

retarding production, but even if this fear were eliminated the problem would still remain of ensuring that increased production would reach those in need and at prices satisfactory to both parties.

With this problem in mind Sir John Boyd Orr issued in July, 1946, his World Food Board proposals. In the United States of America 400,000 fewer people were on farms during the Second World War than during the first, but because of technological improvements production was 50 per cent. greater. In New Zealand, wartime production was maintained with considerably fewer people on the land. Thus there was every reason to believe that the world would again witness that state of "poverty midst plenty" when those who had been engaged in farming were free to return to the land. Because of war devastation, political uncertainty in Europe, and the high incidence of bad seasons since the war ended, production has not recovered as rapidly as was hoped.

Nevertheless, despite this temporary setback, in countries where modern agricultural science is applied the main problem is to find continuous markets at remunerative prices. To quote Sir John's report: "A relatively small excess of supply over economic demand is followed by a big drop in prices, as occurred in the late 1920's. On the other hand, a relatively small excess in economic demand over supply is followed by a big increase in prices." The market for foodstuffs depends largely on the purchasing-power of those engaged in industries other than food-production. In brief, a long-term food and agriculture policy must reconcile the interests of consumers and producers and those of agriculture and trade.

For those reasons it was realized that by itself FAO could make only a limited contribution toward freedom from want and the achievement of an expanding world economy. It was proposed from the beginning to work closely with other agencies of the United Nations, particularly the Economic and Social Council, the International Monetary Fund and the International Bank, the World Health Organization, and the International Labour Organization.

International commodity organizations were a feature of the inter-war period. Agreements were concluded for sugar, rubber, tea, and certain minerals. Most of these were quota agreements—"children of the depression"—and were restrictive in character. During and since the war there have been further commodity agreements, such as the Inter-American Coffee Agreement and the Joint Organization of the Governments of the United Kingdom, Australia, South Africa, and New Zealand to dispose of wool surpluses. These organizations suffer from two major defects—the consideration of each commodity in isolation and the lack of financial resources.

Consideration of these factors prompted Sir John Boyd Orr to issue his proposals for the constitution of a World Food Board ultimately representing all countries, and probably appointed by the conference of FAO and including representatives from other interested international organizations. The functions of the World Food Board would be—

- (1) To stabilize prices of agricultural commodities on the world markets, including provision of the necessary funds for stabilizing-operations.
- (2) To establish a world food reserve adequate for any emergency that might arise through failure of crops in any part of the world.
- (3) To provide funds for financing the disposal of surplus agricultural products on special terms to countries where the need for them is most urgent.
- (4) To co-operate with organizations concerned with international credits for industrial and agricultural development, and with trade and commodity policy, in order that their common ends might be achieved more quickly and effectively.

It was proposed that the Board maintain very close collaboration with the proposed International Trade Organization.