

Secretary Benson Outlines His Farm Program

BY HERRA TAFT BENSON
Secretary of Agriculture
(First of a Two-Part Series)

This nation has a serious farm problem.

It does not affect agricultural alone. It is everybody's problem.

Today your government has approximately \$5 billions of your money invested in farm commodities.

You own outright more than \$2.5 billions worth of wheat, corn, cotton and other surplus farm products. You have outstanding loans on agricultural commodities totaling about the same amount. This figure is growing daily.

You are paying more than \$14 millions each month just to store these surpluses. This bill is growing, too, as additional inventories are accumulated by your government.

The losses which your government sustained in disposing of just a small portion of your holdings during the first three months of this fiscal year amounted to \$47 millions.

But, you ask, don't we have a farm program designed to insure agricultural prosperity and prevent the very situation we find ourselves in today?

The answer is that we are operating under the same farm program we had last year and for several previous years. Actually we have strengthened it in several important respects to

permit farmers to take broader advantage of its provisions. Existing legislation binds us to a continuation of price supports at 90 per cent of parity on basic commodities through the 1954 crop year.

Nevertheless, farm prices have declined steadily from the record peaks established under the impetus of the Korean war in February, 1951. During the 12 months immediately before I became Secretary of Agriculture, the farm price parity ratio slid from 113 to 95 per cent. Since February of this year, prices have been more stable than in 1952, averaging about 93 per cent of parity.

This story of declining farm income and mounting agricultural surpluses is the best evidence that our present program is not functioning effectively.

For more than a decade, our farmers have been producing under pressure. To meet the war-time needs of ourselves and our allies, they turned out record amounts of food and fiber between 1941 and 1946. With the end of the second World War, they were asked to provide the commodities required in the rehabilitation of Europe and other sections of the earth. Then came the Korean War, with new and heavy demands for farm goods of all kinds.

Suddenly this situation was radically altered. World food production had been climbing

Robert Dawson Has Oriental Holidays

FAR EAST (Continued)
Christmas and New Year's holidays are to be spent in Koba, Japan, by the USS Los Angeles. Serving aboard the heavy cruiser is Robert V. Dawson, interior communications electrician second class, USN, son of Mr. and Mrs. C. V. Dawson of Route 4, Kinston, and husband of the former Lois G. Kleinart of 511 E. Walnut St. Goldsboro.

The Los Angeles rejoined the U. S. Seventh Fleet in early December for her third tour of duty in the Far East.

The visit to Japanese tourist and trade center is being made

since 1946. By 1952 this was exerting strong pressure in the market places. Our wheat exports dropped by one-third in a single year, cotton by even more. Not only had importing nations increased their own production, but they found that they could supply their reduced needs at lower prices from exporting countries which had no farm price support programs.

Just as many American consumers have turned from butter to less expensive spreads, so have other nations sought cheaper wheat, cotton and other products.

We have learned through some times bitter experience that when the farmer is in trouble, there is likely to be trouble ahead for everybody. This year, net farm income is expected to be nearly \$1 billion less than it was in 1952. And in 1952 it was more than \$1 billion below the preceding year. While farm income has been dropping, our total national income has actually increased.

This disparity cannot continue in an economy such as ours. When the farmer can't buy the products of industry, there are certain to be serious dislocations.

How we got into this situation is not as important, at the moment, as what we propose to do about it. I have outlined here some of the major problems facing agriculture. In a subsequent article, I should like to discuss some of the possible solutions.

in line with the Navy's policy of giving personnel a chance to see the Japan that lies beyond regular naval bases, and to promote goodwill between U. S. citizens and Japanese nationals.

North Carolina farmers paid an average of \$2.38 per hundred

pounds to have their 1952 cotton crop harvested. The average rate for the nation is \$2.50.

North Carolina hatcheries produced 56.5 million chicks in the first 10 months of 1953—some 11.7 per cent more than the same period of 1952.

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