NATIONAL FARMERS UNION

FOOD NEEDS, WORLD TRADE, AND EXPORT PROBLEMS*

The projections of "The World Food Budget"[1] indicate that in the 1960–1970 decade there will be some improvement in per capita consumption of the diet-deficit area and that some of the improvement will result from expansion in trade. Nevertheless, in 1970 the total cost of the food deficit is estimated at $6.8 billion.

It would be possible to narrow the $6.8 billion nutritional gap through increased food imports under certain conditions. But to achieve these conditions, as foreseen in "The World Food Budget," it will be necessary to overcome several roadblocks that are deterrents to the expansion of trade.

These barriers include: 1) the low level of per capita income in the deficit area that limits the purchase of food imports under normal commercial terms, 2) faulty distribution systems that restrict the movement of foods to consumers, and 3) trade policies, including both tariff and nontariff controls.

Diet Deficit Areas

The greatest potential for increasing food and fiber consumption lies in the so-called diet-deficit areas of the world made up of Asia—except Japan and Israel—all but the Southern tip of Africa, Northern South America and almost all of Central America and the Caribbean.

The striking change that has occurred in the pattern of world food trade in recent years is the general shift of the diet-deficit areas away from a net export position, a trend which is expected to continue through the decade of the 1960's. Traditionally, except for a few countries which have had a large export surplus in petroleum and minerals, many countries of the deficit area have depended on net exports of agricultural commodities—non-food as well as food—to pay for nonagricultural imports. In other countries the consumption of some food commodities, such as sugar and bananas, has been at high levels, with a balance still available for export.

This shift has resulted primarily from two basic factors: Increased food consumption, and the failure of food production, particularly grains, to keep up with population growth. Projections for 1970 indicate that food exports of the deficit area will increase 31 percent over the 1959–61 average but that this will more than be offset by an increase of 45 percent in food imports.

Expanding Trade With Developing Nations

The implications to be drawn from this description of the hungry part of the world will affect the destiny of our American democracy and representative democratic government in the developing nations.

Solving the problems of this area would mark an historic moment for our generation. It would make possible a great break-through in the expansion of trade among nations of the free world.

Such a break-through would make it possible to meet perhaps the greatest moral challenge of our time. I refer, of course, to the vast discrepancy between the high living standards and modern development of the people of the "rich nations" compared with the grinding poverty of the people of the "poor nations."

Barbara Ward in her recent book, *The Rich Nations and the Poor Nations*, made this perspective comment when she said, "The talk of spreading freedom is 'irrational' unless we do something to build a congenial environment for it."

We have come to realize that the resources of the United States alone are not sufficient to attack the basic causes of poverty in the less-developed two-thirds of the world. We urgently need the help of Western Europe and the advanced nations of the Pacific.

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*By Tony T.Dechant, president.

[1] "The World Food Budget" is a publication of the U.S. Department of Agriculture.