

# THE OBSERVATION POST

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## Short Memories and Selfish Motives

**I**N NOVEMBER 1952, our people elected a new administration dedicated largely to the proposition that a free competitive economic system is best for the national welfare. This philosophy has made our country the greatest nation on earth.

For the past 20 years, organized groups have been encouraged to depend on Washington for the solution of economic problems. The spirit of adventure, the incentives to risk, the opportunities to gain or lose were discouraged or restricted. The federal government cushioned farmer risks in the field of agriculture. It supported a rapid succession of labor wage increases without regard to the inevitable devaluation of our currency or the distress of millions with fixed incomes.

### The Issue

We are now confronted with a struggle to determine whether this nation is to regain its former hardihood and spirit of self reliance or whether we shall have to resign ourselves to a political regime which glorifies a paternalistic society. The unfolding of events in the months ahead will determine whether we can preserve our spirit of self determination or whether we will drift toward a static type of society. In preparation for this issue, Secretary of Agriculture Ezra Benson enunciated the following as part of a statement of policy.

"The future of agriculture and the preservation of a sound economic system depend on a vigorous re-emphasis of the principles, benefits, and values of private competitive enterprise. No group in America is in a better position to contribute to this need than those who live on farms. . . . It is generally agreed that there is danger in the undue concentration of power in the federal government. Too many Americans are calling on Washington to do for them what they should be willing to do for themselves. . . . Each of the services for agriculture, now provided by the government, should be re-examined to determine first, whether it can better be met publicly or privately. If the service

appears to be a public responsibility, then it should be determined whether or not the objectives can better be accomplished through local or state agencies, or through federal-state cooperation, or through federal agencies."

Viewed objectively and realistically, the Secretary's policy statement is evidence that he will be guided by principles of individual freedom and responsibility. Its objective is to determine whether an administration dedicated to greater individual and local self reliance can endure. From a scientific viewpoint, the experiment needs to be carried out. If possible, it should be done without paralyzing changes in conditions. This, however, may be difficult. The activities of pressure groups and the impact of politics must be considered.

Recently representatives of the potato industry urged the Department of Agriculture to cooperate in a vigorous, industry-wide drive to stimulate a greater consumption of potatoes. The group urged that potatoes be merchandized as an economical, nutritious food which was in plentiful supply. It was the consensus of the potato growers that lower grade potatoes should be withheld from retail food markets and diverted to other uses.

### Memories of Potatoes

In some respects this concerted move by potato growers is commendable. It is evidence of enlightenment. It is in conformity with the administration's philosophy of self help, but it may be too late.

The potato growers assume that most folks have short memories. Only a few years ago, it was virtually impossible to buy good potatoes. With minor exceptions, the retail stores had only the dregs of the crop while the No. 1 tubers were sold to the Government under the support program for delivery to distillers and cattle feed factories.

The potato growers will now have to efface bitter consumer memories and endeavor to reverse the trend to other carbohydrates. The short-lived pros-

perity under paternalism may prove to be a costly episode.

### Memories of Meat

After the outbreak of the Korean War, cattle prices soared. Beef prices rose to prohibitive levels for many consumers. The efforts of Price Stabilizer DiSalle to roll back meat prices were opposed by cattlemen. They talked about a free competitive economy and the law of supply and demand. The cattlemen won the argument. If their arguments were valid then, the recent actions of a small minority are now definitely wrong. To play the roles of both lord and vassal is not in harmony with good old American traditions.

A brief review of beef cattle prices with reference to parity is interesting and to the point.

DATE	BEEF PRICES	
	RECEIVED/100 Lb.	EFFECTIVE PARITY
Dec. 1949	\$20.20	\$20.90
Dec. 1951	27.50	19.90
June 1952	26.70	21.00
Sept. 1952	23.80	20.90
Dec. 1952	19.70	20.70
June 1953	16.00	20.70
Oct. 1953	14.70	20.80

It is noteworthy that Secretary Benson was among those who endorsed the principles of economic freedom for cattle growers. He does so now. His actions have been consistent. To his credit, he has not seen fit to be stampeded into an unwise course of action by a minority aided and abetted by leaders of a previous administration.

### Efforts to Alleviate Distress

We are not unmindful of the circumstances—particularly the drought—that gave rise to the cattlemen's plight. We know, however, that Secretary Benson and the administration have acted beyond the call of duty in their efforts to alleviate distress. It is appropriate to inquire whether the cattlemen in some areas have done for themselves as much as they expect the Government to do for them. Is this just another example of short memories and selfish motives?