

**KEY POINTS**  
**9TH ANNUAL FARM HARVEST DAY RECEPTION**

**CONTINUATION OF CURRENT POLICY**

- **SUCCESSFUL POLICIES OF 1985 BILL IS THE FOUNDATION OF THE 1990 FARM BILL.**
- **MARKET-ORIENTED AND EXPORT-DRIVEN POLICIES MUST CONTINUE.**

**BUDGET**

- **THE CHALLENGE FACING AGRICULTURE IN 1990 IS THE BUDGET DEFICIT.**
- **\$13 BILLION IN SAVINGS FOR AGRICULTURE OVER FIVE YEARS.**
- **THE CUTS WILL BE DIFFICULT, BUT AGRICULTURE CANNOT BE EXEMPTED.**
- **THE PROSPECTS OF RISING INTEREST RATES AND INFLATIONARY PRESSURES THREATEN AGRICULTURE MUCH MORE THAN A POTENTIAL CUT IN TARGET PRICES OR PAYMENT ACRES.**
- **ADDRESSING THE DEFICIT IS VITAL FOR THE LONG-TERM INTEREST OF AGRICULTURE AND FOR THIS COUNTRY.**
- **POLITICALLY EXPEDIENT, SHORT-TERM SOLUTIONS HAVE PROVEN TO FAIL AND ARE NON-STARTERS IN TODAY'S FISCAL ENVIRONMENT.**

**"SENSE OF THE SENATE"**

- **THE CUTS MUST BE SHARED FAIRLY AND EQUITABLY BETWEEN COMMODITIES.**
- **AND THAT INCLUDES THOSE COMMODITIES FUNDED BY INCREASED CONSUMER COSTS, WHICH HAVE SLIPPED BY FOR TOO LONG.**

## **OTHER POLICY ISSUES**

-- **OTHER NON-BUDGET POLICY ISSUES MUST BE  
ADDRESSED AS WELL:**

- 1) **LOAN RATES**
- 2) **HIGH PRICE BONUS**
- 3) **BUSHEL BASED QUOTA**

COMMENTS BY SENATOR BOB DOLE  
9TH ANNUAL FARM HARVEST DAY

I'D LIKE TO THANK ALL OF  
YOU IN ATTENDANCE, AS WELL  
AS MY DISTINGUISHED  
COLLEAGUE SENATOR D'AMATO,  
FOR INVITING ME TO MAKE A  
FEW COMMENTS AT THIS 9TH  
ANNUAL FARM HARVEST DAY.  
MANY OF MY FELLOW 'FARM—

STATE' SENATORS AND I HAVE  
BEEN WORKING OVER THE PAST  
YEAR ON THE NEW FARM BILL,  
AND NEW YORK DEFINITELY HAS  
A KEEN INTEREST IN MANY OF  
THE PROGRAMS WE ARE  
WORKING ON.

SOME PEOPLE MAY THINK  
THAT NEW YORK'S LARGEST  
CONTRIBUTION TO AMERICAN

AGRICULTURE IS YOUR STOCK  
EXCHANGES, BUT I REALIZE THAT  
YOUR INTERESTS RUN MUCH  
DEEPER. A STRONG AND  
VIBRANT DAIRY INDUSTRY IS  
JUST ONE OF MANY  
AGRICULTURAL COMMODITIES IN  
WHICH NEW YORKERS EXCEL,  
AND SO SHOULD HAVE SOME  
CONCERN FOR WHAT WE ARE  
DOING WITH THE FARM BILL.

## BUILD ON THE SUCCESSES OF 1985 BILL

WE HEADED INTO THIS FARM  
BILL YEAR WITH A STRONG  
CONSENSUS FROM THE  
AGRICULTURAL COMMUNITY  
THAT THE 1985 FARM BILL HAS  
BEEN WORKING. WHILE NO LAW  
OR PIECE OF LEGISLATION IS  
PERFECT, I THINK WE CAN TAKE  
ENCOURAGEMENT FROM THE  
GOOD WORK THAT WE DID FIVE

YEARS AGO. THE MARKET—  
ORIENTED POLICIES AND  
AGGRESSIVE USE OF TRADE  
INITIATIVES HAS REVITALIZED  
AMERICAN AGRICULTURE IN THE  
INTERNATIONAL MARKET. ASIDE  
FROM THAT, WE HAVE  
CONTINUED TO PROVIDE  
INCOME PROTECTION TO  
PRODUCERS WHILE ESTABLISHING  
A FISCALLY RESPONSIBLE TREND

IN LOWER PROGRAM COSTS.

WHILE THE 1990 BILL IN ITS  
CURRENT FORM HAS STRAYED  
SOMEWHAT FROM THE PROVEN  
POLICIES OF THE LAST FIVE  
YEARS, I AM HOPEFUL THAT WE  
WILL END UP WITH A BILL WHICH  
IS BASED ON SOUND, LONG—  
TERM POLICY AND MEETS  
TODAY'S BUDGETARY



## CONSTRAINTS.

### BUDGET: THE DETERMINING FACTOR

BUDGET NEGOTIATORS HAVE RECENTLY WRAPPED UP A BUDGET AGREEMENT, OF WHICH AGRICULTURE WILL BE EXPECTED TO PROVIDE \$13 BILLION IN SAVINGS OVER THE NEXT FIVE YEARS. THERE IS NO DOUBT THAT THESE CUTS WILL BE

PAINFUL FOR SOME, BUT THEY  
MUST BE REAL SAVINGS IN  
ORDER TO ACCOMPLISH THE  
GOALS OF DEFICIT REDUCTION.  
I HAVE ALWAYS THOUGHT THAT  
FARMERS ARE SMART ENOUGH  
TO KNOW WHAT HIGH INTEREST  
RATES AND INFLATION DO TO  
THEIR BOTTOM LINE, SO REAL  
DEFICIT REDUCTION WILL ONLY  
ENHANCE THE LONG—TERM

# VIABILITY OF AMERICAN AGRICULTURE.

THE VERY FACT THAT NOT  
MANY WANT TO FACE CUTS  
MEANS THAT WE DO NOT HAVE  
AN EASY TASK AHEAD OF US.  
BUT WE HAVE TO REALIZE THAT  
AGRICULTURE CANNOT BE  
EXEMPTED. IF EVERYONE WAS  
ALLOWED TO EXEMPT THEIR

PERSONAL INTEREST, DEFICIT  
REDUCTION WOULD BE  
IMPOSSIBLE AND WE WOULD  
QUICKLY SPEND THIS COUNTRY  
INTO DECLINE.

THE CUTS I AM SPEAKING OF  
WILL COME FROM MANDATORY  
SPENDING ITEMS, WHICH IN A  
NUTSHELL INCLUDE CCC  
OUTLAYS AND CROP

INSURANCE. AND THE SAVINGS  
WHICH WE NEED TO REALIZE  
MUST BE REAL, WITH NO BUDGET  
GIMMICKS OR PHONY  
GAMESMANSHIP.

I STILL STRONGLY SUPPORT  
THE CONCEPT OUTLINED IN MY  
'SENSE OF THE SENATE'  
RESOLUTION, WHICH I ATTACHED  
TO THE SENATE VERSION OF THE

FARM BILL DURING FLOOR  
DEBATE. THE BASIC MESSAGE  
OF THAT RESOLUTION IS THAT  
THE \$13 BILLION IN SAVINGS  
MUST BE ACHIEVED FAIRLY AND  
EQUITABLY BETWEEN  
COMMODITIES. NO  
COMMODITIES WILL SKATE  
THROUGH AND FORCE THE  
BURDEN UPON OTHERS. AND  
THAT INCLUDES COMMODITIES

FUNDED BY THE CONSUMER  
RATHER THAN THE FEDERAL  
TREASURY; THESE PROGRAMS  
HAVE LEACHED OFF OF HIDDEN  
CONSUMER COSTS FOR TOO  
LONG.

OTHER POLICY ISSUES

BEFORE WE FINISH THE FARM  
BILL, WE MUST REEXAMINE  
SPECIFIC POLICY ISSUES WHICH

I MENTIONED EARLIER. THE KEY POLICY ELEMENT WILL BE LOAN RATES, BUT A FEW OTHER MISDIRECTED PROGRAMS HAVE SLIPPED IN THIS YEAR. TWO OF THOSE ARE A HIGH PRICE BONUS PROGRAM AND A BUSHEL BASED PILOT PROGRAM, BOTH OF WHICH ARE SHINING EXAMPLES OF THE MICRO—MANAGEMENT OF AGRICULTURAL



POLICY WHICH OCCURS DURING  
AN ELECTION YEAR.

NEW FOCUS OF RESPONSIBILITY

THE PRIORITIES OF 1985  
INCLUDED REDIRECTING  
AGRICULTURAL POLICY TOWARD  
A WORLD MARKET AND  
REVIVING FARM COUNTRY FROM  
A CRISIS SITUATION. WITH THE  
SUCSESSES OF THAT POLICY

DIRECTION, WE NOW MUST FACE  
UP TO THE FISCAL REALITIES  
AND FORMULATE POLICIES  
WHICH WORK WITHIN OUR  
FISCAL CONSTRAINTS.

WITH A FIRM AND BIPARTISAN  
COMMITMENT IN BOTH BODIES  
OF CONGRESS, I BELIEVE WE  
WILL RECOGNIZE THESE  
RESPONSIBILITIES AND FINISH

ACTION ON THE 1990 FARM BILL  
BY MID—MONTH. BY LEAVING  
THE FAILED POLICIES OF THE  
PAST BEHIND US AND  
RECOGNIZING THE IMPACT OF  
THE DEFICIT UPON THE FARM  
ECONOMY AND OUR FUTURE  
GENERATIONS, WE CAN PROVIDE  
A STABLE AND POSITIVE FUTURE  
FOR AGRICULTURE.