FEDERAL SEED GRAIN LOANS.¹

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For the first time in the history of the United States, direct loans have been made by the Federal Government to farmers to enable them to meet conditions of financial stress caused by crop failures. On several previous occasions relief has been provided by Congress for those whose crops had been destroyed by floods or other calamity, but this relief has been in the form of the free distribution of seed without expectation of return. For the past three years the Federal Land Banks have made loans on farms, but their funds are derived from the sale of farm-mortgage bonds and the loans are secured by mortgages on improved farm land. In the present instance, Federal funds were loaned to farmers who could give no security other than a mortgage on the crop which they expected to produce. Because these loans are without precedent in our history, it seems worth while to record the conditions under which they were made and to discuss some of their agronomic phases.

The demand for Federal aid to enable farmers to maintain or to increase their acreage in food crops came first from Kansas, where a very large part of the wheat sown in 1916 and 1917 had been destroyed by drouth and winterkilling. A delegation from that State came to Washington in June, 1918, and presented figures to the Congressional committees on agriculture which indicated that, if Federal aid was not given, a greatly reduced acreage of wheat would be sown