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AMERICAN NATIONAL CATTLEMEN'S ASSOCIATION 69TH ANNUAL CONVENTION MUSIC HALL - MUNICIPAL AUDITORIUM KANSAS CITY, MISSOURI JANUARY 25, 1966 REMARKS BY CONGRESSMAN BOB DOLE

PRESIDENT KEOGH, OFFICERS OF THE AMERICAN CATTLEMEN'S ASSOCIATION, MY FRIEND BILL MC MILLAN, LADIES AND GENTLEMEN. IT IS ALWAYS A PLEASURE TO MEET WITH THE MEMBERS AND FRIENDS OF THIS GREAT ORGANIZATION, AS WE SHARE A BELIEF IN THE SAME BASIC PRINCIPLES OF FREEDOM AND OPPORTUNITY. WE SHARE A DEEP CONCERN OVER THE CONTINUING THREATS TO THOSE PRINCIPLES FROM WITHIN AND WITHOUT OUR COUNTRY. TODAY, WE ALSO SHARE A COMMON FEAR OF CONTINUING EFFORTS BY THE FEDERAL GOVERN-MENT TO CONTROL THE PRODUCTION, MERCHANDISING, AND PRICING OF AGRICULTURAL COMMODITIES. AMERICAN CATTLEMEN HAVE ALWAYS PLAYED A LEADING ROLE IN RESISTING THESE EFFORTS, THOUGH AS WE KNOW, THE FIERCE DESIRE TO IMPOSE AND ENFORCE FEDERAL CONTROLS UPON BROAD SECTIONS OF THE NATION'S ECONOMY HAS NEVER REALLY DIED IN MANY WASHINGTON MINDS. IN FACT, IT IS BEGINNING TO FLAME AGAIN.

PRICE CONTROLS

WITHIN RECENT WEEKS, THE ALUMINUM, COPPER AND STEEL INDUSTRIES HAVE HAD A TASTE OF THE SAME BITTER MEDICINE FARMERS HAVE BEEN GAGGING ON FOR MANY YEARS. INSTANT CONTROLS ARE ENFORCED THROUGH NAKED GOVERNMENT POWER AND RESOURCES. IN THE ABSENCE OF ANY LEGISLATIVE AUTHORITY TO CONTROL METAL PRICES, THE ADMINISTRATION HAS RESORTED TO THE DUMPING OF GOVERNMENT-OWNED COPPER STOCKPILES, AT WELL BELOW WORLD PRICES, AND THE THREAT OF FEDERAL CONTRACT AWARD REPRISALS AS A MEANS OF INVOKING PRICE CEILINGS. IN THE CASE OF SUCH AGRICULTURAL COMMODITIES AS WHEAT AND FEED GRAINS, THE ADMINISTRATION HAS FLOUTED THE EXPRESSED WILL OF CONGRESS BY DUMPING COMMODITY CREDIT CORPORATION STOCKS FOR THE AVOWED PURPOSE OF DE- -2-

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PRESSING PRICES AND FORCING FARMERS TO PARTICIPATE IN SO-CALLED "VOLUNTARY" CROP CONTROL PROGRAMS. WHEN CONGRESS WROTE THE <u>CCC CHARTER IN 1948</u>, THAT AGENCY WAS CHARGED WITH "STABILIZING, SUPPORTING AND PROTECTING FARM INCOME AND PRICES." TODAY, IN MY OPINION, THE <u>GREATEST THREAT TO FARM INCOME AND PRICE STABILITY</u> <u>IS CCC ITSELF</u>, WITH ITS VAST ACCUMULATION OF WHEAT, FEED GRAINS, COTTON AND OTHER COMMODITIES. THESE INVENTORIES HANG LIKE THE SWORD OF DAMOCLES OVER THE PRICE OF EVERY ITEM.

EARLY THE MONTH IT WAS ANNOUNCED THAT CCC WAS MOVING MILLIONS OF BUSHELS OF CORN FROM COUNTRY TO TERMINAL POINTS WHERE IT WOULD BE OFFERED FOR SALE. SHORTLY BEFORE THAT, IT WAS ANNOUNCED THE GOVERNMENT'S STOCK OF WHEAT --NEARLY 500 MILLION BUSHELS -- WOULD BE OFFERED FOR UNRESTRICTED USE "TO ASSURE ADEQUATE MARKET SUPPLIES." SECRETARY FREEMAN NOTED AT THAT TIME THAT U. S. BILLION WHEAT STOCKS THEN TOTALED 1.5 ENTER BUSHELS, WITH THE PROSPECT OF A 700 MILLION BUSHEL CARRYOVER ON JULY 1, 1966. BY THAT DATE, A NEW WHEAT CROP ESTIMATED AT 1.3 BILLION BUSHELS OR MORE WILL BE MOVING TO MARKET. ALL OF THIS WOULD PROVIDE A TOTAL SUPPLY OF 2 BILLION BUSHELS FOR THE NEW CROP YEAR -- ENOUGH TO MEET DOMES-TIC NEEDS FOR AT LEAST THREE YEARS OR ENOUGH TO MEET DOMESTIC NEEDS, PLUS FORE-SEEABLE EXPORT DEMANDS FOR THE 1966-67 MARKETING YEAR, WITH A REASONABLY LARGE RESERVE -- PERHAPS 500 TO 600 MILLION BUSHELS -- STILL IN HAND.

THE MOST IMPORTANT POINT, HOWEVER, IS THAT THE OFFER TO SELL <u>CCC</u> STOCKS DID NOT INCREASE OR DECREASE TOTAL U. S. WHEAT STOCKS BY ONE BUSHEL. ITS IMMEDIATE EFFECT, AS YOU KNOW, WAS TO BREAK THE PRICE FARMERS COULD RECEIVE IN THE MARKET PLACE BY <u>SEVERAL CENTS PER BUSHEL</u>. MOREOVER, THIS WAS THE INTENDED EFFECT OF THE ANNOUNCEMENT. IT WAS A PREMEDITATED ADMINISTRATIVE PRICE CONTROL ACTION WILLFULLY DESIGNED TO PLACE A CEILING ON THE PRICE OF WHEAT.

ON THE VERY DAY THE GOVERNMENT WHEAT DUMPING PROGRAM WAS INAUGURATED, THE DEPARTMENT OF AGRICULTURE REPORTED THE AVERAGE PRICE RECEIVED BY FARMERS FOR

WHEAT WAS <u>\$1.40 PER BUSHEL</u>, OR <u>54 PER CENT OF PARITY</u>. A WHEAT PRICE CEILING AT 54 PER CENT OF PARITY!!! THIS IS ALL THE MORE AMAZING WHEN YOU REFLECT UPON THE FACT WE HAVE AN ADMINISTRATION PLEDGED TO PRICE SUPPORTS AT NOT LESS THAN <u>90 PER</u> <u>CENT</u> OF PARITY FOR WHEAT AND OTHER BASIC COMMODITIES. IN ALL FAIRNESS, LET ME ADD THAT UNDER THE WHEAT CERTIFICATE PLAN, THE VALUE OF CERTIFICATES AND OTHER PAYMENTS SHOULD ALSO BE INCLUDED; BUT BASED ON THE DECEMBER, 1965, PRICES, THE COMPLIER WILL STILL RECEIVE ONLY ABOUT <u>70 PERCENT OF PARITY</u> ON HIS TOTAL PRO-DUCTION, AND THE NON-COMPLIER, AS STATED, ABOUT <u>54 PERCENT OF PARITY</u>. THE DUMPING PRACTICES ARE DESIGNED TO PLACE A CEILING ON THE PRICE OF WHEAT AND, IN TURN, PREVENT ANY INCREASE IN THE PRICE OF BREAD, BUT THE PRICE OF WHEAT ITSELF WOULD HAVE TO INCREASE CONSIDERABLY TO JUSTIFY ANY INCREASE IN BREAD PRICES.

IN VIEW OF EFFORTS TO CONTROL WHEAT PRICES, ONE CAN WELL IMAGINE WHAT ADMINISTRATION LEADERS MIGHT BE DOING TODAY IF THEY HAD AN INVENTORY OF BEEF AND PORK IN THEIR FOOD STOCKPILE. HOGS HAVE BEEN BRINGING <u>124 PERCENT OF PARITY</u> ----WHAT A TARGET THIS WOULD BE FOR THE PRICE CONTROLLERS.

REMEMBER 1961

THE SO-CALLED "STATE OF THE UNION" MESSAGE DELIVERED WEDNESDAY NIGHT, JANUARY 12, MUST HAVE CONTAINED SURPRISING NEWS FOR THE AMERICAN FARMER. I REFER SPECIFICALLY TO THE RIDICULOUS STATISTICS CITED TO THE EFFECT THAT FARM INCOME IS AT AN ALL-TIME HIGH AND IS <u>UP 40 PERCENT</u> IN THE PAST 5 YEARS AND <u>UP 20 PERCENT</u> <u>OVER LAST YEAR.</u> TO START WITH, THE WORD FARM INCOME MEANS INCOME PER FARM IN THE PRESIDENT'S STATEMENT. LATEST <u>USDA</u> FIGURES INDICATE THERE ARE <u>NOW 3,286,000</u> FARMS IN THE UNITED STATES -- SOME <u>670,000 LESS THAN IN 1960</u>. OBVIOUSLY THEN, IF THERE ARE FEWER FARMS, THE SHARE PER FARM IN THE NATIONAL INCOME PIE WILL BE GREATER. THIS HAS BEEN THE CASE OVER THE YEARS. I WOULD AGREE THAT FARM INCOME IN 1965 EXCEEDED THE LEVEL OF THE PREVIOUS YEAR, PRIMARILY BECAUSE OF THE INCREASE IN LIVESTOCK PRICES, AND SECONDLY, THE FACT THAT DIRECT GOVERNMENT SUBSIDIES ARE -4-

INCREASING. IN 1965, APPROXIMATELY 2.4 BILLION GOVERNMENT DOLLARS WERE PAID TO FARMERS, WHICH IS NEARLY QUADRUPLE THE LEVEL OF PAYMENTS IN 1960. WHILE I CER-TAINLY APPLAUD INCREASED FARM INCOME, I WOULD SUGGEST THAT A MORE REASONABLE MANAGEMENT OF GOVERNMENT-HELD STOCKS WOULD PERMIT FARM INCOME TO ADVANCE EVEN FURTHER AT THE PLACE IT SHOULD -- <u>THE MARKET PLACE</u>. IMPROVEMENTS IN THIS AREA MIGHT HELP THE FARMER RETIRE <u>FARM DEBT</u> WHICH HAS <u>INCREASED MORE THAN 50 PERCENT</u> <u>IN THE PAST 5 YEARS</u>. AS MANY OF YOU KNOW, FARM DEBT HAS BEEN RISING AT A MORE RAPID RATE THAN EITHER NET FARM INCOMEOR LAND VALUES, WHICH SUGGESTS THAT MANY <u>FARMERS ARE FORCED TO RELY ON CREDIT</u> -- AT LEAST IN PART -- AS A <u>SUBSTITUTE FOR</u> INCOME.

AS WE REFLECT ON INCREASES IN LIVESTOCK PRICES, IT WOULD BE WELL TO REMEMBER THAT IT WAS JUST <u>5 SHORT YEARS AGO, IN 1961</u>, THAT SECRETARY FREEMAN AND HIS <u>TOP ADVISOR</u>, <u>DR. WILLARD COCHRANE</u>, -- LATER TURNED OUT TO PASTURE --CHARGED UP CAPITOL HILL WITH THEIR SO-CALLED "SUPPLY MANAGEMENT" PROGRAM IN HAND. THAT WAS THE PLAN, (H.R. 6400), WHICH WOULD HAVE PLACED THE ENTIRE AGRICULTURAL ECONOMY, INCLUDING THE LIVESTOCK INDUSTRY, AT THE MERCY OF THE PROFESSIONAL PLANNERS IN <u>USDA</u>. IT WAS REFERRED TO BY MANY AS THE "TRIPLE H" PLAN, -- THAT IS, THE "HENS, HOGS, AND HEIFERS" CONTROL PLAN. IN A LATER ADMINISTRATION BILL, THERE WERE TO BE FINES AND JAIL SENTENCES FOR FARMERS AND RANCHERS WHO FAILED TO KEEP PROPER BOOKS OR REFUSED TO COMPLY WITH OTHER EDICTS OF THE SECRETARY OF AGRICULTURE.

LIVESTOCK PRODUCERS SHOULD BE ETERNALLY GRATEFUL THAT THEY ESCAPED THE FATE IN STORE FOR THEM. CONGRESS STRIPPED MOST OF THE PROPOSED CONTROLS FROM THE FREEMAN-COCHRANE PACKAGE. BUT THERE IS NOTHING IN THE RECORD TO INDICATE THE BASIC BELIEF IN A CONTROLLED LIVESTOCK INDUSTRY HAS BEEN ALTERED.

WHERE DO YOU SUPPOSE CATTLE AND HOG PRICES WOULD BE TODAY, WHAT WOULD BE THE STATE OF THE LIVESTOCK INDUSTRY, IF THE SUPPLY-MANAGEMENT PROGRAM HAD BEEN

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EFFECT FIVE YEARS AGO? TO ASK THE QUESTION IS TO ANSWER IT.

THEREFORE, IT IS IRONIC TO HEAR ADMINISTRATION SPOKESMEN CLAIMING FULL CREDIT FOR THE CURRENT INCREASE IN NET FARM INCOME -- AN INCREASE BROUGHT ABOUT LARGELY THROUGH IMPROVED LIVESTOCK PRICES. AS ALL OF YOU KNOW, IT WAS RANCHERS AND FARMERS THEMSELVES, THROUGH THEIR OWN INDIVIDUAL DECISIONS, WHO INCREASED THEIR OWN INCOMES BY MAKING NECESSARY ADJUSTMENTS IN LIVESTOCK MARKETINGS AND NUMBERS.

AS A MATTER OF FACT, IT WAS GOVERNMENT DECISIONS AND POLICIES WHICH GAVE LIVESTOCK PRODUCERS TWO OF THEIR ROUGHEST YEARS IN RECENT HISTORY DURING <u>1963 AND 1964</u>. WHOLESALE DUMPING OF GOVERNMENT-OWNED FEED GRAINS A YEAR EARLIER TRIGGERED UNSOUND EXPANSION OF LIVESTOCK NUMBERS. RECORD-BREAKING IMPORTS OF MEAT PROVIDED THE ADDITIONAL SUPPLY FACTOR WHICH BROKE CATTLE PRICES TO DISASTER LEVELS.

THIS DEMONSTRATED AGAIN THAT EVEN THOUGH YOUR INDUSTRY HAS SUCCEEDED IN AVERTING GOVERNMENT CONTROL AND PRICE SUPPORT PROGRAMS, LIVESTOCK PRODUCERS ARE STILL SUBJECT TO THE FALL-OUT FROM SUPPLY-MANAGEMENT PLANS DEVISED FOR OTHER COMMODITIES. IT IS ARGUED THAT THE PRESENT FEED GRAIN PROGRAM IS A VOLUNTARY ONE. TECHNICALLY, THIS IS TRUE. BUT IN MANY INSTANCES, THE FARMER'S ALTERNATIVE TO STAYING OUT OF THE PROGRAM MAY IMPOSE SUCH A HARSH FINANCIAL PENALTY THAT HE IS VIRTUALLY FORCED TO COMPLY. THE CORN GROWER, FOR EXAMPLE, DOESN'T HAVE TO RESTRICT HIS PRODUCTION. BUT WHEN HE GOES TO MARKET WITH HIS CORN, HE FINDS THE GOVERNMENT THERE AHEAD OF HIM, DUMPING HUGE SURPLUSES AND DEPRESSING THE FREE MARKET PRICE.

EFFECT OF CCC SALES

A RESEARCH STUDY BY THE HOUSE REPUBLICAN TASK FORCE ON AGRICULTURE, OF WHICH I AM A MEMBER, FOUND THAT THE INCOME OF FARMERS FROM SALES OF CORN ALONE WOULD HAVE BEEN \$370 MILLION HIGHER IN THE 1961-62 MARKETING YEAR HAD IT NOT BEEN FOR THE <u>COMPETITIVE DUMPING OF NEARLY A BILLION BUSHELS OF GOVERNMENT-OWNED CORN</u>. THIS WAS, IN EFFECT, CONFIRMED BY THE SECRETARY LAST YEAR BEFORE THE HOUSE AGRI-CULTURE COMMITTEE. HE SAID, "....WE PURPOSELY SOLD IN ORDER TO MOVE OUR PRICES DOWN FAR ENOUGH SO THAT THEY WOULD BE WAY BELOW THE SUPPORT LEVEL, THE LOAN LEVEL, SO THAT WE COULD THEREBY GET COMPLIANCE. THAT WAS THE WHOLE INTENT AND PURPOSE AND THRUST OF THE PROGRAM."

IS IT THE DUTY OF A SECRETARY OF AGRICULTURE TO BEAT DOWN FARM PRICES IN ORDER TO DRIVE FARMERS INTO COMPLIANCE WITH GOVERNMENT PROGRAMS? I BELIEVE HIS PRIMARY RESPONSIBILITY IS TO HELP PROTECT OUR MARKETING SYSTEM SO THAT FARMERS CAN EARN A FAIR RETURN IN THE MARKET PLACE, RATHER THAN HAVING TO DEPEND UPON A GOVERNMENT CHECK. MOREOVER, I AM CERTAIN THAT MOST AMERICAN FARMERS WOULD PREFER TO HAVE IT THAT WAY. THEY KNOW THAT THE SAME GOVERNMENT WHICH CAN HAND THEM SOMETHING TODAY CAN TAKE IT BACK, WITH INTEREST, TOMORROW.

STRONG EFFORTS WERE MADE DURING DEBATE ON THE 1965 FARM BILL TO RESTRICT COMMODITY CREDIT CORPORATION'S SALES AUTHORITY. IT WAS PROPOSED THAT THE MINIMUM LEVEL FOR <u>CCC</u> RESALES OF GRAIN BE BOOSTED FROM THE CURRENT 105 PERCENT OF LOAN LEVEL TO A HIGHER FIGURE. THIS WOULD HAVE INCREASED PRICES RECEIVED BY FARMERS IN THE FREE MARKET. I MIGHT NOTE THAT REPUBLICANS OVERWHELMINGLY SUPPORTED THE INCREASE. DEMOCRATS OVERWHELMINGLY OPPOSED IT. OF COURSE, THE PROPOSAL LOST.

THE CURRENT WHEAT-DUMPING PROGRAM SHOULD CONVINCE SKEPTICS THAT CONGRESS MUST PLACE TIGHTER RESTRICTIONS ON THE SECRETARY'S AUTHORITY TO DISPOSE OF <u>CCC</u> STOCKS. MANY OF US ARE FEARFUL THAT ANOTHER LARGE CORN-DUMPING OPERATION MAY BE UNDERTAKEN THIS SPRING IN AN EFFORT TO BREAK PRICES AND CLUB FARMERS INTO COM-PLIANCE WITH THE FEED GRAINS PROGRAM. THIS COULD HAVE SEVERE REPERCUSSIONS FOR THE LIVESTOCK INDUSTRY IN 1967-68.

A FOOD RESERVE

IF CONGRESS SHOULD FAIL TO IMPOSE TIGHTER RESTRICTIONS ON THE SECRETARY'S

AUTHORITY TO DISPOSE OF COMMODITY CREDIT STOCKS, THEN THE POSSIBILITY OF CREATING A STRATEGIC "FOOD RESERVE" SHOULD BE FULLY EXPLORED AND IMPLEMENTED. WHILE SURPLUSES IN GRAINS MAY SOON BE NON-EXISTENT, ADEQUATE RESERVES MUST BE MAINTAINED. A SUPPLY OF BASIC FOODS, INSULATED FROM THE MARKET AND ALSO FROM THE REACH OF THE ADMINISTRATION, -- REGARDLESS OF THE PARTY IN POWER -- PERHAPS WOULD PROVIDE THE ANSWER. THIS IS NOT A NEW IDEA, BUT WE HAVE NOW REACHED THAT POINT WHERE CONGRESS SHOULD SPELL OUT NOT ONLY THE NECESSITY OF HAVING AN ADEQUATE FOOD RESERVE, BUT HOW IT SHOULD BE HANDLED AND ADMINISTERED.

IN MY OPINION MOST OF THE RESERVES SHOULD BE OWNED AND MANAGED BY THE GRAIN TRADE WITH SOME TYPE GOVERNMENT CONTRACT REQUIRING A SPECIFIC AMOUNT TO BE AVAILABLE AT ALL TIMES. CERTAINLY ANY GUIDELINES SHOULD INSURE THAT RESERVES DO NOT BECOME TOO LARGE FOR, IF THIS HAPPENS, THEN THE GOVERNMENT WOULD AGAIN BE IN A POSITION OF USING THEM AS A CLUB OR A PRICE CONTROL WEAPON. IF PROPERLY ADMIN-ISTERED AND PROPERLY INSULATED FROM THE MARKET, FARMERS WOULD BE BETTER PROTECTED, SURPLUSES WOULD NOT OVERHANG THE MARKET, AND PRICES WOULD TEND TO RISE AND FALL WITHOUT BEING DEPRESSED OR STIMULATED BY BUREAUCRATIC ACTION.

NEEDLESS TO SAY, WE SHOULD STOCKPILE ONLY BASIC FOODS. SUPPLIES SHOULD BE KEPT IN RURAL AREAS -- WHERE PRODUCED IF PRACTICAL -- AND KEPT UNDER THE CONTROL OF THE UNITED STATES GOVERNMENT, NOT THE UNITED NATIONS OR ANY OTHER INTERNATIONAL GROUP.

I KNOW OF A NUMBER OF CONGRESSMEN WHO ARE HOPEFUL THAT SOME SUCH PRO-GRAM MAY BE ESTABLISHED THIS YEAR. I AM NOW WORKING WITH CONGRESSMAN JAMES BATTIN, MONTANA, IN AN EFFORT TO COME UP WITH SOME PROGRAM ACCEPTABLE TO THE ADMINISTRATION. I UNDERSTAND WE HAVE <u>7 MILLION POUNDS OF GOOSE FEATHERS</u> TO STUFF BEDDING FOR THE ARMY STOCKPILED, BUT AS YET, NO INSURANCE THAT OUR FOOD RESERVES WOULD BE ADEQUATE IN CASE OF CROP FAILURE, OR EXTENDED WAR IN SOUTHEAST ASIA OR ELSEWHERE. OUR PRESENT SO-CALLED "SURPLUSES" COULD LITERALLY VANISH IN A HURRY. WE NEED ASSURANCE NOW NOT ONLY FOR OURSELVES BUT FOR A HUNGRY WORLD.

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WORLD WIDE FOOD DEMAND

THE WORLD WIDE DEMAND FOR FOOD TODAY IS UNPRECEDENTED. THE DEPARTMENT OF AGRICULTURE RECENTLY REPORTED THAT AGAIN IN 1965 WORLD FOOD OUTPUT DID NOT KEEP UP WITH WORLD FOOD NEEDS. <u>IN THE UNDERDEVELOPED COUNTRIES ESPECIALLY, FOOD</u> <u>PRODUCTION IS FAILING TO KEEP PACE WITH POPULATION GROWTH. THE WORLD FOOD GAP</u> <u>IS GROWING!!!</u> FAMINE LOOMS IN INDIA, WHERE SEVERE DROUGHT HAS DESPERATELY COMPLICATED AN ALREADY SERIOUS FOOD DEFICIT. UNDER THESE CIRCUMSTANCES, THE ADMINISTRATION SHOULD DIRECT GREATER ATTENTION TOWARD SHARING ACCUMULATED DOMESTIC SURPLUSES OF FOOD WITH HUNGRY PEOPLE IN FRIENDLY COUNTRIES AND LESS ATTENTION TO UTILIZING THESE STORES AS A DEVICE FOR BEATING DOWN FARM PRICES AND FORCING PRODUCERS INTO COMPLIANCE WITH CROP CONTROL PROGRAMS.

WHILE I BELIEVE WE MUST ACT, FOR HUMANITARIAN REASONS IF NO OTHER, TO RELIEVE CURRENT FOOD SHORTAGES AMONG FRIENDLY PEOPLE, I AM ALSO KEENLY AWARE OF THE FACT THAT WE CANNOT TRAVEL THIS ROAD FOREVER. THE COLD TRUTH IS THAT THE UNITED STATES ALONE CANNOT CONTINUE FOREVER TO MAKE UP THE GROWING FOOD DEFICIT IN INDIA AND OTHER UNDERDEVELOPED COUNTRIES. EVEN THOUGH ALL PRODUCTION CONTROLS WERE LIFTED IN THE UNITED STATES, WITHIN A VERY FEW YEARS WE WOULD FIND OURSELVES UNABLE TO MEET THE CONSTANTLY-GROWING NEED FOR MORE FOOD IN INDIA ALONE.

LAST NOVEMBER I WAS PRIVILEGED TO ATTEND THE FOOD AND AGRICULTURE CON-FERENCE IN ROME, ITALY, AS A CONGRESSIONAL ADVISOR REPRESENTING, ALONG WITH CONGRESSMAN OLSEN OF MINNESOTA, THE UNITED STATES HOUSE OF REPRESENTATIVES. IT WAS AN INTERESTING EXPERIENCE, AND PROVIDED AN OPPORTUNITY TO MEET WITH MANY AGRICULTURAL LEADERS FROM OTHER COUNTRIES. I WAS PARTICULARLY IMPRESSED WITH MY VISIT WITH <u>DR. B. R. SEN, WHO IS THE DIRECTOR GENERAL OF FAO</u>. DR. SEN RECOUNTED HIS EXPERIENCE AS THE INDIAN MINISTER OF AGRICULTURE **DURING** THE CALCUTTA FAMINE IN 1943. HE EXPLAINED THE DIFFICULTY OF DESCRIBING SUCH A CALAMITY -- AND THAT IT WAS SOMETHING ONE ALMOST HAD TO WITNESS TO FULLY COMPREHEND. HE STATED VERY BLUNTLY THAT UNLESS INDIA RECEIVES SUBSTANTIAL UNITED STATES FOOD ASSISTANCE NOW -9-

AND IN THE MONTHS AHEAD, A FAMINE INVOLVING SOME 8 TO 10 MILLION INDIANS COULD DEVELOP THIS YEAR. I MIGHT ADD HE MADE IT CLEAR THAT HE STRONGLY SUPPORTED THE UNITED STATES POLICY OF MAKING ADDITIONAL AID CONTINGENT UPON EXPANSION OF INDIAN FOOD PRODUCTION AND OTHER SELF-HELP MEASURES. DR. SEN ALSO REFLECTED THE GENERAL CONCERN EXPRESSED AT THE <u>FAO CONFERENCE</u>, THAT AMERICA MIGHT RETRENCH AND REDUCE ITS AGRICULTURAL OUTPUT AND CURTAIL ITS FOOD AID PROGRAMS UNDER THE NEW FARM LAW. DR. SEN STATED THAT MANY AGRICULTURAL LEADERS OF OTHER COUNTRIES WERE FEARFUL THAT A REDUCTION IN U. S. SURPLUSES WOULD MEAN A REDUCTION IN OUR EFFORTS TO HELP FRIENDLY COUNTRIES MEET THEIR FOOD NEEDS.

THIS EXPERIENCE ALONE WAS AN INDICATION TO ME THAT THE TIME HAS COME TO MAKE DRASTIC CHANGES IN OUR APPROACH TO THE PROBLEM OF WORLD HUNGER. YES, FOR THE PRESENT, WE CAN CONTINUE TO HELP PEOPLE WITH GIFTS OF FOOD, BUT WE HAD BETTER START NOW TO HELP UNDERDEVELOPED COUNTRIES INCREASE THEIR OWN PRODUCTION.

IT IS QUITE OBVIOUS THAT AMERICAN AGRICULTURAL PRODUCTIVITY CANNOT ACCOMMODATE THE FOOD NEEDS OF THE WORLD FOR ANY SUBSTANCE OF TIME INTO THE FUTURE. <u>THREE PRINCIPAL APPROACHES WERE DISCUSSED AT LENGTH AT THE FAO MEETING</u> AS WAYS TO BRING THE PRODUCTION OF FOOD INTO CONSONANCE WITH THE INCREASING WORLD POPULATION:

 THE AGRICULTURAL PRODUCTIVITY OF THE DEVELOPING NATIONS MUST BE IMPROVED,

(2) THE DEVELOPED NATIONS TOGETHER -- NOT AMERICA ALONE -- MUST JOIN HANDS TOWARD HELPING THE DEVELOPING NATIONS MEET THEIR FOOD NEEDS, AND

(3) POPULATION CONTROL, PARTICULARLY IN UNDERDEVELOPED NATIONS, MUST BE USED.

OF THESE THREE APPROACHES, I THINK WE MUST RECOGNIZE THE PRACTICAL OBSTACLES AND LIMITATIONS THAT EXIST.

OBVIOUSLY THERE IS A LIMITITO WHAT THE UNITED STATES AND OTHER DEVELOPED AGRICULTURAL NATIONS CAN PRODUCE AND DISTRIBUTE TO OTHER NATIONS IN THE WORLD.

HUMANITARIANISM MUST BE ACCOMPANIED BY REASON IF WE ARE TO SUCCEED. THE MERE PRODUCTION OF FOOD IN DEVELOPED NATIONS ISN'T THE COMPLETE ANSWER. THE QUESTION OF HOW AND WHO IS TO PAY FOR THEIR EFFORT MUST ALSO BE ANSWERED. THE HISTORY OF MANKIND HAS SEEN NO NATION ACT AS GENEROUSLY TO HER NEIGHBORS THAN HAS THE UNITED STATES OF AMERICA. CERTAINLY WE WILL CONTINUE TO DO OUR PART AND MORE, BUT OTHERS MUST HELP IN ASSUMING THE FINANCIAL BURDENS OF THIS HUMANE EFFORT.

THERE ALSO ARE SOME VERY PRACTICAL LIMITATIONS IN EXISTENCE IN REGARD TO POPULATION CONTROL. WE CANNOT EXPECT TO CHANGE CENTURIES OF RELIGIOUS AND CULTURAL TRADITIONS OVERNIGHT AND ANY EFFORTS IN THIS AREA MUST TAKE FULL COG-NIZANCE OF THE MAJOR RELIGIOUS FAITHS TO WHICH POPULATION CONTROL IS A SERIOUS MORAL ISSUE. I PERSONALLY COULD NOT HELP BUT NOTICE AT THE <u>FAO MEETING</u> THAT POPULATION CONTROL WAS NOT AT THE MOMENT A VERY PRACTICAL AND EFFECTIVE ANSWER.

THERE ARE LIMITATIONS, OF COURSE, ON THE CAPACITY OF UNDERDEVELOPED COUNTRIES TO EXPAND THEIR OUTPUT TOO. LACK OF FOREIGN EXCHANGE, ILLITERACY, POOR TRANSPORTATION AND MARKETING FACILITIES, LACK OF STORAGE AND PROCESSING, INADEQUATE FERTILIZER RESOURCES AND INEFFECTIVE LAND TENURE ARE BUT SEVERAL OF A HOST OF HANDICAPS THAT EXIST. YET IN SPITE OF THESE OBSTACLES, WE KNOW LOCAL FOOD PRODUCTION CAN BE INCREASED. THE U. S. DEPARTMENT OF AGRICULTURE RECENTLY REPORTED THIS. SECRETARY FREEMAN ALLUDED TO THE DEPARTMENT'S RESEARCH IN THIS AREA AT THE FAO CONFERENCE.

I AGREE, TOO, THAT FOOD PRODUCTION <u>CAN BE</u> EXPANDED IN DEVELOPING NATIONS. IT NOT ONLY CAN, IT MUST.

NO MATTER WHAT APPROACH IS USED, ONE THING IS EMINENTLY CLEAR -- THAT IS, THERE IS A DESPERATE NEED FOR "KNOW HOW" KNOWLEDGE WHICH WILL SERVE IN COAXING INCREASED PRODUCTIVITY FROM THE LANDS, OLD AND NEW. HOW THIS "KNOW HOW" BEST CAN BE TRANSMITTED TO THOSE IN NEED OF IT POSES THEN AS THE CRITICAL CONCEPT THAT MUST BE DEALT WITH. IF WE REVIEW THE FABULOUS PRODUCTIVITY OF AMERICAN AGRICULTURE AND THE MAGIC ^{IN}GREDIENTS WHICH HAVE MADE IT POSSIBLE, WE FIND THAT NEW TECHNIQUES,

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NEW METHODS, NEW MACHINERY AND DISSEMINATION OF TECHNOLOGICAL ADVANCES FROM THE LABORATORY TO THE FARM, THROUGH THE MAGICAL EXTENSION SERVICE, HAVE COMBINED TO MAKE AMERICA'S AGRICULTURE SECOND TO NONE.

I WOULD SUGGEST THEN SEVERAL APPROACHES TO MEETING THE NEED FOR EXPANDED PRODUCTION OF FOOD BY THE UNDERDEVELOPED NATIONS THEMSELVES. SOME OF THESE AREN'T NEW IDEAS, BUT RATHER ARE REFINEMENTS AND A CHANGE IN EMPHASIS.

FIRST OFF, AS A GENERAL FOREIGN POLICY, WE SHOULD CERTAINLY PREDICATE OUR ASSISTANCE TO FOREIGN NATIONS ON THE REQUIREMENT THAT THEY IMPROVE AND EXPAND THEIR OWN AGRICULTURE.

SECOND, WE SHOULD COORDINATE OUR VARIOUS TECHNICAL ASSISTANCE PROGRAMS IN AGRICULTURE. THE PEACE CORPS, THE AGENCY FOR INTERNATIONAL DEVELOPMENT, PRIVATE AGENCIES, THE STATE DEPARTMENT, THE AGRICULTURE DEPARTMENT, AND INTERNATIONAL AGENCIES NOW HAVE MANY OVERSEAS ACTIVITIES WHICH OFTEN OVERLAP EACH OTHER AND, THUS, DO NOT BRING FORTH THE MAXIMUM RESULTS POSSIBLE.

FOR EXAMPLE, OUR AGRICULTURAL ATTACHES OVERSEAS DO NOT HAVE A DIRECT SAY IN THE POLICIES OF A.I.D. IN RENDERING AGRICULTURAL ASSISTANCE. IT SEEMS TO ME THEY SHOULD HAVE A GREATER VOICE IN THIS.

BREAD AND BUTTER CORPS

I WOULD, THEREFORE, SUGGEST THE ESTABLISHMENT OF A "BREAD AND BUTTER CORPS" UNDER THE JURISDICTION OF THE U. S. DEPARTMENT OF AGRICULTURE, TO TEACH THE PEOPLE OF FOOD-SHORT, FREE WORLD COUNTRIES, HOW TO INCREASE AGRICULTURAL PRODUCTION. MANY OF THESE EMERGING NATIONS HAVE THE SOIL, THE MANPOWER AND THE CLIMATE TO PRODUCE ENOUGH FOOD FOR THEIR OWN NEEDS. WHAT THEY LACK PRIMARILY IS TECHNICAL "KNOW HOW" WHICH COULD BE SUPPLIED BY US AT A SMALL FRACTION OF THE COST OF OUR PRESENT FOOD ASSISTANCE PROGRAMS. IN OTHER WORDS, WE WOULD INTRODUCE THE FARMERS OF THESE COUNTRIES TO THE ASPECTS OF EXTENSION SERVICE, THE VALUABLE CONNECTING LINK BETWEEN "KNOW NOTHING" AND "KNOW SOMETHING". NEEDLESS TO SAY, EXTREME CARE

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SHOULD BE EXERCISED IN COORDINATING AND IN CARRYING OUT ANY SUCH PROGRAM, AND FIRST OF ALL AN ACCELERATED PROGRAM SHOULD BE DEVISED TO PROVIDE A SUPPLY OF TECHNICIANS, WITH THE HELP AND COOPERATION OF OUR LAND GRANT INSTITUTIONS THROUGH-OUT THE COUNTRY. THE FEDERAL GOVERNMENT COULD PLAY AN IMPORTANT ROLE IN STIM-ULATING PARTICIPATION IN SUCH A PROGRAM BY PROVIDING A MODEST BONUS OR SUBSIDY FOR THOSE COLLEGES QUALIFIED TO TRAIN AND EQUIP THE NEEDED TECHNICIANS. THE TECHNICIANS NEED NOT NECESSARILY HAVE A COLLEGE DEGREE -- BUT THEY WOULD BE HIGHLY TRAINED TO MEET THE DEMANDS OF THEIR ASSIGNED COUNTRY OR COUNTRIES. PERHAPS AN INTENSIFIED AND ACCELERATED PROGRAM COULD PROPERLY PREPARE A TECHNICIAN IN THE "BBC" IN ONE OR TWO YEARS. ONLY QUALIFIED PERSONS WOULD BE ASSIGNED TO A COUNTRY, AND THE "FINISHED PRODUCT" COULD CONCEIVABLY COME FROM ANY WALK OF LIFE PRIOR TO TRAINING -- THOUGH FARMERS AND OTHERS ENGAGED IN THE FIELD OF AGRICULTURE MIGHT OFFER THE BEST HOPE INITIALLY.

THE SUBSIDY WOULD BE CONDITIONED ON THE PERFORMANCE OF THE TECHNICIANS ---UPON COMPLETION OF TRAINING --- IN DEVELOPING COUNTRIES THAT NEEDED THIS TRAINING SERVICE.

WITH RESPECT TO MAINTENANCE AND UPKEEP OF AMERICAN TECHNICIANS ABROAD TEACHING EXTENSION WORK, SOME ARRANGEMENT MIGHT WELL BE EFFECTED TO USE SOME OF THE SOFT CURRENCIES GENERATED <u>UNDER TITLE I OF P. L. 480</u> TO HELP IN THIS RESPECT, PARTICULARLY WITH RESPECT TO ACCOMMODATING THE EXPENSES OF LIVING CONDITIONS, ETC. IN THIS WAY, SOME PORTIONS OF THE EXCESS FOREIGN CURRENCIES CURRENTLY HELD IN INDIA, FOR EXAMPLE, MIGHT BE PUT TO PRACTICAL USAGE.

AND TO FIRM THIS PROGRAM UP, THE UNITED STATES GOVERNMENT SHOULD DEAL DIRECTLY WITH THE GOVERNMENT OF THE FOREIGN COUNTRY TO WHOM THE ASSISTANCE WAS BEING EXTENDED, WITH AMERICA INDICATING THE SCOPE AND INTENT OF ITS EFFORT AND SPECIFYING WHAT RESPONSE IT EXPECTED IN RETURN.

OTHER DEVELOPED COUNTRIES OF THE WORLD MUST JOIN HANDS WITH AMERICA IN

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THIS EFFORT, FOR THIS IS NOT A RESPONSIBILITY OF THE UNITED STATES ALONE. COUNTRIES LIKE CANADA, AUSTRALIA, FRANCE, WEST GERMANY, AND BRITAIN ALSO MUST GET INTO THE ACT IN ORDER FOR THE PROGRAM TO HAVE AN EFFECTIVE AND PROMPT IMPACT.

IN A LIKE MANNER, THESE SAME DEVELOPED COUNTRIES MUST STAND READY TO OPEN THE DOORS ON THEIR <u>BINS OF SURPLUS</u> TO THE DEVELOPING COUNTRIES, SHARING WITH AMERICA THE STRAIN OF FEEDING THESE HUNGRY PEOPLE. AMERICA MUST NOT ACT ALONE TO FILL EMPTY STOMACHS WHILE OTHERS ACT ONLY TO FILL THEIR PURSES ----EVERYBODY MUST GET INTO THE ACT, OR IT WILL BE A SECOND RATE PERFORMANCE.

ESSENTIALLY, THEN, THIS WHOLE MATTER OF FOOD-FOR-A-HUNGRY-WORLD RESOLVES ITSELF INTO THESE PRINCIPAL POINTS:

1. FAMINE IN FULL SCALE IS MORE IN THE "NEAR FUTURE" THAN IN THE "IMMEDIATE FUTURE" EXCEPT IN THE CASE OF INDIA; HENCE, THERE IS TIME TO PLAN TO MEET THE PROBLEM HEAD ON -- BUT PLANS MUST BE SET IN MOTION NOW!!!

2. BECAUSE THE BREAD BASKET OF AMERICA IS NOT SUFFICIENT UNTO THE TASK OF FEEDING A HUNGRY WORLD FOR TIME INTO THE FUTURE, IMPROVED AGRICULTURAL PRODUCTION MUST OCCUR IN THE FOOD DEFICIT AREAS.

3. "KNOW HOW" IS AN INGREDIENT VITAL TO THIS CONDITION OF IMPROVED AGRICULTURAL PRODUCTION, AND THIS KNOWLEDGE MUST BE APPLIED, FIRST, TO INCREASING THE YIELDS OF EXISTING ACRES AND, SECOND, BRINGING NEW AGRICULTURAL ACRES INTO PRODUCTION.

X 4. BETTER COORDINATION OF ALL EXISTING PROGRAMS IS NEEDED.) THE REPUB-LICAN TASK FORCE ON AGRICULTURE OF THE HOUSE OF REPRESENTATIVES, HEADED BY CONGRESSMAN ODIN LANGEN OF MINNESOTA, HAS MADE A CONCRETE PROPOSAL IN THIS AREA WHICH SHOULD HELP. I HAVE JOINED WITH NEARLY 70 OF MY REPUBLICAN COLLEAGUES IN THE HOUSE IN INTRODUCING THIS MEASURE WHICH CALLS FOR A BI-PARTISAN <u>"U. S.</u> WORLD FOOD STUDY COMMISSION" TO MAKE A COMPLETE INVENTORY OF ALL OUR AGRICULTURAL -14-

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ASSETS, BOTH HUMAN AND MATERIAL, AND THEN MAKE RECOMMENDATIONS ON HOW WE CAN HELP TO EFFICIENTLY FEED A FREE AND HEALTHY WORLD.

5. THE BEST WAY TO IMPLEMENT "KNOW HOW" IS THROUGH AN EXTENSION SERVICE TECHNIQUE, A VITAL ELEMENT IN THE MIRACLE OF THE MIRACULOUS AGRICULTURAL ABUN-DANCE IN AMERICA. IN THIS, AMERICAN TECHNICIANS SHOULD BE TRAINED AND SENT ABROAD INTO THE LANDS OF THE DEVELOPING COUNTRIES TO HELP THEM LEARN HOW TO DRAW THE MOST IN PRODUCTION FROM THE SOIL. THE FEDERAL GOVERNMENT MIGHT PROVIDE BONUSES FOR AGRICULTURAL COLLEGES IN ORDER TO MEET THIS DEMAND FOR TECHNICIANS.

6. THESE TECHNICIANS MIGHT BE KNOWN AS "THE BREAD AND BUTTER CORPS", AND THEY SHOULD BE JOINED BY OTHER BANDS OF TECHNICIANS FROM OTHER DEVELOPED COUNTRIES, WHICH ALSO SHOULD JOIN WITH THE UNITED STATES IN FOOD GIFTS.

THE EMPHASIS WOULD BE UPON PRODUCTION OF FOODS WHICH CAN BE GROWN MOST QUICKLY AND EFFICIENTLY. WHEAT, RICE, CORN, FRUITS, VEGETABLES, ETC., ARE OBVIOUSLY THE KIND OF CROPS WHICH WOULD BE INVOLVED. WHAT IS NEEDED IS ENOUGH OF THE BASIC FOODS TO AVERT HUNGER IN THESE COUNTRIES NOW. THE BUTTER AND THE T-BONE STEAKS WOULD BE FOR THE NEXT CENTURY. IT IS MY INTENTION TO OFFER A PROGRAM ALONG THESE LINES AS AN AMENDMENT TO THE FOOD FOR PEACE PROGRAM WHICH WILL BE EXTENDED IN CONGRESS THIS YEAR.

I DOUBT WE HAVE GONE THE LIMIT IN DIRECT DISTRIBUTION OF AMERICAN FOOD TO THE UNDERDEVELOPED COUNTRIES, BUT A SELF-HELP PLAN FOR INCREASING FOOD PRODUCTION ABROAD IS STILL THE ONLY POSSIBLE WAY TO AVERT WIDESPREAD SUFFERING AND PERHAPS EVEN FAMINE IN MANY OF THE UNDERDEVELOPED FREE WORLD COUNTRIES.

CONCLUSION

IN CONCLUSION, THESE ARE SOME OF MY THOUGHTS AS THE SECOND SESSION OF THE 89TH CONGRESS GETS UNDERWAY. MY REMARKS HAVE BEEN CONFINED TO THE FIELD -36-

ASSETS, BOTH HUMAN AND NATERIAL, AND THEN MAKE RECOMMENDATIONS ON HOW WE CAN HELD TO EFFICIENTLY REED A FREE AND HEALTHY WORLD.

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IN CONCLUSION, THESE ARE SOME OF MY THOUGHTS AS THE SECOND SESSION OF THE 89TH CONGRESS GETS UNDERWAY. MY REMARKS HAVE BEEN CONFINED TO THE FIELD

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OF AGRICULTURE, AND I NEED NOT TELL YOU THERE ARE MANY, MANY OTHER ISSUES OF GRAVE IMPORTANCE TO YOUR ASSOCIATION, TO THE NATION, AND TO THE WORLD, WHICH CONGRESS MUST GRAPPLE WITH THIS YEAR. IN MY OPINION, THE MOST IMPOR-TANT DOMESTIC ISSUE IS THAT OF LEGISLATIVE REAPPORTIONMENT, AND CLOSE BEHIND IS THE BATTLE OVER SECTION 14 (b) OF THE TAFT-HARTLEY LAW. OUTNUMBERED, BUT SO FAR NOT OUTMANEUVERED, THAT GREAT SENATOR FROM ILLINOIS, EVERETT MC KINLEY DIRKSEN, IS MAKING A VALIANT EFFORT TO SALVAGE 14 (b) AND AN EQUALLY VALIANT EFFORT TO PUSH THROUGH CONGRESS A CONSTITUTIONAL AMENDMENT WHICH WOULD PERMIT STATES TO APPORTION ONE HOUSE OF A BICAMERAL STATE LEGISLATURE, CONSIDERING FACTORS OTHER THAN POPULATION.

I NEED NOT TELL YOU HOW IMPORTANT BOTH OF THESE ISSUES ARE TO RURAL AMERICA, SO I WOULD SUGGEST YOU CONTACT YOUR REPRESENTATIVES AND SENATORS AND URGE THEM TO SUPPORT SENATOR DIRKSEN'S EFFORTS.

MY ALLOTTED TIME HAS EXPIRED, AND AGAIN I WOULD THANK BROOKS KEOGH AND THE MEMBERS OF YOUR ASSOCIATION FOR GIVING ME THIS OPPORTUNITY TO APPEAR ON YOUR PROGRAM.