THE CONGRESSIONAL FRONT.

By Hon. Everett M. Dirksen
Congressman 16th District.

THE PROBLEM OF INDIA

There is a problem of India which presently disturbs world leaders and also a problem in India which is equally important and disturbing. This triangular wedge of land which extends into the Indian Ocean and the Bay of Bengal is one half the size of the United States and supports a population of 300,000,000 people. In the last twenty years there has been an increase of 60,000,000 people. India is predominately rural and 89 per cent of her people derive a livelihood from agriculture. The problem then is the feeding of these people. Of the 320,000,000 acres of cultivated land 250,000,000 acres are devoted to food crops. Rice provides 70 per cent of the diet and 72,000,000 acres are devoted to rice production. One difficulty here lies in the fact that the average yield is but 26 bushels per acre compared with 70 bushels in Japan. Consequently India must import from six to eight per cent of her rice requirements from Burma. Since Japan has invaded Burma, this rice supply has been imperiled which provokes a real problem of India's subsistence. It seems unbelievable that India is the largest producer in the world of sugar cane, tobacco and hides and skins and also one of the largest producers of vegetable oil and cotton. Cotton production is estimated at 4,500,000 bales. Lack of feed has resulted in a poor quality of livestock production notwithstanding the fact that India has 310,000,000 head of livestock including sheep and goats. Here then is a country with a population nearly three times that of the United States whose principal problem is to provide food for the subsistence of her people.

THIS THING CALLED PARITY

Much has been said and written concerning parity since it figures so largely in the anti-inflation legislation enacted by the Congress and it would be well for everyone to have a very definite and concrete conception of what parity really means. Perhaps we can clarify the matter. In 1933 Congress announced the so-called principle of parity in the Agricultural Adjustment Act and declared the policy of re-establishing prices for farm commodities so that these commodities would have a purchasing power with reference to the things which the farmer must buy which would be the equal of the purchasing power of those commodities in a sixty-month period from August 1909 to July 1914. This period was selected because it seemed to represent a period when farmers were enjoying a normal prosperity as compared with the rest of the country. The basic idea, therefore, is to bring about an equivalent condition now by providing parity prices for farm products. Here is how the so-called parity price is calculated. Take corn as an example. The average price which the farmer received for corn in the sixty months beginning August 1909 and ending July 1914 was 64.2¢ per bushel. The second step in the calculation is to determine from the 15th day of any month the amount which a farmer must pay for 88 different items used in his family living and 88 items used in farm production, including taxes and interest and then determine how much more those items cost now than they did in the base period between 1909 and 1914. As an example, the calculation shows that for June 15, 1942 the
farmer had to pay 1.58 times as much for these items as he did in the base period. The next step is to multiply the average corn price of 64.2¢ by 1.52 which gives 97.6¢. This means that the parity price for corn on June 15, 1942 was 97.6¢ per bushel and that this is the price which the farmer should receive for corn if his general welfare shall be the equivalent of what it was in the base period of 1909 to 1914.

The same calculation is made for the four other basic commodities of wheat, rice, cotton and tobacco. In the case of other commodities like soybeans and peanuts, an effort is made to determine a "comparable" price since the production of these items in the base period was rather negligible. Here you have the mechanics for calculating parity prices and "comparable" prices.

THE NEW COMMANDER OF THE PACIFIC FLEET AIR FORCE

The recent announcement that Rear Admiral John H. Towers was named as the new Commander of the Air Force of the Pacific Fleet is worthy of observation because he is a pioneer in the field of aviation. Admiral Towers was one of the first three Naval Officers to qualify as an aviator thirty-one years ago when he was assigned to duty under Glenn H. Curtiss, outstanding plane builder at Hammondsport, New York. Later Admiral Towers became aeronautics instructor at the U. S. Naval Academy and then became a test pilot in California. In 1912 he returned to the U. S. Naval Academy as a Lieutenant Junior Grade in charge of the Naval Aviation Camp. In that same year he established a world's endurance record by flying continuously for six hours and ten minutes in a Curtiss Seaplane. In the intervening thirty years he has had broad experience in every field of aviation as well as naval operations including sailing vessels, steam vessels and the modern oil fueled vessels. Truly he is a pioneer.

CONTROL OF THE HONORABLE BEAN.

"The Honorable bean" as the Chinese call the soybean seems headed for complete Federal control. It is expected that for the crop year 1942, 9,000,000 acres of beans will produce 153,000,000 bushels. Along with cottonseed, flaxseed and peanuts, the soybean is officially classified as a vegetable oil seed. On August 15, 1942, the War Production Board directed the Commodity Credit Corporation to handle in its entirety the sale, purchase, warehousing and processing of soybeans. Under this mandate, the Commodity Credit Corporation is preparing contracts to cover the sale, purchase, warehousing and processing of soybeans at a fixed price of $1.60 per bushel. This will mean that the marketing, distribution and processing of the Honorable Bean will be entirely under the control of the government.