

consumption, not only this year but last year, is the cause of the low price of cotton and the depression that is world-wide.

Mr. BUCHANAN. I am not informed upon the actual status of the wheat men, but I have every reason to believe that there will be a real, substantial reduction in cotton acreage.

There are about ten to fourteen million acres of marginal cotton land on which people plant cotton on which, with normal prices, they make a loss.

Mr. LEGGE. That should not be planted.

Mr. BUCHANAN. Then with the abnormally low price such as we now have, it is going to prevent that land being planted in cotton right now, and the price of cotton will advance materially in the next 10 months.

Mr. LEGGE. I think that is a fair analysis of the situation.

Mr. BUCHANAN. With the \$250,000,000 you are now asking for, do you think you can put this thing across?

Mr. LEGGE. What do you mean by "put it across"?

Mr. BUCHANAN. Make a success out of it; that is what I want.

Mr. LEGGE. If you mean whether under present world conditions we can bring back the price of wheat again to what we think is a fair price, I will say no, it can not be done. But we can prevent it going lower and make some substantial improvement.

Mr. BUCHANAN. Perhaps my question was not exactly plain.

Suppose we make this \$250,000,000 appropriation and world conditions improve. You will succeed because the products will be sold and you will collect the money for your revolving fund.

Mr. LEGGE. Yes; and if you are correct about the taking out of the acreage of cotton, we will succeed on cotton, and that is what we hope for.

Mr. BUCHANAN. If the financial condition of the world should improve and the depression passes off, your commodities will be sold and you will collect on your loans, your revolving fund will be increased and you will still have money to operate on?

Mr. LEGGE. Absolutely.

Mr. BUCHANAN. But suppose conditions do not improve, we will say, for 10 months; you can not succeed unless you have more money, can you?

Mr. LEGGE. I do not know; that is a question as to what the production proves to be. We would be in a condition where some of these country banks would have badly frozen assets, and the money would not be revolving.

Mr. BUCHANAN. This is leading up to the question as to whether or not it would be advisable for Congress to pass another authorization, whether you did use it or not, in order that you might have a certain amount of leeway or leverage, so that it might not be said by any financial interest antagonistic to the Farm Board, well, when the \$250,000,000 is gone forever, we have got them. If you have another authorization of \$250,000,000, they can not say that.

Mr. LEGGE. There is no question but that the psychological effect of that might be helpful.

Mr. BUCHANAN. But if you should be mistaken——

Mr. LEGGE (interposing). There is one thing we can always do. The Government still has fairly good credit. We can carry these