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# News Letter



Vol. XXXIV, No. 22

May 30, 1955

Page 85

## Eleventh AFBF Institute Draws Attendance Of 300

Nearly 300 people—representing 38 State Farm Bureaus and the American Farm Bureau Federation—attended the eleventh annual Farm Bureau Institute at Purdue University, Lafayette, Indiana, last week.

The Institute is held each year to provide instruction to key Farm Bureau personnel, who are charged with the responsibility for training and promotional programs within their respective states. In attendance this year were State FB officers, Board members, staff workers and other leaders.

The week-long Institute featured general assembly sessions and discussions on the basic concepts of government, the capitalistic system and the Farm Bureau.

Daily classes provided in-service training for the students. Evening sessions were in the nature of seminar groups.

The daily assembly sessions featured addresses by outstanding educators.

**CHRISTIANITY** is a way of life that is more compatible with the free enterprise system than with any other, declared Dr. Clifton L. Ganus, Jr., dean of the school of American studies at Harding College, Searcy, Arkansas. Christianity and the free enterprise system look upon the individual as being sacred and having great value, he said at the vesper service which opened the Institute.

**In Christianity and free enterprise "we have the greatest systems in the world." But, he continued, both of these systems need to be studied and understood.**

Cautioning his audience that Christianity and free enterprise can be lost by default, Dr. Ganus said "we give up our systems when we do not take part. You are either for it or against it. You accept or reject. There is no neutrality."

**AMERICA** has achieved the two chief interests of mankind—personal freedom and economic well-being—Dr. George Benson told the Institute.

Eternal vigilance is necessary to maintain these interests, said Dr. Benson, who is president of Harding College.

He outlined the basic concepts of good government as:

(1) Equitable basic written laws higher than the people who

enforce them.

(2) Maximum personal freedom.

(3) Private ownership of property and tools of production.

(4) An open free market to determine prices.

Dr. Benson said America's national income tops that of the next ten countries together. He pointed out that this record was made possible because the individual in America is able to own property and has personal freedom.

He said Russia is hungry today in spite of an abundance of materials. The reason for Dr. Benson said, is that there is no profit motive. He also blamed Russia's problems on lack of freedom for individual initiative and absence of opportunity for individual incentive.

The American way is based on three pillars, Dr. Benson declared. He listed these as (1) faith in God, (2) constitutional government, and (3) private enterprise economy.

It is not too late to reverse the trend to socialism, declared Dr. Ivan R. Bierly of The Foundation for Economic Education in an address at the Institute.

He pointed out that it isn't too late "so long as there are persons like you interested in understanding the nature and the price of freedom, and in encouraging (See **INSTITUTE**, Page 87)

### Sponsors Wheat Bill



Representative Harrison

### Randolph Named To USDA Cotton Advisory Group

Walter L. Randolph, vice president of the American Farm Bureau Federation and president of the Alabama FBF, has been named to an eight man cotton export advisory committee by Secretary of Agriculture Ezra Taft Benson.

The committee will work on a program to help the Commodity Credit Corporation dispose of its stocks of cotton in a manner "to serve the best interests of the government and all segments of the cotton industry," Mr. Benson said.

### Farm Output

Thirty years ago in the United States each farm worker produced enough for himself and seven other people. Today each farm worker produces enough for himself and eighteen other people.

### Senate Price Support Hearing Begin June 1

The Senate Agriculture Committee will begin a series of detailed hearings on the entire subject of government price supports and adjustment programs for agricultural commodities on Wednesday, June 1.

The first series of hearings will be devoted to consideration of proposals for a certificate (three-price) plan for wheat.

Farm Bureau testimony in opposition to the three-price plan for wheat is scheduled for presentation on Friday, June 3.

## Harrison Bill Offers Farmers Clear Choice In Wheat Vote

Representative Robert D. Harrison (R.) of Nebraska last week introduced a bill providing for an emergency wheat program for 1956 if producers disapprove marketing quotas for that year's crop.

Mr. Harrison's bill incorporates two of the major features of the American Farm Bureau Federation's recommendations for giving wheat growers a clear choice in the marketing quota referendum to be held on June 25. (See **NEWS LETTER**, Apr. 11, p. 57.)

The bill—H. R. 6407—has been referred to the House Agriculture Committee. Its main features are:

(1) If farmers voting in the coming referendum reject marketing quotas, the 1956 national acreage allotment would be set at not less than 62 million acres. This would be divided among states, counties and farms in accordance with the provisions of the Agriculture Adjustment Act of 1938, as amended.

(2) If farmers reject marketing quotas, the level of price support to cooperating producers (those who stay within their acreage allotments) would be 65 percent of parity.

The Harrison bill also requires that the marketing quota referendum shall carry a brief printed description of the programs which would be in effect if quotas are approved and if they are disapproved. This would include price support levels, acreage allotments, and applicable penalties under both programs.

(A series of questions and answers outlining the Farm Bureau proposals for a clear choice in the forthcoming wheat marketing quota referendum—as they are incorporated in the Harrison bill—appears on page 86 of this issue of the **NEWS LETTER**.)

## AFBF Attacks Monopoly In Industry And Labor

Monopolistic and restrictive practices in industry and labor were denounced last week by the American Farm Bureau Federation.

W. E. Hamilton, AFBF director of research, told a House Judiciary Committee hearing on anti-trust laws that agriculture is a "highly competitive" field.

For this reason, "farmers cannot expect to be able to trade farm products for industrial goods on satisfactory terms if other sectors of the economy are to be allowed to engage in monopolistic or restrictive practices," he said.

**FARM BUREAU**, Mr. Hamilton said, "has long supported effective legislation to prohibit the exercise of monopoly power. We believe that our American system of regulated, competitive, private enterprise has been a prime factor in the development of the United States. That is, we believe in competitive, private enterprise with enough government regulation (1) to prevent the abuse of monopoly power in natural monopoly situations and (2) to encourage competition in all other types of economic activity."

Mr. Hamilton told the Committee members the authority and ability of the Federal Trade Commission and the Department of Justice to deal with monopoly and restrictive practices should be "supported and enhanced."

The AFBF economist told the Congressmen that farmers are opposed to so-called "fair trade" retail price fixing.

"One of the fundamental defenses of the profit system is that competitive forces will compel the passing along to consumers of savings which may be made as a result of increasing efficiency in production and distribution," Mr. Hamilton declared.

Another specific field to which he called the committee's attention is "the discriminatory rate proposals that ocean shipping conferences are endeavoring to establish to avoid the competition of independent shipping companies."

MR. HAMILTON declared that labor groups as well as industry are engaging in monopolistic practices.

"Secondary boycotts, feather-

bedding and make-work rules, and industrywide bargaining all seem to us to be practices that restrain trade to the detriment of the public welfare," he pointed out.

Industry-wide bargaining, he said, "contributes to the growth of industrial monopoly by making it more difficult for smaller companies to get sympathetic union consideration of their individual problems. This conceivably could force individual companies to go into bankruptcy or merge with others."

This practice, he emphasized, "encourages trends which make it easier for big labor and big business to dominate our entire

(See **MONOPOLY**, Page 87)



STUDENTS ATTENDING THE AFBF INSTITUTE at Purdue University last week examine supplementary reading material for use in policy development discussion groups. Shown (left to right) are George Diehl, president, Montana SFB; Bill Hoover, director of information, Texas FBF; Tom J. Hitch, president, Tennessee FBF; Leland Beebe, organization director, Vermont SFB; and Carl Bow-

# FB Wants Wheat Farmers To Have 'Clear Choice' In Marketing Quota Referendum

When wheat farmers vote in the national wheat referendum this summer they must hold themselves what kind of a wheat program they want. Farm Bureau has long held that farmers should determine the level of price supports and the corresponding degree of productive control.

Recently Farm Bureau asked Congress to enact a positive program where farmers could make a "clear choice." Farm Bureau's proposal is discussed fully in the following questions and answers.

**Q. What is the purpose of Farm Bureau's legislative proposals for wheat?**

A. The purpose is to give wheat farmers a clear choice in a national wheat marketing quota referendum to be held this summer and to make certain that there will be a program if quotas are voted down.

**Q. When will the referendum be held?**

A. It will be held June 25, 1955.

**Q. What is the choice now provided by the law?**

A. It is between (1) marketing quotas and a national acreage allotment of 55 million acres a minimum price support of at least 75 percent of parity and no marketing quotas—but acreage restrictions and a price of only 50 percent parity, on the other hand.

**Q. How will the Farm Bureau program, if enacted by Congress, give farmers a clear choice in the referendum?**

A. It will permit them to choose between (1) a national acreage allotment of 55 million acres of wheat and a minimum support price of 75 percent of parity and (2) a higher acreage allotment and a lower support price, on the other hand.

**Q. What would the support price be if quotas are voted down?**

A. Under present law it would be about \$1.19 per bushel; under the Farm Bureau's recommended program it would be about \$1.55 per bushel.

**Q. Then, if farmers reject marketing quotas, the Farm Bureau program would provide a higher level of price support for wheat than the present law?**

A. Yes, it would be 65 percent of parity instead of 50 percent.

**Q. Would all producers be eligible for this higher support price?**

A. No, only those who cooperate with the acreage allotment program.

**Q. Would the Farm Bureau program also provide an increase in acreage allotments?**

A. Yes, it would raise the national acreage allotment from 55 million acres to 62 million "harvested" acres if quotas are voted down.

**Q. Would this add to the wheat surplus?**

A. Probably not. More wheat will be fed if quotas are voted down than if they are approved. In addition, a price support level of 65 percent of parity probably would discourage the production of wheat in marginal areas in-

cluding areas where conditions are suitable for the production of other crops. As a result acreage allotments would be underplanted in a large number of states.

**Q. Then, why increase the national acreage allotment?**

A. In order to allow farmers in the commercial wheat area enough acres to maintain an efficient size of business.

**Q. Is this program consistent with Farm Bureau's long-standing policies?**

A. Yes, it provides that farmers themselves would have an

opportunity to determine the level of price support and the corresponding degree of production control.

**Q. If the Farm Bureau program is adopted by Congress and becomes a part of the wheat quota referendum this summer, will Farm Bureau urge farmers to vote for or against marketing quotas?**

A. Neither. Farm Bureau will not advise farmers whether or not to vote for or against marketing quotas. This is something that each individual should decide for himself.

## Expansion Of Markets Helps Farmers And Processors, Shuman Tells Canners

Farmers and canners are in partnership in the production of processed fruits and vegetables, AFBF President Charles B. Shuman told the National Canners Association at Washington, D. C., on May 20.

"Both have an interest in making this partnership work better," Mr. Shuman emphasized.

"Canners, of course," he pointed out, "represent an important market for the products of our farms."

"We want to improve our relationship with you and to make our partnership even more profitable to both parties," he continued.

"Growers are entitled to know as much as possible about the supply and demand situation of the various canning crops, in order that they can make sound decisions."

"Farm Bureau is helping to keep growers well informed by issuing special processing vegetable reports during the active growing season. We appreciate the cooperation of the National Canners Association in supplying us with helpful information for use in these reports."

"We recognize that prices are not set either by growers or by processors. The consumer determines the prices of our commodities. Our greatest common interest is in expanding our markets."

"We know that satisfactory farm income depends on consumer markets, not on government aids. Our major efforts are devoted to building greater markets, not to getting money from the government," Mr. Shuman declared.

"The commodities which specifically interest you, as canners, are not directly involved in the price support program, but the price support issue concerns you nevertheless."

"It concerns you first as Americans interested in the whole direction of our national economy. The route of high rigid price supports, involving what amounts to government price fixing, is the route to a socialized economy."

"Variable price supports, advocated by the American Farm Bureau Federation, are designed to keep us on the route of economic, not political, determination of prices and production. This, we are convinced, is the way to better farm income and better standards of living."

"As processors of fruits and vegetables you are specifically and directly concerned with the question of diverted acres."

"THE AMERICAN Farm Bureau Federation favors restriction on the use of acreage diverted from crops under marketing quotas. Such restrictions would prevent the use of such acreage in competition with fruit and vegetable producers."

"This problem of competition from diverted acres is an example of how rigid government price supports, accompanied by controls, affect not only the producers of the supported crops but other segments of the economy as well," Mr. Shuman explained.

"There are at least four requirements for a really prosperous agriculture: expanding markets, both foreign and domestic, competitive pricing throughout the economy, efficiency of the individual farmer, and a healthy national economy."

"FARMERS have increased their efficiency some 70 percent in the last 15 years. We have produced the largest volume of farm products in history with the smallest labor force on record."

"As farmers strive to reduce their production costs, they must have the cooperation of other groups in attempting to make their products available to consumers at reasonable prices."

"The American Farm Bureau Federation condemns monopoly pricing in business, labor, agriculture and government. If we in agriculture are to continue to emphasize low cost production for a free market, we must insist on free, competitive pricing in industry and labor."

"Government has a responsibility to maintain an economic climate in this country which is favorable to expanding consumption, maximum freedom of operation in agriculture and all other business, and preservation of the incentive system which has helped to give this country world leadership."

## Here's Where The Bills Are Now— Legislative Status

Friday Morning, May 27, 1955

(Many bills of interest to farm families have been introduced in Congress. Most of those not listed in this column have not been scheduled for hearings or consideration by any Congressional committee and are therefore relatively inactive.)

Changes from last week's status are shown in *italic type*.

### INTERNATIONAL TRADE

H. R. 1—provides for a three year extension of the Reciprocal Trade Agreements Act—passed by House and Senate and sent to Conference Committee—Farm Bureau supports. (See NEWS LETTER, May 9, p. 73; May 2, p. 72; Mar. 14, p. 41; Feb. 28, p. 33; Feb. 14, p. 28; Jan. 24, p. 13.)

H. R. 6040—provides for simplification of U. S. customs procedures—House Ways and Means Committee held hearings—Farm Bureau supports. (See this issue, p. 88.)

### PRICE SUPPORT AND ADJUSTMENT PROGRAMS

H. R. 12—provides for amendments to Agricultural Act of 1949 with respect to price supports for wheat, cotton, corn, rice and peanuts by providing rigid supports at 90 percent of parity for 1955 crops (now supported at from 82½ to 90 percent of parity) and extending this support through 1956 and 1957 crops—passed by House—Senate Agriculture Committee has announced hearings beginning June 1—Farm Bureau opposes. (See this issue p. 85, and NEWS LETTER May 23, p. 81; May 16, p. 77; May 9, p. 73; Apr. 22, p. 65; Apr. 4, p. 53; Mar. 28, p. 49; Mar. 21, p. 45; Mar. 14, p. 41; Feb. 28, p. 33 and 34.)

H. R. 6407—provides for choice in wheat marketing quota referendum between (1) quotas with national acreage allotment of 55 million acres and price support between 75 and 90 percent of parity and (2) no quotas with national acreage allotment of 62 million acres and price support at 65 percent of parity—Farm Bureau supports. (See this issue, p. 85 and 86.)

### SELECTIVE SERVICE ACT

H. R. 3005—provides for amending the Universal Military Training and Service Act by extending induction authority to July 1, 1959—passed by House of Representatives—Senate Armed Services Committee plans hearings later this month—Farm Bureau opposes bill and seeks amendment to call young men, whenever possible, before their 23rd birthdays. (See NEWS LETTER, Feb. 14, p. 25; Feb. 7, p. 21.)

H. R. 5297—provides for military reserve units—reported by House Armed Services Committee—pending in House—Farm Bureau has opposed compulsory induction into reserve units. (See NEWS LETTER, Mar. 7, p. 40.)

### RECLAMATION

H. R. 5881—provides for development of small water projects in all 48 states—reported by House Interior Committee—passed by House with amendments—Farm Bureau supports amendment to delegate authority for administration in 31 Eastern states to USDA. (See this issue, p. 87, and NEWS LETTER May 16, p. 78.)

S. 405—provides for development of small water projects in 17 Western states—Senate Interior Committee completed hearings—Farm Bureau supports extension to all 48 states. (See NEWS LETTER, Apr. 4, p. 53; Feb. 14, p. 28.)

H. R. 103—authorizes irrigation districts to assume responsibility for construction and administration of new water distribution systems—passed by House and Senate—Farm Bureau supports.

### COMMODITY EXCHANGE ACT

H. R. 122—places onion futures trading under Commodity Exchange Act—passed by House—Farm Bureau supports. (See NEWS LETTER, May 16, p. 78; Feb. 21, p. 29.)

### FARM LABOR

H. R. 3822—provides for 3½-year extension of authority for Mexican farm labor program—reported by House Agriculture Committee—Farm Bureau supports indefinite extension. (See this issue, p. 88, and NEWS LETTER, Mar. 21, p. 46.)

### FARM CREDIT

S. 1286 and H. R. 6158—provide for increased borrower participation in management and control of federal Farm Credit System—House and Senate Agriculture Committees held hearings—Farm Bureau supports. (See this issue, p. 88.)

### HIGHWAYS

S. 1048—provides for expanded federal program of highway construction, with federal expenditures of \$2.58 billion over a 5-year period—reported by Senate Public Works Committee—passed by Senate—House Public Works Committee holding hearings—Farm Bureau opposes. (See this issue, p. 85, and NEWS LETTER, Apr. 4, p. 53; Feb. 28, p. 36.)

### RURAL ELECTRIFICATION

S. 153 and H. R. 5376—provide for use of a modernized formula for the allocation of REA funds among the states—S. 158 passed by Senate—H. R. 5376 reported by House Agriculture Committee—Farm Bureau supports. (See NEWS LETTER, Apr. 25, p. 67; Mar. 28, p. 51.)

### NATURAL GAS

Various bills—provide for exemption of field pipes of natural gas from federal regulation—House Commerce Committee held hearings—Senate Commerce Committee continuing hearings—Farm Bureau supports. (See NEWS LETTER, May 16, p. 79.)

### MARKET FACILITIES

H. R. 4054—provides for federal mortgage insurance for improvement and development of marketing facilities for handling perishable farm products—House Agriculture Committee held hearings—Farm Bureau supports. (See this issue, p. 88.)

## AMERICAN FARM BUREAU FEDERATION'S— Official News Letter

Editorial offices at 425 13th St., N.W., Washington 4, D. C. Published weekly, except the last week in December in Washington. General offices of American Farm Bureau Federation are at Merchandise Mart, Chicago 54, Ill. Entered as second-class matter at the post office in Washington, D. C., under the Act of Congress of March 3, 1879. Subscription price, \$1.50 per year.

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# House Of Representatives Approves Small Water Projects Bill

The House of Representatives last week approved the enactment of H. R. 5881, generally referred to as the Small Water Projects Bill. The vote was 166 to 48.

The American Farm Bureau Federation has favored the enactment of this bill. It involves a major change in the program toward the development of our water resources for irrigation and related purposes.

Under the provisions of the bill the primary responsibility for the construction and administration of a project must be assumed by a local organization from the beginning.

H. R. 5881 would authorize loans to local agencies for that portion of the cost of a project which would be reimbursable if the project was being constructed by a federal agency. This would include, for example, any portion of the project involved in irrigation or domestic water supply. If any portion of the construction of a project approved under the bill is properly allocable to flood control, navigation, or other nonreimbursable features, a grant covering that portion of the cost may be made to the local organization. This is exactly the same procedure as is now followed with respect to reclamation projects constructed by the Bureau of Reclamation.

Total federal participation in any single project may not exceed a total of \$5 million.

The bill applies to all 48 states. This is a major change in federal policy. In the past all irrigation legislation has been confined to the 17 Western states.

FARM BUREAU has favored the expansion of the program to all states, since in recent years irrigation has been demonstrated as a practicable and economic practice in a great many areas.

The interest of people from eastern areas in irrigation developments and the extent to which irrigation has been increasing in such areas is one of the significant trends of American agriculture.

The significant amendment to the bill was offered by Congressman Robert E. Jones (D.) of Alabama. It was overwhelmingly approved by the House. The original bill as reported by the House Interior Committee had provided that the Department of the Interior would administer the program in all areas.

The Jones amendment provides that in the 31 eastern states the program should be administered by the Department of Agriculture. The Jones amendment was strongly supported by AFBF. The Jones amendment was further amended to include Texas among the states in which the program would be administered by the Department of Agriculture.

Congress has already authorized a substantial participation by the Department of Agriculture in water resource development by enactment in 1954 of

the Watershed Protection and Flood Control Act and the Water Facilities Act. Sound development of water resources necessarily involves integrated development of watershed areas.

The extension of the authority of the Bureau of Reclamation into the 31 eastern states would have involved a continuing conflict between the Bureau of Reclamation and the Department of Agriculture. Farm Bureau recommended that the logical way to resolve this conflict and to insure the integrated development of our water resources is to place the responsibility for the administration of both laws in the same Department.

It will, of course, be true that there will continue to be a conflict in the 16 western states between the programs of the Department of Agriculture under the Watershed Act and the Water Facilities Act and the program of the Department of the Interior under the Small Water Projects Act.

While this is true there is not likely to be the same degree of conflict in the western area, (1) because there are large amounts of public lands administered by the Interior Department in the west, and (2) because in most western areas the primary need is irrigation, with flood control and other related features of less significance.


The Senate Interior Committee has completed hearings on a similar proposal, S. 405. But the Senate has not yet taken any action on the extension of the Act beyond the 17 western states.

## State Brevities

The New Hampshire FBF recently received a \$100 contribution from Mr. and Mrs. Leon Reade—long-time Farm Bureau members—to be used in helping pay off the mortgage on the NHFBF building.

With the addition of three new groups, the California FB Young People's Department is now actively organized in 13 counties. Newcomers who recently joined the ranks are Sutter, Tulare and Stanislaus Counties.

**SECURITY.....**



"THE ONLY TRUE SECURITY IS IN WELL TRAINED HANDS AND MINDS; IN AN ENTHUSIASTIC SPIRIT INTENT ON MAKING THE BEST OF EACH OPPORTUNITY; IN THE CONFIDENCE THAT COMES FROM FAITH IN GOD; IN FREEDOM IN A PEACEFUL WORLD."

— CHARLES B. SHUMAN

### Here's More About—

## 'Eleventh AFBF Institute'

(Continued from Page 85)

others to do likewise."

Dr. Bierly is executive secretary of the Foundation, which is located at Irving-on-Hudson, New York.

A belief in the inherent worth of individual personality is necessary if the trend to socialism is to be reversed, Dr. Bierly stated.

"It follows," he said, "that whatever an individual produces is rightly his own, to do with as he sees fit. To deny this is to deny his individual nature, because unless his property is his own, he cannot be independent of those who have a prior claim on his property."

He explained that more and more, people are turning to government to make their decisions. He pointed out that the schism splitting the world today is between state control of the means of production and individual decisions in the market place.

"THE INDIVIDUAL cannot remain an individual and delegate to another his responsibility to make decisions, without taking the consequences," Dr. Bierly declared.

"If we are to maintain our free enterprise capitalistic system, we must allow the pricing system to operate in normal times," Dr. J. Carrell Bottum told the Thursday assembly.

Dr. Bottum is Assistant Head of Agricultural Economics at Purdue.

"We must allow private property, individual initiative and competition," he declared.

"We should develop our programs to facilitate the operation of the free pricing system."

He pointed out that, in times of emergency, it may be necessary to use temporary measures inconsistent with the capitalistic system. But they should be so recognized and limited to emergencies, he said.

Graduation exercises on Fri-

day afternoon brought the Institute to a successful close.

The consensus of opinion of the students was that the Institute "couldn't have been better."

The Southern region had the most states represented—12. The Western region was second, with 10 states; Midwest, 9; and Northeast, 7. With 138 present, the Midwest had the largest number of students. The South had 68, West 42 and Northeast 12.

### Here's More About—

## 'Monopoly'

(Continued from Page 85)

economic life, and should be prohibited."

The Farm Bureau spokesman said farmer cooperatives have "little opportunity" to achieve monopolistic power because "the freedom of entry into agricultural production and marketing is so great."

"If there is any agricultural product, the price of which is being unduly enhanced in this period when we are struggling with surpluses and a price-cost squeeze," he declared, "we are sure that thousands of farmers who are looking for something they can produce on the land that is being diverted from the production of basic crops under government production control programs would like to find out about it."

## Arkansas FBF Begins Radio Tape Service

The Arkansas FBF has initiated a tape service to radio stations. The format is a discussion of current national issues of interest to farmers, as related to Farm Bureau policies.

Fourteen stations are now using the service, which is prepared by W. J. Whorton, director of information.

### Here's More About—

## 'Highway'

(Continued from Page 85)

tained in the Federal Aid to Highways Act of 1954.

The Gore bill provides that funds shall be denied states which increase weight, length and width limitations above the higher of (1) those provided by the state law as of July 1, 1955, or (2) those recommended by the American Association of State Highway Officials.

The Gore bill also provides that upon request of a state the Secretary of Commerce may acquire limited access rights-of-way and transfer such rights-of-way to the state. Where state legislation does not provide for control of access, the federal government would retain the outside five feet on each side of the right-of-way, to permit control of access until such time as the state legislature has enacted legislation for state access control.

BEFORE APPROVAL of the bill it was amended in several significant respects.

One of the amendments deleted the authority contained in the Gore bill for the federal government to acquire easements along the right of way to prevent or control advertising in areas adjacent to interstate highways.

Another amendment struck out the proposal in the bill that the Davis-Bacon Act would be applicable to interstate highway construction. This Act requires contractors to pay such prevailing wage rates as are established by the Secretary of Labor.

THE SENATE also rejected an amendment to provide for the payment of a federal license fee for trucks using the interstate highway system.

Farm Bureau opposed the Clay Committee and the Gore proposals. But FB considers the Gore bill far more acceptable than the program recommended by the Clay Committee. Farm Bureau is opposed to application of the Davis-Bacon Act to highway construction and is opposed to federal licensing of trucks.

The Gore bill differs from the Clay Committee proposals in several major respects. Under the Clay Committee proposal all of the increased funds from the federal government would have been devoted to the interstate highway system. The amount of federal funds provided for the primary, secondary and urban systems would have been frozen by the Clay Committee proposals. The Gore bill, on the other hand, provides a \$200 million for the federal contribution to primary, secondary and urban roads.

THE MAJOR DIFFERENCE between the two proposals, however, is that the Clay Committee would have established a federal corporation to borrow money for a 32 year period, secured by dedication of the federal gasoline tax revenues. The Gore bill follows the usual practice of past highway legislation. Funds appropriated by the bill are from the general fund, rather than from the earmarked revenue of the federal gasoline tax.

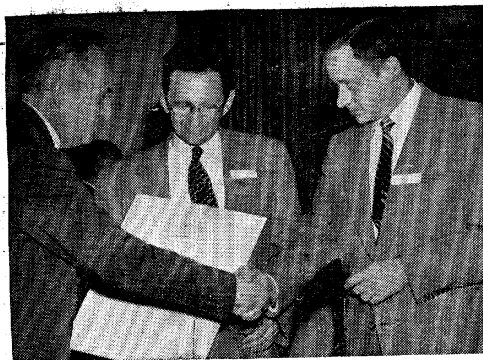
## Fewer Horses In World As Tractor Use Climbs

World horse numbers continued to decline during 1954, USDA reports. Declines in recent years have been general in North America and in Western Europe.

However, horses have been on the increase in Eastern Europe and in Russia.

In 1954 there were 74,500,000 horses in the world. This is about 22 percent less than before World War II.

Farmers in the U. S. operate 60 to 65 percent of all the tractors used on farms in the world.



FOR PROMOTING BETTER UNDERSTANDING between farm and city people, the Indiana Farm Bureau has been awarded a "Certificate of Public Relations Achievement" by the American Public Relations Association. Jha H. Smith, immediate APRA past president, is shown congratulating Norman H. Shortridge (right), Indiana FB public relations editor, while Glenn W. Sample (center), Indiana FB director of information, looks on.

## \$225.5 Million Worth Of Farm Commodities Sold For Foreign Money

USDA reported last week that the total to date of programs for the sale of surplus agricultural commodities abroad for foreign currencies under Title I of Public Law 480 (Agricultural Trade Development Act) amount to \$289.5 million (CCC cost) and \$225.5 million (export market value).

Included in these programs are approximately 27.6 million bushels of wheat, 40.2 million pounds

of tobacco, and 412 thousand bales of cotton.

Other commodities sold under the program include feed grains, rice, dairy products and vegetable oils.

Nations participating in the program, in order of dollar volume, are Yugoslavia, Italy, Pakistan, Turkey, Spain, United Kingdom, Israel, Argentina, Finland, Chile and Peru.

## Market Facilities Act Gets Farm Bureau Support

Legislation to help local people renovate "antiquated and obsolete" wholesale market facilities has received Farm Bureau support.

In a recent House Agriculture Committee hearing, Farm Bureau supported H. R. 4054—a bill to encourage the improvement and development of marketing facilities for handling perishable farm products.

The bill would provide federal mortgage insurance for the construction of new markets.

"Although tremendous progress has been made toward increasing the efficiency of production and marketing of perishable agricultural commodities, in many of our major markets these products must still move through antiquated and obsolete wholesale market facilities originally constructed many decades ago," Farm Bureau said.

"Needless to say, these obsolete facilities take an unnecessary toll of all produce passing through the markets. The costs of such waste are shared by producers and consumers."

"The problems to be overcome in the development of modern wholesale markets are many and varied," the AFBF statement pointed out. "The difficulty of financing more adequate facilities is one of the problems to be considered in each instance. The enactment of H. R. 4054 would help to minimize this particular difficulty by authorizing mortgage insurance."

Farm Bureau recommended one amendment to the bill—a change in the maximum mortgage period from 40 to 30 years.

"In some instances rapid obsolescence will outdate the facility before 40 years has elapsed," Farm Bureau said.

## FB Backs Customs Simplification Legislation

The American Farm Bureau Federation told the House Ways and Means Committee last week that "proper administration of our customs laws" are as important as the systematic reduction of tariffs in the Administration's foreign trade program.

In a statement filed with the Committee, John C. Lynn, AFBF legislative director, urged Congress to pass H. R. 6040, the Customs Simplification Act of 1955, as the next step in building a consistent national trade policy.

The Farm Bureau spokesman pointed out that the House of Representatives had passed similar legislation in 1953. His statement disclosed that a Bureau of Customs survey has subsequently revealed that the enactment of the measure would not work a hardship on any segment of industry.

Mr. Lynn called the current provisions of the customs law "obsolete." He strongly supported the new bill's provisions for eliminating the use of "foreign value" when determining the worth of goods being imported in the U. S.

"The use of 'export value' best reflects commercial value," he said, "because it determines price for quantities in which the product is normally sold in export."

By eliminating the confusion and delay resulting from the current law, he added, "additional import sales will be made possible and additional dollar credits will be available to purchase our export products."

## Rice Price Supports

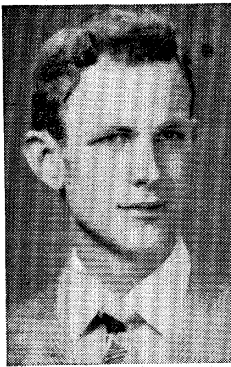
USDA has announced a minimum national average support price of \$4.66 per hundredweight for 1955 crop rice. This is 85 percent of the April 15 parity price.

## Connecticut FBA Names Field Director

George Simpson, Jr., has joined the staff of the Connecticut Farm Bureau Association as field service director. His activities will include establishment of discussion groups in each county.

Mr. Simpson will also activate the CFBA's commodity programs.

A graduate of the Lyman Hall High School in Wallingford, he



GEORGE SIMPSON, JR.

majoring in dairy farming at the University of Connecticut. After leaving college, he became a partner with his father in the operation of a 50-cow dairy farm.

Mr. Simpson is married and has one son.

## AFBF Asks Benson To Support Non-Highway Gas Tax Exemption

The American Farm Bureau Federation has asked Secretary of Agriculture Ezra Taft Benson to support legislation to exempt non-highway-used gasoline from the federal gasoline tax.

John C. Lynn, AFBF legislative director, wrote Mr. Benson that numerous bills to accomplish this objective have already been introduced in Congress.

Senator Harry F. Byrd (D.) of Virginia, chairman of the Senate Finance Committee, has already indicated that his Committee will hold hearings on this subject, Mr. Benson was told.

FARM BUREAU has asked the Secretary to represent the interests of farmers in any consideration of the matter by the President's cabinet.

Farmers are now being taxed from \$40 to \$60 million each year for gasoline used on the farm, the AFBF letter said.

"Farmers should pay an equitable share of the cost of building highways as determined by their proportionate use of highways. But this \$40 to \$60 million, paid as a tax on a farm production supply, has no relationship to the use of highways," Mr. Lynn wrote the Secretary.

"GASOLINE is the major source of power on the farm. If power used on the farm is to be taxed to build highways, it would be just as equitable (or inequitable) to tax oil used for heating, coal used for making steel, diesel fuel used in locomotives, or electric power used to produce aluminum, and to use the tax revenue thus acquired to build highways.

"But there is no relationship between any of these sources of power and the use of highways. Nor is there any relationship between gasoline used on a farm as a source of power and the use of highways.

"In short, it is our viewpoint that the tax on non-highway-used gasoline is inequitable and discriminatory."

"We would therefore like to urge," Mr. Benson was told, "that you undertake to obtain the adoption of an Administration policy that non-highway-used gasoline should be exempt from the federal gasoline tax."

## Farm Bureau Offers Views On Rice Growers' Problems

Two major objections to a multiple-price plan for rice were raised last week by the American Farm Bureau Federation.

But Frank K. Woolley, AFBF legislative counsel, told a Senate Agriculture Committee hearing that Farm Bureau has "no specific position" on such a plan.

AFBF has vigorously opposed a multiple-price plan for wheat.

Mr. Woolley noted that the multiple-price rice plan—like the three-price wheat program—could be regarded as "dumping" by foreign countries.

"We can expect affected nations to retaliate if we dump our products," he declared.

"THE PROBLEM of making an equitable division of the domestic market between producers who now sell varying percentages of their production to domestic consumers is by no means minor," Mr. Woolley continued.

"We have seen no evidence to indicate that the growers who have domestic markets that have been developed through the promotion of cooperative and company brands, would be willing to pay a tax to finance payments to growers who produce largely for export."

At the same time, the Farm Bureau spokesman noted that "a multiple-price plan for rice would have relatively little impact on the U. S. market for other commodities, whereas a multiple-price plan for wheat would dump surplus wheat into the domestic

feed market in competition with other feeds.

"It should be noted also," he continued, "that (1) there is no international agreement affecting rice prices while there is an International Wheat Agreement; (2) U. S. supplies are smaller in relation to world trade in the case of rice than in the case of wheat; (3) the administrative problems involved in a multiple-price program would be easier to handle in the case of rice, because rice is a much smaller crop than wheat, has fewer uses than wheat, and must pass through dryers, a fact which would facilitate the checking of compliance."

"Our general policies are such that we could not support a multiple-price plan for rice unless our Board were to find that the rice situation involves special considerations which justify an approach that we oppose for other commodities," Mr. Woolley told the Committee.

"Accordingly, we believe that serious study should be given to alternative possibilities for rice."

One possible alternative, which the AFBF legislative counsel suggested, is a program like that now in effect for corn.

"THE CORN PROGRAM has a great deal more flexibility," he pointed out. "Since corn is not subject to marketing quotas, there is less pressure for producers to reduce production and more opportunity to adjust support prices if supplies accumulate."

"In a sense, the corn program actually gives growers an optional two-price plan. Those who comply with their allotments are eligible for price support—those who exceed their allotments must take their chances on the market, which may be lower."

"In the long run, lower support prices would mean larger export markets and consequently larger allotments for U. S. growers. Putting rice on the same basis as corn, that is, on acreage allotments and variable price supports without marketing quotas, would give producers the opportunity to decide individually whether price support is worth the cost in terms of reduced acreage," the Farm Bureau spokesman declared.

But he said this would not necessarily provide a complete or permanent solution to the present rice problem.

Mr. Woolley indicated that the AFBF Board of Directors is studying the problems of rice growers. "We will make more definite recommendations as soon as possible," he told the Senators.

Farm Bureau recommended amending the two bills to delete a provision which would give the federal government a contingent interest in the reserve funds of the banks for cooperatives after the original federal funds have been repaid to the government by the cooperatives who obtain credit from this branch of the system. The Farm Credit Board has made a similar recommendation.

## J. C. Crill, California FB Leader, Dies

An automobile crash in Southern California has cost the life of an outstanding Orange County Farm Bureau worker, John C. Crill of Garden Grove.

Mr. Crill, who was 74, played an important part in establishing the former citrus committee of the American Farm Bureau Federation. He served for several years as its first chairman. He also helped to establish the Orange County Farm Bureau in 1918 and was its president in 1931, 1932 and 1935.

U. S. exports of cottonseed oil last year were the largest on record.

## World Cotton Crop

World cotton production in 1954-55 is now estimated at 36.8 million bales, USDA reports.

World cotton production in the past three years has exceeded world consumption by one to three million bales per year.