

ADVANCE
For Release Oct. , 1948

Cooperatives

An address by Mayor Hubert H. Humphrey of Minneapolis at
on Oct. , 1948

A few days ago I made a speech out in Western Minnesota in the course of which I spoke about our great cooperatives, and the hard blows they have suffered----at the hands of the unfriendly Republican Congress that is about to pass into history.

Afterward a farmer came up to me, and he said that he was a little confused. He showed me a pamphlet----it was a message from the senior senator from Minnesota to the farmers of our State. A pamphlet that was supposed to tell the farmers where Mr. Ball stood on the issues of the campaign.

Well, after I read the pamphlet, I was confused----but not for very long.

This pamphlet also talked about cooperatives. And it said that Mr. Ball was against any change in the method of taxing co-ops----and the pamphlet quoted a speech Mr. Ball made last January, to prove to the farmers that was his stand.

What confused my farmer friend----and shocked me----was this-----
Joe Ball said last January that he WANTED to change the taxes on cooperatives. HE WANTED TO TAX THEIR SAVINGS. That's exactly the opposite of what his pamphlet quoted him as saying.

I am surprised to find Mr. Ball trying to fool the farmers by misquoting his own speech. They remember----although he seems to think they have forgotten----the storm that speech touched off among the

cooperators in this state.

Here's what Mr. Ball did say: "I believe that all co-ops should, as a condition to having their savings exempt from federal corporation taxes, be required to distribute such savings annually to their patrons in patronage dividends."

That's what the senator said last January.

He said he would favor taxing all cooperatives that didn't pay out their savings every year.

I suggest you write his headquarters and ask for a copy of his January 21, 1948 speech and see for yourself. And if the Senator is bashful about sending it to you, write to me in Minneapolis and you'll get it.

Ball's position was the same as that of the National Tax Equality Association. The association---as we all know, is the worst enemy the cooperatives ever had. The association has been putting pressure on Congress for years, trying to get that kind of tax.

Our senior senator supported the association. He went over to the enemies of the co-ops. But when all the co-ops criticized his speech, the brave Mr. Ball, the courageous Mr. Ball changed his mind.

He hedged his position a little, and he said, on February 18, that the co-ops could keep their savings in the business IF every single member of the co-op gave written permission.

That didn't fool the Minnesota Association of Cooperatives. They knew it was the same scheme dressed up in a new mask.

The Association said, "Senator Ball's proposal if made into law, would grant the individual patron immunity from his responsibility while granting him all the privileges."

In short, the senator wanted to place every co-op in the state of Minnesota at the mercy of one single member. Mr. Ball wanted to allow a single man to block the democratic decision of a majority.

Those were the two positions Mr. Ball took on cooperative taxation in two months.

Now I have not seen today's papers, so I can not discuss his present position on cooperatives, and cooperative taxation. And in any case, it probably is not worth while to follow the Senator's mystical mental processes on this subject.

In fact, I think I will withdraw what I said a few moments ago about Mr. Ball fooling the farmers. It seems much more kindly---- and likely it is closer to the truth----if we just say Mr. Ball is confused .

And that he is not fooling anybody but himself.

Let us turn from this mystical man who misquotes his own words, to something there is no doubt about.

To a position that has not changed, and is not going to change---- and that is my own stand on cooperatives.

Our Minnesota cooperatives are one of the great assets of our state, one of the great works our farmers have set up for their own benefit---- and for the benefit of all our people.

Our cooperatives protect the farmers from the bandits of big business; they give our farmers a fair chance in the market. They protect all our people from the dangers of monopoly----from high prices and market rigging; from bulls who try to corner the supply, and from bears who try to drive prices down, to ruin the farmer on one hand, so that they can rob the city people on the other.

Our cooperatives are democracy in action----and under a democratic government they will be secured and protected.

I believe the present tax laws are fair toward cooperatives, and I will fight any scheme----like those advanced by the Senator----to harass them with new taxes, or with tricky new clauses in the old tax laws.

As we secure and build up our cooperatives, we secure our whole economy. They have their part in a free and strong America.

They ask----and we must see that they get----only a fair chance to play their part.

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