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The perennial struggle over margarine taxation is currently focused on several bills before Congress to repeal the special taxes on the product. Observers believe the repeal now has the best chance of succeeding in the long history of the feud between dairy interests and margarine people. With the growing importance of soybean oil in margarine manufacture, more farmers find themselves on the margarine side.

Proponents of repeal legislation say that if they can get a switch of three votes in the House Committee on Agriculture, which is currently hearing scores of witnesses, they can get the bills on the floor of Congress. They predict passage. One unusual development this week was the testimony of Under Secretary of the Treasury A. L. M. Wiggins that present oleo taxes distort the competitive position of two domestic industries, unnecessarily burden consumers, and interfere with the optimum use of the nation's agricultural resources, and that it was the view of the Treasury Department that such use of the taxing power should be avoided.

The U. S. Department of Commerce reports that the exports of foodstuffs from the U. S. reached a value of 2.3 billion dollars in 1947, a record exceeded only by the record level of 2.6 billion dollars reached in 1919. Our foodstuff imports were valued at 1.7 billion dollars in 1947.

The Senate Committee on Agriculture this week approved for Senate action a bill which would add 40 million dollars to the present authorization of 57.5 million dollars of customs receipts which can be used to subsidize the export of surplus agricultural commodities from this country. The existing funds are reported to have been fully committed. Under some circumstances the funds can be used for surplus disposal in this country. Where the funds are used for exports, however, they must be at least matched by other funds provided for foreign relief.

After 15 years of attempting to get together on an international wheat agreement 36 nations signed last week an agreement between importing and exporting countries covering annual trade of 500 million bushels. When ratified by the participating countries it would become effective next August 1, and sets a maximum of $2.00 per bushel for the five years covered in the agreement, and a minimum of $1.50 for the 1948-49 season, decreasing 10 cents each year to $1.10 for 1952-53. There is a big gap in the setup, however,—Russia and Argentina, both potentially large factors in world wheat trade, did not participate in the agreement. They could probably wreck it. As long as there is a world wheat shortage the agreement would not be needed, and Congressional sentiment is reported as disposed to go slowly in ratifying American participation.

The USDA has announced a price support program for 1948 crop potatoes. Price levels will be announced after July 1 for late crop potatoes. The program will involve purchase, diversion, and export programs if and as needed until the time the normal winter storage season begins (around September 15) after which the price will be supported by loans. To be eligible, producers must comply with 1948 farm acreage goals, and must also not sell culls, ungraded or field-run potatoes, U.S. No. 2's, or U.S. No. 1's, size B, to anyone but USDA or its contracting dealers.

Farm people would get a transportation break if a bill introduced in the Senate last week were to become law. The bill would create a "Rural Roads Division" in the Public Roads Administration and would earmark 30 per cent of all Federal highway appropriations for the construction of hard-surfaced secondary and farm-to-market roads. The bill would also require that the Federal Government finance one-half of each such road project.

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#117