

Complete Text of Gov. Landon's Speech

By United Press

MINNEAPOLIS, Minn., Sept. 25.—The text of Gov. Landon's address last night follows:

I am most happy to be with you here in the great Northwest. Many of your achievements stand as an inspiration to the rest of the country. You have developed to an unusual degree a system of combining dairying and general farming in such a way that it provides a year-round income and at the same time conserves the soil.

You have proved that farmer-owned and farmer-controlled organizations are an effective way for helping the income of the producer. The success of farm co-operation in Minnesota, Wisconsin and neighboring states is an epic chapter in American agriculture.

Tonight I am going to discuss the reciprocal trade program of the present Administration. I am going to discuss it from the point of view of the American farmer.

When this program was introduced by the present Administration our farmers were led to believe that it would be of particular benefit to them. They were told it was the only feasible way by which this country could regain its lost foreign markets. They were assured that it meant greater sales at better prices.

We have had only two years of this program. But within even that short time certain conclusions have been proved beyond all question. The reciprocal trade agreements made by this Administration have not benefited our farmers; they have hurt our farmers. They have not regained their markets for him; they have taken more of his markets away, both at home and abroad. They have not caused him to get better prices for his products; they have prevented him from getting as good prices as he otherwise would.

In a word, the reciprocal trade program of the present Administration has delayed recovery for our farmers. It has sold the American farmer down the river. I want to present the record of this destructive policy to you in some detail. Before doing so, however, there are two points that I want to make clear.

The first of these is that I am not opposed to reciprocal trade agreements. The general principle underlying them is simple. Under certain conditions it is to the mutual advantage of two countries to lift various commodities out of their general tariff program for special treatment. Both countries make concessions; both countries benefit. This is sound doctrine. In some cases it may be the only satisfactory method for meeting a situation. The Republican Party recognizes this in its platform. It does not condemn the principle of reciprocity. It condemns only the kind of trade agreements now being made. It condemns them because they are injurious to American citizens and offensive to American principles.

The second point I want to make clear is that I am opposed to a policy of isolation. I want to see a prosperous world as well as a prosperous America. A healthy international trade is essential to world prosperity. And even more than this, world prosperity is good insurance against war. I am convinced, too, that reasonable protection, which is so essential to our own well-being, is not detrimental to world prosperity.

At a time like the present, when

economic nationalism is rampant, we can not afford to scrap our economic defenses. We can be a good neighbor without giving away the latchkey to our door.

The great enemy of world trade today is not the fair protection of efficient American producers and laborers. It is the war-inspired doctrine of isolation and its resulting demands for self-sufficiency. From this we get embargoes, exchange restrictions and trade quotas. These are the real hindrances to a healthy exchange of goods between nations. We must not join in this kind of madness. If we are to maintain our standard of living the channels of world trade must remain open.

Now let us consider some of the effects of the reciprocal trade program of the present Administration.

The dairy industry is a good example of how these agreements have injured the farmer. One of the important commodities developed by this industry is cheese. In one trade agreement after another the tariff has been lowered on cheese and our markets opened to foreign products.

Under the Canadian agreement, instance, the tariff rate on cheddar cheese—known to most of us as American cheese—was lowered from 7 to 5 cents a pound. No limit was placed on the amount that might come in at this reduced rate.

What was the result of this agreement? Whereas in the first six months of 1935 we imported only half a million pounds of Canadian cheese, in the first six months of 1936 we imported nearly four million pounds. This was an increase of more than 700 per cent. I do not have to tell the dairy farmer what happened. Down went the price on the American market. It fell from 17 cents to 12½ cents a pound in the first four months of the agreement.

Is this what the present Administration meant when it said that the American farmer would get a better price for his products? It seems to me that the farmer would do better to trust the Republican Party. We are pledged in our platform "to protect the American farmer against the imports of all livestock, dairy and agricultural products . . . which will depress American prices."

This is not the only example of damage done the dairy farmer. After long and painstaking effort the dairy industry got protection against the tropical oils and fats that compete with butter. But under the Brazilian agreement a new jungle product—Babassu nuts and oils—is permitted to come into this country in direct competition with American dairy products. The Administration has not only placed the product on the free list, but also agreed that it will be exempt from any taxation.

This last point—exempting a product from taxation under a trade agreement—I want you to note with special care. It is an amazing provision. Because it signs away one of the most important powers of Congress—the power of taxation. In my opinion, there is no justification for the Chief Executive so limiting the legislative branch of our government.

Now I want to touch on one point that belongs in any discussion of the problems of dairy and livestock producers, although it has no direct

relation to reciprocal trade agreements. I refer to the sanitary requirements covering these industries. Our Federal and state governments, as well as the dairymen, have spent enormous sums in the eradication of contagious diseases of cattle. In addition we impose rigid standards for the care of barns and stock.

Only one other country has made equal progress in this field. As a result of our standards, consumers can always rest assured of the quality and purity of the products of American dairy farms.

Unfortunately the same standards are not imposed on imported products to correct this situation. The Republican Party is pledged "to impose effective quarantine against imported livestock, dairy and other farm products from countries which do not impose health and sanitary regulations fully equal to those required of our own producers."

Livestock producers and feeders have fared just as badly as the dairyman under the reciprocal trade agreements. In the Canadian agreement the tariff was reduced by one-third on a sliding quota of cattle weighing 700 pounds or more. On calves there was an even greater cut.

Consider the contradictions in this policy. The Administration was trying to hold down the nation's supply of meat by restricting the production of hogs. Last fall it was warning livestock men that there would be increased supplies of cattle on the market this spring. And yet it proceeded to make concessions on Canadian cattle that would bring more of them into this country.

Such a program just doesn't make sense. What happened? The Canadian agreement went into effect Jan. 1. Canadian cattle were rushed in and naturally prices fell. Here is the record. The first of January the average good grade steer of 900 to 1100 pounds was selling on the South St. Paul market at \$9.75 a hundredweight. By June the price was down to \$7.25 a hundredweight. On every occasion the biggest drop in prices followed the heaviest receipts of Canadian cattle.

The price decline was reflected in the cattle markets throughout the country. It wiped out the hope of any profit for thousands of cattle feeders in our Middle Western states.

In short, as a result of the policies of this Administration, there has been added to the drought and the depression another burden for the American farmer to carry—foreign competition. In spite of its promises, the present Administration has given American farmers the short end of the deal.

I have discussed only two of the casualties of the trade policies of the Administration. Numerous others might be listed. The Florida growers of early vegetables had their markets turned over to the cheap labor products of Cuba. The growers of cigar-wrappers tobacco in the Connecticut Valley, lost out in the agreement with the Netherlands, as did the bulb industry in the Pacific Northwest. And the hope of increased domestic production of corn and potato starches was destroyed in the same agreement because tapioca and sago were bound on the free list.

Now let us look at some general results. Eight of these agreements have been in force long enough for us to see the results. In these cases, the imports of farm products have increased 84 per cent over a cor-

responding period prior to the agreements. Exports of farm products increased only 26 per cent. In other words, under these eight agreements, our imports increased more than three times as fast as our exports.

Today the exports of our farm products represent the smallest proportion of our foreign trade in the history of the nation. This is due in large measure to the confused and destructive policies of the administration. With the most intelligent and capable farm population in the world, and with unsurpassed natural resources, we are now one of the largest importers, not only of those things we do not produce, but of those we are adapted to produce. This is a scandalous situation!

Now why have the reciprocal trade agreements of this Administration had such destructive results? There are various reasons. One is the selection of countries with which the agreements have been made. As I said earlier, it is a basic principle of reciprocity that such treaties be used to handicap those states which can not be met satisfactorily in the general tariff program. This means that reciprocity is valuable only when non-competing commodities are to be exchanged between two nations concerned.

That is, each country by means of such treaties makes it easier to trade the commodity of which it has a surplus, for something it needs from the other country. It never is a question, when the reciprocity principle is properly used, of making agreements on competing commodities.

This Administration has followed quite a different policy. Its most important agreement, that with Canada, is largely concerned with commodities in which our producers are in competition with Canadian producers. It is inevitable, therefore, that the effect of the agreement should be, not an increased trade on non-competing articles, but a reduction of tariffs on articles on which we do compete. If an agreement is on non-competing articles there is the possibility of mutual advantage. But when

it is made with a competitor, one side or the other is almost certain to lose.

Had the Administration been interested in using the principle of reciprocity in its proper manner it would have made agreements only with our customers. It wouldn't have made an agreement on agricultural products with our very good friend Canada, which in this field is a competitor, not a customer.

It is for this reason that the Republican platform pledges "to furnish government assistance in disposing of surpluses in foreign trade by bargaining for foreign markets selectively by countries, both as to exports and imports."

"We strenuously oppose so-called reciprocal treaties which trade off the American farmer." To do this intelligently, we must know at all times the exact status of our trade with every nation—in other words, we stand on the heels so far as both consumers and competitors are concerned.

Another further major shortcoming of the trade program of this Administration is the method by which the agreements are made. It is a regular star-chamber proceeding. Those producers whose products may be covered by the agreements are given no real chance to make an effective presentation of their views. Hearings are held, it is true, but from the point of view of producers they amount to little. They amount to little for the simple reason that the Administration refuses to divulge what commodities are under consideration.

All the potential witness knows is that an agreement is being considered. Any one of thousands of commodities may be the subject of negotiation. The witness has to take his chance. If he is interested in only one commodity his job is easy. In testifying, he may be wasting his time, since that commodity may not be under consideration at all, but at least his case is presented. If he is interested in a hundred commodities the situation is different. He must, if he wants his views considered, present a brief on each of the hundred.

Of course, in actual practice, the producer interested in a large number of commodities does not present a brief on all of them. He knows in the first place that there is little chance they will be read. Besides there is an easier way to handle the situation. This is to have his foreign cor-

respondent find out from the foreign government with which the agreement is being negotiated what commodities are under discussion.

The little fellow, unable to afford a foreign representative, is the one who gets stuck. This is still another one of those millstones that his Administration has placed around the necks of our small producers.

Another major shortcoming of these agreements is the use of the unconditional, most-favored nation principle. This principle when widely followed by the leading commercial nations is a proper and wholesome way of promoting international trade. But today most nations have ceased to use the principle. In consequence, when we apply it we are making a concession to foreign nations without getting anything in return. This is not reciprocity. It is charity paid for by American producers.

One or more points on the making of these agreements: This is the question of whether it was wise for Congress to give to the President such sweeping powers. Under our Constitution, if these agreements are commercial treaties they should be ratified by a two-thirds vote of the Senate. On the other hand, if they simply are revisions of our tariff laws, they come under the revenue provisions of the Constitution. In this case they should be approved by a majority vote of both Houses of Congress.

The present Administration has chosen to ignore both these causes. There is no legislative approval of the agreements before they go into effect. They simply are imposed upon the public. That is not representative government.

These policies have got to stop. The way to trade is to trade, and let me tell you this: We Republicans are going to trade, not against, but in the interest of, American producers. In two many of the present agreements we are the fellows who got the blind horse.

We have got to stop destroying the market of our farmers. The Republican Party is pledged to protect the American market for the American farmer.

products we will not permit the shelves of our stores to be filled with foreign commodities suited to our soil and climate. It means we will not permit unnecessary imports of such products as meats, dairy and poultry products, grains, and such fruits and vegetables as we can grow to good advantage.

We require many things which we either do not produce or can produce only at great cost. In turn, we produce many products in greater abundance than we can use. The interchange of these two classes of goods is essential to our well-being.

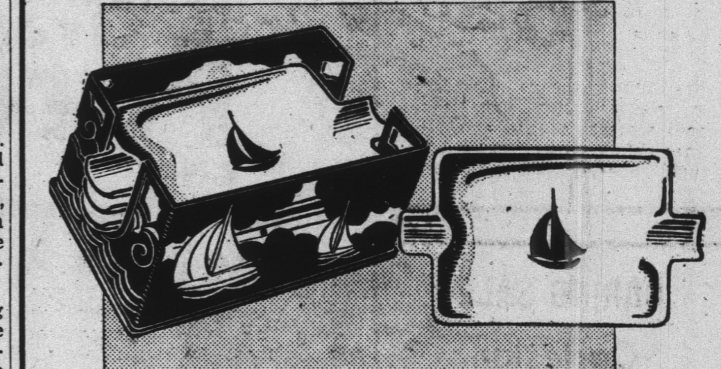
We must not reduce farm production in this country to the needs of the domestic market. This is the doctrine of despair. It would mean the abandonment of at least one out of every 10 acres of our developed farm land. It would mean less production to be divided among an increasing farm population. In short, it would mean a lower standard of living and a greatly increased relief load in the rural districts.

The Republican Party refuses to accept this philosophy of despair. It believes in making it possible for the farmer to plant full crops. It believes in increasing the demand for farm products, not reducing the supply. It believes the American farmer worthy of prosperity.

SAT. NITE SALE
7 to 9 P. M.
End Tables
79c
Limit one to a customer
SOUTH SIDE FURNITURE CO.
932-934 South Meridian St.

GO TO KAY'S TOMORROW!

5-Piece Sail Boat Smoking Set



HERE'S a smoking set that will grace any home! Four porcelain trays beautifully decorated with sailing ship design set in a smartly decorated metal holder . . . in either black or bronze finish. It's a rare value . . . the kind you've come to expect of Kay's!

KAY JEWELRY COMPANY
137 WEST WASHINGTON STREET
Directly Opposite Indiana Theater

YOUR PROMISE TO PAY IS GOOD WITH KAY!

50c A WEEK
Takes You to the
WORLD SERIES
with an
EMERSON RADIO
from KAY'S

HERE'S your box seat ticket to the World Series—a famous Emerson—pay the regular cash price on credit at Kay's!
Listen In With This AC-DC
5-TUBE EMERSON
Compact bakelite cabinet with graceful finish. Standard American broadcast and state police calls. Built-in aerial. Illuminated airplane dial.
\$14.95
50c A WEEK!

R.C.A. Victor
Model 5X3
\$29.75
LUXURIOUSLY designed table model—5 tube superheterodyne chassis. Airplane dial—automatic volume control. Domestic and short wave broadcast.
50c A WEEK!

KAY JEWELRY COMPANY
137 W. Washington St.
Directly Opposite Indiana Theater

Radio Buyers Look What The R and R STORES Offer

- ★ FREE HOME TRIAL
- ★ LOWEST TERMS IN CITY
- ★ WE Won't BE OUT-TRADED
- ★ 10-POINT RADIO BOND

Includes 10 Special Insurance and Service Features

RADIO BOND FEATURE NUMBER 1

In event of death, the unpaid balance is cancelled, the Radio becomes the property of your heirs.

Ask About the Other Nine!

Grunow "ELEVEN"
\$69.95

An 11-Tube Radio at the price of a 6. All Wave . . . World Wide . . . 12-in. Speaker . . . Metal Tubes. The Sensational Radio Value of 1937. See it! Hear it! Try it in your home! \$1 a week pays for it.

OPEN EVERY EVENING UNTIL 9. LL 6924

FINAL Close Out
Of All Used Electric
REFRIGERATORS
\$10
And Up

Opposite Court House
225 EAST WASHINGTON ST.
RADIO AND ELECTRICAL REFRIGERATION

A YEAR TO PAY
No Interest or Carrying Charges



LADY'S BULOVA "NANETTE"
SPLEN-DID new Bulova—note exquisite baguette with matching link band.
\$24.75
50c A WEEK!

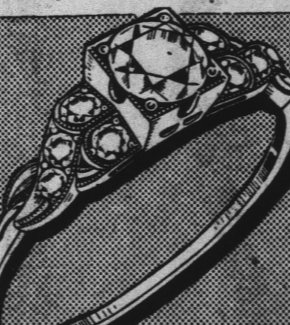
Diamond Bridal Ensemble

THE smart wedding band is beautifully engraved—perfectly matched in the same clover-leaf design is the fine engagement ring with a generous size diamond.

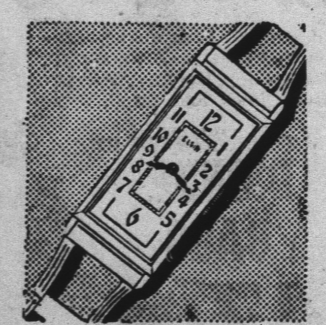
BOTH RINGS FOR

\$19.75

50c A WEEK!



THE "PAULETTE"
Beautiful Center Diamond with 8-Side Diamonds
NOTE the unusual arrangement of sparkling side diamonds.
\$99.50
\$2.00 A WEEK!



MAN'S ELGIN WRIST WATCH
NOTE the smart, narrow style watch for men—guaranteed by both Elgin and Kay's!
\$27.50
50c A WEEK!



4-DIAMOND BRIDAL ENSEMBLE
Both Rings for
\$34.75
THE wedding band conforms to the shape of the engagement ring.
75c A WEEK!



12-DIAMOND BRIDAL ENSEMBLE
Both Rings for
\$59.50
77 GENUINE diamonds in the wedding and 8 diamonds in the engagement ring.
\$1.00 A WEEK!

KAY JEWELRY COMPANY

137 W. Washington St.
Directly Opposite Indiana Theater