of a war. The remedy for that is stockpiling. The Defense Department Appropriation Act for fiscal 1951 for that reason authorized the Department to build up a war reserve of fabrics and "end items," involving 100 million pounds of wool, clean basis.[52]

Experience during and after World War II thus indicates that stockpiling of wool is feasible. Deterioration in storage, for several years, is inconsequential under proper management. The cost of stockpiling, though by no means negligible, is not prohibitive.[53] The cost of storing fabric includes mothproofing, rolling into bolts and fire protection, plus the general rates for warehousing—which on a percentage basis are relatively low as compared to storing raw wool.

In short, the defense argument provides little or no justification for a program of price support for domestic wool, particularly with a production goal out of line in terms of purely economic considerations. The national interest would therefore be served better by a further redistribution of resources from sheep raising to other farming pursuits. If farm policy were revised accordingly, the problem then would be how best to provide assistance for the readjustment of woolgrowers.

READJUSTMENT IN WOOL GROWING

Domestic wool production in no event will supply as large a part of domestic consumption as it did in earlier times when land was much more plentiful and the country's population much smaller. There remain, indeed, very large areas in the United States that are probably best used for sheep production. Where these are also suited for beef cattle, they probably should be shifted to that type of use. The country's population is rising rapidly, and the need for larger quantities of beef would assure maximum use of that type of land resource.[54]

There appears to be a continuing long-term trend toward a diminishing relative importance of sheep and wool in the national economy. But even if there were no tariff on wool and no other mode of price or income support for wool growers, sheep raising and wool production in the United States would surely not disappear. Some further shrinkage might occur, although swings in sheep numbers and production are certainly to be expected. Such shrinkage would mean a further change in the proportion of the growers' income received from lamb and wool, respectively, with lambs accounting for a still larger portion of the total than they do now.[55] At the same time, increased

[52] Raw wool has not been seriously considered for stockpiling. Already in September 1952, it was removed from group I of the list of strategic and critical materials for stockpiling. The 100 million pound fabric stockpile is still in operation. The raw wool stockpile had been liquidated by late 1957.

[53] In the stockpile for strategic purposes it has been found preferable to store cloth, finished or unfinished, despite obvious limitations of color and weave, because the amount of time it would take to get raw wool out of storage and channeling it into production. For purposes of calculation, it may be assumed that the cost of a unit of fabric is three times the cost of a unit of clean raw wool.

[54] Encouragement of sheep production can, however, be defended on other grounds: Much of the Plains area are and have recently been converted to wheat production, a crop in which there exists a substantial surplus. As part of the wool adjustment program, livestock production can be made relatively more attractive and crop production relatively less attractive. Considerable areas in the Plains, especially those subject to frequent droughts, could probably be used to better national advantage in the production of livestock, including sheep, than in grain production. See Benedict and Stine, op. cit., p. 358.

[55] See above.