

## Farm Aid to the Poor

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The Department of Agriculture, on July 7, reported a list of payments made to farm operators for complying with major phases of 1939 Crop Control Programs.

Insurance companies and federal land banks topped the list of big benefit payments. The largest single payment, \$133,191, went to the Prudential Insurance Company of America (Newark, N. J.). Second largest was \$96,332 paid the Metropolitan Life Insurance Company of New York. The Federal Land Bank of Omaha, Neb., was close behind with a \$92,963 payment. Eleven other insurance companies each received in excess of \$35,000.

The list contained the names of 43,454 persons and concerns receiving \$1,000 or more in payments authorized under the Soil Conservation and Price Adjustment Programs for the 1939 crop year.

The original purported purpose of benefit payments was to give quick financial assistance to impoverished farmers.

It was theorized by the supporters of this measure that restriction in production of farm products would keep prices high and thus give increased returns to farmers. The amount of payments varied in relation to the area held out of use. No

differentiation was made between working farmers and large landowners whose property could be used for farming purposes.

The principle that decreased production means decreased employment was not considered of sufficient moment to warrant abandoning the plan. Unemployment could be alleviated by other forms of subsidy. What matter if make-work relief is wasteful.

The fact that high domestic prices mean loss of foreign markets was not important. Reciprocal trade treaties would cure all. As a result we imported the very same commodities, the production of which had been curtailed by the planners.

Landowners found it more profitable to refrain from production in favor of receiving government benefit payments. Mortgagees, previously having little incentive to foreclose on delinquent farm mortgages, were now provided with the necessary motivation. By foreclosing the mortgage and obtaining title to the land, they were eligible to receive benefit payments for not producing. Tenant-farmers and impoverished mortgagor-farmers were given their walking papers. They could not fulfill their rendezvous with destiny by becoming "Oakies"

and "Arkies." Their opportunity to produce having been terminated by their benevolent government, their pathetic case became a national scandal.

How many of these same planners raised their arms in horror, how many of them spewed forth denunciation, how many of them screamed "monopoly," when it was disclosed that oil-well owners had dumped their products into the river for the purpose of artificially keeping prices high.

The sin of the planners was worse than that of the monopolists. They destroyed food. The benevolent ones directly were responsible for increased unemployment, loss of foreign markets and intensified hardship for the poor.

The planners now have fulfilled their money dispensing function. They may well rest well with the thought that in many cases production was not restricted merely because of their activity, that many of the recipients of payments really did not intend to produce at all.

They have one further consolation. The large insurance firms and land banks, previously dog-house residents, are now "in line" and are among those whose patriotic cooperation can be assured.