

REMARKS OF SENATOR BOB DOLE
MOORHEAD, MINNESOTA
SATURDAY, APRIL 29, 1978

THE CARTER ADMINISTRATION IS APPARENTLY INTENT ON FORCING SUGAR BEET PRODUCERS IN THE RED RIVER VALLEY TO BEAR AN UNFAIR SHARE OF THE BATTLE AGAINST INFLATION.

FOR OVER A YEAR, PRESIDENT CARTER SIMPLY FORGOT ABOUT INFLATION. HE DID NOTHING WHILE INFLATION SLOWLY STARTED CREEPING BACK UP TO NEAR DOUBLE-DIGIT LEVELS. NOW -- IN THE PAST FEW WEEKS -- A CONSISTENT, WELL-PUBLICIZED CAMPAIGN HAS BEEN ORCHESTRATED BY THE PRESIDENT AND HIS COUNCIL ON WAGE AND PRICE STABILITY AGAINST NEARLY EVERY LEGISLATIVE EFFORT TO HELP AMERICA'S FARMERS AND RANCHERS.

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IT WASN'T ENOUGH FOR THE ADMINISTRATION TO KILL THE EMERGENCY FARM BILL WHICH CONTAINED THE "FLEXIBLE PARITY" TARGET PRICE CONCEPT FOR WHEAT AND FEED GRAIN PRODUCERS. NOW THE ADMINISTRATION WANTS TO KILL THE SUGAR STABILIZATION ACT, WHICH WOULD HOLD DOWN IMPORTS AND INCREASE PRICES FOR DOMESTIC SUGAR PRODUCERS HERE IN MINNESOTA AND ELSEWHERE.

I THINK AMERICAN BEET GROWERS AND ALL FAMILY FARMERS DESERVE SOME PROTECTION FROM IMPORTS. I DON'T THINK THEY SHOULD BE SINLGED OUT AS WHIPPING BOYS IN THE FIGHT AGAINST INFLATION WHILE EXORBITANT WAGE INCREASES FOR COAL MINERS AND SUBSTANTIAL PRICE INCREASES FOR SOME MANUFACTURERS ARE IGNORED. BUT THAT IS PRECISELY WHAT PRESIDENT CARTER WANTS.

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TALKING POINTS FOR SENATOR'S USE IN MINNESOTA AND NORTH DAKOTA

POINT ONE: GENERAL STATEMENT

THE CARTER ADMINISTRATION "ADVERTISED" THEIR INTENTION TO TAKE THE REINS OF GOVERNMENT AND "HIT THE GROUND RUNNING". TASK FORCES WERE SET UP MONTHS BEFORE INAUGURATION DAY. WHAT HAPPENED? THE LETHARGY IN ORGANIZING THE EXECUTIVE BRANCH, AND IN FINDING COMPETENT PEOPLE TO HEAD THIS ADMINISTRATION'S PROGRAMS HAS NEVER BEEN EQUALED IN WASHINGTON BEFORE.

MY COLLEAGUES AND I HAVE NEVER WITNESSED SO MUCH FOOT DRAGGING IN THE AREA OF AGRICULTURE. WE DRAGGED THE ADMINISTRATION KICKING AND SCREAMING THROUGH THE FOOD AND AGRICULTURE ACT OF 1977. AFTER THE BILL WAS PASSED WE HAD TO KEEP THE PRESSURE ON TO GET THE SUGAR PROVISION IMPLEMENTED, TO GET TIMELY ANNOUNCEMENTS ON THE ADMINISTRATION'S SET-ASIDE PLANS, TO GET CCC CREDITS AND OTHER EXPORT "TOOLS" PROPERLY USED AND TO GET FARMER INCENTIVES FOR PARTICIPATION IN THE ADMINISTRATION'S RESEAL GRAIN PROGRAM.

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MORE RECENTLY THE AGRICULTURAL INITIATIVES THAT THE ADMINISTRATION ANNOUNCED ON MARCH 29, 1978, HAD TO BE "SQUEEZED" OUT OF THEM UNDER THE THREAT OF THE "EMERGENCY AGRICULTURAL ACT OF 1978".

FARMERS HAVE NOT RECEIVED A FAIR SHAKE. THE ADMINISTRATION HAS GRUDGINGLY USED EXISTING AUTHORITIES TO ALLEVIATE THE FARM CRISIS.

POINT ONE A: WHO MAKES ADMINISTRATION AGRICULTURAL POLICY?

BOB BERGLAND TRIES HARD, BUT HIS INPUT SEEMS MINIMAL IN MANY OF THE MAJOR DECISIONS AFFECTING ADMINISTRATION FARM POLICY. ANNOUNCEMENTS ARE MADE FROM THE WHITE HOUSE FOLLOWED BY CORRECTIONS OR EXPLANATIONS IN U.S.D.A. RELEASES A DAY OR SO LATER. THIS HAPPENED RECENTLY WHEN MONDALE ANNOUNCED THE ADMINISTRATION'S FEDERAL FARM PROGRAM INITIATIVES. IT OCCURRED EARLIER WITH THE WHITE HOUSE SUGAR PROCLAMATION. A RECENT EXAMPLE WAS THE APPARENT THREAT BY BERGLAND TO RESIGN OVER WHETHER THE ADMINISTRATION WOULD APPROVE A \$3.40 WHEAT TARGET LEVEL OR ONE FOR \$3.50. ACCORDING TO PRESS REPORTS, TREASURY, O.M.B. AND WHITE HOUSE OFFICIALS WERE SENDING OPTIONS TO THE WHITE HOUSE ON THESE FARM POLICY MATTERS AND SECRETARY BERGLAND'S SIGNATURE WAS CONSPICIOUS BY ITS ABSENCE.

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IT MUST BE TERRIBLY FRUSTRATING FOR BOB BERGLAND TO HAVE SUCH LITTLE INPUT INTO THE ADMINISTRATION'S FARM POLICY.

POINT TWO: INCREASED FUNDING FOR P.L. 480

IT IS AN OPEN SECRET THAT THE U.S.D.A. WOULD LIKE TO INCREASE P.L. 480 PROGRAMMING TO ASSIST COMMODITY EXPORTS, WHICH WOULD NOT ONLY BENEFIT U, S. FARMERS BUT WOULD ALSO HELP DEVELOPING COUNTRIES MEET THEIR FOOD REQUIREMENTS. IN SPITE OF STRONG SUPPORT FOR THIS FROM CONGRESS, AND THE U.S.D.A.'S DESIRE TO INCREASE PROGRAMMING FROM \$800 MILLION WORTH OF COMMODITIES TO OVER \$1 BILLION, THE U.S.D.A. HAS NOT BEEN ABLE TO MOVE BECAUSE O.M.B. AND OTHER AGENCIES HAVE BEEN ABLE TO HOLD UP ADDITIONAL PROGRAMMING. THE WHITE HOUSE HAS NOT COORDINATED THE VIEWS OF VARIOUS AGENCIES INTO A WORKABLE POLICY -- CERTAINLY NOT A CONSTRUCTIVE POLICY.

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WE HEARD THAT THERE WOULD BE "CABINET GOVERNMENT" UNDER THE CARTER ADMINISTRATION, YET THE SECRETARY OF AGRICULTURE, EVEN WITH THE STRONG SUPPORT OF CONGRESSIONAL AGRICULTURE COMMITTEES, CANNOT MAKE A NEEDED ADJUSTMENT IN THE P.L. 480 PROGRAM.

POINT THREE: SUGAR LEGISLATION

THE SUGAR BEET AND CANE GROWERS, THE CORN REFINERS AND OTHER IMPORTANT SEGMENTS OF THE SUGAR INDUSTRY HAVE PRODUCED A BILL THAT WILL ENABLE GROWERS TO RECEIVE A FAIR AND REASONABLE PRICE FOR THEIR PRODUCT BY REGULATING IMPORTS OF SUGAR THROUGH A SYSTEM OF FEES, QUOTAS AND TARIFFS, YET THE SECRETARY OF AGRICULTURE APPARENTLY HAS NOT BEEN AUTHORIZED BY THE ADMINISTRATION TO ENDORSE THIS LEGISLATION. WHEN AND IF THIS LEGISLATION GETS THE ADMINISTRATION'S RECOMMENDATIONS THEY WILL PROBABLY BE FOR SUGAR PRICES BELOW THE DOMESTIC COST OF PRODUCTION.

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THE CARTER ADMINISTRATION HAS BEEN FUMBLING THE BALL FOR OVER ONE YEAR NOW RE: CONSTRUCTIVE LEGISLATION THAT WOULD RESULT IN A VIABLE DOMESTIC SUGAR INDUSTRY.

POINT FOUR: CCC CREDITS

VARIOUS BILLS HAVE BEEN INTRODUCED WITHIN THE PAST YEAR THAT WOULD ADJUST THE TERMS FOR CCC CREDITS IN ORDER TO MEET COMPETITION AND TO ENABLE SALES TO BE MADE TO NON-MARKET ECONOMY COUNTRIES SUCH AS THE PEOPLE'S REPUBLIC OF CHINA ON A DEFERRED PAYMENT BASIS. UNFORTUNATELY, NONE OF THE BILLS THAT SENATOR HUMPHREY NOR I NOR ANY OF OUR COLLEAGUES INTRODUCED TO ENABLE US TO TAP THESE EXPORT MARKETS HAVE RECEIVED THE SUPPORT OF THE ADMINISTRATION.

AT FIRST, THE ADMINISTRATION SAID THEY WERE "NEITHER FOR NOR AGAINST" CCC CREDITS TO GAIN SALES IN NON-MARKET ECONOMY COUNTRIES. REGARDING INTERMEDIATE CREDITS, DALE HATHAWAY, ASSISTANT SECRETARY FOR INTERNATIONAL AFFAIRS, SAID ON APRIL 10, 1978, IN LANSING, MICHIGAN, BEFORE THE MICHIGAN FARM BUREAU COMMODITY ADVISORY COMMITTEE, "WE ARE WORKING WITH THE CONGRESS TO EXAMINE METHODS TO INITIATE A NEW INTERMEDIATE CREDIT PROGRAM TO OPERATE IN THE GAP BETWEEN THE SHORT-TERM CREDIT PROGRAM OF UP TO THREE YEARS AND THE LONG-TERM CREDIT PROGRAM OF UP TO 20-30 YEARS THAT IS AVAILABLE UNDER P.L. 480."

HOWEVER, AT AGRICULTURE COMMITTEE HEARINGS ON CCC EXPORT CREDITS ON THURSDAY, APRIL 27, 1978, USDA OFFICIALS ADMITTED THAT THEY COULD NOT STATE A USDA POSITION ON ANY OF THE CCC CREDIT BILLS BECAUSE OMB AND THE STATE DEPARTMENT WERE SPEAKING FOR THE ADMINISTRATION. HERE IS THE ADMINISTRATION'S POSITION AS STATED BY STEPHEN BOSWORTH, DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL RESOURCES AND FOOD POLICY, BUREAU OF ECONOMIC AND BUSINESS AFFAIRS, U.S. DEPARTMENT OF STATE, "WE DO NOT SUPPORT EXTENDING THE MATURITIES OF CREDITS OFFERED BY THE COMMODITY CREDIT CORPORATION (CCC) BEYOND THE PRESENT THREE-YEAR MAXIMUM.

"AS YOU KNOW, POLAND, ROMANIA, HUNGARY, AND YUGOSLAVIA CAN NOW BENEFIT FROM CCC CREDITS. EXTENDING THIS TO OTHER NON-MARKET ECONOMIES WOULD REQUIRE MODIFYING SECTION 402 AND 409 OF THE TRADE ACT, THE SO-CALLED JACKSON/VANIK AMENDMENTS, WE WOULD OPPOSE SUCH A CHANGE AT THIS TIME. THE MATTER, HOWEVER, IS UNDER CONTINUING REVIEW."

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I WOULD LIKE TO COMMENT THAT THEY HAVE HAD IT UNDER CONTINUING REVIEW FOR OVER A YEAR NOW. CONSEQUENTLY, CANADA AND AUSTRALIA HAVE SOLD THE BULK OF CHINA'S IMPORT GRAIN REQUIREMENT ON A DEFERRED PAYMENT BASIS. THE PEOPLE'S REPUBLIC OF CHINA HAS TURNED TO US ONLY RECENTLY AFTER DELIVERIES WERE NOT POSSIBLE FROM CANADA AND AUSTRALIA. AS A RESULT WE ARE BECOMING A RESIDUAL SUPPLIER.