councils" for each surplus commodity were to be established to work with the farm board. A \$300,000,000 revolving loan fund was provided to make loans to cooperatives for purchasing or constructing market facilities, merchandising farm commodities, forming clearing house associations and making loans to association members. Stabilization corporations, organized by each cooperative dealing with surpluses, could also make use of the loan fund. These corporations presumably dealing with "storable commodities," would purchase sufficient quantity of a surplus

⁵²Congressional Record, 70th Cong., 2d Sess., December 5, 1928, p. 53.

product on the open market so that the price of that item would be raised to a "profitable level." Since the corporations were owned by cooperatives, as well as individual producers who might buy stock or membership interest in them, initiative for controlling surpluses still resided with producers rather than the federal government.⁵³ A case could be made that McNary in drafting this new bill, was simply trying to preserve the essential features of his earlier proposals. On the other hand, it must be remembered that the McNary-Haugen group had gradually compromised its position in order to bring it more in line with the administration's demands. S. 4602 was really the old Jardine plan with a new name.

Jardine welcomed the new bill. In a long letter to McNary he said he favored the proposal because it provided a way of handling surpluses, would stabilize the prices of farm products, and would enable producers to get a greater share of the consumer's dollar. Also, and perhaps most important, he favored the plan because it encouraged producers to organize cooperatives.⁵⁴ The Secretary also urged McNary to work for passage of the bill in the short session so that it could be "made applicable to the 1929 crop."⁵⁵

⁵³"The McNary Farm Relief Bill," Congressional Digest, VIII (January, 1929), 24-5.

⁵⁴William M. Jardine to Charles McNary, December 19, 1928, National Archives, Record Group 16.

⁵⁵*Ibid.*

Agreement between two of the leading spokesmen in the "farm fight" was no coincidence. As has been mentioned, McNary and his group had modified their position. Nevertheless, their arguments that the government should assume some responsibility for agriculture had been effective. In his letter to McNary, Jardine admitted that after years of "study and discussion" he, too, was willing to make some concessions. "The agricultural problems which this measure is designed to solve," he wrote, "are charged with a vital public interest justifying governmental assistance. . . ."⁵⁶ Acceptance of this principle provided the basis for agricultural policies in the next decade.

To Jardine's dismay, farm relief became bogged down in connection with still another problem--even after his reaching an understanding with McNary. Most Congressmen found the new farm bill acceptable but they disagreed on whether or not the short session had time to pass it. Also, since the bill called for a "federal farm board," there were those who thought Congress should wait until President-elect Hoover took office so that he could appoint the members of the board. Still another group of legislators insisted that Hoover had promised to call a special session to discuss the needs of agriculture and therefore Congress should hold all farm bills until then. While Congressmen debated these points, time

⁵⁶Ibid.

slipped away and the end result was that no action was taken on the bill in the short session, or as it turned out in Jardine's tenure as Secretary of Agriculture.⁵⁷

As could be expected, the closing months of the Coolidge administration were filled with a great deal of political maneuvering. Hoover busied himself with selecting a new cabinet and making plans for taking over the leadership of the country. Since the agricultural problem had been such a big issue in the campaign, almost everyone paid close attention to see who Hoover would select for Secretary of Agriculture. Early newspaper reports suggested that in all probability Jardine would succeed himself and editors of the New York Times even went so far as to say that his reappointment was a certainty.⁵⁸

The likelihood of Jardine continuing in office brought a quick response from farmers. Most of those writing to Hoover, objected to Jardine being reappointed, but their objections were often trivial and unfounded. One farmer wrote that "Jardine is thoroughly hated all through the West."⁵⁹ Another commented that he had not given enough

⁵⁷ New York Times, November 28, 1928, p. 56; ibid., December 22, 1928, p. 4; William M. Jardine to S. R. McKelvie, December 20, 1928, National Archives, Record Group 16.

⁵⁸ New York Times, January 20, 1929, p. 1.

⁵⁹ Frank J. Loesch to Herbert C. Hoover, January 28, 1929, Herbert Hoover Papers, Herbert Hoover Presidential Library, AG (1) Cabinet Appointments: Jardine, Presidential Papers, (Hereafter cited as HHP, HHPL).

protection to "game birds."⁶⁰ However, an overwhelming number of those objecting did so because they believed Jardine's reappointment would have a bad psychological effect on agriculture. A lawyer from Illinois said, "it [Jardine's appointment] would be a great mistake on account of the feeling existing to have him continue in the cabinet."⁶¹ From Iowa another lawyer wrote that, "He may be a man of excellent ability; but the fact that he has been Secretary of Agriculture . . . during which nothing affirmative has been accomplished, has awakened in the minds of agriculturalists a strong personal distrust."⁶²

Other special interests group added their objections. A cotton producer from Louisiana told Hoover, "If you want friendship with the cotton producer, get rid of W. M. Jardine,"⁶³ and a spokesman for the food industries opposed Jardine because of the latter's "marketing" proposals.⁶⁴ One farmer from Indiana even suggested that, "we need a good business man to aid us in these strenuous days of the come

⁶⁰Irving Brant to Herbert Hoover, February 10, 1929, in ibid.

⁶¹H. E. Spangler to James W. Good, January 29, 1929, in ibid.

⁶²H. J. Ferguson to [Herbert] Hoover, January 23, 1929, in ibid.

⁶³T. H. Thurmond to Herbert Hoover, January 5, 1929, in ibid.

⁶⁴W. F. Jensen to Herbert Hoover, February 4, 1929, in ibid.

back of agriculture."⁶⁵ The most influential opposition to Jardine came from no less than Iowa's governor John Hammill. In a confidential letter to Hoover, Hammill said the Secretary's appointment would not meet with popular approval in the West and implied that it might bring political repercussions. "Right or wrong," he continued, "there is considerable prejudice against Mr. Jardine."⁶⁶ Coming from one having so much support in the West, this sentiment could not go unnoticed.

Jardine's supporters tried gallantly to persuade Hoover to reappoint the Secretary but they were out numbered.⁶⁷ Also it was not clear that Jardine wanted to be reappointed. From the standpoint of his personality it was reasonable to expect him to continue in office--he was not one to quit in the middle of a project and his program had yet to be implemented. But there were other circumstances which detracted from this assumption. He was not a politician by nature and during his four years in office he had been subjected to some very harsh criticism. Nevertheless, it was not until a large number of letters had been written against him that

⁶⁵ M. H. Rochwell to Herbert Hoover, February 5, 1929, in ibid.

⁶⁶ John Hammill to Herbert Hoover, January 21, 1929, in ibid.

⁶⁷ W. P. Lanbertson to Herbert Hoover, January 5, 1928, in ibid.; Thomas Cooper to Herbert Hoover, January 10, 1928, in ibid.; Ernest R. Downie to Herbert Hoover, January 14, in ibid.; et al.

he offered to withdraw as a candidate. In a letter to Hoover, he said his position had been "vindicated by the farm vote in the election and by the introduction of the Senate bill in the present session [of Congress]." ⁶⁸ In view of that and because of obligations to his family he wished to return to private life. ⁶⁹

This letter provided Hoover with a way out of a difficult situation. No doubt he had become convinced that Jardine was too much of a political liability to keep on in the cabinet, not to mention the fact that Hoover had his own ideas about agriculture. But at the same time it would have been embarrassing for the future President not to reappoint a man who he had initially supported. At any rate he was now free to select his own man.

Jardine spent his last weeks in the Department charging the routine duties of his office. There was no hope that Congress would pass the McNary bill in the short session and those connected with agriculture seemed to be waiting for the new administration to take office. In the meantime Hoover selected Arthur Hyde, former governor of Missouri, as his new Secretary of Agriculture. The choice was a disappointment to Jardine and indicated that Hoover intended to

⁶⁸ William M. Jardine to Herbert Hoover, January 23, 1929, William M. Jardine Papers, Ablah Library, Wichita State University, Wichita, Kansas.

⁶⁹ Ibid.

be "his own man" on agricultural matters. Hyde was a lawyer by training, and, although he had significant land holdings, he had never lived on a farm and made no pretense of being a farmer.⁷⁰ Jardine, after leaving office, wrote of Hyde: "He is a most likeable fellow . . . which I fear is about his only qualification for his present position." On policy matters, the former educator continued, "the poor fellow is lost . . . a fact which he recognizes."⁷¹ Nevertheless, Hyde filled the role for which Hoover had chosen him.

After turning over the Department's affairs to Hyde, Jardine accepted a position with the American Fruit Growers Federation. The new job allowed him to remain in Washington and in addition to his regular duties he acted as an unofficial advisor to Hoover. The President had called a special session of Congress to consider the problem of agriculture and in that session legislators passed the farm bill introduced by Senator McNary in the last session of the seventieth Congress. The Agricultural Marketing Act, as the proposal was called, was built around cooperative marketing and included both the farm board idea developed by Hoover and the concept of stabilization corporations

⁷⁰Roy Roberts to George Akerson, February 17, 1929, AG (1)-Cabinet Appointments: Hyde, Presidential Papers, HHP, HHPL.

⁷¹William M. Jardine to F. D. Farrell, May 24, 1929, Jardine Papers, Library of Congress, Box 1.

popularized by Jardine.⁷² Unfortunately, the action came too late to help farmers. In less than four months the stock market crash ushered in another era of depression and offered little opportunity for the law to function. There were those who doubted that the plan would work under the best of circumstances.

⁷²"Provisions of H. R. 1, the Federal Farm Board Bill," Congressional Digest, VIII (May, 1929), 139-40.

CHAPTER IX

CONCLUSION

During his four years as Secretary of Agriculture William Jardine carried the banner for a traditional approach to farm policy. He opposed the newer and more experimental program advocated by the McNary-Haugenites because he did not believe the federal government should become involved in the farm problem to the extent of influencing prices. He typified for agriculture what Coolidge did for the nation as a whole. Being a nineteenth century individualist, he retained his belief in individual initiative and had no faith in government action to raise agriculture prices. He insisted that prices would improve only when farmers learned to "help themselves." As such, he favored voluntary cooperation among farmers and only as a last resort did he accept the principle of federal loans to farm cooperatives. The responsibility of government, in his view, was to help the farmers help themselves--an opinion shared by a majority of the people in the 1920's.

In a very real sense, Jardine's administration marked the beginning of a new role for the Department of Agriculture--that of formulating a farm policy to raise prices.

Prior to 1921 officials in the Department had provided primarily statistical and informational services aimed at assisting farmers in production. The sharp depression of 1920-1921 changed that, however, as farmers began to demand economic assistance as well. Henry C. Wallace responded to this pressure by supporting the first McNary-Haugen bill but his untimely death cut short his work in outlining a comprehensive farm program. Jardine inherited Wallace's position, and, although he deviated from the Iowan's approach, he nevertheless worked to implement a plan to improve farm income. Admittedly, Jardine accepted this role of policymaker with reservations. His social and political conscience argued against governmental involvement, but intellectually he recognized the necessity of some aid. It might be pointed out that his policies were simply an attempt to stall farmer demands until "natural circumstances" restored prosperity but at any rate there still remains the evidence of a Republican farm program--albeit a rather simplified one.

This is not to say that Jardine emphasized policy to the exclusion of the Department's traditional work. Indeed his early training as a Departmental employee, plus his association with Kansas State College, a land grant institution, eminently qualified him to administer the customary agricultural services. Being an Assistant Cerealist in charge of dry land grain investigations, acquainted him with

farmers from a broad cross section of the country. His work in the extension service and as President of Kansas State introduced him to still other segments of the farming community. His extroverted personality, quick wit, and boldness to speak out on farm issues, marked him as a leader even before going to Washington. In fact, from an agricultural standpoint, no farm Secretary before Jardine could boast of such a versatile background. He spent his boyhood on a "dirt" farm; his youth on a cattle ranch; he was educated in agronomy; taught in that discipline; then spent years in field work and administrative service.

Obviously Jardine's personal experience strongly colored his attitude on farm matters. He reached maturity in the decade before World War I--a time when farm prosperity was at an all time high. That agriculture was prosperous, he reasoned, could be attributed to the fact that farmers were regulating their production to consumer demands, a fact borne out by statistics. Since Jardine was an employee of the Agriculture Department during part of this time, he could easily associate the Department's informational and advisory work with prosperity.

World War I, an unnatural phenomenon, upset this balance and for more than a decade the Secretary waited for agriculture to return to its prewar normality. Consequently, the steps taken to remedy the farm problem during that time were oriented toward the nineteenth century "self-help" philosophy, and based on the premise that normal conditions

would soon return. Research in the last twenty years has demonstrated that something was more fundamentally wrong in rural America than just a "temporary economic adjustment." However, that concept was not readily apparent in the 1920's and the gradual increase in the farm price index during that period substantiated the claim of Jardine and other administrative spokesmen that prosperity was returning. A majority of the American people, including farmers, accepted at least part of this argument as evidenced by the 1928 election.

As an administrator Jardine served well in the conservative Coolidge cabinet. By conscience he favored economy in government and reorganized the Department early in his tenure to increase efficiency and reduce expenses. Critics of the Secretary charged that this move was taken to oust supporters of the McNary-Haugen farm relief proposal but only a few such charges were made. While some employees did leave the Department because of their support for the bill, Jardine's handling of the situation left little cause for bitterness. In reality he enjoyed strong support from his staff and morale remained high despite the troublesome times for agriculture.

The main criticism of Jardine comes not from his work as an administrator or a public servant but rather his attitude on farm policy. No prophet was needed to point out the problem of agriculture. Jardine, however, waited until

no alternatives were left to put forth a comprehensive program. Admittedly, this policy-making role was new, but novelty was not the Secretary's primary problem. In fact, he was blinded to contemporary problems by his unquestioning faith in nineteenth century laissez faireism. Men holding more responsible positions than he were afflicted with the same disease, as were most of the American people. In view of that, he probably would have had difficulty getting support for any kind of "new approach to the farm problem." By meeting the McNary-Haugen group half way in 1925, rather than in 1929, however, perhaps something could have been worked out in time to "stabilize" agriculture before the "great crash."

In a broader context, debate on the farm issue in the 1920's was fundamental to American agricultural policy in the twentieth century. Jardine played a vital role in that discussion. What he had in mind was an "industrialized agriculture." That is, he believed farmers should organize their industry just as businessmen had. Since business had been able to do this, at least according to his view, without governmental assistance, it was only sensible that farmers do likewise. By treating agriculture as an infant industry with the tariff protection and equitable taxation historically afforded beginning businesses, agriculture could develop in the twentieth century just as business had in the nineteenth. Finally, Jardine insisted that farmers

utilize the same organizational and production techniques employed by the captains of industry. Only by approaching the farm problem in this manner, he believed, could any permanent solution be worked out. In retrospect, the fallacies of this argument are clear enough. However, as a biographer of Coolidge has pointed out, "the business psychology" permeated the decade and this attitude was not out of the ordinary.

The twenties were also a transitional period in American agriculture. Farmers knew the government could control their industry because it had done so during the war. The drive for a two price system, one domestic, one foreign, and the philosophy of economic nationalism, making the tariff effective on agriculture, were basic concepts used by later policy-makers.

Despite these contributions, however, the "fight for farm parity" had an aura of tragedy around it. While Politicians argued over the merits and demerits of various bills, thousands of farmers suffered great hardship. That agriculture was not getting its fair share of the nation's prosperity was recognized by almost everyone. However, opinions on the matter became so polarized as to prevent anything from being done. Jardine and Peek, two men with strong personalities, refused to compromise on the equalization fee principle and consequently no settlement could be reached. In the summer of 1927, the editor of the Washington

Sunday Star, in commenting on the Jardine plan, said that unless some solution to the farm problem was reached, "the agricultural historian will record that the die-hards who demanded 'our plan or nothing' squandered the farmers' opportunity to get helpful legislation." These words were prophetic.

BIBLIOGRAPHY

Much of this study has been based on manuscript material found in the William M. Jardine Papers, Library of Congress, Division of Manuscripts, Washington, D. C., and the General Records of the Department of Agriculture, in the National Archives, Record Group 16, Washington D. C. The former contains material of a private nature, including correspondence and scrapbooks. Also important in this collection is a series of "clipping books" containing newspaper items on Jardine's career ranging from his tenure at Kansas State Agricultural College, beginning in 1918, until his death in 1955. The latter contains the official public record of the Department of Agriculture, including the Secretaries' files and those of the various departmental agencies. This material is arranged by subject headings and includes such topics as "Agricultural Situation," "Rural Credit," "Speeches of the Secretary," "Tariff," etc.

Other useful manuscript collections include the Herbert Hoover Papers at the Herbert Hoover Presidential Library, West Branch, Iowa which contains correspondence between Hoover and Jardine while both were cabinet officers under Coolidge and information on agricultural policy in general.

The Calvin Coolidge Papers in the Library of Congress, Division of Manuscripts is also a key source for agricultural policy material as well as the selection of Jardine as Secretary of Agriculture. The William M. Jardine Papers in the Kansas Collection at the Ablah Library, Wichita State University, Wichita, Kansas, although not very extensive, includes correspondence and newspaper clippings of both a public and private nature. The Arthur Capper Papers at Kansas State Historical Society, Topeka, Kansas, while important for general material on agricultural matters, have little information on Jardine. The George N. Peek papers and Chester C. Davis Papers, both in the Western Historical Manuscripts Collection, University of Missouri, Columbia, Missouri contain valuable information on the McNary-Haugen bill and opposition to Jardine's policies.

Public Documents

Statutes at Large, Vol XLII (1923).

U. S. Department of Agriculture. Agricultural Statistics, 1936. Washington, D. C.: Government Printing Office, 1936.

_____. Yearbook of Agriculture, 1924. Washington, D. C.: Government Printing Office, 1925.

_____. Yearbook of Agriculture, 1925. Washington, D. C.: Government Printing Office, 1926.

_____. Yearbook of Agriculture, 1926. Washington, D. C.: Government Printing Office, 1927.

_____. Yearbook of Agriculture, 1927. Washington, D. C.: Government Printing Office, 1928.

_____. Yearbook of Agriculture, 1928, Washington,

D. C.: Government Printing Office, 1929.

_____. Farmers In a Changing World: Yearbook of Agriculture, 1940. Washington, D. C.: Government Printing Office, 1941.

U. S. Department of Commerce. Bureau of the Census. Fourteenth Census of the United States Taken in the Year 1920. Vol. V, Agriculture. Washington, D. C.: Government Printing Office, 1921

_____. Bureau of Census. Historical Statistics of the United States: Colonial Times to the Present. Washington, D. C.: Government Printing Office, 1960.

U. S. Congressional Record. 1921-1929.

U. S. Congress. House. Agricultural Act of 1926. Report No. 994 to accompany H. R. 11327, 69th Cong., 1st Sess., 1926.

_____. House. House Reports on Public Bills. 69th Cong., 1st Sess., Serial 8533, 1926.

_____. House. The Agricultural Crisis and its Causes. Report of the Joint Commission of Agricultural Inquiry, 67th Cong., 1st Sess., Report No. 408, Serial 7922, 1921.

_____. House. The McNary-Haugen Bill. 68th Cong., 1st Sess., Report No. 631, Serial 8228, 1924.

_____. House. Report of the National Agricultural Conference. 67th Cong., 2d Sess., Serial 8103, 1921-1922.

_____. House. Committee on Agriculture. Agricultural Export Corporation Bill, Hearings. On H. R. 15655, 69th Cong., 2d Sess., 1927, 4 pts.

_____. House. Committee on Agriculture. Agricultural Relief Hearings. 68th Cong., 2d Sess., 1925, 16 pts.

_____. House. Committee on Agriculture. Agricultural Relief Hearings. 69th Cong., 1st Sess., 1926, 13 pts.

_____. House. Committee on Agriculture. Agricultural Relief Hearings. 70th Cong., 1st Sess., 1928, 10 pts.

- _____. House. Committee on Agriculture. Cooperative Marketing Hearings. On H. R. 6240, 69th Cong., 1st Sess., 1926.
- _____. House. Committee on Agriculture. Federal Farm Board and Surplus Control Bill. 69th Cong., 1st Sess., H. R. 1003, 1926.
- _____. House. Committee on Agriculture. McNary-Haugen Bill Hearings. On H. R. 5563, 68th Cong., 1st Sess., 1924.
- _____. House. Committee on Agriculture. Relief of Farmers in Crop Failure Areas, Hearings. On H. R. 15973, 69th Cong., 2d Sess., 1927.
- _____. Senate. Agricultural Export Bill. 68th Cong., 1st Sess., Report No. 410, Serial 8221, 1924.
- _____. Senate. Cooperative Marketing. 70th Cong., 1st Sess., Senate Document 95, Serial 8859, 1928.
- _____. Senate. Fluctuations in Wheat Futures. 69th Cong., 1st Sess., Senate Doc. 135, 1926.
- _____. Senate. Inaugural Address of President Warren G. Harding and Vice-President Calvin Coolidge. 67th Cong., 1st Sess., Senate Doc. 1. Serial 7932, 1921.
- _____. Senate. Preliminary Report of the Agricultural Conference. 68th Cong., 2d Sess., Senate Doc. 190, Serial 8413, 1925.
- _____. Senate. Committee on Agriculture and Forestry. Agricultural Relief Hearings. On S. 973, S. 2289, S. 2541, S. 2917, S. 2918, S. 3445, S. 3509, and H. R. 7893, bills relative to agriculture relief, 69th Cong., 1st Sess., 1926, 3 pts.
- _____. Senate. Committee on Agriculture and Forestry. Agriculture Relief Hearings. On S. 4808, a bill to establish a federal farm board and S. 5088, a bill to establish a federal farm board in the Department of Agriculture. 69th Cong., 2d Sess., 1927.
- _____. Senate. Committee on Agriculture and Forestry. Farm Relief Legislation Hearings. Relative to establishing a federal farm board to aid in the orderly marketing, and in the control and

disposition of the surpluses of agricultural commodities in interstate and foreign commerce, 71st Cong., 1st Sess., 1929.

Books

Benedict, Murray R. Can We Solve the Farm Problem?
New York: Twentieth Century Fund, 1955.

_____. Farm Policies of the United States, 1790-1950: A Study of their Origin and Development.
New York: Twentieth Century Fund, 1953.

Boyle, James E. Farm Relief: A Brief on the McNary-Haugen Plan. Garden City: Doubleday, Doran & Company, Inc. 1928.

Business Men's Commission on Agriculture. The Condition of Agriculture in the United States and Measures for its Improvement. Washington, D. C.: Chamber of Commerce of the United States of America, 1927.

Capper, Arthur. The Agricultural Bloc. New York: Harcourt, Brace and Company, 1922.

Daniels, Walter M. (ed) The Government and the Farmer. New York: H. W. Wilson Company, 1956. Vol XXVIII in "The Reference Shelf Series."

Davis, Joseph S. The Farm Export Debenture Plan. Stanford University: Food Research Institute, 1929.

_____. On Agricultural Policy, 1926-1938. Stanford University: Food Research Institute, 1939.

Dummeier, E. F. and Heflebower, R. B. Economics with Application to Agriculture, 3rd ed. New York: McGraw-Hill, 1950.

Eliot, Clara. The Farmers' Campaign for Credit. New York: D. Appleton and Company, 1927.

Fite, Gilbert C. American Agriculture and Farm Policy Since 1900. New York: The Macmillan Company, 1964.

_____. Farm to Factory: A History of the Consumer Cooperative Association. Columbia: University of Missouri Press, 1965.

_____. George N. Peek and the Fight for Farm Parity

- Norman: University of Oklahoma Press, 1954.
- Gee, Wilson. American Farm Policy. New York: W. W. Norton & Company, Inc., 1934.
- Hibbard, B. H. Effects of the Great War on Agriculture in the United States and Great Britain. New York: Oxford University Press, 1919.
- Hicks, John D. Republican Ascendancy, 1921-1933. New York: Harper & Row, 1960.
- Hutchinson, William Thomas. Lowden of Illinois. II Vol. University of Chicago Press, 1957.
- Johnson, C. O. Borah of Idaho. New York: Longmans, Green and Company, 1936.
- Johnson, Julia E. Agriculture and the Tariff. New York: H. W. Wilson Company, 1927.
- Kile, Orville Merton. The Farm Bureau Through Three Decades. Baltimore: The Waverly Press, 1948.
- Lord, Russel. The Wallaces of Iowa. Boston: Houghton Mifflin Company, 1947.
- McConnel, Grant. The Decline of Agrarian Democracy. Berkeley: University of California Press, 1953.
- McCune, Wesley. The Farm Bloc. Garden City: Doubleday, Doran & Company, Inc, 1943.
- Murphy, Arthur Morton. The Agricultural Depression and Proposed Measures for its Relief. Washington, D. C.: The Catholic University of America, 1926.
- National Industrial Conference Board. The Agricultural Problem in the United States. New York: National Industrial Conference Board, Inc., 1926.
- Ostrolenk, Bernard. The Surplus Farmer. New York: Harper and Brothers, 1932.
- Rasmussen, Wayne D. (ed) Readings in the History of American Agriculture. Urbana: University of Illinois Press, 1960.
- Rice, Stuart. Farmers and Workers in American Politics. New York: Columbia University, 1924.
- Saloutous, Theodore and Hicks, John D. Agricultural

- Discontent in the Middle-West, 1900-1939. Madison: University of Wisconsin Press, 1951.
- Schickele, Ramier. Agricultural Policy: Farm Program and Welfare. New York: McGraw Hill Company, 1954.
- Seligman, E. R. A. The Economics of Farm Relief: A Survey of the Agricultural Problem. New York: Columbia University Press, 1929.
- Shideler, James H. Farm Crisis, 1919-1923. Berkeley: University of California Press, 1957.
- Sinclair, Andrew. The Available Man. New York: The Macmillan Co., 1965.
- Socolosky, Homer. Arthur Capper. Lawrence: University of Kansas Press, 1962.
- Soule, George. Prosperity Decade from War to Depression, 1919-1929. New York: Rinehart & Company, Inc., 1947. Vol. VIII in "The Economic History of the United States" Series edited by Henry David (and others).
- Taylor, Henry C. and Taylor, Anne. The Story of Agricultural Economics in the United States, 1840-1932. Ames, Iowa: The Iowa State College Press, 1952.
- Warren, G. F. and Pearson, F. A. The Agricultural Situation: Economic Effects of Fluctuating Prices. New York: John Wiley & Sons, 1924.
- Wilburn, Ray L. and Hyde, Arthur M. The Hoover Policies. New York: Charles Scribner's Sons, 1937.
- Zornow, William Frank. Kansas: A History of the Jayhawk State. Norman, University of Oklahoma Press, 1957.

Articles

- "A Cowpuncher in the Cabinet," Literary Digest, LXXXIV (February 28, 1925), 9-10.
- "A Secretary for the Business Side of Farming," Outlook, CXXXIX (February 25, 1925), 286.
- "Agriculture and the Business Revival," New Republic, XXIX (December 28, 1921), 119-21.

- "Agricultural Legislation in the 68th Congress," Congressional Digest, III (May, 1924), 264-5.
- "Agricultural Situation," Annals of the American Academy of Political and Social Science, CXXVII (1925), 340-43.
- "Banker and Farmer," New Republic, XXXVII (January 30, 1924), 245-6.
- Barnes, Julius H. "Is There a 'National' Farm Problem?" Nation's Business, XV (January, 1927), 17-19.
- Barnes, Robert L. "Business Views in Review," Nation's Business, XV (April, 1927), 94, 96.
- Baruch, Bernard M. "Some Aspects of the Farmers' Problems," Atlantic Monthly, CXXVIII (July, 1921), 111-20.
- Benner, Claude L. "Credit Aspects of Agricultural Depression," Journal of Political Economy, XXXIII (1935), Part I, 94-106-Part II, 217-33.
- Bent, Silas. "Three City-Bred Jews that the Farmer Trusts," Outlook, CXXIV (August 8, 1923), 553-56.
- "Big Business Springs a Farm Relief Plan: Partial Report of the Business Men's Commission on Agriculture," Literary Digest, CXV (November 26, 1927), 52-4.
- Black, John D. "National Agricultural Policy," American Economic Review, XVI (March, 1926), 134-55.
- _____. "The McNary-Haugen Movement," American Economic Review, XVIII (September, 1928), 405-27.
- _____. "The Progress of Farm Relief," American Economic Review, XVIII (June, 1928), 252-71.
- Blythe, Stuart O. "Mr. Coolidge Goes on His Own," The Country Gentleman, XC (March 7, 1925), 17, 53.
- Brand, Charles J. "The Price Balance Between Agriculture and Industry," Proceedings of the Academy of Political Science, XI (January, 1925), 168-74.
- Burr, Walter. "A Rush Order for the Rural School," The Independent, CXVI (February 6, 1926), 161-2.
- _____. "The Cowboy Secretary of Agriculture," The

- Country Gentleman, XC (May 2, 1925), 17, 40.
- Butterfield, K. L. "The Farm Problem Made Clear," Current History, XXIX (November, 1928), 269.
- Butterworth, William. "How Business is Helping the Farmer," Nation's Business, XVI, (December, 1928), 87-88.
- Campbell, T. D. "Industrial Opportunity in Agriculture," Magazine of Business, LIV (December, 1928), 556-7.
- Chenery, W. L. "Farmer in the Pit," Atlantic, CXXXV (March, 1925), 381-7.
- Connor, James R. "National Farm Organizations and United States Tariff Policy in the 1920's," Agricultural History, XXXII (January, 1958), 32-43.
- "Coolidge Farm Program," Literary Digest, LXXXVII (December 19, 1925), 10-11.
- "Corporate Farming not so Successful," Literary Digest, LXXXVIII (March 6, 1926), 83.
- "Cowpuncher in the Cabinet," Literary Digest, LXXXIV (February 28, 1925), 9-10.
- Crowell, Merle. "Nothing Could Keep This Boy Down," American Magazine, XC (May, 1923), 136-46.
- "Dr. Jardine's Farm Prescription," Literary Digest, XC (September 25, 1926), 12-13.
- East, E. M. "Our Changing Agriculture," Scribners Magazine, LXXV (March, 1924), 297-304.
- "Exit the Grain Marketing Company," Saturday Evening Post, CXCVIII (October 3, 1925), 30.
- "Farm Relief: Main Points of Various Bills," Outlook, CXLV (January 26, 1927), 102.
- "Farm Relief Plan That May Come True: Jardine Plan," American Review of Reviews, LXXVI (December, 1927), 646-7.
- "Farmer-Capitalist Myth," New Republic, XXXIX (July 30, 1924), 263-5.
- "Farmer Saved From His Friends," Outlook, CXLV (March

9, 1927), 297-8.

"Farmer in the Nation's Business," Outlook, CXLIII (January 23, 1926), 273.

"Farmers' Cooperation in the North Central States," Monthly Labor Review, XVI (March, 1923), 658-9.

"Federal Aid to Agriculture," Science, LXVIII (August 24, 1928), 176-77.

Fite, Gilbert C. "The Agricultural Issue in the Presidential Campaign of 1928," Mississippi Valley Historical Review, XXXVII (March, 1951), 653-72.

Garrett, Garet. "Industry Agriculture, & Co.," Saturday Evening Post, CXCIX (April 16, 1927), 6-7.

_____. "McNary-Haugenism," Saturday Evening Post, CXCIX (April 2, 1927), 3-5, 217-28, 221-22, 225.

_____. "That Pain in Our Northwest," Saturday Evening Post, CXCVI (April 12, 1924), 3-4.

Gleason, John Philip. "The Attitude of the Business Community Toward Agriculture During the McNary-Haugen Period," Agricultural History, XXXII (1958), 127-38.

Grave, Erwin. "Business Activity and Agriculture," Journal of Political Economy, XXXVIII (1930), 472-78.

"Harding on Agriculture," The New Republic, XXIV (September 22, 1920), 83-5.

Harger, C. M. "Fortune Smiles on Western Farmers," Outlook, CXXXVII (August 13, 1924), 570-1.

_____. "Why the West Will Not Revolt," Outlook, CXLIX (June 13, 1928), 255-57.

Haugen, Gilbert N. "The McNary-Haugen Bill," Congressional Digest, VII (June-July, 1928), 192-94.

Holman, Charles W. "The American Farmer and the Tariff," Annals of the American Academy of Political and Social Science, CXVII (January, 1925), 166-76.

"Jardine Chosen Secretary of Agriculture," Banker-Farmer, XII (March, 1925), 4.

- Jardine, William M. "Address Before American Institute of Cooperation, Philadelphia, 1925," Congressional Digest, IV (October, 1925), 263.
- _____. "Agriculture and Modern Science," Science, LXV (April 8, 1927), 333-38.
- _____. "American Agriculture Since 1900," American Review of Reviews, LXXVIII (January, 1926), 35.
- _____. "America and Scientific Leadership," Atlantic, CXLI (June, 1928), 480-5.
- _____. "Congress and Cooperative Marketing," Congressional Digest, IV (October, 1925), 263.
- _____. "Enter Farm Relief," Saturday Evening Post, CCII (September 14, 1929), 37.
- _____. "Farmer's Place Under the Sun," Century, CXIII (March, 1927), 543-50.
- _____. "Happier Days are Dawning for the Farmer," World Review, 5 (October 31, 1927), 97.
- _____. "Inaugural Address of the President of Kansas State," School & Society, IX (March 15, 1919), 309-17.
- _____. "Laws and the Farmer," The Country Gentleman, XC (December, 1925), 3-4, 79-80.
- _____. "McNary Farm Bill," Congressional Digest, VIII (January, 1929), 24-25.
- _____. "Overproduction can be Cured," Saturday Evening Post, CCII (May 3, 1930), 33-37.
- _____. "Problem of Muscle Shoals," Current History, XXVIII (August, 1928), 724.
- _____. "Purpose of Plant Quarantine," Nation, CXXI (January 13, 1926), 33-4.
- _____. "The Agricultural Problem," Saturday Evening Post, CXCIX (October 16, 1926), 3-5.
- _____. "The Farmer, His Fellow Farmers and Other Folks," The Country Gentleman, XV (April 18, 1925), 43-46.
- _____. "The Farmer is a Businessman," Nation's

Business, XIII (April, 1925), 13-14.

_____. "The Farmer is Master of His Fate," The National Republic, XIII (September, 1925), 5, 44.

_____. "The Farmer Must Help Himself," The Country Gentleman, XC (April 11, 1925), 3-4, 49.

_____. "The Next Fifty Years of Agriculture," Farm Journal, LI (March, 1927), 10, 75.

_____. "Town Comes to the Farmer," Saturday Evening Post, CCI (May 4, 1929), 37.

_____. "We Must Stop Exporting Wheat," Nation's Business, XI (June 5, 1924), 21.

_____. "We'll Have Fewer Farms and Farmers," Saturday Evening Post, CCII (January 4, 1930), 43-44.

Johnson, A. N. "The Impact of Farm Machinery on the Farm Economy," Agricultural History, XXIV (1950), 58-62.

Judd, O. "Introducing the New Secretary," Illinois Farmer, LXXIII (March 1, 1925), 131.

Kelley, Darwin N. "The McNary-Haugen Bills, 1924-1928," Agricultural History, XIV (1940), 17-80.

Knapp, Joseph G. "The Experience of Kansas With Wheat Pools," Journal of Farm Economics, IX (July, 1927), 318-32.

Knappen, T. M. "Newly Appointed Secretary of Agriculture," Sunset, LIV (May, 1925), 35.

Larsen, Grace H. and Erdman, Henry E. "Aaron Sapiro: Genius of Farm Cooperative Promotion," The Mississippi Valley Historical Review, XLIX (September, 1962), 242-68.

Lee, B. V. "Self-Help or Subsidy," Overland, LXXXIV (September, 1926), 275-77.

"Legislative and Administrative Recommendations of the President's Agricultural Conference," Monthly Labor Review, XX (March, 1925), 484-88.

Linderman, E. C. "Sapiro the Spectacular," The New Republic, L (April 13, 1927), 216-18.

- Lowden, Frank O. "Isn't the Farmers' Plight also the Business Man's," System, LX (March, 1927), 292-95.
- Merritt, Dixon. "The Hook-Up," Outlook, CXLIII (January 6, 1926), 24-6.
- Meredith, E. T. "Business and Agriculture," North American Review, CCXIV (October, 1921), 461-65.
- Milton, T. F. "Revolt of the Western Farmer," Independent, CXVI (May 22, 1926), 596-97.
- Murphy, Elmer. "Farmer and Business Man Meet," Nation's Business, XIII (June, 1925), 62, 64.
- Nabours, R. K. "New Secretary of Agriculture as a Supporter of Scientific Research," Science, LXI (April 17, 1925), 416.
- "New Secretary of Agriculture," World's Work, L (May, 1925), 86-90.
- "Obituary," Agronomy Journal, XLVII (January, 1955), 49.
- Paxson, Frederic L. "The Agricultural Surplus: A Problem in History," Agricultural History, VI (1932), 51-68.
- Peck, Harvey W. "The Economic Status of Agriculture," Journal of Political Economy, XXXI (1926), 624-41.
- Peck, George N. "The McNary-Haugen Plan for Relief," Current History, XXIX (November, 1928), 274-78.
- _____. "Equality for Agriculture with Industry," Proceedings of the Academy of Political Science, XII (January, 1927), 564-75
- Peterson, Elmer T. "The West and the Veto," Outlook CXLV (March 16, 1927), 334-46.
- "Pledges of Republican and Democratic Parties," Congressional Digest, VII (August, 1928), 282.
- "President Coolidge Outlines Agricultural Policy," Congressional Digest, IV (October, 1925), 261.
- Rowell, Chester H. "La Follette, Shepstead and the Embattled Farmer," The World's Work (August, 1923), 408-20.

- Russell, H. L. "Burned Corn and Idle Acres," Survey, XLVII (January 28, 1922), 686-88.
- Saloutous, Theodore. "The Agriculture Problem and Nineteenth Century Industrialism," Agricultural History, XXII (July, 1948), 156-74.
- Sapiro, Aaron. "True Farmer Cooperation," World's Work, XLVI (May, 1923), 84-96.
- Schmidt, Louis Bernard. "The Role and Techniques of Agrarian Pressure Groups," Agricultural History, XXX (1956), 49-58.
- "Secretary for the Business Side of Farming," Outlook, CXXXIX (February 25, 1925), 286.
- Shideler, James H. "Herbert Hoover and the Federal Farm Board Project, 1921-1925," Mississippi Valley Historical Review, XLII (1955-1956), 710-20.
- Sillars, Malcolm O. "Henry A. Wallace's Editorials on Agricultural Discontent, 1921-1928," Agricultural History, XXIV (1952), 132-40.
- Speers, L. O. "Happier Days are Dawning for the Farmer," World Review, V (October 31, 1927), 97.
- Stewart, C. L. "Some National Policies Toward Agriculture," Annals of the American Academy of Political and Social Science, CXLIII (March, 1929), 367-79.
- "Subsidized Speculation," The Country Gentleman, CXII (October, 1927), 26.
- Taylor, Henry O. "The Iowa Movement," American Review of Reviews, LXXIII (March, 1926), 269-74.
- Tenny, Lloyd S. "Rise of Cooperative Marketing in the United States," Congressional Digest, IV (October, 1925), 255-56.
- _____. "The Banking Situation in the Middle-West," The Commercial and Financial Chronicle, CXXIV (January 29, 1927), 567-68.
- "The Cotton Deluge," Literary Digest, XCI (October 23, 1926), 5-6.
- "The McNary-Haugen Bill and the Farmer," The Independent, CXII (April 12, 1924), 191-92.

"The President's Agricultural Conference," Congressional Digest, IV (October, 1925), 265-68.

"The President's Recommendation to the 68th Congress: Agriculture," Congressional Digest, V (June, 1926), 184.

"Third Knock-Out for McNary-Haugenism," Literary Digest, XC (July 10, 1926), 5-7.

Thorpe, Merle. "The New Secretary of Agriculture," World's Work, L (May, 1925), 86-90.

"Views of New Agriculture Chief Discussed," Farming, XXIII (May, 1925), 49.

"Volume of Business of Middle-West Cooperative Societies, 1921," Monthly Labor Review, XVI (May, 1923), 1115-16.

"Wall Street to the Farmer's Rescue," Literary Digest, LXXX (March 1, 1924), 16.

"William Marion Jardine," Agricultural Review, XVIII (February, 1925), 2.

"William M. Jardine," Current Opinion, LXXVIII (April, 1925), 386, 414-15.

Williner, Judson O. "Agricultural Crisis and the Bloc," American Review of Reviews, LXV (February, 1922), 159-65.

"Why the President Goes West," Literary Digest, XCIII (June 11, 1927), 10.

Newspapers

Anaconda Standard (Montana), June 30, 1925.

Baltimore Evening Sun, February 15, 1925-February 21, 1925.

Butte Miner (Montana), June 30, 1925.

Chicago Tribune, March 28, 1925-September 12, 1928.

Cleveland Plain Dealer, January 21, 1928.

Corvallis Gazette-Times (Oregon), June 26, 1925.

Dearborn Independent (Michigan), June 23, 1923.

Deseret News (Salt Lake City), June 13, 1925.
Des Moines Register, May 14, 1925-July 23, 1926.
Dillon Examiner (Montana), July 1, 1925.
Grand Forks Herald (North Dakota), July 4, 1925.
Iowa Homestead, July 16, 1925.
Kansas Industrialist, March 6, 1918-February 5, 1919.
Kansas City Star, September 7, 1926-March 21, 1927.
Kansas City Times, January 26, 1938.
Los Angeles Times, June 16, 1925.
Louisville Courier-Journal, February 15, 1925.
New York Times, February 15, 1925-January 20, 1929.
Ogden Standard-Examiner (Utah), June 6, 1925.
Omaha World-Herald (Nebraska), July 9, 1925-October 2, 1927.
Orange Judd Illinois Farmer, March 1, 1925.
Quincy Herald-Whig (Illinois), September 6, 1926.
Sacramento Union, June 25, 1925.
Salt Lake Telegram, June 13, 1925.
Sunflower (Wichita, Kansas), March 4, 1948.
Syracuse Post-Standard, February 15, 1925.
Tampa Morning Tribune (Florida), June 4, 1927.
Topeka Capital (Kansas), February 16, 1925-October 10, 1929.
U. S. Daily Digest (Washington, D. C.), June 11, 1925.
Washington Evening Star, February 15, 1925-January 21, 1928.
Washington Post, February 15, 1925-June 25, 1926.
Wichita Eagle (Kansas), January 26, 1938.

Pamphlets

Jardine, William M. A Discussion of An Agricultural Export Corporation. Manhattan, Kansas: N. P., 1924.

_____. A Land and Tenancy Policy. Washington, D. C.: U. S. Department of Agriculture Library, N. D.

_____. A Sound Agricultural Policy for Kansas. Manhattan, Kansas: N. P., 1922.

_____. A Sound Agricultural Policy for the Future. Washington, D. C.: U. S. Department of Agriculture Library, N. D.

_____. An American Agricultural Policy. Washington, D. C.: U. S. Department of Agriculture Library, N. D.

_____. Hearings on Soldiers Land Settlement and Post-War Agricultural Problems December 18, 1918. Washington, D. C.: U. S. Department of Agriculture Library, N. D.

Kansas State University: Bulletin 484. Manhattan: Kansas State University Press, 1965.

Miscellaneous

Christensen, Alice M. "Agricultural Pressure and Government Response in the United States, 1919-1929," Unpublished Ph. D. dissertation, University of California, Berkeley, 1937.

Bill G. Reid, Interview with R. I. Throckmorton, December 9, 1965, Ablah Library, Wichita State University, Wichita, Kansas.

Bill G. Reid, Interview with Mrs. E. L. Holton, December 9, 1965, Ablah Library, Wichita State University, Wichita, Kansas.

Bill G. Reid, Interview with L. E. Call, December 9, 1965, Ablah Library, Wichita State University, Wichita, Kansas.

71

12629

MICROFILMED — 1970