

Ferdie J. Deering

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# U.S. Government Still Can't Farm

SOMEbody said it during the New Deal administration, but it was true before then and it will be true long after Watergate is over and forgotten. The government can't farm!

That doesn't keep politicians from riding loudly and heroically to the rescue every time farmers get into difficulty, which is frequently. They're willing to do anything that might result in spending federal money where it might influence votes in their favor.

The record shows that the government can get mixed up in agriculture (and business and education and industry and on and on) much more easily and quickly than it can get out.

In the present beef difficulty, Sen. Henry Bellmon stated: "Because the government had a hand in causing the current situation, cattlemen are completely justified in asking for government help, in the form of guaranteed loans."

The senator is correct in his analysis that the government had a hand in causing the problem. The administration was trying to solve a con-

sumer problem, not a farm problem. Inflation had caused meat prices to go up, because costs of producing and marketing meat had gone up, largely due to pressure of excessive government spending and regulations.

When consumers yelped, the government tried to force prices down by price ceilings and later by lifting meat import restrictions. If consideration was given to the effect that these actions would have on the cattle business, it wasn't adequate.

Results were disastrous, and now politicians are asking the government to wade in again, without knowing where it may end. The prevalent attitude in Washington for 40 years has been that money is the answer to all problems. It might not solve them, but it will make those complaining loudest lower their voices for awhile.

You don't have to be a banker, a meat packer, a cattleman or a fortune teller to see that guaranteed government loans to refill feedlots will compound the difficulty. We already have more meat than the market wants at present costs of

production. Unrestricted meat imports will continue to overload the market, preventing price rises.

Moreover, feedlot operators and feeders are generally in debt and want to get back into business to pay out. If they borrow from the government (or elsewhere) they will have a hard time making a profit, because lower prices for feeder calves will not offset continued high feed and operating costs.

Because of a thin profit margin, they will have to produce lots of fed cattle, adding to the saturation of beef. If they don't go in for big numbers, they will have little with which to pay either their government loans or prior indebtedness.

If beef grading standards are lowered, as has been suggested, to bring more cattle into the Choice classification, consumers may decide meat isn't as good as it used to be and buy even less.

One control inevitably leads to another, and too many lead to further disasters. Why? Because the government can't farm, and money from the federal treasury is not the cure for every problem.