

Government Gets Into Grain Sales

IT IS a nice-sounding theory that the United States ought to join other major grain exporting nations to corner the world food market as oil exporting countries have done with oil.

"Force them to trade fuel for food," say its proponents.

The trouble is that petroleum is a limited resource which may be found only where it exists. Grain is a renewable resource, grown around the world, and production could be expanded substantially.

Big Four grain exporting countries influence but do not control supplies, markets or prices as oil exporting countries do. Realities of supply and demand may be expected to settle the "organization of wheat exporting countries," if one ever is formed.

However, the idea of "food for crude" is being used as leverage in efforts to put the government more firmly in command of buying and selling of farm commodities.

A bill introduced in Congress by

Rep. James Weaver, D-Ore., would create a "national grain board" within the Commodity Credit Corp., federal holding agency for surplus crops.

If enacted, the bill would designate CCC as the official seller or marketing agency for all export sales of all export sales of wheat, rice, corn, grain sorghum, barley, oats, rye and soybeans.

In most countries, particularly totalitarian, Communist and "have not" nations, governments control imports and exports and manage distribution of prices of food.

Advocates of the Weaver bill seem to feel that the United States should do as the world does. They view the proposed set-up as a potential lever to equalized food exports and oil imports.

If such bartering by private businesses proves feasible, it might not be objectionable, but what is to be feared is increased concentration of power over food in federal bureaus.

In a comprehensive analysis of

the Weaver bill, the American Farm Bureau Federation concluded that private exporters, including farmer-owned cooperatives, would be required to purchase such commodities from the CCC and have their sales approved by the CCC.

No sales could be made by the CCC or any other exporter for less than the established price, presumably set by the grain board or cartel.

The Weaver bill has been described as a blueprint for state trading in commodities.

"Food for crude" is being explored. The Oklahoma Farm Bureau, for example, opposes the Weaver bill but leaders are working with AFBF to trade grain and farm machinery to Libya for oil.

"We are highly in favor of independent grain dealers selling grain as opposed to government involvement," said Ken McFall, OFB executive secretary. Most agri-businessmen would likely agree.