



## Flexible support program to be tested as farm leaders in Congress agree to "wait and see" policy on Benson plan

**W**ILL THE DEMOCRATIC ELECTION victory mean the end for the Administration's flexible farm program? Chances are that it will not, because farm leaders in both parties have indicated that they will adopt a "wait and see" policy. Substantial changes probably will not be made unless there is a sudden drop in over-all farm income.

This cautious approach is dictated somewhat by the election results. Many prophets were forecasting hard times for the Republicans in the farm belt because of lowered farm income and opposition to the flexible support plan. Such opposition only materialized to a large extent in the hard-hit dairy areas.

The state of the farm economy this year seemed to favor the Democrat's chances. Wheat and corn prices are holding firm, as have beef and hogs, at least until recently. Dairy and poultry prices, however, have skidded and over-all farm income was down about 3% from last year. At the same time costs were somewhat higher.

Election results showed that the reports of farmer dissatisfaction were largely overestimated. A definite swing to the Democrats was noted in some dairy states, however. One of the reasons given for Patrick V. McNamara's upset victory over Sen. Homer Ferguson (R.-Mich.) was the Administration's action in cutting dairy support prices from 90 to 75% of parity.

The election produced its share of surprises. Among the mighty to topple was Iowa's popular Democratic Senator, Guy M. Gillette. During the last session of Congress Gillette fought vigorously against flexible farm prices. He was defeated by Rep. Thomas E. Martin, who voted for the flexible program.

Republican vote percentage dropped in several farm states. Even in rural Minnesota, a Democrat was elected to

the House. In Iowa Republican Congressmen who voted for flexible supports won by fewer votes than their fellow



**Sen. Allen J. Ellender (D.-La.) (left) and Rep. Harold D. Cooley (D.-N. C.), chairmen of the agriculture committees in the next Congress**

members who voted against the Administration's program.

### **Benson Still Strong**

Soon after the election results were announced, some members of Congress felt there would be a complete overhaul of the Benson farm program which will take effect on Jan. 1. Briefly, the heart of this program is the establishment of a sliding scale of parity—from 82½ to 90%—for five basic crops (wheat, corn, cotton, rice, and peanuts).

After these plans had been discussed more thoroughly, it seemed that cooler heads would prevail. One of the program's bitter opponents, Sen. Edward J. Thye (R.-Minn.) said: "We should take what is good in the program as it now stands and build upon that basis."

Both new chairmen of Congress' powerful agriculture committees oppose flexible supports. Sen. Allen J. Ellender (D.-La.) was a leader in the fight to continue high wartime supports which were set up to stimulate production. Rep.

Harold Cooley (D.-N.C.) also favors high, rigid price supports.

Cooley seems to be more strongly opposed to the administration program than his Senate colleague. He believes the Benson plan should be dropped and a rigid system again should be put into effect. Ellender, on the other hand, wants to see how the flexible system works out before any new farm legislation is considered.

Agriculture Secretary Benson did not have complete support from Republican members of the agriculture committees last year. The House committee chairman, Clifford R. Hope of Kansas, gave only grudging support to the flexible program when it was being considered. The program received unfavorable reports from both agriculture committees, but received Congressional approval, nevertheless.

Opposition to the Administration's policy is likely to come when supports are considered for two commodities—cotton and dairy products. Southern Democrats, because of seniority, have taken high places on both agriculture committees. These men can be expected to oppose any reduction in the support prices paid for cotton and cottonseed products.

Agitation for higher dairy supports already has begun. Dissatisfaction in the dairy states has created pressure to raise the supports at least to 80% of parity. Secretary Benson is on record as opposing any increase in parity at this time.

Relief for dairymen and poultry raisers may come in the form of lower support prices for feed grains. By lowering the price of feed for these farmers, it is hoped that the ratio of feed cost to market return will become more favorable.

Secretary Benson faces the new Congress in a much stronger position than he was one year ago. At that time agitation for his removal was at a high point and many farm leaders gave him little chance to succeed with his flexible support program.

Benson overcame some of the opposition to his plan by "barnstorming" throughout the country and explaining his position personally to many farm groups. Gradually, talk of his dismissal got quieter as the Secretary stuck to his plan tenaciously.

The next obstacle in Benson's path was Congress, which seemed to favor the continuation of high supports, especially in an election year. Despite the opposition of some powerful farm leaders, Benson was able to push through his plan with votes to spare.

Then came the elections, which were supposed to spell doom for the Secretary and his plans. But the expected bitter opposition did not materialize at the polls. Some observers believe the close vote was a vindication of the Benson program.