$7 BILLION STOCKPILE

U.S. Farm Surplus a Worldwide Worry

By OVID A. MARTIN
Of The Associated Press

WASHINGTON (AP)—American farmers, farm officials and taxpayers have company overseas in worrying about Uncle Sam's $7 billion stockpile of agricultural surpluses.

Farmers in other parts of the world and their governments are keeping a wary eye on those surpluses and actions taken by this country to dispose of them. The big supplies throw a shadow over foreign markets as well as those in this country.

American producers are unhappy over the surpluses because they tend to hold down agricultural prices and force them to restrict production. Farm officials suffer headaches trying to figure out how to get rid of them and taxpayers are wondering just how much it is going to cost them before the decks are cleared of the oversupplies.

OFFSETTING MEASURES

Overseas, commercial producers are worried about U.S. efforts to move some of the surpluses into export markets because any action along this line affects prices in world markets. Often foreign governments feel impelled to take offsetting measures to protect their own producers.

Whenever this country starts moving some extra supplies into the export market, it takes outlets that had been filled previously by other countries.

Such U.S. offers also often force competitive slashes in prices that are reflected in lower incomes for farmers in other countries.

The U.S. surplus problem is a particularly ticklish subject in international relations at this time. That's because some congressmen are demanding that the Agriculture Department take more aggressive measures to sell surpluses abroad.

The State Department has thrown up a "go slow" sign lest such measures damage U.S. relations abroad.

STORM OVER BUTTER

This and other countries 2 years ago foresaw the possibility of farm surpluses rising in major exporting countries during the postwar period. The suggestion was made that affected countries should collaborate in handling such problems.

Accordingly, the United Nations Food and Agriculture Organization (FAO), of which this country is a member, set up a consultative subcommittee to provide an international forum for discussion of surplus problems. The subcommittee meets regularly in Washington.

A storm developed recently when the United States offered surplus butter for sale abroad at cut-rate prices. New Zealand, a major butter exporter, called the offer "unadulterated dumping."

Sharp criticism was voiced abroad because this country acted without consulting the FAO subcommittee. Charges were made that the United States was interested in collaboration only when it was in its interest.

The foreign viewpoint was set forth in a statement by the International Federation of Agricultural Producers.

"American stocks are enormous," the federation said. "Their possible liquidation or even simply their reduction weighs heavily on the future of world markets and particularly on the specialized exporting countries.

"Because decisions taken in this field affect them so seriously and so directly, farmers in all countries—who have so often been exhorted to consider the interests of international solidarity and to make sacrifices for the common good of the free world—consider, rightly or wrongly, that they should have a say in and perhaps give an opinion on such decisions."

On this point, a large part of the Congress, some officials in the administration, and public opinion in this country hold a different view. They look with disfavor, and sometimes with suspicion, on any foreign "meddling" in U.S. national policy decisions.

Those who want to push more U.S. surpluses abroad justify their position on the ground that this country is entitled to what they call "our fair share" of the world market. But the question of determining such a share is difficult indeed. Is it a share equivalent to this country's pre-war exports? Or is it a share based upon the abnormally high exports of the war period?

Naturally, other exporting nations do not want to concede this country export markets equivalent to or near those of the war period. To do so would be to force some other countries out of the market.

Foreign countries are not very sympathetic toward the United State with regard to its farm surplus problem. They take the view that the surpluses are of our own making and that the farmers of the rest of the world should not be made to suffer for them.

The foreign critics say that the U.S. government, through its program of high level farm price supports, encouraged farmers to overproduce at a time when it was quite apparent that there was need for this country to adjust production downward.

For the most part, the U.S. support prices were higher than those guaranteed competitive farmers in other exporting areas.

PROMINENT ROLE

Some foreign critics also emphasize that the United States itself had encouraged overseas expansion in production of some farm products, specially cotton and tobacco, by holding its prices at high levels. The U.S. prices tended to hold world prices higher than they otherwise might have been, with the result that some other areas were encouraged to jump into the production of these products.

There might be less criticism of U.S. export efforts if the government did not play such a prominent role in such sales. During the past 4 fiscal years, roughly every $4 out of every $10 worth of farm products moved abroad have done so only because of help from the government.

In other words, farm exports probably would have been only 60 per cent of their volume had they moved abroad on their own.

Commodities which got government help in one form or another in finding foreign users included wheat, cotton, tobacco, butter, cheese, dried milk, corn, barley, grain sorghum, rice, soybeans, cottonseed, peanuts, citrus fruits, dried beans, and dried fruits.

About the only products that have sold abroad without government aid include, lard, pork, beef, eggs, potatoes, and canned and processed fruits, vegetables and specialty items.

Government aid has taken the form of loans and grants to foreign governments for purchase of farm products, outright donations, export subsidies, and sales under which this country accepts foreign currencies which it uses to help pay its bills in the affected countries.

Wheat exports alone have been costing the U. S. Treasury about $120 million a year. U. S. wheat is supported by the government at prices far above those prevailing in world markets.

SUFFICIENT SUBSIDY

In order to make U S. wheat competitive in such markets, the government offers exporters sufficent subsidy to make up this price difference. That is, exporters can pay the higher U. S. price and sell abroad at the lower world price with the aid of the subsidy.

Similar subsidy programs have been used to move citrus fruits, apples, pears, prunes, raisins and honey abroad.

Some foreign critics say there would be little or no grounds on which to criticize this country if it allowed its farm prices to drop nearer world levels. Under such circumstances, they say, American farm production would decline and there would not be as great a need for export markets.

State Group to Evaluate Willamette High School

Evaluation of Willamette High School by the Oregon State Department of Education will begin next Tuesday.

About 22 teachers and other educators from various parts of the state will take part in the 3-day evaluation, according to Earle Vossen, WHS principal. The group will arrive Monday night and hold a briefing session with WHS teachers in the school library.

Evaluation of both the junior and senior high will be conducted. There are 624 students and 30 teachers in the 6 grade-levels.

Part of the committee's job will be to survey the self-evaluation which the WHS faculty has been conducting since last fall, leading up to the state study.

The state committee is under the direction of Willard Bear, in charge of secondary education for the department of education, Salem. The group will make a report on the weaknesses and strengths in the school's educational system, to permit the faculty and the administration to improve its quality.

Members of the committee will conduct their evaluation Tuesday, Wednesday and Thursday.

Churches Up Budget

NEW YORK (AP)—The National Council of Churches has announced it will spend a record $1,405,000 this year on religious films, television and radio programs, an increase of $245,000 over 1954.

New Pamphlet Cites Critical School Needs

OEA Issues Third In Informative Series

Critical needs of Oregon's public school system are highlighted in the third in a series of 5 pamphlets being distributed by the Oregon Education Assn. as part of its statewide "Operation Information."

During World War II, the pamphlet says, the supply of new teachers dried up. Emergency teaching certificates were issued to housewives, ex-teachers and partially-trained teachers to keep schools operating.

Since the war, the supply of teachers has increased over the wartime period, but great demands made by migration to Oregon and an increasing birth rate continue to outrun the teacher supply.

1,145 NEW JOBS

An example of the problem, says the OEA, is that during the 1953-54 school year, only 400 new elementary teachers were available from Oregon teacher training schools. In that year, 1,145 new jobs were created for teachers, most of whom had to be hired from outside Oregon.

"It is expected that the need for new elementary teachers will be double or triple the Oregon supply for several years," the OEA concludes.

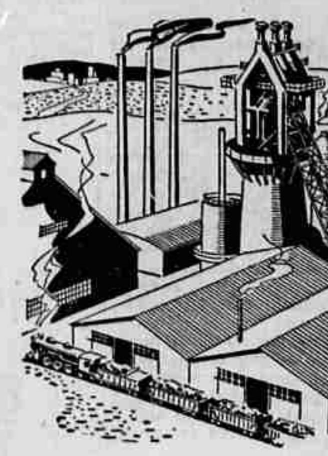
In order to find space for these teachers to work with students, new classrooms must be built. OEA quotes figures from the Oregon state department of education that about 3,400 new classrooms, costing more than $100 million, will be needed within the next 5 years.

5 RECOMMENDATIONS

At least 5 things can be done to meet these critical school needs, says the OEA:

- Reorganize school districts where necessary to obtain more economical and efficient operation.
- Increase the state's contribution to the basic school support fund, under which the state reimburses local districts for part of school costs.
- Raise teacher salaries and teacher certification requirements
- Increase property tax returns to get and to keep better teachers, through better assessment procedures.
- Provide state financial aid for school building programs in districts unable to issue more construction bonds.

What does plentiful, low-cost power mean to our community?



It means, of course, that our community will have a solid foundation for growth and development. An abundant supply of electric power is one of the basic cornerstones for any forward-looking city.

The Eugene Water and Electric Board, owned by the people of the city, is fully aware of its responsibility to the community to always do its utmost to guarantee that power will always be available . . . and at rates which will encourage its widespread use.

To do that, however, will soon require more sources of power. Already the peak demand on the Board electric system is 20 percent higher than the capacity of the generators owned by the Board. The additional power is now purchased from the Federal Government.

But there is no assurance that the Federal Government will always have power available. That is why the Eugene Water and Electric Board is working at full speed on planning for new power developments. These new projects . . . at Beaver Marsh and at Cougar Dam . . . will help meet the power needs of our community and will give us power at less cost than available from any other source.

EUGENE WATER & ELECTRIC BOARD
MUNICIPAL UTILITIES
500 E. 4th Ph. 4-6211

Rubenstein's ......

Deep Sculptured Beauty for your floors

another truly fine carpeting from our magnificent selection . . 100% imported carpet wools . . . Choice of ten luscious colors at a price you can readily afford . . . Only $57 Down carpets the average living and dining areas.

Come to Rubenstein's tomorrow or dial 5-3331. Our carpet consultant will gladly bring samples for your selection. No obligation.