

WHAT IS "NORMAL" FOR WHEAT RESERVE

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by
Senator Robert H. Humphrey

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Mr. President, recent estimates of the Department of Agriculture indicate that the carryover stocks of wheat, as of July 1, 1953, will be approximately 575 million bushels.

I am concerned with what our attitude is going to be toward that reserve.

There was a time, of course, when such a carryover would have been thought of only as a surplus problem. There are some still inclined to that attitude today. I think there is more to be considered, however, in the nation's total interest.

We have reason to be thankful, not worried, over having such an abundant reserve of basic food grains.

It's time we quit thinking about our food carryovers in storage simply as unwanted "surpluses", and start

thinking about them as our margin of safety against any possible food shortages, not only here but anywhere in the world. It's time we recognized adequate stored reserves as insurance for our security.

Experience has proven my point is well taken. We have been worried about surpluses in the past, only to suddenly become very thankful we had such abundance available when emergency conditions confronted us.

We are again in uncertain times of world tensions that make it highly advisable to take no chances of food shortages. It appears sound wisdom to have abundant reserves, ready for any emergency.

In the past we have thought of reserves primarily as protection for our own requirements, in event of drought or crop failure from other natural hazards. Now, we must think beyond our own food needs. We must think about our food supplies in relation to the united

defense efforts of the free world.

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I need not remind you of the practice in recent years of wheat stocks backing up our country's foreign policy.

Because we had adequate reserves, we were able to come to the aid of India when that country was in dire distress, greatly strengthening bonds of friendship for our country in that keystone of Asia.

Because we had adequate reserves, we were able to come to Yugoslavia's aid when its own crops failed, and as a result food rather than bullets was primarily responsible for bringing that country into the western world's camp as it broke from its ties with Moscow.

Because we have adequate reserves, we are now studying the likelihood of extending a helping hand of assistance to Pakistan to avoid threatened famine in that country, and to prevent it having to turn to Russia

for wheat.

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I mention these just briefly to show that we have new calls upon our food supplies, as instruments of foreign policy -- calls that were not contemplated when earlier standards were established for what we regard as "normal" wheat reserves.

We would do well to think seriously about what really should be the "normal" for safe wheat reserves -- in the light of conditions today, instead of conditions in years gone by.

Under present legislation, the Secretary of Agriculture is required to establish acreage allotments and proclaim marketing quotas when our supply exceeds by a certain percentage the amount now fixed by law as the "normal" supply.

The Secretary of Agriculture is now confronted with an early decision that may require him to invoke

acresage allotments and marketing quotas for the 1954 crop year. He has indicated he is reluctant to do it, understandably so, but required to under the present formula of what is a "normal" wheat supply.

I respectfully suggest that new consideration be given to what is "normal" for wheat reserves, under present conditions. Is a 15% reserve above our estimated requirements any longer adequate as a safe reserve, or is a 30% reserve a sounder policy of protection against the uncertainties of world conditions today?

I would suggest that the Administration's agricultural leaders might well be best protecting the nation's interest, and best serving farmers, if they would give serious thought to the question of proper "normal" level of supplies, before automatically invoking acresage allotments and marketing quotas on the basis of past standards of "normal" that are now considerably out of date.

I hope the Administration's leadership will

initiate such action itself, through the proper

Committees. I hope they will give consideration to

increasing the reserve level on wheat from 15 to 30%,

before requiring production curbs, as a greater margin

of national safety. I hope at the same time they will

consider a similar increase of from 10 to 20% in the

reserve level of corn, on the same grounds of a more

realistic safe reserve.

For as far as I can foresee, the nation's interests

would be best protected by higher reserve levels of

these basic commodities, not lower levels. They are

insurance policies, and while the risk is greatest

appears a good time to increase the amount of protection.

World food needs, not just domestic markets, will

eventually be the controlling factor in American farm

production. We would be short sighted indeed to tailor

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our production to restricted markets when there exists a tremendous need in the world. Many of us have proposed creation of an International Food Reserve with just such ideas in mind as making full use of our ability to produce, rather than shut off the spigot of our agricultural knowledge and technological ability.

I am offering these comments in a spirit of constructive cooperation toward the Administration's farm leaders, hopeful they may suggest to them a sounder alternative to invoking production curbs. I am sure they will find considerable support, if they propose legislation changing the formula for what we regard as "normal" in our wheat and corn supplies.

If they do not take such initiative, in fact, I would feel compelled to offer some such legislation myself so that the Senate will have an opportunity to consider this important decision, rather than let it "just happen" on the basis of an outmoded formula as now appears likely.



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