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Beef Imports Used for Political Aims

PRODUCERS and consumers should recognize that the meat import quota law is being manipulated as a price-fixing device for political purposes. Imports are not needed to provide Americans with meat.

Instead of bringing in foreign beef to compete with ample domestic supplies, cattlemen are trying to develop foreign markets in order to obtain and maintain profitable price levels.

If there is any doubt that federal officials try to use imported meats to create artificial surpluses that will push down prices for consumers, one need only to refer to their statements.

For example, in April William Miller, newly installed chairman of the Federal Reserve Board, said that increasing meat imports would be one way to fight inflation. Robert Strauss, the administration's top domestic policy adviser, has gone full circle in not recommending and then recommending more imports.

The chief economist at the De-

partment of Agriculture criticized a proposed revision in the meat import quota law because it "puts severe restrictions on the president's authority to increase meat imports when domestic supplies are tight and retail prices are high."

Food price influencing by governments may be more widespread than is generally realized.

Most people probably would favor maintenance of adequate grain supplies to meet needs in event of crop failure or other disaster. The free market system has done this well enough that this country has never suffered from widespread food shortages.

Nevertheless, political leaders continually advocate establishment of large government-controlled stocks, in addition to grain that is in the market "pipelines." Politicians discovered many years ago that surpluses may be used effectively to influence prices, which in turn may be used to influence voters and win elections.

One of the most completely regu-

lated industries is dairying, where nearly all milk is sold through cooperatives under federal marketing orders at prices calculated by federal administrators.

Dairymen say they like the system, but it is notable that the number of dairy operators declines year after year.

The United States produces nearly 30 percent of the world's beef and veal, so there is little need to import more. But other meat exporting countries like to sell on the American market.

Actually, the amounts of meat imported into and exported from the United States comes fairly close to balancing out, totaling somewhere around 7 to 8 percent of marketings either way.

But that tonnage is enough to give federal officials leverage to influence prices so that cattlemen will keep on producing while the threat of imported surplus can be used to limit their chances of making a profit on their ~~population production~~.