

While considerable recovery has been made from the effects of war-time destruction, the dislocation of the war has raised formidable problems which greatly retard the expansion of food production. Although North American production was expanded greatly to meet urgent needs, the expansion was based largely on increased per acre yields and involved some departure from sound farming and conservation practices which should be corrected.

Consumption

Consumption disparities among nations have become greater. The proportion of the world's population in countries with an average daily diet of 2,000 calories or less has increased from about one-fifth to about one-third. On the other hand, of the four countries outside Europe which pre-war were above the 3,000-calorie level, three have increased both their calorie and their protein intake per person. Nevertheless, in a number of countries the consumption disparities between income groups have been reduced because of increased food supply or augmented purchasing power or such measures as rationing and food subsidies.

International Trade

In International trade the most significant feature is the massive increase in the share of the United States, and to a lesser extent of Canada, in world exports. Their share in world food exports has risen in the past ten years from less than one-seventh to about two-fifths of the total. The United States share in world exports of bread grains rose from about one-tenth before the war to close on one-half since the war. The volume of food exports of the rest of the world has fallen and is recovering only slowly. In the Far East the decline in trade has been particularly severe. Apart from war damage and civil disorders, industrialization is promoting a needed increase in food consumption, leaving a still smaller surplus for export.

While the world is relying more heavily on dollar countries for both agricultural and industrial goods, the means of paying have decreased. Many of the food deficit countries have lost important sources of dollar earnings. Moreover, a large part of the dollars formerly earned by them from the under-developed countries are no longer available. Out of all this has grown a situation of inherent instability in which even the present inadequate consumption levels of the food deficit areas are precariously held. This basically unstable position has been maintained by depletion of the gold and dollar reserves of soft currency countries, and loans and gifts by the United States and Canada on an unprecedented scale.