

JACKSON COUNTY FARM BUREAU ASSOCIATION  
HOLTON, KANSAS  
OCTOBER 16, 1967  
Remarks of Congressman Bob Dole

WORLD FOOD CRISIS AND THE AMERICAN FARMER

THE GREAT CONCERN OF MOST AMERICANS IN THE 1980's WILL BE NOT ONLY THE CHINESE COMMUNISTS' DEVELOPMENT OF NUCLEAR ROCKETS, OR THE FACT THAT THE SOVIET UNION MIGHT JUST HAVE PUT A MAN ON THE MOON -- OR, PERHAPS MARS. THERE LOOMS A THREAT MORE PRESSING THAN THE PARANOIA OF THE RED GUARD, OR THE PRANCING OF THE RUSSIAN RED ARMY ON MAY DAY. PETTY DICTATORS AND COMMUNIST INFILTRATORS WILL CAUSE THE UNITED STATES CONTINUING CONCERN SOUTH OF THE BORDER, BUT THESE PROBLEMS WILL PALE BESIDE THE "CATASTROPHE" SOUTH OF THAT SAME BORDER, INVOLVING THE SAME PEOPLE IN THE SAME LANDS.

THE CATASTROPHE WILL NOT BE CONFINED TO A CONTINENT OR TO AN IDEOLOGY -- THE COMMUNISTS WILL SUFFER AS MUCH AS THE FREE WORLD.

THE GREAT CATASTROPHE, AS THE MEMBERS OF THE FARM BUREAU KNOW FROM THEIR CLOSE ASSOCIATION AND CONCERN, WILL BE THE FAILURE OF THE FARMERS OF THE WORLD TO PROVIDE ENOUGH FOOD FOR THE HUNGRY PEOPLES OF THE WORLD.

WHILE THE NUMBER OF HUNGRY PEOPLE WILL SOON OUTSTRIP THE BEST EFFORTS OF THE FARMERS TO PROVIDE SUSTENANCE FOR THEM, WE CERTAINLY RECOGNIZE THAT THIS SORRY STATE OF AFFAIRS IS NO FAULT OF THE FARMER ---- AT LEAST, NO FAULT OF THE AMERICAN FARMER.

AS WE ALL KNOW, IN THIS COUNTRY, ONLY SIX PERCENT OF THE PEOPLE LIVE ON THE FARM, AND YET THOSE FEW FAMILIES FEED NOT ONLY OUR OWN 200 MILLION, BUT AN ADDITIONAL 60 MILLION INDIANS, AND 100 MILLION ASSORTED OTHERS THROUGHOUT THE WORLD.

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### POPULATION STATISTICS SHOW EXPLOSION

SOMETIMES STATISTICS ARE OF LITTLE HELP IN UNDERSTANDING PROBLEMS, BUT I WANT TO GIVE YOU AN IDEA OF THE SCOPE OF THE PROBLEM FACED BY THE FARMERS OF THIS COUNTRY -- INDEED, OF THE WORLD, IN JUST A FEW YEARS. THE DEMOGRAPHERS -- THOSE WHO SPECIALIZE IN POPULATION STATISTICS -- TELL US THE STARTLING STORY.

FROM ADAM AND EVE UNTIL AS LATE AS 1850, THE POPULATION OF THE WORLD SLOWLY GREW TO ONE BILLION PERSONS. THEN, FROM 1850 UNTIL 1930, A PERIOD OF 80 YEARS, THE WORLD DOUBLED ITS POPULATION, REACHING TWO BILLION. IT TOOK ONLY UNTIL 1960 TO REACH THE THREE BILLION LEVEL, AND, AT PRESENT RATES OF INCREASE, THE POPULATION WILL DOUBLE TO SIX BILLION BY 1993. AT THE TURN OF THE CENTURY, ONLY 33 YEARS FROM NOW, THE WORLD POPULATION COULD ATTAIN THE ASTONISHING TOTAL OF 7.15 BILLION SOULS. THE TALLY IS PRESENTLY DOUBLING EVERY THIRTY-FIVE YEARS.

NOW, THE POPULATION CONTROLLERS HAVE BEEN DILIGENTLY AT WORK. THEIR GREAT GOAL IS TO DECREASE THE NUMBER OF BABIES BORN IN THE WORLD -- BY VOLUNTARY MEANS, OF COURSE -- BY THIRTY PERCENT IN THE NEXT TWENTY YEARS. THEY WILL PROBABLY NOT SUCCEED, BUT EVEN IF THEY DO -- THE WORLD TOTAL IN THE YEAR 2000 WILL STILL BE 6 BILLION PERSONS, AND THE WORLD STILL WILL NEED MORE FOOD THAN WE CAN PRESENTLY FORECAST AS ATTAINABLE.

### DEATH RATE IS CONTROLLING FACTOR

YOU KNOW, SO MANY PEOPLE MISTAKE THE WORLD POPULATION PROBLEM AS "MORE AND MORE WOMEN BUSILY HAVING MORE AND MORE BABIES", TO THE CONSTERNATION OF THE EXPERTS AND THE PLANNERS. I WILL COME TO THE DEFENSE OF THE LADIES. OUR EXPLOSION IS NOT DUE TO INCREASED FERTILITY AMONG THE CHILD-BEARING WOMEN OF THE

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WORLD. IT IS DUE TO THE DOCTORS. WHILE THE BIRTH RATE HAS REMAINED ABOUT CONSTANT AT AROUND 42 PER THOUSAND, THE DEATH RATE FROM COUNTRY TO COUNTRY SINCE 1940 HAS DROPPED FROM AROUND 38 PER THOUSAND TO AS LOW AS 10 PER THOUSAND PER YEAR. BABIES BORN INTO THE FAMILY ARE LIVING TO MATURITY. THE EPIDEMICS ARE GONE, SUCH AS THE 1919 EPIDEMIC OF INFLUENZA WHICH KILLED OVER 25 MILLION. MODERN VACCINES AND MEDICINES ARE AT WORK THROUGHOUT THE WORLD. EVERY TIME A CITY OR A VILLAGE IMPROVES ITS WATER SUPPLY, OR SPRAYS FOR MOSQUITOES, OR VACCINATES ITS CHILDREN, THE DEATH RATE GOES DOWN ANOTHER NOTCH. THE POPULATION PROBLEM BECOMES MORE ACUTE.

OF COURSE, NOWHERE WOULD ANYONE ADVOCATE THAT THESE MIRACLES OF MODERN MEDICINE BE DENIED THE PEOPLE. MANKIND HAS SUFFERED DISEASE TOO LONG TO BE DISENFRANCHISED FROM THE BENEFITS OF MEDICAL PROGRESS. FURTHERMORE, NO ONE COULD TAKE THE AWFUL RESPONSIBILITY OF DECIDING THAT A PEOPLE OR A NATION OR A CITY OR A FAMILY BE DENIED AVAILABLE MEDICAL HELP.

THE HOPE MUST LIE WITH THE FAMILY PLANNERS, AND WITH THE FARMERS. LET US ASSUME THAT THE FAMILY PLANNERS ARE SUCCESSFUL, FOR THE PURPOSE OF ARGUMENT, AND THEY DO SUCCEED IN REDUCING THE BIRTH RATE BY THIRTY PERCENT IN THE NEXT TWENTY YEARS, WORLD WIDE. WHAT, THEN, WILL BE THE MEASURE OF RESPONSIBILITY FOR THE FOOD PRODUCERS? THE SCOPE OF THAT RESPONSIBILITY IS STAGGERING TO US ALL, EVEN ALLOWING FOR A REDUCTION IN THE BIRTH RATE.

#### PRESIDENTIAL COMMITTEE REPORTS ARE GRIM

THE PRESIDENT'S SCIENCE ADVISORY COMMITTEE, IN THE REPORT OF THE PANEL ON THE WORLD FOOD SUPPLY, MAY, 1967, PROJECTS THE INCREASE IN CALORIC REQUIREMENTS WORLD WIDE TO BE OVER 40 PERCENT BY 1985. SPECIFICALLY, INDIA MUST INCREASE ITS CONSUMPTION BY 88%, PAKISTAN BY 118%, AND BRAZIL BY 91%.

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WITHOUT THESE INCREASED REQUIREMENTS BEING MADE AVAILABLE, THERE WILL SIMPLY BE MASS STARVATION IN THE NATIONS OF THE DEVELOPING WORLD.

REMEMBER, I AM ASSUMING THAT THE BIRTH RATE WILL BE LOWERED 30 PERCENT IN 20 YEARS WHEN I GIVE YOU THESE FIGURES.

#### FOOD FOR PEACE A STOPGAP

FOR SEVERAL YEARS NOW, THE DEVELOPING NATIONS HAVE NEEDED FOOD FROM OUTSIDE TO AVERT MASS FAMINE. THE UNITED STATES IS ONE OF THE 10 COUNTRIES IN THE WORLD WITH AN EXPORTABLE FOOD SURPLUS. THE FOOD FOR PEACE PLAN, CONCEIVED BY THE LATE SENATOR ANDY SCHOEPPLE AND FORMER CONGRESSMAN CLIFFORD HOPE, HAS DISTRIBUTED ABOUT \$16.6 BILLION WORTH OF AGRICULTURAL PRODUCTS SINCE 1954. THESE PRODUCTS HAVE GONE TO OVER A HUNDRED DIFFERENT NATIONS, AND MET A HUNDRED DIFFERENT EMERGENCIES. BUT AS WE ALL KNOW, THE UNITED STATES AND CANADA -- TODAY EXPORTING OVER 60 MILLION TONS OF GRAIN PER YEAR TO A HUNGRY WORLD -- CANNOT INDEFINITELY GO ON FILLING THE FOOD GAP.

THE DEPARTMENT OF AGRICULTURE EXPERTS TELL US, IF THE NATION PRODUCED ALL IT COULD, THAT THE DEMAND FOR FOOD WOULD EXCEED OUR ABILITY TO MEET THAT DEMAND AROUND 1984. THIS IS WITH ALL STOPS PULLED -- NO DIVERTED ACRES OR CONSERVATION BASE -- JUST CRASH-PROGRAM PRODUCTION.

#### SEVERAL APPROACHES NECESSARY

SEVERAL APPROACHES ARE NEEDED TO AVERT FAMINE THROUGHOUT THE WORLD WITHIN A DECADE AND A HALF. FIRST OF ALL, THE VAST MAJORITY OF THE INCREASED PRODUCTION MUST OCCUR IN THE DEVELOPING NATIONS THEMSELVES -- WHERE THE GREATEST NEED WILL ARISE. THIS WILL DEMAND THAT GREATER AMOUNTS OF MONEY BE SPENT ON

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THE DEVELOPMENT OF TROPICAL AGRICULTURE, AN AREA NEGLECTED IN MOST PLACES EXCEPT THE PHILIPPINES AND MEXICO. THIS WILL DEMAND THAT A GREATER PERCENTAGE OF OUR TRAINED 40,000 AGRICULTURALISTS BE DEPLOYED ABROAD FOR TECHNICAL ASSISTANCE IN THE DEVELOPING WORLD. TODAY, LESS THAN 1,000 SUCH SPECIALISTS ARE WORKING IN THE AREAS OF GREATEST NEED.

SECONDLY, THE BIRTH RATE MUST BE REDUCED IN ORDER TO AVERT CALAMITY. THE PRESIDENT'S BLUE RIBBON PANEL REPORTED THAT "IT IS IMPERATIVE TO INSTITUTE INTENSIVE PROGRAMS OF FAMILY PLANNING NOW." REGRETTABLY, THIS FAMILY PLANNING IS MOST NEEDED IN THE DEVELOPING WORLD, WHERE IT IS LEAST LIKELY TO OCCUR.

THIRD, ALL POTENTIAL NEW SOURCES OF FOOD MUST BE EXPLORED. MUCH HAS BEEN MADE OF THE "FOOD-FROM-THE-SEA" CONCEPT. I UNDERSTAND THAT THERE ARE JUST BILLIONS OF TONS OF PLANKTON AND ALGAE THAT WOULD MAKE DELICIOUS BREAD OUT THERE IN THE OCEAN. UNFORTUNATELY, WE HAVE NOT YET DEVELOPED THE TECHNOLOGICAL ABILITY TO HARVEST THIS CROP. THERE HAVE BEEN MANY OTHER SUGGESTIONS FOR EXPLOITING NEW FOOD SOURCES, BUT NONE OF THESE SUGGESTIONS IS YET PRACTICAL ON A LARGE SCALE. RATHER, THEY ARE GENERALLY CLASSIFIED AS "PANACEAS".

THERE ARE COUNTLESS OTHER APPROACHES WHICH WILL MITIGATE THE EFFECT OF THE CRUSHING POPULATION EXPLOSION IN THE NEXT FEW YEARS. SOME OF THESE APPROACHES MIGHT INCLUDE DESALINATION OF SEA WATER FOR IRRIGATION OF THE DESERTS, THE DEVELOPMENT OF NEW HYBRIDS IN FEED AND FOOD GRAINS, AND GREATLY INTENSIFIED USAGE OF FERTILIZER AND PESTICIDES THROUGHOUT THE DEVELOPING WORLD. BUT ONE FACT IS CLEAR AND UNMISTAKABLE. ALL THESE DIFFERENT APPROACHES, NECESSARY AND URGENT AS THEY ARE, CANNOT COMPLETELY DEFLECT THE ONRUSHING SPECTRE OF FAMINE ON ITS COLLISION COURSE WITH THE DEVELOPING WORLD.

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AGRICULTURE MUST BE ENCOURAGED, NOT DISCOURAGED

THIS ADMINISTRATION HAS FAVORED THE CONSUMER AT THE EXPENSE OF THE FARM-PRODUCER, AND, IN MY OPINION, THIS ADMINISTRATION IS GUILTY OF UNDER-UTILIZING THE POWER OF THE MARKET ECONOMY. SINCE 1960, MORE SPECIFICALLY, SINCE SECRETARY FREEMAN BECAME THE SECRETARY OF AGRICULTURE, THE NATION HAS BEEN LOSING FARMERS AT THE RATE OF OVER 100,000 PER YEAR. THIS IS NOT SURPRISING WHEN ONE CONSIDERS THAT REALIZED NET FARM INCOME HAS BEEN CONSISTENTLY DROPPING. THIS YEAR ALONE, THERE IS A \$1.8 BILLION DROP IN THE NET INCOME, FIVE-SIXTHS OF WHICH IS REFLECTED IN HIGHER PRODUCTION COSTS.

THE PRICES FARMERS PAY, TO THE SURPRISE OF NO ONE, DO CONTINUE TO CLIMB. THIS YEAR THE INDEX OF PRICES FARMERS PAY IS UP 3.5 PERCENT OVER THE FIRST SIX MONTHS OF LAST YEAR. FARM WAGES ARE UP 7 PERCENT. MOTOR VEHICLE AND FARM MACHINERY PRICES ARE FROM 3 TO 4 PERCENT HIGHER THAN IN THE FIRST HALF OF 1966, AND PRESENT INDICATIONS ARE FOR EVEN FURTHER INCREASES.

SPECIFICALLY, AMERICA AND THE WORLD WILL NEED THE TRAINED POOL OF FARMERS THAT TODAY IS BEING DRIVEN FROM THE FARM AND INTO THE CROWDED CITIES OF THIS COUNTRY.

SINCE SECRETARY FREEMAN HAS BEEN IN OFFICE,

----FARM POPULATION HAS DECREASED BY 4,135,000,

----THE NUMBER OF FARMS HAS DECREASED BY OVER 700,000,

----FARM EMPLOYMENT IS DOWN 1.7 MILLION,

----FARM DEBT HAS INCREASED BY \$19.6 BILLION, AND

----THE ANNUAL COST OF FARM PRODUCTION HAS INCREASED BY OVER \$7 BILLION.

ON AUGUST 15, 1966, THE PARITY RATIO WAS 81. ON AUGUST 15 OF THIS YEAR, IT HAD DROPPED TO 75. JUST LAST MONTH, ON SEPTEMBER 15, THE PARITY RATIO HAD

*Farm Debt Increased  
50% since 1960  
Interest on this debt  
has increased over  
800,000,000 plus*

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DROPPED TO 73, AS COMPARED TO 80 ON SEPTEMBER 15, 1966.

*as compare to Aug 1932 was?*

IN KANSAS, FARMERS' PRODUCTION EXPENSES WENT UP \$117 MILLION FROM 1965 TO 1966, FROM \$1.118 BILLION TO \$1.235 BILLION.

CASH RECEIPTS FROM MARKETINGS IN KANSAS IN THE FIRST FIVE MONTHS OF 1967 ARE DOWN BY \$20 MILLION COMPARED TO A YEAR EARLIER, OR A DECREASE OF 4 PERCENT. IT IS PROBABLE THAT CASH RECEIPTS IN KANSAS IN 1967 WILL TOTAL \$60 MILLION LOWER THAN LAST YEAR. IF WE ADD TO THIS THE NET INCOME REDUCER EFFECT OF THE 3 1/2 PERCENT HIGHER INDEX OF PRICES PAID BY FARMERS, THEN IT IS NOT DIFFICULT TO VISUALIZE A REDUCTION IN NET FARM INCOME IN KANSAS IN 1967 OF ABOUT \$100 MILLION. THIS IS A CUT OF ABOUT 20 PERCENT IN NET FARM INCOME.

WITH THE CRISIS THAT THE WORLD FACES IN FOOD UNDERPRODUCTION, IT IS ALMOST INCOMPREHENSIBLE THAT THE PRESENT ADMINISTRATION HAS ALLOWED THIS SITUATION TO DEVELOP. WHERE WILL THE FARMERS BE WHEN THEY ARE NEEDED TO EXPAND PRODUCTION IN THE 1980'S -- THEY WILL BE IN THE FACTORIES, AND RURAL AMERICA WILL HAVE LOST THEIR SERVICES FOREVER. THE EFFICIENCY OF THE FAMILY FARM MUST NOT BE LOST TO THIS NATION.

#### OUR STRATEGIC FOOD SUPPLY

THERE IS MORE TO THE PROBLEM OF THE WORLD FOOD SUPPLY THAN JUST THE HUMANITARIAN ASPECT OF FEEDING THE HUNGRY. THE WORLD HAS GONE THROUGH THE STONE AGE, THE BRONZE AGE, THE IRON AGE, AND NOW THE ATOMIC AGE.

THE NEXT FEW DECADES WILL SEE THE INAUGURATION OF A NEW AGE: THE FOOD AGE. THOSE NATIONS ABLE TO EXPORT FOOD, WHILE FEEDING THEMSELVES, WILL BE THE STRONG NATIONS, AND THOSE DEPENDENT ON A DWINDLING WORLD EXPORT SUPPLY, WILL BE THE WEAK NATIONS. THERE IS NO ALTERNATIVE TO THIS SITUATION. ALREADY WE ARE WITNESSING THE BEGINNING OF THE FOOD AGE. MR. KHRUSHCHEV WAS SACKED

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MAINLY BECAUSE OF THE FAILURE OF HIS FARM POLICY. RED CHINA ENTERED KOREA IN THE EARLY FIFTIES, WHEN SHE WAS A FOOD EXPORTER. NOW, HER FOOD PROBLEMS ARE LEGION, AND SHE COWERS FROM INVOLVEMENT IN VIETNAM, FORTUNATELY FOR US. INDIA AND PAKISTAN STOPPED THEIR VERY BITTER WAR WITH EACH OTHER IN SHORT ORDER WHEN BOTH NATIONS' FOOD SUPPLY WAS THREATENED BY AMERICAN AND SOVIET CUTOFF.

#### CONCLUSION

IN CONCLUSION, LET ME SAY NO SERIOUS OBSERVER BELIEVES THE POPULATION CRISIS CAN BE DEFLECTED IN TIME -- THAT CRISIS CAN ONLY BE MITIGATED. WE WILL FACE THE CRISIS -- PERHAPS AS SOON AS 1975, AND CERTAINLY BY 1985. IT WILL BE NECESSARY FOR OUR NATION TO GEAR UP ITS PRODUCTION OF FOOD TO COMPLEMENT THE MANY OTHER EFFORTS NECESSARY FOR THE MINIMIZATION OF THE PROBLEMS CAUSED BY MASSIVE POPULATIONS IN THE DEVELOPING NATIONS. LET ME MAKE IT CLEAR THAT WE CANNOT, FROM THE STANDPOINT OF COST, AND SHOULD NOT UNDERTAKE TO FEED THE WORLD.

FROM MY VANTAGE POINT ON THE AGRICULTURE COMMITTEE, I REALIZE THAT MOST OF THE INCREASED DEMAND FOR FOOD IN THE DEVELOPING NATIONS MUST BE MET IN THOSE SAME DEVELOPING NATIONS. MANY OF US RECOGNIZE WE DO HAVE A GREAT MORAL RESPONSIBILITY TO DO EVERYTHING WITHIN REASON TO ALLEVIATE HUNGER. I HAPPEN TO BELIEVE THAT ONE WAY OF ACCOMPLISHING THIS OBJECTIVE IS BY EXPANDING OUR TECHNICAL ASSISTANCE PROGRAMS. LAST YEAR I SUCCESSFULLY SPONSORED AN AMENDMENT TO THE FOOD FOR PEACE ACT, KNOWN AS THE "BREAD AND BUTTER CORPS", OR THE "FARMER-TO-FARMER" PROGRAM. IN ESSENCE, THE PROGRAM BRINGS TOGETHER THOSE IN THE UNITED STATES WHO POSSESS "KNOW-HOW" IN AGRICULTURE WITH THOSE IN THE DEVELOPING NATIONS WHO MUST LEARN FOR THEIR NATIONS' SURVIVAL. THE AMENDMENT,

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WHEN IMPLEMENTED, COULD SET THE STAGE FOR THE DEVELOPMENT OF A WORKABLE, TECHNICAL ASSISTANCE PROGRAM IN AGRICULTURE FOR THE EMERGING WORLD.

THIS YEAR, I HAVE INTRODUCED LEGISLATION DESIGNED TO COMPLEMENT THE "FARMER-TO-FARMER" PROGRAM. UNDER THIS BILL, ENTITLED THE "INTERNATIONAL AGRICULTURAL EDUCATION ASSISTANCE ACT", MEMBERS OF YOUTH GROUPS IN THE UNITED STATES WOULD BE PROVIDED WITH PROGRAMS DESIGNED TO INTEREST THEM IN INTERNATIONAL AGRICULTURAL SERVICE. IT WOULD PROVIDE LONG-TERM, INTEREST-FREE, LOANS TO COLLEGE STUDENTS STUDYING COURSES LEADING THEM TOWARD TECHNICAL ASSISTANCE CAREERS ABROAD IN AGRICULTURE. IT WOULD FURTHER PROVIDE FOR AN EXTENSION SERVICE WORKERS CORPS ABROAD.

THESE PROGRAMS REPRESENT A POSITIVE EFFORT TO AVERT WORLD FAMINE OR WORLD HUNGER.

#### RECOMMENDATIONS FOR INCREASING FARM INCOME

I WOULD GUESS THAT MOST OF YOU HERE, WHILE SINCERELY CONCERNED ABOUT WORLD HUNGER AND ITS POSSIBLE SOLUTIONS, ARE VERY PROPERLY CONCERNED ABOUT FARM INCOME IN 1967 AND THE PROSPECTS FOR INCREASED PRICES FOR YOUR COMMODITIES NOW AND IN THE FUTURE. SECRETARY FREEMAN HAS DEVOTED MUCH OF HIS TIME RECENTLY TO DISCUSSING AMERICAN AGRICULTURE IN THE YEAR 2000. WHILE I APPLAUD HIS CONCERN, I WOULD RESPECTFULLY SUGGEST THAT HE DEVOTE A PORTION OF HIS TIME TO AGRICULTURE IN 1967 AND 1968.

REDUCED NET FARM INCOME, RESULTING FROM THE SCISSORS EFFECT OF HIGHER COSTS AND LOWER PRICES, IS BEING FELT IN EVERY TOWN IN THE UNITED STATES. PRESIDENT JOHNSON'S INFLATIONARY POLICIES RESULTING FROM FISCAL IRRESPONSIBILITY ARE BEING PAID FOR IN THE FORM OF HIGHER COSTS BY EVERY FARM FAMILY. I REGRET THAT THE FARM PEOPLE HAVE HAD TO BE WITNESS TO A POLICY UNDER WHICH A SERIOUS

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EFFORT WAS MADE BY THE ADMINISTRATION TO BLAME THE FARMER FOR HIGHER FOOD PRICE LEVELS. THERE IS SOMETHING WRONG WHEN A SECRETARY OF AGRICULTURE STATES THAT HE IS PLEASED TO REPORT THAT FARM PRICES ARE EXPECTED TO FALL, AS HE DID IN THE RECENT PAST ---- AND THEY DID FALL!!!!

WHEAT IS DOWN. CORN IS DOWN. SOYBEANS ARE DOWN. HOGS ARE DOWN. MILK IS DOWN. POULTRY IS DOWN. EGGS ARE DOWN.

IT IS AGAINST THIS BACKGROUND THAT I AND OTHER MEMBERS OF CONGRESS, INCLUDING THE KANSAS DELEGATION, AND SPECIFICALLY YOUR CONGRESSMAN, CHESTER MIZE, MADE RECOMMENDATIONS TO THE SECRETARY OF AGRICULTURE. WE ARE CONVINCED THAT THE RECOMMENDATIONS ARE CONSTRUCTIVE AND CAN, FOR THE MOST PART, BE IMPLEMENTED WITHOUT ADDITIONAL LEGISLATIVE AUTHORITY. LET ME, THEN, STATE SOME OF THE RECOMMENDATIONS:

(1) RESTORE FISCAL SANITY AND MAKE SHARP REDUCTIONS IN MANY OF THE WASTEFUL SPENDING PROGRAMS. THE HOUSE WAYS AND MEANS COMMITTEE IS STILL SEEKING AN ANSWER TO ITS REQUEST FOR A LIST OF PROPOSED SPENDING CUTS.

(2) INTEREST ON FARM MARKET DEBT HAS GONE UP DRAMATICALLY IN KANSAS FROM \$17.3 MILLION IN 1961 TO \$31.2 MILLION IN 1966. IN ADDITION, INTEREST ON NON-REAL ESTATE DEBT IS UP SHARPLY. ONE STEP WHICH THE ADMINISTRATION CAN TAKE TO REDUCE THE EFFECTS OF THIS MOUNTING INTEREST ON FARM PEOPLE IS TO ENDORSE MY PROPOSAL TO MAKE ADVANCE PAYMENTS TO COOPERATORS IN THE WHEAT PROGRAM, JUST AS IT IS DOING FOR OTHER PROGRAMS.

(3) ANOTHER STEP WHICH THE ADMINISTRATION CAN TAKE TO REDUCE FARM EXPENSES IS TO TREAT KANSAS GRAIN PRODUCERS AS WELL AS THE COTTON, RICE, TOBACCO AND PEANUT PRODUCERS ARE TREATED. IN THE MATTER OF CROPS CONSIDERED AS SOUTHERN CROPS, NO DEDUCTION IS MADE FOR WAREHOUSE CHARGES FOR CROPS PUT UNDER LOAN. THERE IS NO EQUITABLE REASON WHY KANSAS FARMERS HAVE TO PAY FOR WAREHOUSE STORED

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WHEAT OR GRAIN SORGHUMS WHEN IT IS A WELL-KNOWN FACT THAT FOR THESE SOUTHERN CROPS FARMERS DO NOT HAVE TO BEAR THIS COST.

(4) THE SECRETARY SHOULD ANNOUNCE P. L. 480 AGREEMENTS AS EARLY AS POSSIBLE, WHILE FARMERS STILL OWN THE WHEAT. THERE IS AN INTERAGENCY FIGHT GOING ON RIGHT NOW OVER HOW MUCH WHEAT SHOULD BE PROGRAMMED FOR INDIA. THIS INTERAGENCY FIGHT HAS BEEN DRAGGING ON FOR SOME TIME IN SPITE OF THE URGENCY EXPRESSED BY THE PRESIDENT WHEN HE ASKED FOR A SPECIAL RESOLUTION APPROVING AID TO INDIA. YOU WILL RECALL THAT I WAS A MEMBER OF THE DELEGATION THAT WENT TO INDIA AT THE PRESIDENT'S URGING.

(5) THE SECRETARY SHOULD NOT SELL FEED GRAINS AND SOYBEANS AT LESS THAN 100 PERCENT OF PARITY. ON WHEAT, THE RELEASE PRICE SHOULD BE SET AT FULL PARITY MINUS THE VALUE OF DOMESTIC CERTIFICATES PAID FOR BY WHEAT PROCESSORS.

*Bob  
leave  
out*

(6) THE SECRETARY SHOULD SUPPORT LEGISLATION TO CONTROL UNFAIR TRADE PRACTICES AFFECTING PRODUCERS OF AGRICULTURAL PRODUCTS AND ASSOCIATIONS OF AGRICULTURAL PRODUCERS. THIS BILL, KNOWN BY MANY AS S. 109, IS IMPORTANT TO THE FREEDOM OF OUR FARMERS AND TO THE FUTURE OF AGRICULTURE. IT SIMPLY PROVIDES FARMERS AN OPPORTUNITY TO IMPROVE THEIR OWN LOT THROUGH THEIR OWN ACTION.

(7) WE HAVE URGED THE IMMEDIATE APPOINTMENT OF SOMEONE ON THE WHITE HOUSE STAFF WHO UNDERSTANDS AGRICULTURE AND PROBLEMS IN RURAL AMERICA.

IN SUMMARY, THEN, THE AMERICAN FARMER HOLDS THE KEY TO THE WORLD FOOD CRISIS. HE IS WILLING, READY AND ABLE TO PRODUCE -- HE SHARES THE SAME PATRIOTIC AND HUMANITARIAN MOTIVES AS EVERYONE, BUT HE CANNOT BE EXPECTED TO PRODUCE IF HE DOES NOT RECEIVE A REASONABLE RETURN ON HIS INVESTMENT. AS STATED BEFORE, THEN, AGRICULTURE MUST BE ENCOURAGED -- NOT DISCOURAGED -- AND THE FARMER SHOULD NOT BE THE "WHIPPING BOY" FOR THIS OR ANY OTHER ADMINISTRATION.

### Inflation And Our Farm People

Recent official reports emanating from the U.S. Department of Agriculture point up the dismal effects of the fiscal irresponsibility of the Johnson Administration on net farm income. As a result of the continuing policy of inflation, farmers' costs are rising rapidly at a time when gross farm income is going down. This is resulting in an income crunch on our farm people, which is getting worse daily.

The following are some of the dismal statistics taken from official sources:

	1966	First half of - 1967
	(Billion dollars)	
Gross Farm Income (Including government payments), <u>at annual rate</u>	49.5	49.2
Production expenses	<u>32.9</u>	<u>34.4</u>
Realized Net Income	16.6	14.8

Of the \$1.8 billion drop, five-sixths is due to higher production expenses. 1967 farm expenses are up \$4 billion above the 1965 rate -- just 2 years ago.

The index of prices paid by farmers for production items, interest, taxes, and wage rates was 3.5 percent higher than in the first 6 months of 1966.

Motor vehicle and farm machinery prices are 3 to 4 percent higher than in the first half of 1966, and a recent announcement indicates a further jump at the same rate. Interest and taxes payable per acre this year are well above the previous year. Farm wage rates are up about 7 percent.

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Parity ratio - August 15	
1966	1967
81	75

Between 1965 and 1966, Kansas farmers' production expenses went up by \$117 million -- from \$1,118 million to \$1,235 million. It is a rather shocking commentary on the pro-inflation bias of the Administration when we see that in 1966 farm production expenses actually exceeded the 1965 cash receipts of \$1.206 million. As every farmer knows, it is very difficult to cut farm production expenses once non-farm prices and service costs have been raised. Farm production expenses in Kansas had been rising steadily, but made an especially spectacular jump in 1966.

Cash receipts from marketings in Kansas in the first five months of 1967 are down by \$20 million compared to a year earlier, or a decrease of 4 percent. In view of the fact that prices have dropped sharply since May of 1967, it is probable that cash receipts from farm marketings in Kansas will be down by some \$60 million in 1967, as compared to a year earlier. <sup>(4)</sup> If we add to this the net income reducer effect of the  $3\frac{1}{2}$  percent higher index of prices paid by farmers, then it is not difficult to visualize a reduction in net farm income in Kansas in 1967 of about \$100 million. This is a cut of about 20 percent in net farm income.

It is not enough to just mention these deplorable results of the Johnsonian-Freeman ineptitude. Therefore, I have the following recommendations:

1. Restore fiscal sanity and make sharp reductions in many of the wasteful spending programs. The House Ways and Means Committee is still

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seeking an answer to its request for a list of proposed spending cuts.

2. Interest on farm market debt has gone up dramatically in Kansas from \$17.3 million in 1961 to \$31.2 million in 1966. In addition, interest on non-real estate debt is up sharply. One step which the Administration can take to reduce the effects of this mounting interest on farm people is to endorse <sup>my</sup> ~~the~~ Dole proposal to make advance payments to cooperators in the wheat program, just as it is doing for other programs.

3. Another step which the Administration can take to reduce farm expenses is to treat Kansas grain producers as well as the cotton, rice, tobacco and peanut producers are treated. In the matter of crops considered as Southern crops, no deduction is made for warehouse charges for crops put under loan. There is no equitable reason why Kansas farmers have to pay for warehouse stored wheat or grain sorghums when it is a well known fact that for these Southern crops farmers do not have to bear this cost.

The Secretary, in referring to farm prices, has stated:

"We have taken every possible action we can legally take to check this downward trend."

He is urging farmers to use the loan and store their wheat. He can provide a major impetus by paying for the storage costs for grains -- as a matter of equity between crops.

4.