

# Everyone Has A Stake In Agriculture

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In the years ahead, how many of you think the cost of housing will decline? Shortages invariably result in increased prices. Are there any decisions we can make now that will prevent world-wide shortage of food and major increases in food costs?

In 1975, the world population was about 4 billion people. Conservative estimates are that the world population will reach 6.5 billion people by the year 2000. During the next twenty-five years farmers will have to double present production in order to maintain our food consumption of people in areas where food shortages now exist. That is a big order, particularly in view of the fact that much of the proven agricultural land of the world is now in production.

A major reason for the phenomenal increases in agricultural production in the world during the last 200 years has been the increased use of fossil fuels to replace back-breaking human toil. Energy has been one of the key ingredients in the tremendous increases which have occurred in agriculture's productive efficiency.

Despite this fact, the use of energy in on-farm production accounts for only about 1.6 per cent of the total energy used

in the U.S. An additional 1.9 per cent is required to produce the supplies utilized on our farms and ranches, such as fertilizers, animal feed, machinery, pesticides, and many other items of mechanization, automation and convenience to modern farming and ranching.

The major energy requirements for products comes after the raw materials leave the farm. Energy requirements for food processing are substantial. However, when broadly defined in terms of production, processing, distribution and utilization, agriculture and forestry use is less than 15 per cent of all energy consumed in the U.S.

There are significant relationships among the technology of food production, the energy used in food production, and the prices that we must pay for food.

Some economists have suggested that the near trebling of U.S. grain prices following the Russian grain sale of 1972 was a more immediate cause of the tremendous surge of inflation in the U.S. in 1973 and 1974 than was the OPEC's quadrupling of the price of oil.

Through the sale of grain to Russia in 1972, the U.S. depleted its grain surpluses. Following the U.S. depletion of its food surpluses, and in spite of the release of all land held in the soil banks, the world reserves were drawn down

from 96 days in 1972 to about 26 days in 1975.

If weather continues to be unfavorable to agricultural production in the lower '48 resulting in major droughts as well as lower yields, there simply won't be food reserves to share with countries falling behind in meeting market demands facing a major crisis resulting from and flooding.

World food production is now growing at a rate of  $2\frac{1}{2}$  per cent per year, and food demand is growing at a rate of 3 per cent per year. Even if we succeed in substantially lowering the population growth rate, the number of people for several decades will grow faster than we are likely to succeed in increasing food production.

Right now the United States exports about three-fourths of its wheat production, about two thirds of its rice output, about one-fourth of its corn. Products from 30 per cent of U.S. crop acreage are exported.

Irrespective of world food needs, the United States needs food exports to balance payments made for foreign oil. In spite of major efforts toward energy independence, the U.S. imports more oil than it produces within its own shores.

Even after the oil from Alaska's North Slope and continental shelf becomes available, it looks as though substantial amounts of im-

ported oil will be needed well into the future.

In terms of the needs of Alaska, there is a mounting evidence that the State must provide incentives to expand its economy and the resulting revenue base. There is concern that the the brakes must be applied to State spending in view of rapidly increasing state expenditures in comparison with revenue. There is concern that the 900 million dollar grubstake is gone. In short, there is growing concern about where the tax base will be when it comes time to provide schools, roads, health care, unemployment, insurance, sewage disposal, pollution control, and all other services of state and local government we have come to demand and expect.

The renewable resources of agriculture and forestry can, with wise development and use, supplement the existing petroleum revenue base and provide revenue both now and after the last drop of oil is gone.

In the final analysis, the primary reason for developing agriculture in Alaska is for the economic and social benefits it will bring to the people. Many concerned Alaskans recognize the possibility that eastern Congressmen may vote to lock up Alaskan agriculture land so that use for only wilderness or scenic purposes would be permitted. Those Congressmen should be asked to respond to a letter I received last year from a resident of a rural Alaskan village. The letter pleaded for assistance in developing agriculture and outlined the pres-

ing need for an agricultural enterprise to halt severe economic decline in the village. The closing paragraph of the letter follows:

"People in this north-land are getting tired of government handouts for they lose all their national dignity as individuals. It is expected that hard work must be done. And it will take years for communities to pull themselves up by their own boot straps. But what is the use of living if it cannot be done in dignity, and by the sweat of one's own brow. What greater feeling than to look to the heavens each day and marvel at the grandeur of God's good earth.

"What then do we seek? We seek to be a part of the bread basket for and ever hungry world. We seek crops or products which will help our economy, render us self-reliant, and be of need to our fellow man."

"Such products and crops exist. It becomes now but a matter of finding which will survive and the best way to bring it forth.

In expectant gratitude, I await your reply."

Not only the writer of this letter, but every American has a stake in U.S. agriculture. Here in Alaska we have the soil, the sunlight, the fertilizer, the energy and the crops to an integral part of the total U.S. food production system. We need an agricultural development program and reasonable incentives for farmers to do the job. Let's get on with land policies that will develop food production in Alaska.