

STATEMENT OF DAVID L. HUME, ADMINISTRATOR, FOREIGN  
AGRICULTURAL SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. HUME. Thank you very much, Mr. Chairman. I would mention also that I appreciate the opportunity to be here at the hearing before you and to make comments.

I think you do have my statement which is intended to be responsive to the many questions in the draft report itself. I would like to just go through this quickly, and point out the areas that should be brought to our attention.

Now, as you know, 3 or 4 years ago statistics in agriculture from overseas were not nearly as important as they are today. Agriculture has been more and more dependent upon agriculture exports and we are quite aware of the upgrading of intelligence gathering, and analysis, and putting that information in the form which it can be understood and the speedy diffusion of it among the people who are interested in it. This is highly important, and it will become increasingly important as we go on.

Now, before I make my brief remarks here I would like to introduce my colleagues; Mr. William Horbaly, who is Assistant Administrator for Agricultural Attaches, and he supervises that area; with him also is Mr. Philip Mackie, who is the Deputy Assistant Administrator of our Foreign Commodity Analysis; and Mr. Clark Ison, who is from the large area crop inventory experiment project and has a wide crop estimating experience, and that is the activity in which remote sensing was based.

Chairman HUMPHREY. Yes.

Mr. HUBIE. It is usually referred to as LACIE. And Mr. Ison is here to answer any questions that you should have on that.

Now, I'd like to address myself to three areas.

About 2 years ago the Foreign Agricultural Service was reorganized and one of the principal reasons it was reorganized was to try to upgrade the intelligence and the reporting and information functions.

To understand what we did let me describe the Commodity Division within FAS as part of the reorganization. The earlier division had two responsibilities. It had a Foreign Marketing Branch, it had a Foreign Commodity Analysis Branch, and it had a Foreign Competition Branch. Marketing was the area that was somewhat competitive with the other side, so what we did was split off the marketing and put a specialized line of supervision and delegation to the marketing side, and at the same time we had left the intelligence side or the analysis side also with a specialized line, so we have upgraded specialization as far as analysis of commodities is concerned within the Foreign Agricultural Service.

This, we believe, has enabled us, and will continue to enable us to build up quality as well as quantity and timely dissemination of information in these areas.

Now, you might ask what we are trying to do. Now, Mr. Chairman, I am a layman, and I have set a rule. I have to understand what they are doing. If I can understand what they are doing, then probably everybody else can.

Chairman HUMPHREY. I work on that basis too.

Mr. HUME. There are two major areas that we are giving emphasis to, and I would call it first the return of fundamentals. We are gathering information on a country-by-country basis, and on a commodity-by-commodity basis under a supply-utilization format. In addition, we are adding outlook and forecasting information.

Now, it seems to me that if we can determine what supply is and those things that go with it, such as production, and consumption, carryover, export, and so on, for each country, for each commodity, we will eventually be able to come forward with information which we don't, have now or which will be vastly improved and we are working in that direction.

For example, Dr. Meeker has told me this morning that in programming the computer, and they are focusing on this, almost three-quarters of a million separate pieces of information for dairy and poultry production in selected countries went into that computer to provide the 10-year history base against which the future operations will take place.

So this has all been done within the last year and a half. In addition, the other major approach that we are making is we are in the process of developing what we call a world trade system, and this simply will put in the computer export-import information by country source. In other words, if we ask ourselves, take Germany, Japan, or any country, what kind of commodities are they receiving, and where are they receiving them from, and in what quantities. Now, in our opinion if you can fine tune this supply-utilization format with forecasting of production, if we can develop this world trade system, and we think we can, particularly in FAS, we will be able to give the agricultural community and others in this country information that they haven't had and that is almost the ultimate at this stage in the Foreign Agricultural Service.

I mentioned timeliness, and this is one of the problems that we have, to get information out, and to be sure that it gets into the hands of people that need it. We are conscious of the fact that we first represent farmers, and one of our missions is to get information into the hands of farmers on a timely basis and in the quantity that's needed so that they know as much about the market as some of the people in this city do, whether they are big or small, or in New York or here, and this is a difficult job, and we have started several *new* reports.

One is the weekly one, and this came about as a result of discussions with Senator Bellmen, in which we are putting out a press release updating pertinent foreign information.

Chairman HUMPHREY. Yes; I recall one discussion that we had here on that.

Mr. HUME. And this seems to be a very popular thing, Senator Humphrey, and we are picking up the multiplier effect of this information, and it has been gratifying to us.

We have established a world grain situation report which we put out frequently during the growing season, and it has been very popular. Here again, we are conscious of the fact that we need to be more timely in gathering and publishing information. This world grain report has been well received. I think Mr. Bell may have mentioned yesterday that we established within the Department two specially identified groups, one which monitors the general situation as best it can; and

another one which does the same thing in the Soviet Union. This is the kind of thing that we are doing now. There is a great challenge in the foreign field in gathering information.

I served in England for 4 years, and if there's any easy place to gather agricultural information it's in England. If I took the issuances of the Ministry of Agriculture, Food, and Forestry of that country, and if I read the Financial Times, if I read the Economist, and if I read perhaps the business section of the Times, and had a few discussions with some key information people, I knew pretty well what was going on in England.

Now, in contrast to that, I don't have to mention the People's Republic of China and the Soviet Union are completely different kinds of challenges, and if you take it country-by-country all around the world, you will run up against a much more complicated job, but nonetheless we are tackling it, and we are going to do the best we can, and we recognize that something is needed by the agricultural community, and that's something for which we have accepted the challenge, and we think we are on our way.

Thank you.

Chairman HUMPHREY. Thank you very much.

You may recall that Senator Bellmon and I worked with you to get an additional attaché in Moscow, and I have introduced a proposal in the Senate for an attaché in the People's Republic of China. I see according to your testimony that our representative there, Ambassador Bush, is working on that matter, and hopefully the Department of State is giving priority consideration to this.

By the way, I intend to talk with Dr. Kissinger about giving extra emphasis to this, because the People's Republic of China is such a large component of any agriculture information service. Either in terms of a gap, or in terms of an input, we need that information.

You mentioned we have placed one attaché in Vienna, who additionally has responsibility for Hungary and Czechoslovakia. Another attaché in Yugoslavia also has responsibility for Romania. Wouldn't it be wiser or desirable to have one per country?

Mr. HUME. Well, I'd say they were at least two things, Senator Humphrey, I think there are situations where there wouldn't be enough work in certain countries, in small countries.

Chairman HUMPHREY. Oh, yes, I recognize that. You may have to regionalize some of that.

Mr. HUME. It's simply a matter of authorized ceilings as to the number of personnel we are authorized to hire, and certain amounts of money. If we were without a ceiling, and had no problem with money, why we could do that. Incidentally, we are very much aware of your support in trying to get an agricultural officer to the People's Republic of China and we hope to name one within a month or so.

Chairman HUMPHREY. That would be great.

Mr. HUME. The State Department is coming through and also we are quite aware of the support that you gave in placing an additional man in the Soviet Union, and I think this was a constructive thing for American agriculture.

Chairman HUMPHREY. Well, Senator Bellmon and I might want to come to you and talk about whether or not these ceilings have to be