AMERICAN FARM BUREAU FEDERATION

THE FUTURE OF U.S. FOREIGN TRADE POLICY

The American Farm Bureau Federation, representing 1,703,908 member families in 49 states and Puerto Rico, appreciates the opportunity of presenting its views in regard to the future foreign trade policy of the United States. We have long recognized the importance of foreign trade to U.S. agriculture and the need for a sound U.S. foreign trade policy in order to obtain the maximum opportunity for American farmers.

With abundant, high-quality, and attractively priced supplies of most of the important commodities entering world trade, the United States is the world's largest exporter of farm products.

U.S. agricultural exports reached a record-breaking $6.7 billion in the fiscal year 1965–66, exceeding the previous fiscal year record by $600 million. These exports represented over one-fifth of the world's agricultural trade.

U.S. agricultural exports in 1965–66 required financing, inland transportation, storage, and ocean transportation for 69 million long tons of cargo—enough to fill over 1.6 million freight cars or 5,500 cargo ships. To move these exports, an average of 15 ships departed each day.

Of the $6.7 billion U.S. agricultural exports in 1965–66, a record $5.1 billion were commercial sales for dollars in comparison with $4.4 billion a year earlier; and $1.6 billion moved under Public Law 480 (foreign currency sales, donations, barter, and long-term supply and dollar credit sales) and AID programs.

The $700 million increase in commercial sales for dollars not only accounted for all of the gain in total U.S. agricultural exports but also made up for a $100-million decline in exports under government-financed programs.

Three major commodities accounted for most of the $600-million net gain in 1965–66 exports; Feed grains, wheat and flour, and soybeans. *Feed grains* alone provided approximately $400 million of the increase. *Wheat* and *flour* and *soybeans*, with increases of $163 million and $136 million respectively also contributed substantially to the new export record. Signficant, although smaller gains were registered for *fruits*, *hides* and *skins*, *oilcake* and *meal*, *rice* and *vegetables*.

Declines totaling about $200 million occurred in exports of cotton as well as cottonseed, soybean oil, dairy products, and animal fats. Tobacco exports were approximately the same in value but lower in quantity.

For several commodities, such as dairy products and lard, exports were somewhat limited by smaller exportable supplies.

Economic growth in such major markets as the Western European countries and Japan continued to stimulate U.S. agricultural exports in 1966–67.

Preliminary figures indicate that U.S. farm exports for fiscal year 1966–67 exceeded $7 billion.

Crops from one of every four harvested acres are exported

The output of 78 million acres of U.S. cropland moved abroad in fiscal year 1965–66. The export market accounted for about two-thirds of the U.S. production of dried edible peas, almost two-thirds of the wheat (including flour equivalent); over three-fifths of the hides and skins; over half of the milled rice; over 40 percent of the soybeans and hops; more than one-third of the tallow; grain sorghums, nonfat dry milk, and dried prunes; one-fourth of the tobacco and raisins; and about one-fifth of the dried whole milk, cotton, lemons and limes, and cottonseed. U.S. exports of corn were about one-third of the quantity sold.