"The Ohio Farmer"

By

F. A. DERTHICK,
Master, Ohio State Grange.

"Obstructions to Progress"

By

LAWSON PURDY,
President, Department of Taxes and Assessments,
City of New York.

Introductions by Toastmaster,

C. D. FIRESTONE.

Ohio State Board of Commerce,
Columbus.

INTRODUCTION BY TOASTMASTER,

C. D. FIRESTONE.[1]

The next toast is "The Ohio Farmer." We have with us tonight one of the Ohio farmers; he comes from the northern part of the state, the Western Reserve, up there where they keep the cows, the section of our state that is sometimes called "Cheesedom." I know something about this section of the state, because, fortunately for me, I went to school at Hiram College—the home of the next speaker of the evening. There is a little story that there was a gentleman who had come out from the city to call upon some of the country ladies; he was not just exactly up on farmology and he wanted to have a little private conversation with one of the young ladies present, so he suggested to her, "Susie, I would like to have a little talk with you; suppose you and I go out to the barnyard and pick the milk?" (Laughter).

We have with us tonight the Master of the Ohio State Grange and we will now hear from Mr. Derthick.

(1) Third Annual Dinner, Ohio State Board of Commerce, Columbus, December 14th, 1906.

THE OHIO FARMER.

RESPONSE BY F. A. DERTHICK.[1]
Master, Ohio State Grange.

Mr. Toastmaster, Ladies and Gentlemen:

I rise to speak under feelings of deep embarrassment, because I appreciate the remarks made to me by my friend, Mr. Purdy, who can scarcely keep his eyes open. I have looked at my watch and noticed that it is rather late. He also told me, just as I rose, that he did not sleep very much last night, getting to rest very late; yet will I undertake to express my appreciation of the pleasure as well as the honor that has been conferred through the invitation of your Commissioner, Mr. Foote, to meet with you tonight. I also want to express to you my appreciation of the interdependence which it seems to me must prevail and does prevail between you, as business men, and me, and my class, as producers. I want to say to our toastmaster that we, up in the Western Reserve, do not raise cheese and pick the milk; we have other

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and improved methods. If it were not for the farmer I am afraid some of you people would go pretty hungry; if it were not for the Ohio farmer I do not know what some of you people would do, because I am glad to say that the Ohio farmer is the bedrock, upholding and supporting the whole structure. (Applause). Of course I understand also that beyond the mere fact of getting a living for ourselves, we would not have very much ambition to work and produce were it not for you—and that is what I mean when I talk about the interdependence of each of us. We are closely bound together and our Ohio farmers today are glad for every track that is laid in Ohio and for every building that is reared, for every attempt to conduct a legitimate business. I wish there were cities all the way from here to Cleveland—because that is where I live—and the farmers between here and there would not "raise cheese or pick any milk," but everybody would go to the Western Reserve to get it.

I was very much interested in Governor Harris's address on "Ohio," and his review of some of the conditions. I have just returned from a trip across the continent almost, and I come back home, after seeing all the farms along the way, believing that this beautiful state of Ohio is the best state in the Union in which to be a farmer. I did not see any land between here and the West that I would take—and leave Ohio—to conduct farming operations. I want to emphasize one fact about the development of Ohio; going back to the days the Governor mentioned when that second Mayflower came down the Ohio and an-

chored at the mouth of the Muskingum river, more than a hundred years ago—in all that development the Ohio farmer has led the way. He hewed down the trees; he set the plants; he put out the crops and has sustained during all the years between then and now these three other great interests represented here tonight. Of course we all appreciate what they are; I have heard them called the great quartet of sisters, that sustains and upholds all that we are or may become—in inverse order they are Manufacturing, Mining, Commerce—all represented here tonight, no doubt —the three sisters are bound together, cemented, I may say, in one common union, held together by the other sister who is equally important, older than all the rest, affording sustenance for all the rest—Agriculture. (Applause). I am sure that you appreciate with me that we must all stand or fall together; we could not succeed if it were not for you and you could not get along at all if it were not for us. If one result of this meeting may be the consciousness that you are willing to meet the farmers of Ohio upon that basis, I shall be glad for my attendance here beyond any thought of the pleasure it has given me.

I am proud to be a farmer of Ohio, the beautiful State, almost encircled as it is with lake and river, sustaining more institutions of learning than any other state in the Union; a state with almost inexhaustible supplies of coal, gas and iron—a state that, as we have been told by one of the speakers tonight, has furnished to the nation three of her greatest presidents, but although he did not mention it, it is within the remem-

brance of some of us here tonight that Ohio has furnished not only those three, but as boy or man, five of the chief executives of the nation. Isn't it a great thing to live in a state like that? We are glad the nation has got in the habit of coming back to Ohio to get her Presidents.

Now, I shall remember that I am to talk but a few moments, because of the hour and because there are other speakers on the program; but the Governor suggested a question that is a burning issue among the farmers of Ohio today, and that is the great question of taxation. I do not share in the oft-advocated and repeated sentiment that the farmers of Ohio are paying the largest part of the taxes just because they are the most honest. The farmers of Ohio, in large degree, are getting over making that claim. I do not go down to my county seat and stand in line to get rid of my money through the treasurer's window just because I am so mighty honest; it breaks my heart, along with the hearts of the rest of you, to do it; I don't like to do it, but I do it because I don't know how to get out of it; my father did it. Everything I have on the earth, if you please, is something that the assessor can see; something which he can and does put down upon the tax duplicate—and that is the reason I pay taxes—I have to, gentlemen, I have to. It is not because I am more honest. I doubt if farmers are more honest than anybody else. You people used to come out to the country on gala days, especially when you were candidates for office, and tell us about the honest farmer. Why, from the front seat

in campaign times, I have heard our friend from the towns and cities tell all about "the honest old farmer," until sometimes I felt so honest I have fairly ached under the eloquence of his description of it, but a fellow came along in a pair of overalls, with rubber boots on, and cheated me worse in a horse trade than David Harum ever cheated the Deacon, and since that time I have lost confidence in some farmers. We pay taxes, the most of us, just because we have to.

I am here tonight to offer to take up with you, on the part of the farmers of Ohio, this great question of taxation. I heard the offer made here that if the Tax Commission or the people got into trouble, if they came to you gentlemen, you would pilot us all through safely. Well, now, we will consider any system you have to propose but we want to feel a little differently from a captain who, being piloted through a rocky channel into a harbor he did not know, the breakers were running high and the wind was blowing; the pilot kept assuring the captain that he would bring him through. The captain was uneasy and he kept a close lookout and listened to the wind and breakers, and he finally spoke to the pilot, who said: "Don't be alarmed Captain; I have run through here for forty years and I know every rock in the harbor." Just then the boat struck and the pilot said, "That is one of them, Captain." (Laughter). Now, we don't want you to do that kind of piloting for us; we want to be sure that you know how. I am sure that the present system of taxation is wrong. (Applause). I am equally sure that I don't know how to fix it,

(Laughter) and I am afraid that some of you feel that way, too.

Now, gentlemen, the Governor suggested some things. You tried something, you remember, in that bond matter, and by that you quieted a little rattle in the machinery over here on the right, but then the rattle broke out over there on the left, and you thought a little oil, a little dose of exemption would fix that, so you tried that, and started off again, but a hundred and thirty-nine thousand people broke out over here and you found you were no better off than before. All we ask gentlemen, is that before you attempt anything else in that direction, you will do us the honor of a little conference. We are interested, and we have entered a protest—you didn't consult us before, gentlemen, and we have entered our protest. I am here tonight to offer to co-operate with you, just as far as we are able, in any sincere effort; I think your efforts are sincere, and we want to join with you in all sincere efforts to devise a wise, a just and a fair tax system in Ohio. (Applause). I realize the present system is not that. I regret very much that Mr. Hogsett could not be here to talk this evening; I never met the gentleman, I have never seen him at all, but I have a sort of a feeling in my bones that I know about what he would say, under his topic, "Obstructions to Progress"; I understand that would be a proper subject for the classification of property for the purposes of taxation, and I suppose that would mean to put into the hands of the General Assembly the power to exempt from taxation such property as it

chose or saw fit, without let or hindrance. Now, that is what I suppose; but the farmers of Ohio will not appreciate that in very great degree. I come to you tonight to say that you had better begin a campaign of education and let us go to school a little while, before you attempt to do that; you must teach us and tell us how it is going to assist the farmer; for so long as self-interest springs eternal in the human breast, it is just as likely to be found in the breast of the farmer as anywhere, and you must tell him how that plan of yours is going to benefit him—what it is going to do for him, for he has his own interests as much at heart as you have yours. You must show us how it is going to assist us. If you can show us how the exemption of millions and millions of dollars of property from taxation is going to help the farmer, we will sail under your flag. Gentlemen, there are four hundred millions of dollars in the banks of Cleveland on deposit, and sixty-one millions of personal property in the county of Cuyahoga in the duplicate of the county. The farmers feel, some way, as though that plan didn't work.

I am just here from a meeting of the Ohio State Grange, fifteen hundred strong and I have spoken before that great audience—I have stood before them for three days and for three nights, so that I am really not very much more rested than our distinguished friend from New York, but I am here tonight, bearing their offer to you, to co-operate, as I have said, in a sincere effort to devise a system of taxation for Ohio which will be just to all of us. (Applause). Now,

are you willing to do that? (Applause). If you propose a system that does not appeal to us, you will have to be patient and educate us up—or down—to your standpoint. That is all we ask; but, gentlemen, do confer with us before you do anything that cannot be fixed.

Now, this is all I intended to say. The Ohio farmer is alert and alive; he is recognizing the fact that he must exert his strength in the political field, and I want to tell you, gentlemen, he is managing his affairs today with as much carefulness and I believe, skill, as you are—and you have him to meet. He is gentle and tame and harmless if he thinks you are going to treat him right; but if he gets roused up, if you stroke him the wrong way, if he loses confidence in you, he can make his strength felt. I want to again express to you my absolute conviction and appreciation of the fact that these four sisters must go hand in hand. (Applause). And that in all this work and development of Ohio which it is your proud boast you are trying to bring about, we are willing to join; that in it all, there is a difference in our occupations, but there is, I hope, none in our aims for Ohio. We are the underlying, producing cause, and are we not about the only ones who produce anything? You have manufacturers here who change the form of our product, but they do not produce anything. You have people engaged in transportation, who change the location of our products, but they do not produce anything. You have people in commercial life who change the ownership of the material we produce, but

we alone are the producers. We want you to share with us in what the harvest yields, and in the expense of the operation and conduct of public affairs. That is all we ask. It would not cost very much to conduct public affairs if we had a good many senators like this one on my right—Senator Hypes. I know him. It wouldn't need very much of a lobby down there; but in it all and through it all, let us remember that the farmer is ready to help in all ways in which he is able; the one great purpose of all to be: The development of Ohio; the development of the higher manhood and womanhood of Ohio, and when we get into that field, it makes no difference whether we are manufacturers, or commercial men, or miners or farmers—we are all developing human character and there is no caste in blood or tears, so in closing let me say:

"Then let us pray that come it may,
As come it will for a' that;
That sense and worth, o'er a' the earth
May bear the gree, and a' that,
For a' that, and a' that,
It's coming yet, for a' that,
That man to man, the world o'er,
Shall brothers be for a' that.

(Applause).

INTRODUCTION BY TOASTMASTER,

C. D. FIRESTONE.

THE TOASTMASTER: We all agree, I think, as to the interdependence of which the gentleman has spoken; the interests of the farmer, the manufacturer, the merchant and the banker are so intertwined that we could not separate them if we would.

The Ohio State Board of Commerce today continued its committee having in charge this question of taxation, and I can assure you, coming from the Ohio State Board of Commerce, that the members of that committee will be willing to sit down with you any time and talk over these matters and arrive at a just and equitable conclusion, as among all of these four great sisters that this good brother has sopken to us about. You may not have seen or read the statistics as to what the farmer is producing, but I am sure if you do examine those figures, you will have a great deal more respect for the farmer in the present and in the future than you have had in the past. When you see money going at such a large per cent in the city of New York and are told that the reason for it is, that the funds have gone West to move the crops, that will give you some idea of the amount of farm products. If you look at these statistics, you will find figures like

five hundred millions for wheat, five to six hundred millions for cotton, and a greater sum than that for hay and corn, running up into billions, then we can realize something of what the farms produce—that is where that money all came from—and we all want to do everything we possibly can for the farmer.

The next subject is "Obstructions to Progress." Sam Jones once said that the women ought all to be preachers. He said that a preacher had to take a text but that a woman could talk for two hours on a pretext. Unfortunately, as you have heard announced here tonight, the gentleman assigned to respond to this toast, is unable to be present, but Hon. Lawson Purdy, of New York, has consented to take the place of Mr. Hogsett. We give Mr. Purdy full liberty and wish to say to him that it is always understood that an after dinner speaker makes the best speech when he does not touch the subject of the toast proposed. We will now hear from Mr. Purdy. (Applause).

OBSTRUCTIONS TO PROGRESS.

RESPONSE BY HON. LAWSON PURDY,[1]
President, Department of Taxes and Assessments, City of New York.

Mr. Toastmaster, Ladies and Gentlemen;

I am sorry I cannot make "the best speech," because I am going to talk about the subject that was assigned to Mr. Hogsett.

The two obstructions to progress, I thought, when I came here tonight, were suspicion and superstition; but I am almost ready to believe, after hearing Mr. Derthick, that in Ohio there will be no more suspicion. It is suspicion that almost all over the country everywhere has held back progress in taxation. Men say, "What is his interest?" when a man speaks; "What is his business?", "What ax has he to grind?" And there is too much truth in the saying; men have, too often, spoken from some personal interest and for some selfish cause. But, underlying all business interests, there is a common measure and if, in discussing taxation—in planning for Ohio—you will get down to that common measure, you will get down to a truthful measure and a just one

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Every man ought to be a worker, ought to earn his living. In thinking of the state we have a right to think of all our fellow citizens as men who earn a living. Now then, anything in the tax laws that makes it harder to earn a living is bad; and those things in the tax laws, or those changes, that make it easier to earn a living, are good, because the farmer earns his living; the street sweeper in the City of Columbus earns his living; the banker, the lawyer—all men who perform services for service, are earning an honest living. It is only those who get something for nothing, by privilege or by theft, whose interests we need not consider.

Mr. Derthick has given you another test for taxation, to which I heartily subscribe: He says the farmers pay taxes because they have to. Gentlemen, let us have no tax law that asks any man to pax taxes unless "he has to." That would make for honor, that would make for equality, that would make for justice.

There is an issue in Ohio, as there is in most of the States of the Union, to which I referred last evening, and at the risk of wearying some of you who heard me then, I shall refer to it again to-night. In most of the States of the Union, state revenue is in part or wholly derived from the tax laid on all property throughout the state, on assessments made locally. There is great dissatisfaction with the assessments made locally and it can be seen clearly that even if those assessments were fairly made the burden would be unfairly distributed, because, as states progress in

civilization, as cities grow more and more, when the tax is laid on all property the burden is shifted from the urban communities to the rural communities. Most people do not think so, because they have not really used their eyes on the things and conditions about them.

I am not going to talk statistics, although I will tell you just a few to illustrate the point. In the State of Ohio, where your farming land is so fine, there is probably comparatively little that is worth so small a price as ten dollars an acre; there may be some—I don't know enough about Ohio to say—I have not recently examined the statistics of Ohio. I will take my illustration from Kentucky, the principle remaining the same, as I have recently examined the conditions there. In some of the poorer counties of Kentucky the farm land is worth only about one dollar and fifty cents per acre; some parts of those poor counties have lands that are practically worthless, not necessarily because of any lack of fertility, but because they are inaccessible. There you have a condition not unlike that when the first settlers came to Ohio. What did those pioneers find and what property was there when they went there to break ground to make a home? They brought with them a few tools, a wagon, perhaps a team of horses, a gun—all the property there was, those few tangible, visible things, they brought with them. The next property was a rude house, perhaps a rude barn, and they began to make another value appear by the preparation of the ground for

tillage; trees were worthless; they cut them down, burned them and pulled out the stumps.

When they had a little place of cleared land there, the value of the work they had done was the next value—they had not yet got one dollar's worth of value in the ground itself. Now, in those poorer counties of Kentucky, all the value there is, pretty much, consists of the tools of the farmers, their live stock and such belongings, fences, etc., as they have erected—all the product of men's hands. When the great cities grew up, new values appeared. Watch the growth of Cleveland, for example; a hundred and twenty-five years ago there was no value there at all; to-day the poorest ground of Cleveland, be it ever so unfertile, has grown to enormous value for purposes of sites for business. As that growth comes, the proportion between the value of the ground and the value of the things that men have put on it constantly changes, from having nothing but the value of the things that men produce to the present time when a great part of the value belonging to the community is in the mere site of the community itself.

When you put taxes on everything, the burden constantly tends to be heavier in proportion upon the men who own the smallest amount of ground value and the greatest amount, in proportion, of the things that men produce. There is still another reason why the burden is put upon the farmer more heavily, because from the nature of things his property, as Mr. Derthick has said, is practically all visible property, and invisible property is hard to find and hard to

value. The actual value of the tangible things men have produced are greaetr in proportion in the country than in the city and the inequalities of the law make it difficult to assess city values of an intangible character. Often the tangible things are easier to assess in the country than in the city. The more valuable are furniture, stocks of goods and the like the more difficult they are to value. Sometimes not only are they more difficult to value, but the more uncertain is their value. I remember at one time there was a firm in New York that failed. It had a stock of feathers; I think those feathers cost $150,000, but the fashion in women's hats had changed and those feathers had no market; for the present moment they were worthless; nobody would buy them; they might come into fashion again if they were carefully kept, and the value would come again, but for the moment the value was gone. Going into the great stores of the cities it is very difficult to determine the fleeting and fluctuating values, and the costly things are hard to value anyway.

Now, going back to Kentucky—down there in Kentucky I was interested in examining the items of household furniture, and I found that in the poorest counties of Kentucky they had more furniture in value per capita, on the assessment rolls, than they had in the richest cities of the State. I looked up the subject of watches; I found that in the poorest county in the state there was a dollar watch for every man over twenty-one years of age and an eighty-nine cent clock for his wife, while in the cities there was only one dol-

lar watch for every three men. The law is against the nature of things, and when you try to go against the nature of things you put a burden where you do not intend.

This great question of state revenue is before you. You are attempting to solve it here; if you keep on, as I said last night, you will find objections that have not occurred to you as yet; you will find new features all the time. I think there are better ways than the present method; I have not time tonight to go into that further than to say this: That if for your state revenue you apportion the burden according to local expenditure, you will establish a rule that will work fairly to the country, for this reason: The country village has very few common needs for which a common fund must be expended, compared to the city. There must be schools, courts, roads, and little more. The city must have much done for it from the common purse. Always you will find city expenditures greater in proportion to city values than the proportion that prevails in the country; and it is in cities where these great franchise values and these great municipal values are, and if on the cities are put the burdens in proportion to their expenditures for supporting the city, you have a fair measure, a mathematical measure, and one that puts both city and country under a fair rule, and a better rule for the country than the one that has become so outworn.

I have said supersittion stands in the way of progress. We in this country have worshipped written constitutions; they are almost a fetish; but we did not

begin that way. Our ancestors who formulated and framed the Federal Constitution gave us a few guaranties of personal rights and a framework of government, and that instrument, with very little change, has existed and answered all our needs and met conditions that our ancestors could not possibly have foreseen. The old state constitutions of New York and Connecticut were simple structures that were little more than the form of government. About the middle of the last century your fathers in Ohio tried to put into the constitution codes of laws to bind succeeding generations for all time. Some of the other states in the middle west and most of the southern states in the re-organization period copied Ohio. Gentlemen, that was not right. It was not a fair thing to do— to think that we have all the wisdom and can determine precisely how our children and our children's children shall be governed. No more was it right that our grandfathers should have done the same by us. Without determining at all how taxation shall be laid in the future in Ohio, or in any other state bound by a similar constitution, it seems to me that it is enough to say, "We will be free, we will trust ourselves." You cannot have growth without freedom.

This same superstition prevails in our city governments. If we find a board that does not do its work well—a board corrupt or inefficient—the tendency has been to take away power, to take away what little power there is left, until no man of ability and brains cares to take up the work. Responsibility breeds force and conscience; without responsibility,

there is carelessness. Why should any man here in the State of Ohio concern himself with the subject of taxation, when nothing that he plans can be carried out?

Therefore, gentlemen, if you will put away suspicion of every man, think of every man's rights as a worker, as an earner, and think only of that in all your legislation, and believe that every other man is thinking only of that (for confidence begets confidence), and if you will then forget superstition and be willing to trust the future and trust each other, you will untie your bonds and go on to greatness so that Ohio will keep on leading the Union—as you gentlemen tonight have said Ohio always has. I am ready to concede that Ohio has the possibilities of the greatest state in the greatest country. I thank you.

(Applause).

THE TOASTMASTER: Now, at the conclusion of our meeting, I bespeak for the Ohio State Board of Commerce the greatest prosperity the coming year that we have ever had.

Everybody will now rise and we will close by all joining in singing "America."