

R630.8 J31  
Library, New Mexico College of A. & M. A.

---

---

# Cotton Crop Mortgage Credit

The Banks, All-Cotton-Credit and Periodical Financial  
Distress---A Remedy

BY

R. L. BENNETT, M. S., Paris, Texas

NMSU  
WITHDRAWN

---

BULLETIN NO. E. S. 4 *a*  
EXTENSION SERVICE

---

Agricultural and Mechanical College of Texas  
College Station, Texas

---

---

## OFFICERS.

---

W. B. BIZZELL, A. M., D. C. L.,  
President.

---

## EXTENSION COMMITTEE.

CLARENCE OUSLEY,  
Director and Chairman.

CHARLES PURYEAR,  
Dean of the College.

D. W. SPENCE, C. E.,  
Dean of the School of Engineering.

B. YOUNGBLOOD, M. S.,  
Director of Experiment Stations.

E. J. KYLE, M. S. A.,  
Dean of the School of Agriculture.

G. S. FRAPS, Ph. D., State Chemist and Chemist to  
Experiment Stations.

IKE S. ASHBURN, JR.,  
Publicity Agent, Secretary.

DEPARTMENTS OF THE COLLEGE CONDUCTING  
EXTENSION WORK.

---

Department of Agronomy,  
J. OSCAR MORGAN, M. S. A., Ph. D., Professor.

Department of Animal Husbandry,  
J. C. BURNS, B. S., Professor.

Department of Biology,  
O. M. BALL, M. A., Ph. D., Professor.

Department of Civil Engineering,  
D. W. SPENCE, C. E., Professor.

Experiment Stations,  
B. YOUNGBLOOD, M. S., Director.

Department of Dairy Husbandry,  
J. W. RIDGWAY, M. S., Professor.

Department of Electrical Engineering,  
F. C. BOLTON, B. S., Professor.

Department of Entomology,  
WILMON NEWELL, M. S., Professor.

Department of Horticulture,  
E. J. KYLE, M. S. A., Professor.

State Chemist and Chemist to Experiment Stations,  
G. S. FRAPS, Ph. D.

Department of Textile Engineering,  
J. B. BAGLEY, B. S., Professor.

Department of Veterinary Science,  
MARK FRANCIS, D. V. M., Professor.

## THE SAFETY OF A CROP MORTGAGE.

The crop income from all-cotton farming compared with the income from a farm that grows sufficient food and feed, for the family and live stock, in connection with cotton farming, on a 40-acre farm:

The all-cotton farm at 8 cents for cotton has a gross income of .....	\$460.00
The all-cotton farm at 10 cents for cotton has a gross income of .....	560.00
The food, feed and cotton farm at 8 cents for cotton has a gross income of .....	664.78
The food, feed and cotton farm at 10 cents for cotton has a gross income of .....	698.08

These incomes show that a food, feed and cotton farm at 8 cents and 10 cents for cotton is \$204.78 and \$138.08 safer as a basis of crop credit than an all-cotton farm, and is a preventive of cotton surplus, financial distress and hard times.

See pages 5, 6, 7 and 8 for rate sheet and for detailed figures of the two farms.

## RATE SHEET FOR CROP CREDIT.

**Merchants and Banks in Co-Operation With Farmers.**  
(This Sheet to be Attached to the Farmer's Note by Banks and Merchants.)

### COTTON, FOOD AND FEED.

List in the blanks the food and feed crops to the extent of fully supplying the needs of the family and live stock on the farm.

Name .....	Postoffice .....
Number in Family .....	Route .....
<b>Food Crops.</b>	Quantity needed for support of family of five:
No. of pigs and weight.....	4 pigs for 1,000 pounds of pork
No. laying hens.....	50 laying hens or equivalent in other poultry
No. milk cows .....	2 cows, one in milk constantly
Area in vegetable garden.....	1 acre for constant supply fresh vegetables and canning
Black-eye cowpeas and other beans	To be grown in corn, planted last plowing
Area sweet potatoes .....	1-4 acre
Area for syrup.....	1-4 acre sorghum or sugar cane
Pumpkins and cushaws.....	To be planted in corn last plowing for good food and feed
Pasture .....	1 1-2 acre pasture For winter pasture sow a grain between the cotton rows
<b>Feed Crops.</b>	
Acres corn with cowpeas, corn shocked .....	240 bu. on 12 acres, at 20 bu. per acre 48 bu. cowpeas, at 4 bu. per acre Corn stover 4 tons
Acres in hay crops .....	12 1-2 tons, 5 acres sorghum, Sudan or other hay
Total acres food and feed.....	20
<b>Cotton, Money Crop.</b>	
Acres in cotton.....	20
Total acres in crops.....	40 acres, two-horse farm

Note—The acres in food and feed to be increased or decreased, according to fertility of soil—the above acres are based on 1-3-bale and 20 bushels corn per acre.

Any farmer who wishes to grow live stock products for sale, such as milk and butter, eggs or pigs, should reduce the cotton acreage accordingly, so as to raise more feed for the live stock.

(This sheet to be made out in duplicate; one for the bank and one for the farmer.)

## NOTES.

When land is rented, that part of the land put to food crops and feed crops, excepting corn and hay, could earn as rent the same rent as if it were in cotton—one-fourth of yield of cotton per acre of the land in cotton, or cash rent could be paid, although crop rent is generally more equitable to both parties. An area equal to one-fourth the area in food and feed crops could be cultivated in cotton for the landlord.

All the food and feed crops are as certain as cotton, except corn when not properly treated. In the corn districts planting should be early, shallow, on well prepared firm seed bed, spaced wide apart both ways, and it will mature before summer drought or hot, withering winds can harm it.

Cowpeas and pumpkins should be planted in the corn for food and feed at last plowing.

When corn is mature the stalks should be cut and shocked for fodder. All corn fodder and stalks is saved in this way at the North, but is allowed to waste in the South. It is a good feed, and the coarse parts make good manure.

All cotton makes land poorer, year by year; not so when other crops are included.

Cotton seed should be fed to cows, or exchanged for meal, which, fed to cows, mules, pigs and chickens, makes balanced ration with corn.

Manure saved from the animals and applied to cotton or corn is a source of profit.

Oats, wheat or winter barley can, without harm to the cotton, be sowed or drilled between rows of cotton on a few acres in early September and will make green pasture all winter until spring for the live stock at no cost. The few acres can be quickly prepared and planted in any crop in the spring.

## OUTCOME OF THE 40-ACRE FARM.

(As an All-Cotton Farm, and as a Food, Feed Cotton Farm.)

The all-cotton farm—40 acres—	
40 acres cotton, 1-3 bale, at 8c, 13.33 bales, less 3.33 bales rent	\$400.00
Seed, after deducting \$3 ginning, 1000 lbs. at \$18, \$6 bale left	60.00
<hr/>	
Total value of cotton crop of all-cotton farm at 8c.....	\$460.00
<hr/>	
This farmer has to buy his food and feed, and the total value of food and feed to be charged to him, as itemized on the next page in the account of farmer that grew them, is.....	
With the cotton from 20 acres added to the food and feed (see next table) .....	\$511.60
Total value .....	664.78
From which deduct cotton returns above.....	460.00
<hr/>	
The all cotton farm at 8c falls short of the food and cotton farm the amount of.....	\$204.78
Cotton at 10c for the two farms—	
The all-cotton crop farm .....	560.00
The food and cotton crop farm .....	698.08
The all-cotton farm at 10c falls short of the food and cotton farm the amount .....	138.08

The all-cotton farmer has his food and feed to buy for his family and stock, and if he pays cash out of his cotton crop for the food and feed that the other farmer grew on his farm, then the all-cotton farmer should be charged with these food and feed crops and the other farmer credited with them at the same price.

If it be said the all-cotton farmer does not need all these foods and feeds, then the same may be said of the farmer who grew them, and he should have that excess quantity to sell, or convert into saleable live stock products, or grow less of these crops and more cotton; still maintaining a greater income and a safer one. But the all-cotton farmer, almost without exception, has no money to pay cash, and if he borrows of the bank at 10 per cent interest, that would be added to above food prices. If he buys on time from credit merchants he pays about 20 per cent or more as interest. Therefore, his cotton crop at 10c will not buy this food and feed bill, and the only way he pays it is by growing some of his food and feed. The fact that he does grow some and comes out, considered with these two outcomes, shows beyond question that the all-cotton farmer's profit or income increases as he increases the growing of his food and feed for consumption on the farm.

## OUTCOME FROM FOOD, FEED AND COTTON FARM, 40 ACRES.

1000 lbs. hogs at 7c (fed 100 bu. corn, deducted below).....	\$ 70.00
50 laying hens, fed 40 bu. corn, each hen produces 6 doz. eggs per year at 15c, 90c each hen.....	45.00
(Price of corn deducted below.)	
100 young chickens raised, 20c .....	20.00
2 cows, one constantly in milk, 3-4 lbs. butter daily—273 lbs. butter at 20c .....	54.60
2 gallons butter milk daily at 5c gallon.....	36.50
(Fed 6 tons hay and 2 tons cotton seed, price deducted below)	
(Winter pasture, see below.)	
2 calves raised .....	20.00
1 acre of fresh vegetables in succession, and for canning worked by the plow .....	75.00
12 acres black-eye or other cowpeas in corn for food and feed, 4 bu. acre—48 bu., at \$1.00 bu.....	48.00
1-4 acre sweet potatoes—80 bu. acre—20 bu. at 50c.....	10.00
1-4 acre syrup—100 gal, per acre—25 gal., at 50c.....	12.50
12 acres pumpkins and cushaws planted in corn last plow- ing for food for man, hogs, cows and horses.....	10.00
5 acres sorghum, 12 1-2 tons, 2 1-2 tons to the acre, at \$8 ton	100.00
12 acres corn stover, corn cut and shocked as soon as ma- ture—as is done in the North—4 tons feed at \$6.....	24.00
The poultry gets a large part of the food from waste of the kitchen and barn lot, and does not need all the 40 bushels corn charged to it.	
100 bu. corn will feed the two mules at 70c bu.....	70.00
40 bu. corn fed the poultry at 70c .....	28.00
100 bu. corn fed the pigs for pork at 70c.....	70.00
	\$693.60
Total 240 bu. corn grown on 12 acres—20 bu. acre.....	
Deduct 40 bu. corn fed poultry.....	\$ 28.00
Deduct 100 bu. corn fed hogs.....	70.00
Deduct 6 tons hay fed cows.....	48.00
Deduct 2 tons cotton seed fed 2 cows.....	36.00
	182.00
	\$511.60
Cotton crop at 8c pound—	
6.66 bales cotton from 20 acres, less rent, 1-4 on 40 acres, 3.33 bales, leaves 3.33 bales at 8c.....	132.30
Seed, less ginning as above.....	19.98
	153.18
At 8c for cotton, the income from food, feed and cotton farm	664.78
At 10c for cotton on food and cotton farm add \$33.30....	698.08
Cotton bales are taken at 500 pounds in the calculation.	

The food and feed may be excessive for consumption on the 40-acre farm, and if it is it can be reduced in the area of corn and hay, about one-third of these, thereby increasing cotton production that much, or \$92.00, making the cotton income at 8c amount to \$245.18. But if there were a local marketing organization the excess annual products would yield a profitable income.



## PREVENTION OF PERIODICAL COTTON PANICS.

The first principle of safe banking and investment is not to rely entirely upon one line of credit or invest entirely in one thing. But in the South the banking, commercial and agricultural credit is based mainly on cotton, and consequently there is periodical financial distress resulting from surplus crops and low prices, and there are local crop failures every year in different localities in the South.

The bankers and merchants berate the farmer for this trouble, but they complacently and without caution or advice lend him credit, good will and social help every year to repeat the distress and violate the first principle of sound investment and banking. Then when the certain distress comes we call on the government and on more provident sections to help save us from the results of our unsound business methods.

Every one—the banker, merchant, lawyer, doctor and teacher—is a partner with the farmer in creating periodical financial distress. But the banks are more responsible, because they control the sources of all crop credit, whether extended by the banks directly to the farmer, or indirectly through the credit merchant.

It is the custom in extending crop credit in the South to do so on the basis of the cotton crop being first in importance and the only crop for the repayment of the loan. This practice began at the close of the war between the States, and it has continued to this time, and it is directly responsible for surplus cotton when good seasons occur, and for deficient food and feed crops for consumption on the farm. Consequently there are recurring seasons of low-price cotton, bad debts and hard times. Then when nature, in spite of the force of all-cotton credit and public sentiment, makes a short crop and good prices, the accumulated bad debts are mainly liquidated—only to be restored shortly by good seasons and a large surplus crop with low prices and hard times again.

The South has enjoyed these feasts and famines, with distress to all business, so long and so regularly that they are taken as matters common to the cause, much as malaria was formerly endured as a Southern evil that could not be avoided. But the present distress, aided by the European war, may be sufficient to cause banks to change the basis of crop credit. Whenever financial distress prevails the farmer is blamed by banks and merchants for growing all-cotton, whereas most farmers have done only what business custom and public sentiment led them to do. The

force that led them may be unconscious in those who applied it, but it is none the less effective.

**Food and Feed First.**—Suppose the banks and crop credit merchants gave crop credit only on condition that the farmer grew sufficient food crops for his family and feed for his live stock—not for sale, except to himself—and that he should then grow all the cotton he could. If this method of giving crop credit were the custom, as the reverse is now and has been the custom, this farmer would produce no surplus cotton and would be independent of low prices, since his high-price food and feed would not have to be bought with low-price cotton. The cotton he produced could go as far as needed to pay the bank or the merchant, and even if all his cotton were thus required the farmer's family and stock could still live on the fat of the land while growing more cotton instead of living off the fat of the bank or the credit merchant. Suppose the bank should lead off in this way and the crop credit merchant followed by influence of the banks in basing crop credit first on food and feed for the farm, and then on cotton. And suppose further that at the same time they were creating public sentiment for the new system of farming and crop credit. When these new crop credit farmers' cotton was low in price there would be no distress to banker or merchant; neither would be piteously calling on farmers to sell their cotton for salvation. There would be no cry to the Nation to save the South—to save it from its own business folly—or on the government to lend to the farmers; no financial brain storms in general throughout the all-cotton growing, all-cotton credit districts. Witness, on the other hand, West Texas at this time, where food and feed is abundant, and where all-cotton farming is not the rule. There came no cry, "Save the South," from that section. These people saved themselves. How? By planting sufficient food and feed for their families and live stock. These farmers know and their banks know that in that section it is unsafe to risk a whole year's business entirely on cotton. Further east it is said that corn is too uncertain; that is not true, but if it were true, substitutes for corn can be grown for home use. This method of preventing cotton panics was outlined by the writer in the press Nov. 22, 1914.

The change from the periodical distress of banks, merchants and farmers to a stable, prosperous system does not require joint action of all banks or of all farmers or of all merchants. Any one bank and its merchant customers and farmer customers can make the change effective for itself and them and be safe from future distress, regardless of the

price of cotton, or the actions of any other bank, farmer, or merchant of the South. The individual bank of sufficient progressive activity can co-operate with its credit merchant and farmer customer in an advisory and co-operative way; it can be a leader for a stable farming and secure in its own circle of customers immunity against disaster from low-price cotton.

The farmer who borrows or gets credit of a bank or merchant knows that the creditor has a right to scrutinize the things he puts up as security, and when he proposes a crop mortgage he knows that the creditor has a right to decide whether the proposed crop system is of the right kind to make the credit safe. The banker or merchant should rate the proposed crop mortgage on the basis of whether enough food and feed for the family and stock is to be planted or is planted; then, secondly, on the amount of cotton. This being done on the principle that if the cotton should not suffice to pay the debt that year the farmer would have, without additional credit, enough food and feed on which to make the next crop of cotton at a low cost for paying the debt. The banker or merchant, however, generally insists, from custom, if the farmer has not already announced the fact, that enough cotton be planted the ensuing year to pay the debt.

**Doubling the Debt to Win or Lose.**—Then, if that cotton fails to pay the debt, as is often the case, the bank or the merchant must advance the money or credit to buy food and feed, and thereby increase the debt in the hope that all-cotton next year will enable the farmer to pay out. If the second year all-cotton fails to pay, the bank or merchant must again advance money to buy food and feed to make the third cotton crop. Thus the creditor continues to double the bet until a lucky turn pays the debt. But after the second year the debt is doubtful, since it has increased beyond the farmer's ability to grow enough cotton in one year, even at a high price. But if, when the debt was first made, the bank or merchant had made food and feed for the farmer's use on the farm essential to the loan and then all the cotton the farmer could grow, that would have insured the payment, if not the first year, at least the second year. The debt would not have to be increased in order to grow the second crop of cotton. Bankers and merchants are today compelled, as far as they are able, to finance farmers with food and feed to grow cotton this year in order to have any chance of collecting the unpaid debts of last year. This financing would not now be necessary

had the merchant or bank insisted when the credit was given last year that sufficient food and feed be grown.

The farmer sells the food and feed crops to himself, thereby financing himself without aid from bank or merchant, with no increase of debt. What will be the effect on banks and merchants if the forced food and feed financing of the all-cotton crop fails to pay the debt in the fall of 1915? Can they double the bet again? Assuredly it would be wiser to insist on the farmer's growing food and feed this year for his use in 1916 in order that he may finance himself with food and feed for a third trial, in the event that banks or merchants are unable to finance him at the end of the year 1916 and the debt is still unpaid. They doubtless will not be able, even if they were so inclined.

**Ready Cash Market on the Farm for Food and Feed.**—One of the chief advantages of the farmer growing food and feed for fully supplying his family and stock is the certainty of a good cash home market for these products; a better market than the so-called ready cash market for cotton. The efforts to create a market for other products than cotton are not necessary for the food and feed crops grown for consumption at the home market on the farm, and when this market is supplied for one year, **THEN COTTON IS THE BEST MARKET CROP**, and the farmer does not have to plant all-cotton to pay for credit used to buy high-priced food and feed.

The South has a monopoly of the class of cotton it grows, and the world needs a large quantity of this cotton, but it does not need a surplus and refuses to take it. When no surplus is produced by the influence of a bad season, the world pays a good price for the crop. If every farmer were encouraged by crop credit and public sentiment to grow his food and feed, the cotton acreage would be so reduced that a surplus could not be made, even in a good season, and good prices would then be constant from year to year. But the South, instead of using its monopoly to a great advantage, uses it in a way to work as great a disaster at intervals as it is possible to work advantages under proper use.

No part of the United States or the world has a greater opportunity to be prosperous in farming and in business, and yet there is no farming section in such financial distress. There is no staple crop that farmers can grow that is more profitable than cotton when sufficient food and feed for the farm is grown in connection with cotton. But when this is not done and all-cotton is grown, and a good season makes a large crop, then there is no crop capable of causing

such distress as cotton. This is because no other use can be made of cotton than to spin it; it cannot be eaten or fed. All stable feed crops have two uses—either as grain or meat—and on account of this convertible nature they cannot under any circumstances, especially that of surplus, cause such distress as cotton.

All business suffers equally with the farmer when the farmer grows surplus cotton and insufficient food and feed, and for that reason every interest should apply its efforts unceasingly to change the all-cotton system of credit and farming to a sane and stable system based on food and feed for the farm and all the cotton the individual farmer can grow. All business would then be safe and stable, happily prosperous. With our boasted great “natural resources” and a world-wide monopoly in an agricultural product, starvation for food is near at hand to thousands of people in the country and towns this winter. Are not these conditions sufficient reproach to Southern people? Should credit and community good-will be extended to continue a system of such calamitous possibilities?

**Not a Safe Credit Risk.**—The all-cotton farmer is an unsafe credit risk, and the credit merchant dependent on all-cotton farmers is an equally unsafe risk. A succession of good seasons is liable at any time to make a succession of surplus cotton, low price, bad debts and hard times. Public opinion ought to be so well informed of the fallacy of the all-cotton system, one-crop farming, and its periodical distress to all business and community welfare, that it would be a reproach to any farmer, landlord or any one who did not grow or who prevented the growing of a full supply of food and feed for the family and stock. Every one suffers from a one-crop system, and for that reason it is a matter for public condemnation and joint effort to change it.

A one-crop system, wherever practiced—wheat in the far West, tobacco in the East, or cotton in Texas—makes a country of decreasing soil productivity, low and uncertain crop yield, a debtor country with poor roads and inefficient schools—no continuous progress or development.

The all-cotton sections can grow corn for consumption on the farm if it be well tended and not neglected for the cotton crop. Good preparation and timely cultivation, with early and shallow planting and good distance apart both ways, will so advance the crop that hot, withering winds can do little harm. Cowpeas and pumpkins sown in the corn

at the last plowing improve the soil and produce food and feed at no cost other than the seed.

**The High Rate of Interest.**—Banks and merchants are attached to the all-cotton system as a basis of credit and continue it because of the attractiveness of the high rate of interest that they are able to obtain from the farmer who is not prepared with sufficient food and feed to sustain himself and family while producing a cotton crop. While the rate of interest is attractive, and that obtained by the merchant, in many cases, is extortionate, the net interest collected on an average of crop credits does not exceed a reasonable rate of interest that would be obtainable from a safe basis of crop credit. It is claimed that this high rate of interest is necessary to pay the losses, but if a safe credit basis were adopted there would be few losses to be equalized and the banker and merchant would be relieved of financial night-sweats that they must endure during the recurring periods of financial distress of the all-cotton system of crop credit.

Landlords who advance food and feed supplies to their tenants, either directly or indirectly, through the merchants at a high rate of interest, favor the all-cotton system for their tenants mainly on account of the high rate of interest, but the same uncertainty, loss and financial distress apply to them as well as to the merchant and banker, when the landlord performs the function of the merchant or banker. And a reasonable rate of interest from a more stable crop system would finally net a larger profit than the all-cotton system, where losses have to be balanced by the high rate of interest.

**The Bankers and Merchants Have Hog-Tied Themselves.**—The bankers and merchants have been caught by this cotton panic in their own interest-gathering, one-crop credit system, and have hog-tied themselves, as most farmers are hog-tied all the time by the system.

Under the new credit system the farmer will have more money than he now has, whether cotton sells for 5c or 15 cents. He will have all his cotton sells for, and this money, instead of going out of the country for food and feed, will remain as bank deposits, which would be far greater than the banks now have from farmers' deposits. And if the farmers do not need to borrow as much as formerly, their borrowing could be for home comforts and farm improvement and farm buying. The balance of their greater deposits could be used in developing local manufactures, of which the South is now largely barren; therefore, the banks

would get greater income or profits in a safe way than they get now in an unsafe way.

**Informed Public Opinion** will help the banks and merchants in changing the basis of the cotton credit. The banks should be leaders in business stability and improved systems of farming. That would be broad service for bankers to perform in their important position in the financial world. These agencies at work will open the way for the farmers to grow a full supply of food and feed and to enjoy constant prosperity as well as the banks and business world in general. But unless these agencies lead in stable farming and stable business, it is folly to urge the farmer to reduce the cotton acreage. Banks and merchants need reduction for the good of their business as much as the farmer. Each is dependent on the prosperity of the farmer and so should co-operate in reduction in the way indicated.

It is generally said that in a low-price year of surplus cotton many farmers plant more cotton the following year in the belief that other farmers will reduce cotton acreage. Such a practice is, of course, unwise. They might get good prices for their large crop, but they still would have food and feed to buy at high prices, and the season might make a short crop in their locality instead of a large one. When the next surplus year comes unannounced, or a series of them, the loss from the low prices would be much greater than any advantage they might receive when other farmers reduced cotton and grew food and feed. However, the price of cotton is never so good but that it is safer, cheaper and better in every way to grow a full supply of food and feed on the farm. **THE MOST PROSPEROUS FARMERS IN ANY COTTON-GROWING COMMUNITY ARE THOSE WHO GROW FOOD AND FEED. THEY HAVE LARGER DEPOSITS OR CREDIT AT THE BANK, AND ARE THE SUBSTANTIAL PEOPLE OF THEIR COMMUNITY.**

**Land Rental for Food and Feed Crops.**—Only a few acres are required for garden, hay and other food and feed crops for a family of five on a two-horse farm. Corn and cotton land is rented for "the third and fourth," and the rental for the food and feed crops could be arranged to be the same amount of cotton per acre as the land planted in cotton yielded per acre. Or an area equal to one-fourth of the acreage in these crops could be cultivated in cotton for the landlord for rental of the food-crop land. This would give the landlord his entire rent in cotton and give the renter his food and feed land, the balance of the land to be corn

and cotton on the customary share basis, one-third and one-fourth.

'The Remedy for Periodical All-Cotton Distress.—From the foregoing discussion the remedy can be easily stated.

The banks co-operating with farmers to grow cotton should make the crop loan on the basis that the farmer plant and grow sufficient food and feed for his family and stock on the farm. This provision will insure payment of the credit at the end of the second year, if not the first year.

The bankers must co-operate with the credit merchants to the end that the latter give crop credit on the same basis as the bank, thereby making a safe basis for the credit merchant's paper.

The banks, the controllers of community credit, merchants and others can lead in creating public sentiment for safety in farming, and consequently safety in business based on farming; and food and feed grown on the farm for the farmer's use give that safety and stability. We need more constructive bankers and fewer of the cloister type for better Southern agriculture—friendly advice and co-operation. It should be made a reproach, because it is harmful to the best community welfare, for any farmer not to grow his food and feed; likewise to any bank or merchant that fosters such a disturbing system as the all-cotton system of farming.

A farmer, in seeking crop credit of the merchant or bank, should offer a rate sheet, such as is submitted in this bulletin, showing the acreage and quantity of food and feed that he will plant or has planted, and get any suggestions of the bank or merchant, since they will have much helpful information obtained from like discussions with other applicants for crop credit.