

REMARKS OF SENATOR BOB DOLE

THE FERTILIZER INSTITUTE

Regency O'Hare Hyatt House  
CHICAGO, ILLINOIS

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FOODPOWER AND THE AMERICAN FARMER

I WELCOME THIS OPPORTUNITY TO BE WITH YOU, FOR WE SHARE A COMMON CONCERN. IT IS CONCERN FOR AMERICAN AGRICULTURE, AND CONCERN FOR ALL RURAL AMERICA.

WITH THAT CONCERN, WE ALSO SHARE A COMMON DETERMINATION. IT IS A DETERMINATION TO FACE SQUARELY THE PROBLEMS OF THE PRESENT, AND TOGETHER SEEK BETTER ANSWERS FOR A BRIGHTER FUTURE.

-2-

NO LONGER IS THE FARMER'S MARKET ONLY HIS NEIGHBORING CITIES, AND HIS NEIGHBORING STATES. NO LONGER IS HE ONLY AFFECTED BY THE LEVEL OF CONSUMPTION AND PROSPERITY IN HIS OWN COUNTRY. TODAY, HIS MARKET EXTENDS TO ALL CORNERS OF THE EARTH, AND CHANGES THAT OCCUR ANYWHERE IN THE WORLD CAN AFFECT HIM AND HIS MARKETS.

#### THE CHALLENGE OF CHANGE

FOR THE CHIEF CHARACTERISTIC OF OUR WORLD IS CHANGE. THE SOMETIMES BREATHTAKING CHANGES DISTINGUISH OUR AGE FROM ALL THOSE WHICH HAVE PRECEDED US. THIS MEANS NOT ONLY NEW CHALLENGES -- AS WE ARE NOW FACING WITH ENERGY AND OTHER SHORTAGES -- BUT ALSO NEW OPPORTUNITIES TO THE AMERICAN FARMER.

-3-

IN A REAL SENSE WHAT WE NEED TO UNDERSTAND IS THAT AGRICULTURE IS IN THE FOREFRONT OF THE STRUGGLE FOR A BETTER WORLD. IT'S NOT A LAGGARD; IT'S NOT A BURDEN; IT IS NOT HOLDING AMERICA BACK. IT IS WHAT'S PROPELLING AMERICA FORWARD. AND IT IS ABOUT TIME THAT ALL AMERICANS UNDERSTOOD THIS.

AS AN ELECTED OFFICIAL OF THE STATE OF KANSAS -- A GREAT CATTLE AND WHEAT STATE -- I FEEL STRONGLY THAT THERE IS A MAJOR NEED FOR THE PEOPLE OF THIS NATION TO REALLY UNDERSTAND IN DEPTH THE CONTRIBUTIONS OF OUR FARM FAMILIES TO THE HEALTH AND PROSPERITY OF THE UNITED STATES AND TO THE REST OF THE WORLD. FOR, NO ONE MAN NOR ONE SPEECH CAN DO JUSTICE FULLY TO THE STORY OF WHICH THIS MODERN MIRACLE CALLED AMERICAN AGRICULTURE HAS BROUGHT FORTH. WE NEED TO ACQUAINT THE 95 PERCENT OF OUR POPULATION NOT LIVING ON FARMS WITH THE CONTRIBUTIONS OF AGRICULTURE TO OUR ECONOMY. THE FARMING 5 PERCENT OF OUR POPULATION DAILY TAKE THE RISKS OF DROUGHT AND FLOOD AND HAIL AND EARLY FROST AND INSECTS AND MARKETS.

-4-

AND IF THEY ARE TO PRODUCE EFFICIENTLY, THE FARMERS IN TURN ARE DEPENDENT UPON SUPPLIERS -- SUCH AS YOURSELVES -- TO DELIVER NEEDED INPUTS IN A TIMELY MANNER. THERE IS AN INCREASING INTERDEPENDENCE.

FOR BY ANY REASONABLE STANDARD OF MEASUREMENT, AMERICAN AGRICULTURE STANDS FAST AS THE GREATEST ACHIEVER IN HISTORY. LET US EXAMINE SOME FACTS.



-5-

CAPACITY TO SERVE CONSUMERS

DESPITE RISING PRICES, THE AMERICAN CONSUMER IS STILL ENJOYING HIS FOOD AT THE LOWEST COST IN TERMS OF HUMAN EFFORT EXPENDED OF ANY PEOPLE IN THE WORLD. NOT ONLY DOES HE HAVE THE WORLD'S RICHEST DIET, BUT HE HAS THE WORLD'S MOST NUTRITIOUS DIET. TODAY, ONLY ABOUT 16 PERCENT OF THE AVERAGE CONSUMER INCOME IS SPENT FOR FOOD AND FIBER, AS COMPARED WITH 27 PERCENT OF CONSUMER DISPOSABLE INCOME IN 1947, AND HE IS GETTING FOODS OF MUCH BETTER QUALITY. THIS PERCENTAGE IS THE LOWEST IN THE WORLD RELATIVE TO THE EARNINGS OF CONSUMERS. IF AMERICANS WERE EATING THE SAME DIET AS IN THE 1930'S, THE AVERAGE FAMILY WOULD BUDGET ONLY ABOUT 12 PERCENT OF ITS EARNINGS FOR FOOD.

-6-

WE HAVE BEEN WITNESS TO A MASSIVE SHIFT FROM CHEAPER CARBOHYDRATES, SUCH AS BREAD AND POTATOES, TO THE HIGHER PROTEIN, HIGH VITAMIN FOODS, SUCH AS MEAT, MILK, FRUITS AND VEGETABLES. ACTUALLY, THE HOUSEWIFE IS NOW GETTING BETTER QUALITY AND MORE PROCESSING AND PRECOOKING THAN EVER BEFORE IN THE FOOD SHE BUYS. THUS, THE COST OF FOOD ALONE HAS DECLINED EVEN MORE THAN THE ABOVE FIGURES WOULD INDICATE.

-7-

FOODPOWER KEY TO HUNGER FIGHT

THE NATION IS NOW COMMITTED TO A DRIVE TO ELIMINATE HUNGER AND MALNUTRITION. WE NOW HAVE PROGRAMS TO DO THE JOB OF PROVIDING AN ADEQUATE DIET FOR EVERY AMERICAN. WE ALSO HAVE THE WILL TO ACHIEVE THIS GOAL WITHIN THE VITALITY OF THE SYSTEM THAT MAKES ABUNDANCE POSSIBLE.

WE ARE CONQUERING HUNGER AND MALNUTRITION IN THIS NATION. WHILE WE ARE IMPROVING THE HEALTH AND WELL BEING OF OUR NEEDIEST, WE ARE INCREASING THE DEMAND FOR FOOD, ESPECIALLY ANIMAL PROTEINS. HOWEVER, REMEMBER THIS AND REMEMBER IT WELL -- THESE PROGRAMS REST ON THE FOODPOWER CREATED BY THE AMERICAN FARMER.

-8-

CAPACITY TO PRODUCE ABUNDANTLY

FARM OUTPUT HAS INCREASED SOME 40 PERCENT FROM 1950. ONE FARM WORKER IS SUPPLYING OVER 3 TIMES AS MANY PEOPLE WITH FOOD AS 20 YEARS AGO. IN 1951, 16 PEOPLE WERE SUPPLIED WITH FOOD FOR EVERY FARM WORKER. TODAY, THE FIGURE IS 51 PEOPLE.



-9-

CAPACITY TO INCREASE PRODUCTIVITY

OUTPUT PER MAN HOUR ON FARMS IS 3.3 TIMES HIGHER THAN 20 YEARS AGO; WHILE IN MANUFACTURING INDUSTRIES, OUTPUT PER MAN HOUR IS 1.6 TIMES GREATER THAN 20 YEARS AGO. THUS OUTPUT PER MAN HOUR ON FARMS IS INCREASING TWICE AS FAST AS IN INDUSTRY -- AN UNMATCHED EFFICIENCY.

IN 1951, ONE PERSON OUT OF 7 WAS LIVING ON A FARM PRODUCING AGRICULTURAL PRODUCTS; NOW ONE PERSON IN 21 LIVES ON A FARM. THIS HAS RELEASED PEOPLE TO PRODUCE OTHER WEALTH AND SERVICES.

-10-

TODAY, IT TAKES ABOUT 60 PERCENT FEWER MAN HOURS TO PRODUCE  
40 PERCENT MORE FOOD AND FIBER THAN IN 1950.

IMPACT ON TRADE BALANCE

FOR THE YEAR OF 1973, U. S. AGRICULTURAL TRADE HAD A POSITIVE  
BALANCE OF \$9.3 BILLION. THIS MORE THAN OFFSET THE \$7.6 BILLION DEFICIT  
INCURRED BY TRADE IN NON-AGRICULTURAL PRODUCTS, SO THAT THE TOTAL  
U. S. INTERNATIONAL TRADE ACCOUNT FOR THE YEAR STOOD AT OVER \$1.7 BILLION  
ON THE POSITIVE SIDE.

-11-

THE 1973 FARM EXPORT TOTAL EXCEEDED THE 1972 RECORD OF \$9.4 BILLION BY ABOUT \$8.0 BILLION.

A RECORD FARM EXPORT TOTAL FOR THE YEAR GAVE THIS COUNTRY ITS FIRST FAVORABLE TRADE BALANCE SINCE 1970.

1971 and 1972 WERE YEARS OF TRADE DEFICITS, AND WE SAW A DECLINE IN THE VALUE OF THE DOLLAR. 1973 WITH ITS GREAT FARM EXPORTS RESULTED IN GREAT RECOVERY IN OUR TRADE POSITION, AND DAILY WE READ OF THE STRENGTHENING OF THE DOLLAR. AGRICULTURE'S CONTRIBUTION TO THIS RECOVERY IS EVIDENT IN THE FACT THAT OUR FAVORABLE BALANCE OF AGRICULTURAL TRADE IN 1973 WAS UP \$6.4 BILLION COMPARED WITH A YEAR EARLIER.

-12-

STORY TO TELL

THAT IS A GREAT CONTRIBUTION! I FIND IT ESSENTIAL TO TELL THIS STORY AT EVERY OPPORTUNITY. WHAT WOULD OUR NATIONAL ECONOMY BE WITHOUT THIS PERFORMANCE BY OUR FARMERS. AGRICULTURAL EXPORTS NOW REPRESENT NEARLY ONE-FOURTH OF ALL U. S. EXPORTS. IT IS THE BRIGHTEST SPOT IN OUR NATIONAL TRADE PICTURE. WE WILL NEED THIS STRONG AGRICULTURAL TRADE EVEN MORE AS OUR DEPENDENCE ON FOREIGN SOURCES INCREASES FOR THE BASIC MATERIALS OF INDUSTRY. THE BASIC FACT IS THAT THE FARM EXPORT BALANCE OF TRADE IS STRENGTHENING THE VALUE OF THE DOLLAR AND MAKING THE UNITED STATES STRONGER NOT WEAKER.



-13-

WORLD-WIDE COMMITMENT

WHEN THE CONGRESS PASSED THE AGRICULTURAL TRADE DEVELOPMENT  
AND ASSISTANCE ACT OF 1954 - PUBLIC LAW 480 - 83rd CONGRESS, IT SET AS  
UNITED STATES POLICY THE USE OF OUR ABUNDANT AGRICULTURAL PRODUCTIVITY  
IN A WORLD-WIDE FIGHT AGAINST HUNGER AND FOR ECONOMIC DEVELOPMENT IN  
THE DEVELOPING COUNTRIES.

-14-

ON JULY 10, WE WILL BE CELEBRATING THE TWENTIETH ANNIVERSARY OF PRESIDENT DWIGHT D. EISENHOWER'S SIGNING OF THAT COMMITMENT, WHICH HAS COME TO BE KNOWN ALL OVER THE WORLD AS P. L. 480. THIS WAS ONE OF THE GREAT MILESTONES OF AGRICULTURAL LEGISLATION. IT MOVED FOOD TO THE FOREFRONT OF FOREIGN ECONOMIC ASSISTANCE.

THE CONSTRUCTIVE USE OF OUR FARM ABUNDANCE IS TRULY ONE OF THE MOST INSPIRING ACTIVITIES EVER UNDERTAKEN BY ANY COUNTRY IN WORLD HISTORY.

-15-

SUPPLEMENT TO WORLD TRADE

THE \$1 BILLION FOOD FOR PEACE PROGRAM SHARES OUR ABUNDANCE WITH FRIENDLY PEOPLES IN SUCH A WAY AS TO SUPPLEMENT EFFECTIVELY EXPANDING WORLD TRADE IN AGRICULTURE. PLEASE NOTE THE EMPHASIS ON THE WORD "SUPPLEMENT". IT HELPS THE UNITED STATES MAINTAIN ITS POSITION AS THE WORLD'S LEADING EXPORTER OF FOOD AND FIBER. AT THE SAME TIME, THIS P.L. 480 PROGRAM -- KNOWN ALL OVER THE WORLD WITH THOSE INITIALS AND THOSE NUMBERS -- HAS BECOME AN IMPORTANT TOOL IN ACCOMPLISHING U. S. FOREIGN POLICY GOALS.

-16-

DEVELOPING COUNTRIES HAVE BEEN AND ARE DEPENDENT UPON CONCESSIONAL SALES AND INTERNATIONAL CONTRIBUTIONS OF FOOD, ESPECIALLY FROM THE UNITED STATES, AND OTHER SURPLUS PRODUCING AREAS OF THE WORLD TO ALLEVIATE THEIR FOOD DEFICITS. THESE FOOD PROGRAMS ADMINISTERED BY NATIONAL, INTERNATIONAL, AND RELIGIOUS AGENCIES THROUGHOUT THE WORLD FORMED THE CORNERSTONE, THE FOUNDATION, OF NUMEROUS HEALTH, SOCIAL, AND ECONOMIC PROGRAMS DIRECTED AT UPGRADING THE SELF-SUFFICIENCY AND PRODUCTIVITY OF THESE COUNTRIES. THESE PROGRAMS ARE HAVING THEIR IMPACT. THESE PROGRAMS AND THE INSTITUTIONS INVOLVED IN THEM CANNOT BE PERMITTED TO FALTER OR SURELY THESE NATIONS WILL BACKSLIDE INTO MASS HUNGER, VIOLENT UPHEAVAL, AND SOCIAL DISINTEGRATION. EVEN IF THE DEVELOPED COUNTRIES MUST TIGHTEN THEIR BELTS, OR CURTAIL THEIR AMBITIOUS NATIONAL DIETARY PROGRAMS, FOOD SUPPLIES AND THE FOOD SUPPLY SYSTEMS BETWEEN THE SURPLUS PRODUCING AND DEFICIT AREAS OF THE WORLD MUST BE KEPT VIABLE.



-17-

THE FOOD FOR PEACE PROGRAM AND ITS SUPPORTING STRUCTURE IS NOT THE KIND OF PROGRAM THAT CAN BE TURNED OFF AND THEN TURNED ON AT SOME INDEFINITE FUTURE DATE. OUR REAL TEST AS A NATION COMES AT A TIME WHEN OUR SHARING IS NOT JUST AN EASY WAY TO RELIEVE US OF SURPLUS. THIS NATION AND THE WORLD HAS BENEFITED FROM OUR BENEFICENCE. OTHER DEVELOPED NATIONS SHOULD BE URGED TO DO MORE OR TO SHARE IN THE COSTS. BUT, WHETHER THEY DO OR DO NOT, THIS NATION SHOULD STAND FIRM IN THE COURSE WHICH CONGRESS SET FORTH IN THE POLICY ENUNCIATED FOR THE FOOD FOR PEACE PROGRAM.

-18-

FARMERS NEED SUPPORT

THIS TOO MUST BE REMEMBERED. IT IS OUR FARMERS' PRODUCTIVE CAPABILITIES WHICH ENABLE US NOT ONLY TO MEET OUR EXPANDING DOMESTIC NEEDS, BUT ALSO TO EXPORT BILLIONS OF DOLLARS WORTH OF COMMODITIES FOR HARD CURRENCY PLUS MEETING THE FOREIGN ASSISTANCE EFFORTS OF THE NATION.

IT IS WELL FOR ALL OF US TO REMEMBER AND REMEMBER WELL THAT FARMERS ARE NOT ABLE TO PRODUCE THESE MIRACLES OF PRODUCTION BY THEMSELVES. AGRICULTURE MUST DEPEND ON SOME 10 MILLION PEOPLE WHO STORE, PROCESS AND SELL FARM PRODUCTS, AND THE SOME 2 MILLION PEOPLE WHO MARKET THE SUPPLIES FARMERS USE.

-19-

DEPENDENT ON MANY INDUSTRIES

FARMERS DEPEND ON PEOPLE WHO MAKE AND SELL TRACTORS, FARM MACHINERY, AND MOTOR VEHICLES. THEY DEPEND ON PEOPLE WHO DELIVER OIL AND GAS AND OTHER FUELS AND LUBRICANTS TO THE FARMSTEAD. THEY DEPEND ON THE CHEMICAL AND FERTILIZER INDUSTRIES THAT PROVIDE PLANT FOOD AND INSECTICIDES AND PESTICIDES WHICH ARE ESSENTIAL FOR ABUNDANT, HIGH QUALITY PRODUCTION.

AGRICULTURE DEPENDS HEAVILY ON THE TRANSPORATION INDUSTRY TO MOVE COMMODITIES FROM FIELDS AT HARVESTTIME TO MILLS AND PLANTS AND FACTORIES WHERE THEY ARE PROCESSED INTO FOOD. TRANSPORTATION CARRIES FARM PRODUCTS TO THE PORTS WHERE THEY ARE LOADED ON SHIPS AND MOVE INTO EXPORT CHANNELS OF TRADE WITH DESTINATIONS ALL OVER THE WORLD.

-20-

AGRICULTURE RELIES ON BANKS AND OTHER LENDING INSTITUTIONS FOR FARM CREDIT.

YET JUST AS SURELY AS AGRICULTURE DEPENDS ON THESE OTHER SECTORS, THEY, IN TURN, DEPEND ON FARMERS AND RANCHERS.

ALL OF THIS INTERDEPENDENCE MAKES OUR FARM PLANT THE WORLD'S MOST EFFICIENT FOOD AND FIBER PRODUCING MACHINE IN ALL HISTORY. WE SHOULD ALL BE PROUD OF THE CONTRIBUTION WHICH THE FERTILIZER INDUSTRY IS MAKING TO THIS HISTORIC ACHIEVEMENT.



-21-

FERTILIZER ESSENTIAL TO PRODUCTIVITY

AMERICAN FARMERS HAVE THE CAPACITY TO VASTLY INCREASE THEIR OUTPUT. THE CONGRESS HAS PASSED THE KIND OF LEGISLATION WHICH PROVIDES AN ENVIRONMENT FOR EXPANSION TO MEET RISING NEED.

PART OF THIS POTENTIAL INCREASE MUST COME FROM HIGHER CROP YIELDS. THIS IS A CRUCIAL FACTOR. THE TECHNOLOGY TO ACCOMPLISH THIS INVOLVES, AMONG OTHER INPUTS, GREATER USE, AND MORE EFFICIENT USE, OF FERTILIZER.

-22-

CLC ACTION SHOULD HELP

I SPENT THE JANUARY RECESS HOME IN KANSAS, TRAVELLING AND MEETING WITH PEOPLE. I VISITED SOME SIXTY CITIES AND TOWNS AND IT IS NO EXAGERATION TO SAY THAT IN RURAL AREAS ESPECIALLY, FERTILIZER SUPPLY PROBLEMS TOPPED THE LIST OF PEOPLE'S CONCERNS.

I DON'T HAVE TO TELL YOU THAT THIS PROBLEM IS A REAL ONE AND A SERIOUS ONE. 1974 WILL PROBABLY FIND NITROGEN AND PHOSPHATE FERTILIZER SUPPLIES SHORT OF DEMAND BECAUSE OF THE HIGHER ACREAGES IN CULTIVATION, THE HEAVIER RATES OF APPLICATION AND THE STRONG FOREIGN DEMAND.

-23-

AND OF COURSE, SKYROCKETING DEMAND IS REFLECTED BY THE RISING PRICE OF FERTILIZER. SINCE THE OCTOBER 25th COST OF LIVING COUNCIL DEREGULATION, DOMESTIC PRICES HAVE SOARED -- EVEN FOR POTASH. IN 1974, THE UNITED STATES BILL FOR FERTILIZER WILL BE UP BY OVER A BILLION DOLLARS.

I KNOW THAT YOU WILL BE STRAINING YOUR PRODUCTION FACILITIES TO TRY TO KEEP UP WITH DEMAND. AND AS ONE U. S. SENATOR, I HOPE AND TRUST THAT YOU WILL USE YOUR PRICE DECONTROL ADVANTAGE TO MAXIMIZE YOUR DISTRIBUTION EFFECTIVENESS TO THE GOOD OF THE AMERICAN FARMER.