## *Across the*
# *Editor's Desk*

We're sure you have been reading and hearing a great deal about the proposed new farm legislation in Washington It's creating quite a furor, but if you don't think you understand it, don't feel badly, we don't think we understand it either

One thing which is becoming clear from the steady flow of information across our desk is that the Nixon administration is trying to boost U S farm exports

The idea apparently is that this country has the capacity to produce huge amounts of some food products at relatively low cost and that the best way to encourage a high level of production without costly surplus is to ship overseas

Overseas marketing of U S farm products already is quite substantial Improvement of these markets could have significant impact on the overall farm economy

The remainder of this column is given to a recent article on this subject in the New Holland News

Selling more overseas of what you produce here is being given "top priority" rating by the Nixon Administration and Agriculture Secretary Clifford Hardin

Hardin recently created a new agency in his department — call ed the Export Marketing Service — to fully capitalize on overseas marketing opportunities Its main job is no easy task to maximize exports of agricultural products.

One out of every four acres of the land farmed in the U S. is produced for export, representing about 71 million acres of farmland Our agricultural trade in fiscal '68 was valued at approximately $6 3 billion, but it has been on the downslide since then. Three crops — wheat, soybeans, and feed grains — each have export totals of more than $1 billion a year

Half or more of our rice, wheat, and hides and skins goes overseas A fourth to half of our cotton grain, sorghums, tallow, soybeans, tobacco and corn goes overseas

It's no wonder, then, that any signs of decline in this big dollar earner receive the immediate attention of our government and farm community!

Of the estimated $50 billion gross sales of farm products for this year, an expected $5 8 billion will come from overseas sales, $200 million lower than previous estimates and one-half billion lower than last year USDA partly blames the long dock strike on the East Gulf and Gulf ports for the reduced export income

Also an obstacle to an expansion of our overseas markets, according to Hardin's top man for international affairs — Assistant Secretary Clarence Palmby — is the "unrealistic pricing policies of many of the world's countries. He views protectionism, whether in the form of tariffs, quotas or other artificial barriers, as working directly to reduce and discourage the sale of U.S. commodities in customer countries.

If the products you produce are sold for export, you should know that there are a number of reasons for the drop in cash farm exports, not the least of which is keen competition in overseas markets.

For example, the Soviet Union's production of sunflower oil is competing with U S soybean oil in world markets.

U S exports of wheat and flour will meet continued strong competition in the months ahead. Exportable supplies this season are at record levels in nearly all of the major competing countries

Import requirements appear to be up, but much of the gain is occurring in Mainland China and East European markets not normally supplied by the U S

Total supplies of wheat in the U S., Canada, Australia, Argentina, and the European Community — the five major exporters — this year exceed home requirements by approximately 4 2 billion bushels, an amount sufficient to fulfill total world import requirements for two years

In addition to competition, there is some evidence that not all countries are living up to the letter or spirit of international commodity agreements A case in point is the disruption of our cash sales of wheat

Further, many of the once hungry developing nations of the world are advancing in prosperity and stability and are increasing production Pakistan for example, may soon be a wheat exporter!

Too, many developed countries of the world such as Australia and Canada, are rapidly increasing agricultural production and are vying for prime overseas markets.

What is the U S doing about this competition? There are several answers.

The U.S. carries on a vigorous job of market development through cooperative programs involving the USDA and commodity groups, such as the American Soybean Association, U S. Feed Grains Council, Great Plains Wheat and Western Wheat Associates.

These groups implement extensive program of consumer education, product promotion, technical assistance and market intelligence in customer countries.

Technical assistance in other countries has included the dispatch of U S. consultants in baking, milling, nutrition, cereal chemistry and product promotion.

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