

November 13, 1935

[State Comm. of Agriculture]

FDR Speech File

INFORMAL, EXTEMPORANEOUS REMARKS BY THE PRESIDENT
ON THE OCCASION OF THE VISIT TO
THE EXECUTIVE OFFICES OF THE WHITE HOUSE
OF THE STATE COMMISSIONERS OF AGRICULTURE

November 13, 1935

I haven't had a chance to read this Resolution
(presented by Dr. Gilbert of the Department of Agriculture).
(The President then read the Resolution.)

This is perfectly fine. You come in just after
I have had an altercation with the Press. They were re-
ferring to some of the speeches made at the Banking Conven-
tion down in New Orleans. Some of those bankers wanted
the Government to go out of the lending business and I told
them the story about a friend of mine up in Dutchess County.
He had just bought a good farm and he didn't pay too much
for it -- it was a very good buy -- and he had sixty per cent
of the money and he wanted to borrow forty per cent. He
went over to the local bank and the best rate he could get
was six per cent. So it is the same old story because no
matter where he went they offered him that same rate.

Now, I don't want to lend Government money, none
of us do, but after all, if the bankers maintain the six
per cent rate in the east, and go back to the old custom

Franklin D. Roosevelt Library

This is a transcript made by the White House stenographer from his shorthand notes taken at the time the speech was made. Underlining indicates words extemporaneously added to the previously prepared reading copy text. Words in parentheses are words that were omitted when the speech was delivered, though they appear in the previously prepared reading copy text.

I haven't had a chance to read this (transcript) of the speech of the Secretary of Agriculture. (The transcript then reads the transcript.) This is probably true. You know in that case I have had an altercation with the press. They were looking at some of the questions made at the hearing looking down in the aisles. Some of these questions called the Government to go out of the hearing business and I join them for about a third of an hour in business hours. He had just bought a new car and he didn't say too much for it -- it was very good -- and he had still got some of the money and he wanted to drive with the car. He got out of the hotel and he was out of the hotel and he got out of the hotel. He is in the same old story because he earlier than he was that afternoon. That I don't want to read Government and it was at us but after all, if the papers believe in this for what sake in the world, and so here is the old question

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in the south, around Warm Springs, of ten per cent, and out west of seven, eight, nine and ten per cent, the Government will have to keep on lending money at reasonable rates. Those are some of the things we are trying to do, and I told the newspaper men I didn't see any reason why on adequate farm security we should not get pretty nearly as low a rate of interest as commercial paper gets.

We have made a good many strides -- we have saved a good many farms and homes, and what pleases me is that the farm population of the country in the past year have been getting out of debt a little bit. In other words, the debt owed by the farm population is distinctly less than it was a year ago, and the lower we can get that amount the better it is because we know we are bound to have some hard times in the future -- crop failures or things like that -- and if the total of the farm debt of the country can be reduced to a more reasonable sum, we will be able to tide over future depressions without having to go through the awful days we went through in the past.

I was very much interested in reading this morning -- this is strictly between ourselves -- an article

in the Herald-Tribune by Mark Sullivan, in which he announced flatly that people in the east were farmers, but that people in the west were not farmers, that they were "one-crop specialists", and that people in the south were not farmers, that they were "one-crop specialists". He proved it by citing the case of a young man in Kansas, or Iowa, who put in his wheat in the fall, before the college season opened, and then went to college, and in the spring came back and spent two weeks harvesting his wheat and, having done that, he took his automobile and spent the summer touring the National Parks. (Laughter)

Mark Sullivan, because of that, thinks that people out west and people in the south are not farmers. So I think we will have to invent a new term to please that kind of newspaper writer.

As a matter of fact, the biggest thing that I know of -- the biggest progress that has been made is that agriculture as a whole in this country in the past two or three years has been getting together. You know the old saying was, though none of us believe it, that no two farmers could agree on anything. The extraordinary thing today is that the agricultural population of the

country is agreeing. It is an amazing thing. Away back in January, 1933, before I came down here, we had a conference and of course there were three or four different plans for the control of major crops. We tried to get a better price. Wheat was then 35¢ and cotton was $4\frac{1}{2}$ ¢ and corn was about 9¢, and the interesting thing was that we did agree. That doesn't mean that we got the best and final solution, but at least things seem to be working pretty well, and what I have been preaching right along has been the fact that nobody can make money raising crops of any kind if the price fluctuation is as great as it has been in the past twenty years.

I have a chart from one financial paper that shows for an average of ten or twelve crops that the price fluctuation between 1920 and 1932 has been on an average of 450%. Well, if you and I owned a piece of property or owned a first-class bond or mortgage and if that property varied 400% in value, we would be out of luck. But when cotton sells at 28¢ and at $4\frac{1}{2}$ ¢, which is nearly 700%, and wheat sells at \$1.60 and again at 35¢, and when corn sells at a dollar and at 9¢, where do we get off?

And that is why the biggest thing we can do is

to get our average prices up to a reasonable level and then,
by God, hold them there. (Applause)

I wish I could take part in your proceedings. I
know they would be very interesting.

REMARKS OF THE PRESIDENT ON THE OCCASION OF THE VISIT TO
THE EXECUTIVE OFFICES OF THE WHITE HOUSE OF THE STATE
COMMISSIONERS OF AGRICULTURE, ON NOVEMBER 13, 1935

I haven't had a chance to read this Resolution (presented by Dr. Gilbert of the Department of Agriculture). (The President then read the Resolution.)

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Now, I don't want to lend Government money, none of us do, but after all, if the bankers maintain the six per cent rate in the east, and go back to the old custom in the south, around Warm Springs, of ten per cent, and out west of seven, eight, nine and ten per cent, the Government will have to keep on lending money at reasonable rates. Those are some of

the things we are trying to do, and I told the newspaper men I didn't see any reason why on adequate farm security we should not get pretty nearly as low a rate of interest as commercial paper gets.

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in value, we would be out of luck. But when cotton sells at 28¢ and at 43¢, which is nearly 700%, and wheat sells at \$1.60 and again at 35¢, and when corn sells at a dollar and at 9¢, where do we get off?

And that is why the biggest thing we can do is to get our average prices up to a reasonable level and then, by God, hold them there. (Applause)

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