

A Budget with an Eye to the Future

PRESIDENT EISENHOWER, in presenting his budget to Congress, has given some indication of the Administration's view of the directions in which we should proceed. Particularly interesting is the recommended increase of \$147 million in research and development expenditure for 1956 over 1955, while the total budget figure is reduced by more than a billion dollars.

Agriculture is one of the areas in which increased research is recommended. The total budget recommended for agriculture is nearly a billion dollars less than it was last year, while research and development recommendations have been raised to \$84.8 million from 1955's \$75.3 million.

The question has been asked why research should try to find ways of producing more when already we have a surplus. Superficially, this seems reasonable. But there are many reasons for doing research under the conditions of the present. One of the most important is suggested by the story on "Research Liaison," page 107 of this issue. Concern over the reduced amount of agricultural products used as raw materials by the protective coatings industry has led to a research liaison committee. The committee is working for better transmission of research results into practice by the protective coatings industry and, thereby, to increased use of agricultural raw materials.

The protective coatings industry is not the largest nonfood customer for agricultural raw materials. Perhaps the largest is textile mill products, valued annually at \$10 billion. Other industry groups concerned chiefly with the manufacture of nonfood products from agricultural raw materials include: wearing apparel and related products, paper and allied products, furniture and fixtures, leather and leather products, and tobacco. The combined products of those six groups are worth about \$31 billion. In some of them are outstanding examples of the replacement of agricultural raw materials by other products, particularly nonagricultural synthetics. A few years ago the phrase "cotton is being researched out of the market" was not uncommon. There is evidence that the tide now is being turned, by research, and the phrase is no longer correct in the present tense.

Another desirable aid from research is improvement of adaptation of new crops to land that has become marginal. Evidence of benefits from such practices can be found in the Southeast, where land once losing money with cotton now makes a profit as pasture from growing beef.

Furthermore, research is a long term process. Our population is increasing, diet needs and habits are changing, and our efficiency is far from 100%. We must look



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constantly for improvement as a safeguard for the future.

Further cause for satisfaction, in a less happy area of the budget, is the reduction in estimated loss from price support operations. The figure for net cost in 1956 is estimated at about \$968 million, compared to \$1934 million for 1955. But we shall still be spending more than 12 times as much to carry our big agricultural problem as we'll spend on developing new knowledge to overcome our problems.

Two other services will be faced with shares of responsibility in consuming the surpluses: Foreign Agricultural Service and Agricultural Marketing Service. FAS will be increased 43% to \$3.27 million. Much of this will be used in relations and negotiations leading to selling surpluses abroad. AMS will be lifted from \$218.5 million to \$271.2 million. Much of the latter increase will cover gifts of surplus food to needy individuals.

More than a billion dollars will be spent on surpluses next year. Most of it will go for current direct action. We consider the \$84.8 million for research a very valuable investment.

Another budget figure of concern to us is the sum allotted to the Food and Drug Administration. FDA's budget in 1953 was \$5.6 million, a figure not equaled since that time. Reduced funds have forced a cut in services. Activities have been aimed at the protection of health rather than pocketbook. Among work cut out has been food fraud investigations, an unfortunate loss. Next year's FDA budget estimate is \$5.5 million. While it is a slight increase from last year, it will allow only preservation of current operations. Announcement already has been made that inspection will be started to halt use of rodent- and insect-infested wheat in flour, but there is no clear evidence of funds available.

The lack of inspection for food fraud is particularly lamentable. It may tempt unprincipled operators to take advantage of a trusting public and a highly reputable industry. Food processors and their products today are commendably responsible and up to standard, to such a degree as to make the unethical percentage almost insignificant. But a shoddy packer, seizing an opportunity, might cheat the public and harm the industry's enviable reputation. Inspection is desirable as protection for both the public and the reputable processor.