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DEPARTMENT OF AGRICULTURE AND ECONOMIC MOBILIZATION

28 May 1951

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The Honorable Charles F. Brannan, Secretary of Agriculture, was born in Denver, Colorado, 23 August 1903. He was graduated from the University of Denver Law School in 1929, and now holds honorary degrees of Doctor of Laws from the University of Denver and Doctor of Science from the Colorado Agricultural and Mechanical College. He also serves as honorary member of the National Council of Boy Scouts of America. Throughout his career he has dealt with problems involving natural resources. His private law practice in Denver from 1929 until 1935 included considerable work in the field of irrigation and mining law. In 1935, as assistant regional attorney in the Resettlement Administration, he arranged the purchase of drought-stricken land in the Mountain States. Between 1937 and 1941, as regional attorney in the Department's Office of the Solicitor, he aided in the formation of irrigation districts and other cooperative projects undertaken by farmers to help solve their land and water problems. He administered a program of water facilities loans as well as supervised credit for individual families from November 1941 until April 1944 while he was regional director of the Farm Security Administration (now Farmers Home Administration) in the States of Colorado, Wyoming, and Montana. In April 1944 he was called to Washington to become assistant administrator of Farm Security Administration, and two months later he was appointed by President Roosevelt as Assistant Secretary of Agriculture. As Assistant Secretary, he carried general responsibility for work which the Department does directly and in cooperation with other agencies in flood control, development of water facilities, and management of public domain grazing and timber lands. During a period of postwar food and feed shortages he also served as director of the Department's Office for Food and Feed Conservation. While Assistant Secretary, he served as vice-chairman of the Department's Program and Policy Committee in formulating recommendations which were presented to Congress in 1947 on long-range agricultural policy and programs. He was sworn in as Secretary of Agriculture on 2 June 1948. In 1949 he presented for the Administration further recommendations on price supports aimed at increasing the consumption of farm products and maintaining farm purchasing power. He has served as vice-chairman and is now Chairman of the Board of Directors of Commodity Credit Corporation. He has carried out several assignments in the international sphere: Agricultural adviser to the United States Delegation at the San Francisco organizing conference of the United Nations; delegate to the Ninth International Conference of American States at Bogota, Colombia; head of U. S. delegation to the Inter-American Conference on Conservation of Renewable Natural Resources at Denver, Colorado, of which he was elected President; head of U. S. delegation to and elected Chairman of the Fourth Annual Session of the U. N. Food and Agriculture Organization held in Washington, D. C.; member of the U. S. delegation to the United Nations Scientific Conference on the Conservation and Utilization of Resources; and adviser to the U. S. delegate to the U. N. Economic and Social Council. On 7 January 1949, President Truman designated Secretary Brannan to be in charge of presenting the national economic stabilization program to Congress.

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GENERAL VANAMAN: Gentlemen, the maximum production of the American farms is a vital weapon in our struggle against communism, and it is an absolute necessity in case war is forced upon us. The mobilization and the efficient utilization of some millions of farms--the number varies from some two million if you take the big farms to some five million when you take in all the producing units--is the task that President Truman has given to our speaker of this afternoon. The college is most fortunate that this vital phase of economic mobilization will be discussed by the person who knows the situation best--the Secretary of Agriculture, the Honorable Charles F. Brannan.

Secretary Brannan, it is a great honor to have you here this afternoon. It is a real pleasure to present you to the Industrial College of the Armed Forces. Secretary Brannan.

SECRETARY BRANNAN: General Vanaman and gentlemen: I appreciate the opportunity of being here and discussing with you some of the problems of agriculture; it seems that every day of my administrative life here in Washington I have become more aware of the closer and closer integration of all the things that go on in this country of ours. In this period of mobilization I am especially conscious of the close interdependence and integration of the agricultural mobilization of the country with the industrial, with the military, and with all the other phases of our mobilization.

I appreciate the opportunity, then, to discuss this situation of interdependence with you, who are going to have a great deal to do with the military phase of our mobilization. The realization that you cannot divorce yourselves from the other phases seems to me to warrant our taking some time together.

I hope, if I may say it, General Vanaman and gentlemen, that this will not turn out to be a speech. I do not come here to convince you of any point of view. I come here to give you what information I may be able to impart about the things which I think are of as much concern to you in your military and official capacity as they are to you as citizens of this great country of ours.

I do not intend to read to you any material. I shall not attempt to be specific in minute detail about any of the things I touch upon. For example, if I say that there is a given number of farms of a particular category, if it becomes necessary to mention that, it will be in round figures. Those of you who may have read a few statistics might find that it would be 100,000 more or less one way or the other. But for the purposes of this discussion that would seem to be relatively unimportant.

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There are many of us in this country who have taken agriculture for granted. The danger in that is that we have a feeling as we go through life that in this great country of ours there will always be a lot of food. Few have ever worried much about our total food supply. Our food seems always to have come to market at the appropriate season of the year, and that is all most people have worried about.

That has traditionally been true in this country. For this country has enjoyed the highest level of diet of any country in the world. But, looking forward for a moment, you can see clearly that we are arriving at a period of time when the process of producing food, in the quantities and of the types and for the purposes for which it is needed, is becoming more and more of a scientific job.

We now are producing enough food to feed 153 million people. In addition to that, we produce many agricultural commodities that go into industrial uses. I might mention particularly the vegetable oils widely used in industry; the cotton linters which go into ammunition; the alcohol so vital in the use of many military devices; and the plastic materials which are derived from many agricultural commodities.

Just to give you an example: If I am informed correctly, the alcohol that powered the buzz bombs that went from somewhere across the Channel to London late in World War II came chiefly from potatoes. I recall also that during World War II, our country took 100,000 tons of sugar right out of the hands of the domestic economy and put it into alcohol. There are many, many other examples of industrial uses and direct military uses of our agricultural products. Clothing and so on, both cotton and wool, are other obvious ones.

But now today we are using food in many other ways. We have about decided, I think, that we are going to ship two million tons of wheat to India. This will not be done solely for humanitarian reasons. Sure, humanitarian motives are involved. Everybody wants to keep the Indian people from starving. You and I know that starvation is the rule in India. A lot of them starve. The rate of starvation varies maybe 10 or 15 percent one way or the other, depending on economic conditions. But we are not shipping the wheat to India solely for humanitarian reasons. We are shipping the wheat to India as a device to fight the growth and spread of communism which now threatens all free nations. Thus food has an additional use as a powerful diplomatic and economic weapon in the present world conflict.

I believe that if our people as a whole are to meet the challenges of these times, they must be given a well-rounded diet. Of course, we could live in this country for a good, long time with a lot less agricultural production than we are enjoying. Just to give you one quick example: It takes about, let us say, in the neighborhood of 12 to 13 or 14 pounds of corn to make one pound of pork. Well, we could possibly stretch our

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food supply by eating the 14 pounds of corn rather than the one pound of pork. It would be a little hard on the teeth, but I suppose we could grind it up and cook it in an attractive way.

But, actually, the protein intake from 13 pounds of corn has been consolidated into one pound of pork. And it is a very much more desirable type of protein for human utilization. As the medical people in your group will tell you, the amino acids in proteins are important health factors.

So it is not just merely a question of keeping alive in this country. It is a question of living with a level of diet which will maintain the high level of health to which this country has become accustomed. In short, our mobilization is not a matter of guns or butter in this country; it is guns and butter. And it can be carried out successfully on this basis. It is being done now. In my opinion it will continue to be done for a long time, because of the level of intelligence of the people in this great country of ours and the start we have had in production.

So much for that phase of it. I think from my point of view I would like to say that I want to re-emphasize that what we are dealing with now in terms of production in this country is not guns or butter. It is a possibility of producing both and doing it well.

It might help us if I go immediately into the very controversial question which is troubling everybody in this country right now--that is meat. You say: "Brannan, we are going to try to have all the meat that the people in this country want and put it on the market at fair prices." Well, I realize that greater production is one answer to all the control types of programs that this country is talking about now. But I just want to say to you very promptly that the production of meat is not up to the level of consumer capacity in this country and will not be in the foreseeable future. Per capita we are consuming in this country about 148 pounds of meat this year--red meat, that is, beef, pork, and lamb. Last year we ate about 145 pounds. Over the period of the next year or two, if we keep our corn production at a high level, we may be able to increase that by another 3 pounds.

But during World War II we ate 155 pounds of meat in this country. The people of Argentina eat over 240 pounds of meat, and the people of Australia and New Zealand eat over 200 pounds of meat.

I am not prepared to say to you at what point you might be able to satiate our people on the intake of meat if they had access to it at reasonable prices. Therefore I want to dissociate your minds from the possibility that we could produce all the meat that this country could consume at reasonable prices.

Of course, we can produce all the meat that would be taken at the market prices if the prices are allowed to move up and up and up, because, after all, what you would have then would be simply the economic principle of price rationing. Those who can't pay for it don't get the product. Therefore the competition for the limited poundage is controlled by the people who do have the money to absorb it.

But now, if we can go back to fundamentals, I would like to bring up another matter. If you folks were to be in China today and had to stop and look at the agriculture of that country, you would find that about 90 percent of all the people in China are working at the business of feeding themselves and the few remaining people of China. If I may venture, General, just a possible suggestion as to the reason why the Chinese are not better equipped today to fight the kind of war that they are attempting to fight, it is because so many of their people are engaged in the production of food that they cannot have an industrial development of any consequence. So, with that in mind, let us move back into the United States for a moment.

At the beginning of the 1800's in this country one man working on the farms of this country fed himself and about 3 other people. Today one man working on the farms of this country feeds himself and about 15 other people. Of those 15 other people, 10, 11, or 12 have gone into the factories. They are the people who built and put together the great industrial organization of the United States. In short, it is the development in agricultural technique, in agriculture's ability to produce and take care of itself, that is one of the significant economic factors upon which we now build a very healthy and strong and great economy in this country.

Not merely the agricultural economy is strong, but the balance of the economy is strong because agriculture has learned to be strong and has learned to be efficient.

Since 1935 to 1939, or prior to World War II, agriculture has increased production by 40 percent. It did this on approximately the same number of acres of land and with approximately a million less people working on farms. Output per man in agriculture during the past 10 years has increased by about 50 percent.

It seems to me that this development is one of the most striking and significant facts about agriculture—the fact that the efficiency of production has so increased in this country that we are able to release so many more people for the other walks of life which go to balance out and round out our great economy.

Now, let me just touch on one other basic element that, it seems to me, is involved, and that is the supply of productive resources. Our forefathers in the early days of our country operated the land that they needed to produce the foods which they could produce. When that land

became worn out, or as the population increased, they just took in more and more land farther west. Greeley said it--"Go west, young man." They went west and brought more and more land under cultivation in this country; as a result of that, the Pacific Coast was reached.

It is not now possible to increase production in such an easy fashion. You just simply can't walk over west and add another 10 million acres to our farm lands. Sure, we are going to add some by reclamation over the period of the next 10 or 15 years. The Reclamation Service and the Army Engineers are going to add maybe 10 million acres of land to our total basic productive pattern. But I might point out a thing or two about that.

Reclaimed land will not be new agricultural land in the true sense of the word. Such land will be reclaimed in sections where they are now producing livestock through grazing. It will become irrigated and will produce intensively cultivated crops of various kinds.

If the country is to continue to be strong and meet all its food obligations, both domestic and international, political and otherwise, then we must concentrate our efforts on the land which is under our feet. We must concentrate on the some billion acres of land in this country which is used for grazing and livestock operation, and some 450 to 500 million acres which are in active cultivation. This land of 450 to 500 million acres ties back into the statement I was making a moment ago about the increase in our efficiency of production, because year in and year out that amount of acres is about all we are using for the cultivation of corn, cotton, wheat, tobacco, rice, peanuts, and all the intermediate cultivatable crops that we want to produce in the United States.

So I would just like to say that the problem of American agriculture is increased efficiency. We already have great evidences of increased efficiency. You have heard of the results of research in hybridization. The yield of corn per acre is the principal example of that. In Iowa, let us say, 15 or 20 years ago the average yield per acre was 30 bushels of corn. Iowa may be able now to get as many as 70 bushels on the average in some counties. Many of the acres of land in this country produce 100 bushels of corn to the acre. That is primarily the result of hybrid seed corn, plus new means of dealing with the insects that attack corn, plus new types of fertilizer, plus new types of machinery for getting the crop in when adverse weather conditions might have kept out of cultivation considerable acreage.

I will just take off on that angle for a moment into the area of machinery. There have been times in this country when people lost the use of many, many acres of land because the spring was so wet that by the time the land dried off, they couldn't with a horse plant seed early enough to get the crop matured before the first frost.

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Now, as you know, on the first dry day out in the Midwest, the farmer hops on a tractor and runs it until night. Then he comes back to the shed, puts a spotlight on the front, and his boy gets on the tractor. And in two or three days he has everything he can plant, planted. He isn't squeezed against the frost line in September and October. This is true of wheat and it is true of many other commodities. That is one of the great virtues of machinery, not only because it is easing the burden of production in this country, but because it actually makes production possible where, without it, people would never have been able to produce.

You will be interested in this too---that because we have been able to shift from horse-drawn and other animal-powered machinery on the farms in this country to tractors and other power-drawn kinds of machinery---we have during the last 30 years released about 65 million acres for the production of food and other purposes. In other words, 65 million acres of land were used to raise the food to feed the horses and other animals that were the power sources with which we operated our vehicles. That is now being released from feed production back into the channels of trade.

I don't want to talk too long this afternoon, because I do want to be available to answer questions and to discuss the areas in which you might have primary interest. I just want to put this in relationship to its situation in an emergency pattern.

We went into World War II with considerable surpluses. As you recall, at the outbreak of World War II, because of the menace of the submarine, our exports of commodities in world trade, except for military use, were very much curtailed. Therefore we accumulated during World War II considerable quantities of surpluses of various commodities. Cotton was one of them; wool was another one. Right after World War II the United States owned under its price support operation half a billion pounds of wool. The British Government, acting as agent for Australia and New Zealand, controlled almost three billion pounds of wool. We thought it was going to take us 10 or 15 years to get rid of that wool, but we got rid of it in about two years. Now everybody is in a very serious wool shortage position except Australia, which is sitting on top of the world, with one of the most desirable crops, commanding very high prices.

There were some other surpluses at that time that weren't of great significance. Wheat grains were among them. But immediately hostilities broke out, a demand for meat came, and the rest of the surpluses began to disappear into the domestic economy.

I don't know whether you remember that at the beginning of World War II everybody was saying: "There is no need of rationing. There isn't going to be any need for controls. Look at these surpluses of food." These surpluses of food disappeared into the economy, and we were in a rationing program long before many folks knew what was happening.

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Less than a year ago I was under personal attack—I am not asking for sympathy; I like a good fight once in a while—for making some suggestion that would solve the prevailing surplus problem. We had the problem of an accumulation of 100 million pounds of dried eggs and tremendous quantities of butter. And, of course, I always catch h— over potatoes.

May I point out how we got into that potato problem? The scientists got us into it. We produced on the average 136, if I recall correctly, bushels of potatoes to the acre before World War II. As we got into World War II and we got to using things like DDT and 2,4-D and a couple of other things, we learned to kill the insects, the potato bugs, and control the diseases that attack the potato. And as a result we began to get in two years a yield per acre around the country which is now close to 300 bushels. I think it was an average yield of 287.5 bushels of potatoes to the acre. In California, in the Imperial Valley, the farmers produced as many as 1,200 bushels to the acre. So you can see how you can get into a lot of really serious problems by the scientists doing their job well.

Coupled with that was the increase in the price support under potatoes, which we had put on to induce farmers to produce potatoes in high quantities for the war. At the time we asked them to produce potatoes, we said to them: "If you get into this business, we won't let you down on Victory Day. We will sustain your price for two years thereafter."

It was sustaining that price for two years thereafter, when the consumption of potatoes went down, that got us into this trouble. The economists in the Department tell me that, if you gave the potatoes away, you probably wouldn't get very much more of a disappearance of potatoes in this country than you are getting now. At these prices you might get them to eat three or four or five pounds per capita more, but certainly not very much more than that.

Well, I have gotten off a little bit on the potato problem, which I think you will understand. I just want to go on with the World War II experience. We went into the war thinking that we had surpluses. When we were in the midst of it, we soon began to realize that not only we didn't have surpluses, but that we had great shortages.

We had shortages, not because production had gone off—actually production of everything had gone up—but we had shortages because it is the buying by the American people which, after all, determines whether or not we have a real shortage of any commodity.

You have a surplus of a commodity that nobody wants even if you have only a pound. And you have a real shortage of any commodity for which the demand exceeds the supply available in the market. That is the case with

meat today, and that was the case with many commodities during World War II. Therefore the American farmer has cut loose in his production effort, and he has increased about 35 percent during the war and 5 percent after the war in the production of agricultural commodities, again with the same land, but with a million less people working in agriculture.

One of the devices, authorized by law, which we used to increase the production of agricultural commodities was the so-called price support device. If you wanted to move people out of the production of, let us say, artichokes, which were not essential to the war effort, into wheat, you could not under the Constitution go out and order a fellow to quit growing artichokes. If he wants to grow artichokes, that is his land and he can grow artichokes. If he wants to put in more acreage, that is his business too. Therefore we induce them by making it more attractive to go into some other business. That is something that is inherent in a democracy.

Therefore when we got really over the barrel for linseed oil—to be used in paint and other critical military items—we didn't go out and order one single wheat producer in this country to quit growing wheat and start producing flax. All we did was to raise the price support on flax to such a damned attractive level that he couldn't go on growing wheat.

Therefore in the areas where the production of flax was justified, farmers automatically shifted out of wheat and shifted into flax. At first, Peron had us by the throat, saying, "You will get no more flax for linseed oil out of this country unless you send us this, that, and the other thing." But within one year we had freed ourselves from Peron. As a matter of fact, we have a lot of that flax still in the Commodity Credit Corporation's warehouses.

We really got an awful going-over on this production of flax, because, in addition to a lot of farmers having shifted over, there was a perfect growing season. We got more flax than this country could use for linseed oil. We had flax to burn, as a matter of fact.

So price support adjustment was one of the chief devices used to influence production.

As we went on and induced farmers to produce great quantities of the things we needed, it seemed to us that it was also essential to say to them: "If you produce more than will clear the market on a given day as a result of all the urging we have done, we are not going to let your price be destroyed in the market place by the operation of the simple laws of supply and demand."

It was from that premise that we got into the postwar price support operation which a lot of you folks call a subsidy. That is as good a word to describe it as anything. I for one am not going to be frightened out

of doing what is correct or right simply by the use of a term. The question is, Is a subsidy the best device to get done what is in the public interest? If it is, let us use it. If it is not, then let us go to the next thing, whatever you want to call it. It doesn't make any difference to me.

We have in this country developed one of the finest systems for making it possible for farmers to use their land intelligently, and for making it productive this year and for years to come in keeping with the needs of our increasing population. We have done it by research. We have done it by expanding acreage. We have done it by education, by seeing that the farmer knows how to plow his land correctly, not up and down hill, but on the contours. We do it also by means of bringing stability to his market prices. We assure him that when he has produced for the common benefit, and as a result of all the things he has learned about producing under a more efficient process, and more of his produce comes to market than will clear at a fair price on a given day, we will stabilize his price for him.

Those are some of the devices which we used in World War II. They are the kind of devices which will be used if we have another war. We are already in the process of inducing production by stabilizing prices on more and more commodities that are essentially needed in the market place.

So I might just conclude these remarks by saying again that in agriculture we have moved forward tremendously in the form of research. We now have hybrid seed corn. We have beautiful new machinery that does the job more simply. We now have electricity on most of the farms in this country.

Whereas in 1928 and 1929 only about 2 farms out of 10 had electricity, now over 8 out of 10 have electricity. That makes it a great deal easier for the farmer to produce. It helped to release a substantial number of those farmers, a million men, who have left agriculture and moved over into industry. To give you an example, the electric milking machine alone has contributed a great deal to the release of manpower from the production of dairy products.

We have promoted a type of credit which is adapted to American agriculture--in other words, a long-term credit of various kinds, at reasonable rates and without renewal fees and charges. That was another tool. Finally, we came along with what is called the price support mechanism. Those can all be available again.

And I would just like to say to you fellows, because I know most of you are flying from time to time in the daytime, just look out the window down at the ground beneath you, when you can, and look at this beautiful

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pattern of American agriculture---farm after farm after farm, well kept, with people living on them who have a decent income. A few people say they are getting too much. Maybe they are and maybe they are not. That is American agriculture. Everybody has a stake in it. There are probably five million farm families making a steady living producing the things that the economy needs.

Then perhaps you will have the opportunity of flying over some area where they have not learned the lessons we have learned. Areas where 80 or 90 percent of the people are still engaged in some kind of farming operations, yet not producing enough to take care of themselves adequately. Their production gives them little more than a starvation diet while we, by our intelligent use of the land under our feet, have achieved the highest diet not only in our history, but in the history of the world.

Remember that out of those farms come not only the things that feed you well---beef steaks twice a week or so---but food to be used to implement our foreign policy. We can send food where we might otherwise have had to send men and guns and a lot of other equipment. Off those farms will come some of the best fighting men that you will have and the best factory workers this country will have, because the number one export from the American farms is kids. It is technological development which has made it possible for these people to move away from the farms to the cities. It is from that reservoir that we build not only our great industry and our great military strength, but also a strong and healthy people.

The economics of agriculture is pretty complicated. It is the most complicated, in my opinion, of all. Therefore I have not tried to go into long and involved economic arguments. I don't hesitate to do so, and I will do so as a result of your questions if you want me to. I assure you that within the limits of my ability to do so I will attempt very forthrightly to answer any questions that you ask. I don't care how critical they are or how searching they are. I do have my limitations, I might confess; because, after all, I am a lawyer, not a farmer. However, I do have a ranch in eastern Colorado that I bought out of the earnings of my law practice.

The Department of Agriculture, of course, is made up of entomologists, economists, and scientists of all types and varieties. They are a very great and fine bunch of people. It would be presumptive of me to represent to you that I know any great portion of what is known by all of them. So within my limitations, you will get what information you like if you ask for it.

QUESTION: Mr. Secretary, I was out flying over some of your farm lands in western Kansas two weeks ago and it didn't do me a bit of good. Those farms were blowing away at that time. The next day they started washing away. They had a week of the hardest rain and it was washing out

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a lot of farm land. I am wondering what the prospect is of your scientists doing in a small measure for wheat what they did for potatoes. In addition to the seasonal hazards, it seems that a new insect of some kind has been attacking the wheat, both last year and this year; so that the prospect is for a very poor yield. Is anything being done along those lines?

SECRETARY BRANNAN: Yes. We are very conscious of the problems that the climatic conditions in that part of the country cause. I might talk collaterally to the point for a moment, if I may, and point out that, as soon as we began to observe that we were going to lose a considerable part of our wheat crop in that southwestern part of the country--in Oklahoma, Texas, southern Kansas, and southern Colorado--we began to get ready to ask the farmers to shift to another crop which would grow with less moisture.

Of course, that country will be replanted, and is now being replanted, with grain sorghum. That perhaps, biblically speaking, was the first wheat anyhow. I think most of you know what it is. It looks like a cornstalk, but with a heavy head. It is a human food crop in addition to being a feed crop. One part of the people in India eat sorghum. We shipped over a million tons of grain sorghum to India in the last year or two for food. So that land will not go idle. That is the first point I want to talk about.

Second, our scientists have attacked the problem and are now working on it vigorously. In my opinion they will crack it. I say that because they have cracked such problems before. The wheat crop in this country has once or twice before been threatened by a rust, so-called. The particular variety now causing damage is called 15B. The wheat crop was threatened in the early part of this century with destruction by rust. The scientists went to work, not to destroy the rust, but to get types of wheat which were rust-resistant.

You might be interested in how they did it. It was a very simple device. They walked out into the infested fields until they saw here and here and here a few stalks that seemed to be able to withstand the infestation. They took those and out of them grew a whole new family of wheat--the kind that covers the wheat country today. Our scientists can do that again. As a matter of fact, our scientists are in Mexico, where, for instance, 15B has been prevalent. What has been attacking our wheat country is actually a migration of that disease up from Mexico.

Rust, as you know, is a type of fungus growth. Our laboratory at Peoria, Illinois, is the number one laboratory of the whole world on types of fungus and mold that grow on agricultural products. The scientists are working very strenuously on 15B. I just predict that you will see it cracked. Once they find a rust-resistant variety which is capable

of producing well and meeting all the other requirements, the quantity of seed can be expanded in just a short time. It is remarkable how quickly it can be done.

The other infestation is the so-called green bug, a mite. That will respond to the application of various insecticides. We are working out a formula for the insecticide to show what quantity should be used, how it should be applied, at what periods in the life cycle of the insect it should be applied, and so forth. All those things have to be taken into consideration. We will solve that one, I think. I don't look for the destruction of the wheat crop.

In the interim we will have, according to the last estimates of the Bureau of Agricultural Economics, a crop of about one billion bushels of wheat this year. Our average has been running around 1.3 billion bushels.

That sounds bad. But, as you will remember, we carried over 420 million bushels after we finished shipping 75 million bushels of wheat to India under contracts already in process. Most of this we have shipped. From this carry-over we will probably deduct another 75 million bushels and ship it to India. Therefore we will have about 350 million bushels of wheat in this country, with the carry-over from last year's crop. That means we are in pretty good shape. We don't have too much to worry about in the way of a reduction in our wheat production.

The impact of the reduction of any one grain must always be related to the production of meat. We produce 3 billion, 3 or 4 hundred million bushels of corn each year. About 90 percent of this goes into animal feed. We don't eat much corn. The whole country consumes only about 50 million bushels of corn, even with what we drink. The corn is raised chiefly for animals. We eat our corn crop mostly in the form of beef, hogs, chickens, eggs, dairy products, and other livestock products.

So the shift to sorghum is a shift to another feed crop. The protein is not quite so good as that in wheat. But still it is a very good protein crop, one which is apparently not subject to the same diseases as wheat and is not now being seriously affected by any others.

QUESTION: I have been impressed with the value of soil conservation in saving land as a long-run program. One thing that I am concerned about is that I understand the program is dependent upon renewal, you might say, every year. I wonder if you have any plans for changing the status permanently of submarginal land, so that a new owner couldn't take that and put back into cultivation some of the land which is really unfit for cultivation and should be just kept permanently in grass.

SECRETARY BRANNAN: There is no constitutional authority for us to tell a man how he must use his land. I for one believe that the time has long since passed when a man had a moral right to destroy his land.

Nevertheless he has a legal right to do so. Our farmers are in the process of destroying over half a million acres of land a year by bad cultivation practices. In 1935 we were destroying over a million acres of land a year by bad practices.

The only way I know of to stop that is through education, which includes not only telling a man what he should do, but also going out and giving him a little financial assistance and seeing how our suggestions work. Therefore we have a program of paying people enough to cover a part of the cost of liming the land, paying them for contouring their land, and for turning under a green manure crop.

Sure, we are fighting it and making good progress. There has been a lot of criticism too of the methods we are using. But in a democracy you draw people. You never force them. A system which is built on education and understanding of why things have to be done is a lot better than any system of regimentation.

QUESTION: During our Manpower Course we heard discussion to the effect that of all the areas from which more manpower could have come during World War II, probably the agricultural areas were the places where the most saving could have been made. In another emergency the same thing might occur in the agricultural areas. I wonder if you would care to discuss that point not only with respect to World War II, but also with respect to any future contest.

SECRETARY BRANNAN: I think that must be answered according to several periods of time. At the beginning of World War II, certainly, the southeastern part of this country was a manpower reservoir, untouched for a long period of time. It was untouched for a number of reasons. I personally had charge of the agricultural manpower problem of the Department of Agriculture in World War II. And I can tell you of my own knowledge that in our efforts to move manpower out of the southeast part of the country into other agricultural areas, we found ourselves violating state laws. I had one Federal employee in jail for 15 days because he induced a submarginal farmer to go to another part of the country. So the first answer to your question is yes, we did not make intelligent use of our manpower in World War II.

Since that time, however, I would like to point out that our increased efficiency has lessened the demand for manpower in agriculture. We have reduced the number of men working in agriculture by almost a million, as I said a while ago. At the same time agriculture has need for highly skilled types of men.

I was on a cotton plantation in Mississippi about a year ago; it was a tremendous plantation. The owner took me out and showed me the homes where his laborers used to live. I think there were something

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like 80 houses which could be occupied by laborers who worked on that farm. On the plantation at the time I was there, only 36 of those houses were occupied. He told me that when he finished with his mechanization program, he would have it down to 11 houses occupied.

Now, those people have gone off the farm into industry primarily. Agriculture itself has by its very increase in efficiency released a great many of those people. It has shifted its demands from manual labor to skilled labor, because it takes a very skilled man to run a big cotton picker, or a big flame weeder, or other various kinds of machines which now eliminate a big part of the farm labor burden.

QUESTION: May I follow that up a bit further, please. The fact that there were too many workers in the southeast part of the United States had its effect on the armed forces. If there was an excess of them down there, why didn't they put such of them as they could move somewhere else, and put the rest of them into the armed forces? The difficulty, it seems to me, is that they were exempt from the armed forces and not essential on the farms.

SECRETARY BRANNAN: That, of course, was a decision of the draft board. Agriculture played no part in the decision. I for one had no sympathy with it whatsoever. That is not any criticism of any particular individual; but it is a criticism of a system which only mechanization and intelligence can rectify. I think these two factors are well on the way to rectifying it.

I don't want to leave the impression that I think there is no unused manpower in the country. There still is. How you go at it is a somewhat difficult problem. We have set up a formula which General Hershey has accepted and which says simply that the criterion of whether or not a man should be allowed to remain in agriculture depends upon whether or not he is on a farm producing an essential commodity; whether or not he is supplying any managerial guidance in addition to his physical labor; whether or not he has peculiar skills which are needed and which cannot be replaced from some other source in the community; and whether or not he is fully occupied on that farm. If he satisfies those requirements, we say you ought to leave him at home growing food, because we need him there. If he does not satisfy those requirements, then take him.

QUESTION: Most of us during our lifetime have observed the Government initiate controls and subsidies and regulations of various kinds over various products and services; but very rarely do we ever see any of those regulations released and taken off. It is somewhat similar to holding a bull by the tail. Apparently it can't be turned loose. I wonder if you would like to comment on the possibility of agriculture ever being put back on the supply and demand basis.

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SECRETARY BRANNAN: That is a speech in itself. Let me first of all proceed to deny the premise. I do not think it is a true premise that the controls—and I will confine myself to agricultural controls—which have been applied have been reluctantly taken off. We certainly took off all World War II controls as soon as the supply and demand basis, especially reasonable prices, came into balance.

Second, the only controls over agriculture which have ever been applied and which are now being applied are being applied under a law and under a system by which the people who are being affected vote in favor of being so affected. We have in agriculture, for example, control in the production of tobacco. We limit the production of tobacco quite severely in this country because, for one thing, we lost the whole China market. We have faced considerable competition from the Turkish and Mid East varieties. Yet we submit the matter of controls to a referendum before we apply any limitation in the production of burley tobacco or flue-cured tobacco. We hold an election just like we do on November whatever that date is. The man goes to a booth and votes for whether or not he wants to have a limitation on his segment of the industry. If 66-2/3 percent vote to have it, then we apply it to the rest of them.

In the case of the acreage limitation that we were about to apply on cotton before Korea, Congress gave us 20 million dollars and told us to get ready to buy acreage limitations on cotton. I am in the process of putting about 10 million dollars of that back because we are not interested in limitations at this time. We now are interested in increasing the production, of course. But before there would have been any limitation on the production of cotton, the cotton farmers of this country would have to vote 66-2/3 percent in favor of it. They would have known the effect of the limitation before they voted for it. The same with corn.

It really isn't correct to say that in agriculture we apply any kind of controls that the farmers do not themselves ask for, except sanitary controls. Sure, we don't allow anybody to bring a cow with foot-and-mouth disease from Mexico. We interfere with anybody who wants to bring in orchids and other flowers from outside this country. We almost lost our religious standing when we kept the shamrocks from coming in from Ireland last year, because unfortunately they had been dug instead of picked. They had roots on them, and Ireland has what is known as the golden nematode. This infests the roots of various kinds of plants and has caused a good part of Long Island to be a quarantine area so far as potatoes are concerned. So it is that we have those kinds of controls.

As to subsidies, let me just say it this way: It is somewhat complicated. I think there are two or three principles that we must expect to begin with. If you defend subsidies—and I do, and I think they are perfectly correct in our price support program—first of all, any expenditure of the American tax dollar must benefit all the people

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or we are not likely to get it into tax legislation. Second, if that is true, the dollar must be spent in the most efficient way possible. That is the second part of it. If it is in the public interest of this country to maintain a strong rural population living on the land and continue adequate agricultural production this year and next year and 10 years from now, and if there is genuine public interest in the accomplishment of that result, then the next question is, How do you go about doing it?

If you look at the Constitution, you see that we can't order a man to do the things that he must do to maintain his land strong. Therefore you try to draw him along. You try to teach him by various kinds of devices. We send a soil conservation expert to tell him what is good for the land. He says, "Oh, well, that is good; but I can't buy the lime." Then we say, "If you buy the lime, we will give you 20 percent of the cost of it." He sees how good it is to use more lime and he uses the lime without further inducement. That is a subsidy. In my opinion that is a defensible subsidy.

Let us turn to another one. We have adopted the premise that it is wise, if we want to keep a healthy rural population, to stabilize prices of agricultural commodities, and thus avoid the American farmer going into bankruptcy every time he gets so efficient in the aggregate that he produces more than the market will absorb at a fair price. We go in and we move surpluses from the market, and we use a considerable amount of money doing it. We have 6.73 billion dollars available for that purpose. We don't spend it.

The day after Korea, just to digress for a moment, we put 1.5 billion dollars, just like that, into sugar. We bought the entire world's supply of sugar that we could lay our hands on. We bought so much that the Cubans had to buy back part of that--50,000 tons--for their own economy. We just turned around and said to the American people: "You just go ahead, if you like, and put all the doggoned sugar that you want in the front room or in the larder or wherever you keep it--but there will be no sugar shortage." So what happened? They quit hoarding sugar. Sugar, next to meat, is one of our key food items.

Incidentally, we never spent a nickel; didn't even draw a check on the account. We simply said to the Cubans, who had the bulk of it, "X refinery is coming to you for 500,000 tons of raw sugar. Sell it to them." We didn't make a profit and we didn't take a loss. We didn't even handle the money. That is one kind of use we make of our available funds.

Now, we also went into the market and bought bulk cotton during World War II when the price of cotton ran down because there was no foreign market. We couldn't get it off our shore because of the submarine menace and lack of ships. Also the big cotton-consuming countries

were busy making war materials and fighting the Second World War. So we bought the cotton. Then when the cotton market improved, we sold the cotton back into the market; we made almost 500 million dollars on our cotton. That is the pretty side of our use of funds.

Sure, we bought some eggs. They are out in Kansas. We had pushed the American farmer into producing eggs for protein as a substitute for meat during the war. We couldn't tell him the day victory came, "Look boys, we are through with you. We don't care whether your eggs sell or not." A lot of them had a big investment in their plant. So we tried to help them by buying eggs in the market place so as to stabilize the price. You can't store fresh eggs in warehouses, and it would be too expensive under refrigeration. So we just told them to dry the eggs and put them up in small packages so we could put them away under semicold storage. We took them off the market, and we did take a loss. We took a loss on eggs of about 40 million dollars under our price support operations.

We took a loss on butter, too, because we had encouraged the American farmer to produce more butter the way we did eggs. Thank God we did, because right now we are going to need this increased production and need it badly. You can't get a cow to produce milk as fast as you people can build a battleship. It takes three years. We have the production pretty well going for the American dairy industry. We did it by making sure that when dairy farmers came into the market with more than would clear at a fair price, they did not take a sacrifice price and go home to be taken advantage of by the food brokers in the market place.

We lost half a billion dollars on potatoes. The thing that I scream the loudest about the potato program--and Secretary Anderson before me yelled about it--was that we weren't allowed to change that program. The people who were in favor of it kept it so long that, of course, they lost it in its entirety. Now the potato producers have no support in any way, shape, or form. There is a direct mandate by statute that says, "Don't you touch potatoes, Mr. Secretary of Agriculture." I don't defend that kind of thing.

Just to conclude this, the thing that made me notorious was because I went to Congress and said: "There are a lot of things wrong with our programs. If we have price support programs, and they are going to be effective, they must apply to more than the staple crops--cotton, corn, tobacco, and peanuts." Peanuts are a basic commodity according to statute. I said: "Our programs must apply to dairy products and a lot of other things. It makes sense to let the price go down in the market place and use our money, that we will lose anyhow, in direct payment to the farmer for the differential between what the market brought him and what was a fair price--90 percent of parity, let us say. Otherwise our price support purchases would have to be put in warehouses involving costly storage and handling charges, and then eventually some of the commodities would have to be sold at a very great discount."

QUESTION: My question follows directly on the one that was just asked. We have heard quite a bit about the relationship between parity and price stabilization. Parity, as I understand it—and I don't profess to understand it—is a floating rather than a fixed level. My question is this: Entirely without regard to the problem of fairness to the farmer, which is more or less of an ethical consideration, can we stabilize prices, can we stabilize wages, if parity is a floating concept rather than a fixed concept?

SECRETARY BRANNAN: There is no part of our economy that will be stabilized without stabilizing them all. That is why I have advocated stabilizing them all at the same time. The Administration is committed to such a policy. Appropriate legislation for that is before Congress today.

QUESTION: Assume that we should get into a very difficult international situation, a war, and put 14 million men in the armed forces. Assume that we decided that was not enough and we needed to have 15 million. That, of course, would require these farm lads in the southeastern part of the United States to go over into some other state and maybe help produce enough food. But legally we cannot now tell them that they must go over there. So would you give your view as to whether or not agriculture in another of these situations would support a national service law by which you could tell workers to go from this place to that place and work in a specified field?

SECRETARY BRANNAN: Well, I am part of the Administration, the labor policy of which is not under my supervision. Therefore anything that I would say about that would be just in the nature of conjecture.

We in Agriculture have long since learned that you really can't order anybody around, outside the Army—and I don't say that in a critical sense of the word. Therefore I would like to rely upon inducing them to move over if it is necessary and to eliminate the state provisions which prohibit it. My own feeling is that we would get what we need done that way without being able to order these people about. I say again that, within the limitations of the food administrative policy, because I am after all a member of a team, just as you people are members of a team, I am going to play it the way the signals are called by the boss or get out.

QUESTION: I wonder if you would tell us a little bit about what your department is doing in other parts of the world to increase agricultural production—the nature of the programs and the amount of money expended.

SECRETARY BRANNAN: We have a program in the Department of Agriculture which has been going a long time. It relates chiefly to the Latin American countries. It has been a typical American type of program, and, again, I am not saying that in a critical sense. We have gone down there to stimulate the production of things that we don't produce here. We are encouraging them in the production of coffee, in the production of sugar, and in the

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production of henequen, a substitute for fibers which we are having trouble getting from India and Pakistan. We are stimulating them in the production of a number of other types of fiber crops, and also in what the scientists call exotics—bananas and various other tropical fruits. Perhaps I shouldn't use that name in public. I called them "exotics" once and the newspapers rode me for a week—"Here is a guy who thinks 'exotics' applies to fruit." Well, I had picked it up from the scientists. I didn't mean it the way it sounded. I think we have done a terrifically fine job there.

I am just going to give you a little interesting incident. One of our folks is in India, attempting to help increase its production of forage crops. In India, you know, the religious prohibition against interfering in any way with what an animal wants to do is so strong that a man will not put a fence around his grain field. He will not put a fence around his alfalfa or any other kind of legume crop. If an animal wants to go in and eat the crop before it is harvested, it does so. Our representatives are up against that type of problem all the time.

We discovered that there is a certain kind of legume that cows won't eat. It is a high nitrogen content plant and makes a very good green manure crop. So we said, "Let us plant this in this area." They did plant a lot of this particular variety of grass or whatever it was, and the animals wouldn't eat it, wouldn't touch it. When it was ready to be turned under, they went out with plows and turned it under. It made an extremely fertile field.

I think those of you who have been in that part of the world know that fertilizer is their number one problem. The people over there do not dispose of manure in the way we do. It is a family possession. They use animal dung for fuel, not for fertilizer; therefore, there is no fertilizer. They destroy most of the fertility of their soil because they don't turn anything under as manure. We have a lot of very fine American people who go around the world doing a really remarkably good job teaching on such subjects.

I hope you people won't mind my boasting about the Department of Agriculture, because I can say very sincerely that it was great before I got there.

QUESTION: There are many small farms throughout the country, particularly out in the West, where irrigation is one of the problems and where to get increased production we realize that there must be increased mechanization. Yet these small farms cannot support all the mechanization required to increase the production. Is there any move afoot or plan to attempt to increase the size of these small farms throughout the West and also in other parts of the country?

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SECRETARY BRANNAN: That is true of the Southeast as well as of the West. Of course, we have been working on that through our credit program. Again you can't make a man get off his piece of land, but you can give his neighbor enough money so he can buy the land and induce him to get off. Therefore we have the farm security program, which has put together many farms into what we call family farms, self-sustaining units. We have loaned the people enough money to put them together.

There are many very fine farms. As a matter of fact, I have heard that the number of individually managed farms, or farms in general, in this country has been decreasing every year, and the land has been concentrated in the hands of fewer and fewer people.

That has been true until recently. Now it looks as if the number is coming up again. We now have more farmers on a really productive, self-sustaining basis than we had four or five years ago. That has been done exclusively by credit and technical knowledge imparted through colleges and other agencies.

QUESTION: Could you comment on the vulnerability of American agriculture to any of these various forms of biological warfare that we hear about? Could they knock out our whole wheat crop or cotton crop?

SECRETARY BRANNAN: Right now the virulence of the plant infestation would, of course, be the controlling factor. As you, of course, are well aware, we are working with you in preparation for some eventuality of that kind. If foot-and-mouth disease were introduced, it would put a terrific crimp in meat production. That really would put us back to eating wheat and corn if that got started.

Infestation of our fields could be easily accomplished. I am confident that we could eliminate it, but it could cause temporary damage of considerable magnitude. Irreparable damage could be done in some short periods of time to our forests by implanting some type of infestation in the forests, such as various varieties of beetle and other things.

COLONEL BARNES: Mr. Secretary, we are indeed indebted to you for giving us this fine talk today, and for your most frank and interesting and straight-forward discussion. You have been most cooperative and most helpful. Thank you very much.

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