Farmers Union has long contended that social and economic development can proceed only on the basis of trade policies which enable the least able member of the economic community to have access to its rightful and fair share of the developing markets.

It seems to us in recent years, two major events have sharpened our thoughts as a nation, and as farm people, to the ultimate need for an economic union or common market operating much as do our fifty states in exchange and trade matters.

First, the less-developed nations will for some time continue to require technical assistance and the other AID programs, in initiating and implementing the social reforms without which the rich grow richer and the poor become poorer. But without the opportunity to sell their products abroad, on a market favorable to their advancement, their efforts at self-help will be negligible.

Many of these nations are presently almost totally dependent upon the foreign sales of one or two commodities. Only broad-based trade relationships among the non-communist nations of the Atlantic Community, the countries of the Western Hemisphere, as well as the Near and Far East, can meet the peculiar trade needs of the developing countries. For example, we should assist in negotiating additional international trade agreements for those commodities produced by these nations that enter importantly into world trade.

The United States Congress ratified the International Coffee Agreement by a wide margin. More of this kind of cooperation is essential if we are to break the poverty cycles in these areas.

Recognizing the difficulties in moving a world-wide program, Farmers Union urges that three regional efforts be made by our government: (1) moving on a transitional basis toward ultimate integration into the Atlantic Economic Community; (2) facing up to our hemispheric responsibilities, particularly in relation to our Latin American neighbors and (3) building responsible and far freer trade relations with the democratic nations of the far Pacific community, including Oceania.

The interest of the American farmer will be best served by expanding trade in agricultural commodities.

Second, the so-called social market in developing countries can, with economic growth and development ultimately become a dollar market for our agricultural commodities. Looking toward this development we should fully utilize our unique opportunity to use food and fiber to promote widespread and rapid economic development in order to raise living standards in less-developed regions and nations.

TRADE POTENTIAL

International trade, historically, has been important in the supply and distribution of food commodities. It is an avenue without which consumption in some countries would fall below adequate levels, and consumption in other countries would lack variety or quality. It is open most often to those customers that have the means to buy and sell under normal commercial terms, whereas world trade may have limited access to countries with insufficient purchasing power and where consumption is often below adequate levels.

In 1959–61, average world food exports were in the order of $15.8 billion. For 1970, world food exports are projected to increase 37 percent over the 1959–61 level. With this gain, it is anticipated that world food shortages will have been evident in certain areas of the world.

United States food exports for 1970 are projected to increase 50 percent above the 1959–61 level—from $3.2 billion to $4.8 billion. About $1.8 billion of this total is projected to be shipped under government-financed programs, as compared with $1.2 billion in 1959–61, with an increasing proportion going to countries where diets are inadequate.

We could, and I refer to the United States and Canada, sell more food if the problem of distribution within the developing nation could be solved. Unfortunately, there is no immediate prospect for modern harbors, transportation systems, highways and the rest of the economic infrastructure that is taken for granted in our country. But I would like to suggest that as a beginning that we support our government *in an intensified effort to protect the prices and incomes of primary producers, especially in the developing areas.* Too often we find food passing through three of four hands and being sold to consumers at three or four times the price paid to farmers. Supporting the development of cooperatives and government price support programs are essential steps to increasing income to primary producers, to increasing food production and to sound economic growth.