

This article was written by two Washington staff writers with "inside tracks" on what's being planned to remedy the farm surplus situation. They have approached the story strictly on how the surplus situation now stands. No solutions to the problem are proposed. Perhaps solutions can be suggested in a subsequent article.



PROBLEMS OF FEAST ? ? ? ? ?

On this cold, wintry day the squirrel sits snugly in his den, enjoying a feast from his private storage bin of nuts gathered before the snows came. His biggest worry is that some bigger, bully cousin will pilfer his cache of food before new supplies become available.

The squirrel is smart. He only gathers what he can eat during the winter. The rest he leaves on the ground to rot. A surplus of nuts is no concern to him.

Not so with American farmers. Biggest farm worry today is what to do with bountiful harvests from the world's most productive lands. It's a new worry, relatively, and one we haven't learned to cope with even though the nation's best agricultural "brains" have turned out a variety of "panaceas that might have worked."

Last year each farm worker in the United States produced enough food, fiber and tobacco to supply himself and 26 other persons . . . versus enough for himself and only 15 others as recently as 1951. During the past 10 years, farm output has increased at an annual rate of 2.5% while the population increased by only 1.8% per year. While this staggering record of farm output means Americans enjoy an increasing supply of farm goods for a smaller portion of their incomes, it also means that, for the first time in the history of man, the terror of famine has been replaced by the problems of feast.

In trying to reduce the depressing effects of

surpluses on farmers' incomes, the government—through various programs—has taken much of the excess supply off the open market. As a result, the Commodity Credit Corporation now owns close to 100 million tons of farm products . . . more than 1,000 pounds for each of the nation's 184 million people. The total is roughly 5 times the stockpile of a decade ago.

During 1961, cost to taxpayers for storage and handling alone added up to more than \$460 million—a staggering figure of \$1,260,000 a day. Commodity Credit Corporation's total net loss on price support operations since 1933 have added up to \$9,600 million!

Highest storage costs during fiscal 1961 were on wheat, \$176 million; corn, \$149 million, and grain sorghum, \$89 million. Also high on the cost list were cotton at \$22.6 million and dairy products at \$4.4 million. Except for dairy products, these sums include costs on crops harvested in 1960 or before; 1961 figures are not yet available.

How much longer taxpayers will stand for the huge storage bills on surpluses is a moot question. Some close observers of the political scene consider the time very short indeed—the limit may be very few years more.

Pressure to balance the budget by fiscal 1963 is bearing down on the Department of Agriculture and its \$7-billion-plus budget. The White House has indicated it's a likely place to start trimming domestic spending.