



Con: A World Food Reserve System

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Abstract

The con argument in the world food question becomes a positive alternative with a detailed discussion of the proposed House of Representatives Bill 2436. This bill would help developing countries establish land-grant-type universities. The importance of self-help and self-respect for cooperating countries is emphasized. It proposes that this is possible through the countries' development of their own land-grant-type institutions which would provide education for their farmers rather than rules and quotas. Evidence is cited to indicate that education for the farmers throughout the world is the best possible alternative in solving the world food crisis.

There is a feasible alternative to famine in the future. However, the solution is not to be found in the use of our tax dollars to finance huge grain stocks, nor in the simple act of self-denial of food by the affluent.

Our destitute friends overseas want an enduring solution to hunger built on self-help, self-sufficiency, and most of all, self-respect. We have the unique expertise to help them achieve this, and more important, we can reap an excellent return on the limited American tax dollars needed to undergird the program.

This positive alternative is described in the bill (H. R. 2436) I introduced early in the first session of the 94th Congress, on January 30, 1975. The purpose of this bill is to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant-type universities in agriculturally developing nations.

The bill provides resources to U.S. land-grant universities so they, in turn, can help build land-grant-type universities in food-deficit countries. A "land-grant-type university" means a school of higher education in a foreign country that is engaged in agricultural teaching, research, and extension.¹

¹See definition in H.R. 2436, printed in full at conclusion of this article.

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Evidence for the Program

Evidence indicates that providing funds to U.S. land-grant universities to assist developing countries in establishing land-grant-type universities, does start a self-help program which gives the cooperating country self-respect by fruitfully seeking answers to their food production problems. Look at the record of the U.S. land-grant system. Look at the advances that have been made in cooperating countries, where land-grant-type institutions have been established. Look at research studies directed toward measuring the costs and benefits of extending land-grant-type institutions to other countries, cultures, and physical environments.

H.R. 2436 is the product of long study and consultation with officials of land-grant universities, as well as officials of the U.S. Department of Agriculture and the Agency for International Development. A large and extremely able group of people have expressed faith in the program proposed in H.R. 2436.

More than 90 Representatives have joined me in cosponsoring the bill, including the chairmen of several of the standing committees of the House — Thomas Foley of Agriculture, Wayne Hays of House Administration, Peter Rodino of Judiciary, Carl Perkins of Education and Labor. Four Senators are cosponsors of the Senate version of the bill (S. 658) introduced by Senator Hubert Humphrey of Minnesota. They are Mark O. Hatfield of Oregon, Gale W. McGee of Wyoming, Walter F. Mondale of Minnesota, and John V. Tunney of California.

The U.S. Land-Grant Record

The record of our agriculture and the U.S. land-grant system is outstanding and the envy of the world. It tells us much in deciding what should be the proper role of government in the production of food. The world can find both inspiration and example in the U.S. experience.

With the signing by Abraham Lincoln of the Morrill Land-Grant Act during the Civil War, the United States became the first nation in history to set out deliberately to provide higher education to farmers. Until then, higher education was for the elite, the professions, the select few.

As it evolved, the land-grant system came to mean far more than classroom instruction. It became a great nationwide system of continuing education for farmers. Under it, extension specialists trained and directed by land-grant universities, were stationed in each county of the nation to keep farmers in the field up-to-date on better farming methods, better seeds, better chemicals — the results of practical research.

The Land-Grant System Makes the Difference

Illinois has never experienced famine — or anything remotely resembling a famine — despite blight, drought, excessive rains, and a steady increase in nonfarm population. Why? Is it because of our soil, our climate, our rainfall? Other countries have similar natural attributes but still experience food supply problems. India, for example, has the right soil, climate, and rainfall to provide adequate food supplies for more than its present population.

Why the difference?

Farmers in Illinois are now in their second century of land-grant education. For years every county has been served by an extension office staffed by a skilled professional who brings year-round continuing education to people engaged in farming. It is continuing adult education of the highest order, keeping farmers up-to-date on the latest advances in seeds, fertilizers, and so on — the products of research laboratories operated by the universities.

For years the young men — and many young women — from these farm families have been going to agricultural colleges, adding a classroom dimension to the adult education available through extension offices. There is hardly a piece of cropland in Illinois that is not used more wisely year after year, thanks in great measure to the land-grant system of education.

This system is one of the great inventions of the United States. It is also a great resource, waiting to be utilized fully to help other parts of the world banish famine and malnutrition. It is uniquely American. Except for a handful of land-grant-type institutions established abroad in the last few years by U.S. land-grant universities, it is virtually unknown beyond our borders. Higher education does not exist for farmers in other countries. There, colleges and universities are for the elite, just as they were in our country in the mid-1800s. Farmers are not considered the elite.

It is time that we share our land-grant resource with a hungry world, and share it broadly.

Program Is Practical

Starts have been made in the establishment of land-grant systems in other countries. Several U.S. land-grant universities have already proven the practicality of such systems in many countries of the world. Using \$42 million in U.S. funds — part of it in the form of U.S.-owned local currencies—six land-grant universities in the last 20 years have helped to build nine new land-grant-type universities in India (1-3).

The prospective benefits of this program to the American people also are substantial. First there is the satisfaction of helping to meet a growing and grave humanitarian need, reducing human misery and degradation. Second is the benefit that comes from reducing famine-bred perils in the form of disease, civil disorder, and even war.

Our agriculture will undoubtedly benefit from the research projects and exchange of scientists and teachers. In a broad sense the experience will cause our U.S. land-grant universities to be enriched substantially to the advantage of the U.S. students who will attend in future years.

Excellent Cost-Benefit Rating

Specialized research directed at measuring the pay-offs of additional agricultural education and research efforts, has been conducted. While this is not the place to review this literature it is worth noting that such efforts offer high promise. For example, another Illinoisan, Theodore W. Shultz, at the University of Chicago, states:

"The rate of return on public expenditures in support of agricultural research is in general much higher than the 'normal' rate of return to alternative investment opportunities. Robert Evenson's studies . . . show that the research investment opportunities associated with agriculture are better in the less developed than the more developed countries, and they show a higher rate of return to scientific investigations than to applications, although both are above the 'normal' rate. The adoption process of the useful contributions of this research indicates a greater gain by better educated and more informed farmers relative to the other farmers, and once the adoption process has been completed, the gains are transferred to consumers via competition." (4).

And, of course, as developing nations build their own roads to self-support in food they then will have a solid base from which to expand their economies so they can become cash customers for goods and services in world commerce, including U.S. farm products.

This program will not have the drama of shiploads of wheat streaming endlessly to food-deficit countries, but in time it will build the foundation for successful and enduring self-help.

Instead of creating dependency and despondency, as often occurs when handouts get to be a habit, this program will build self-sufficiency and self-respect.

For All of These Reasons

- I am confident about the future.
- I declare with confidence that famine can be banished from the face of the earth — and within our lifetime.
- I declare with confidence that malnutrition can be virtually eradicated worldwide — and within our lifetime.
- I declare with confidence that both of these great goals can be achieved with only modest sacrifice by the people of the United States.

- I cannot of course declare with confidence that these goals will actually be achieved. That depends mainly on the wisdom and will of governments — our own, as well as others. But the goals are reachable with the resources for achievement which are either in being or easily attained. We need to state our case plainly and convince ourselves and our friends in the developing countries that this way will be both fruitful and just.
- I also believe that suggested alternatives are not good enough. They will not prevent famine. They will not substantially alleviate malnutrition.

Think for a moment about voluntary self-denial. This is great as a sermon topic. It is good for the soul. But it does not put food on the tables of the poor. In fact, if carried out successfully, it could cause immediate setbacks in the production of food.

On Food Reserves

Should government establish and operate a system of food reserves? My answer must be qualified, because I strongly support a government food reserve for a limited mission. Our government, either alone or in company with other governments, should keep and use food stockpiles for the purpose of direct famine relief.

Recent history has demonstrated that private charities are not enough. Churches and other private humanitarian institutions do not marshal enough resources for famine relief purposes. Long ago I concluded that our government must support famine relief measures, and at a substantial level.

In fact, I have proposed a change in Public Law 480, the Food for Peace program, to ensure that \$300 million a year in food relief is available regardless of supply conditions in the United States. As now written, the law leaves the impression that our charity is only surplus deep. Technically, government food donations can occur only if the commodity in question is deemed to be available in abundant quantities for domestic purposes.

I strongly recommend that a famine relief stockpile be the only food stockpile the government establishes and maintains. I oppose at this time government stockpiling of any other type. As a general proposition, government should not be in the business of buying, selling, and storing grain — except for the famine relief purpose I have just described.

Thirty years of experience demonstrates amply that government supply-management of grain works to the disadvantage of the broad public interest. Agriculture is most productive when individual financial incentives exist in a competitive market. Even the Soviet Union is beginning to discover this truism.

The existence of government stockpiles for supply and price management inevitably limits both incentive and competition. When government action reduces financial incentive, efficiency drops, to the obvious disadvantage of the consumer as well as the producer. Government supply-management is bad news for the American people in two ways: It means higher costs to them as consumers. It also means higher costs to them as

taxpayers, because government management of stocks is inherently expensive and wasteful. Stockpiles are costly to establish and costly to maintain.

It is worth noting that the major country that seems to have the most severe and persistent food-supply problem is one that indulges most heavily in government supply-management — namely, the Soviet Union. The most populous democracy in the world, India, has complicated its own road to economic progress by moving excessively to government management of supplies and prices. This has curbed financial incentives and, therefore, food production. Every country that has launched broad experiments in collectivized agriculture has experienced a decline in productivity.

My confidence, obviously, lies in the private free-enterprise system, as contrasted with a public government-managed system — and for the compelling reason that the private capitalistic system works far better than the other.

I reject the economics of scarcity, the doomsday philosophy that mankind has reached its productive limits, that the great challenge today is deciding how to parcel out scarce items of food, and that, in effect, government must decide who shall eat and who shall not, who shall live and who shall die. To me, that philosophy is nonsense. Our goal should be more production, not more rationing. Although severe problem areas exist, food production worldwide has kept ahead of population growth.

In deciding what should be the proper role of government in the production of food, the world can find not only inspiration but example in the U.S. experience. The United States, of course, keeps setting new world records year after year in per capita production of food. While the rest of the U.S. economy has, regrettably, shown a sharp decline in productivity, the agricultural sector continues to surge ahead.

The Reason Is Easy to Find

For the most part, food in the United States is produced under a private capitalistic system in which financial incentives are established in a competitive marketplace. The most efficient farmer makes the most money. The least efficient drops out of the industry and goes into a different line of work. The farmer produces for the market, not for government bins. He gets his production directives from the consumer, not from bureaucrats.

For the most part, the role of government has been educational. Government has passed out knowledge, not orders. This governmental role — that of bringing knowledge to the farmer — has been vital to the success of American agriculture. In fact, its importance can not be overrated.

The educational services government has provided to American agriculture, in my view, should guide us to a promising new way in which our government can meet the challenge of famine and malnutrition overseas.