TWO SIDES OF THE COIN

The high cost of government programs for agriculture has received much publicity. The public is—as it should be—deeply concerned. Unfortunately, in most cases the public has received only one side of the story.

A tremendous technical revolution in U.S. agriculture in the last thirty years has brought a great increase in production, greatly increased efficiency, a sharp decline in labor costs in agriculture.

This has meant that food prices, in an era of general inflation, have risen less than any other items in the consumer's budget. Even including restaurant prices, food prices to the consumer have increased but 20 per cent in the past 12 years compared to 30 per cent and more for all other cost-of-living items.

University of Minnesota economists note that it takes less hours of labor today to "bring home the groceries" than ever before. Taking just those last 12 years, an hour's labor today buys 2½ pounds of choice beef compared to 1.9 pounds in 1948; today that hour of work earns 8.1 quarts of milk compared to 6.5 quarts 12 years ago; today's hour in the factory merits 3.6 dozen eggs compared to 1.8 dozen in 1948.

Today the food budget takes but 20 per cent of the American family's disposable income, a proportion which has decreased steadily as agriculture has become more efficient.

Equally important, today Americans eat more expensive foods. We have a better diet with more fresh fruits and vegetables, and with more animal proteins—eggs, meat, dairy products. At the same time, food costs today include much of the processing. The supermarket today has readily prepared soups, vegetables, fruits, cereals, baked goods. Much of today's food cost, modest as that is, also includes a higher degree of processing than ever before.

Grandma had a "hired girl." Today's neat young housewife, wheeling her wire wagon down the Supermarket aisle, finds much of the "hired girl" chores included in the packages on the grocery shelves. These add food costs which are not returned to the farmer-producer.

Our Minnesota friends point to the extreme case of a loaf of bread, which in 1960 cost an average of 20.3 cents. The farmer got 2.8c, miller, grain handler and transporter received 2.2c, the baker 11.9c and the retailer 3.9c. Thus the farmer's share of this basic food item was 14 per cent of the final price.

Just one more item: Parents might well realize that the so-called "surplus" government foods which make up the bulk of the school lunch program in this nation, are charged against that highly-criticized farm program. Also, much of our nation's effort to win friends among undeveloped "neutral" nations is implemented through gifts and subsidized sales of U.S. farm products.

In fairness to all concerned, we should look at both sides of a coin before determining its value. That applies particularly to the government program for agriculture.

Harold E. Myers
Dean
College of Agriculture
and
School of Home Economics

We'll Be Visiting You More Often

Starting with this issue—and with a new year—PROGRESSIVE AGRICULTURE will appear bimonthly instead of quarterly, coming to you every two months instead of every three.

This also means, of course, six issues a year instead of four. The work being done at your College of Agriculture in the University of Arizona is growing in scope and importance. That means that, to keep you informed, we must report to our readers in greater volume and frequency.

The last preceding issue—"FALL 1961," was Volume XIII, Number 3. For the information of librarians we are starting the new bimonthly sequence (and the new year!) with a new volume number. This issue, appearing Jan. 1, 1962, will therefore be Volume XIV, Number 1.

We'll be seeing you—six times annually, from now on.

Arizona Agricultural Income Near Half Billion

Gross receipts from the sale of agricultural products in Arizona during 1960 totaled $485.2 million, and the net value of sales was $416.9 million, compared to $404.4 million in 1959. If the value of forest products is added to this, the gross receipts figure becomes $506.4 million.

January-February 1962