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Dole cautious about farm recovery in '83

Exports called better hope than programs

FARMERS will continue to face difficulties into 1983, a year predicted to be just "so-so" by Sen. Bob Dole during his speech to members at Farmland Industries annual meeting.

"Don't expect Congress to do too much this session," he said, referring to the lame duck session. "Maybe the good news is that we won't do much. The bad news is that we're meeting."

Dole's witticisms provided a little laughter for farmers between his somber agriculture assessments.

Farmers had given Dole a standing ovation when he was introduced by Robert Johanson, Farmland executive vice president, membership services and communications, as a man who "listens and helps when Farmland calls."

Dole opened his speech, saying, "I'm not used to speaking to crowds of this size. I'm a Republican."

He said he agreed with the remarks on trade embargoes made earlier by D. W. Brooks, chairman of the board emeritus, Gold Kist, Inc., adding, "The only people who really suffer from embargoes are farmers. I was against embargoes when the Republicans did it and when the Democrats did it."

He expressed concern over the problems in agriculture and world trade, noting that 80 out of 535 members of Congress will be new members because of retirements and political defeats.

During the lame duck congressional session, Dole said considerations would be given to expanding farm exemptions and to approval of fiscal bills.

Although hearings will be held on a farm crisis bill, Dole said, "Don't expect anything of substance that will help agriculture this year."

"I know we've got problems we've never had before in agriculture and I'm not certain government can solve them." He noted the \$13 trillion government deficit, adding, "There's no money in the Treasury. We've got a secretary, but not money."

TRADE is important for agriculture's future. But little was accomplished at the international meeting of trade ministers at Geneva because all involved countries — the United States, Japan, Germany, Denmark and the rest of Europe — are in a similar economic bind with high interest rates, high unemployment and high inflation.

"No one expected much from the GATT meeting, and nothing much did happen," Dole said.

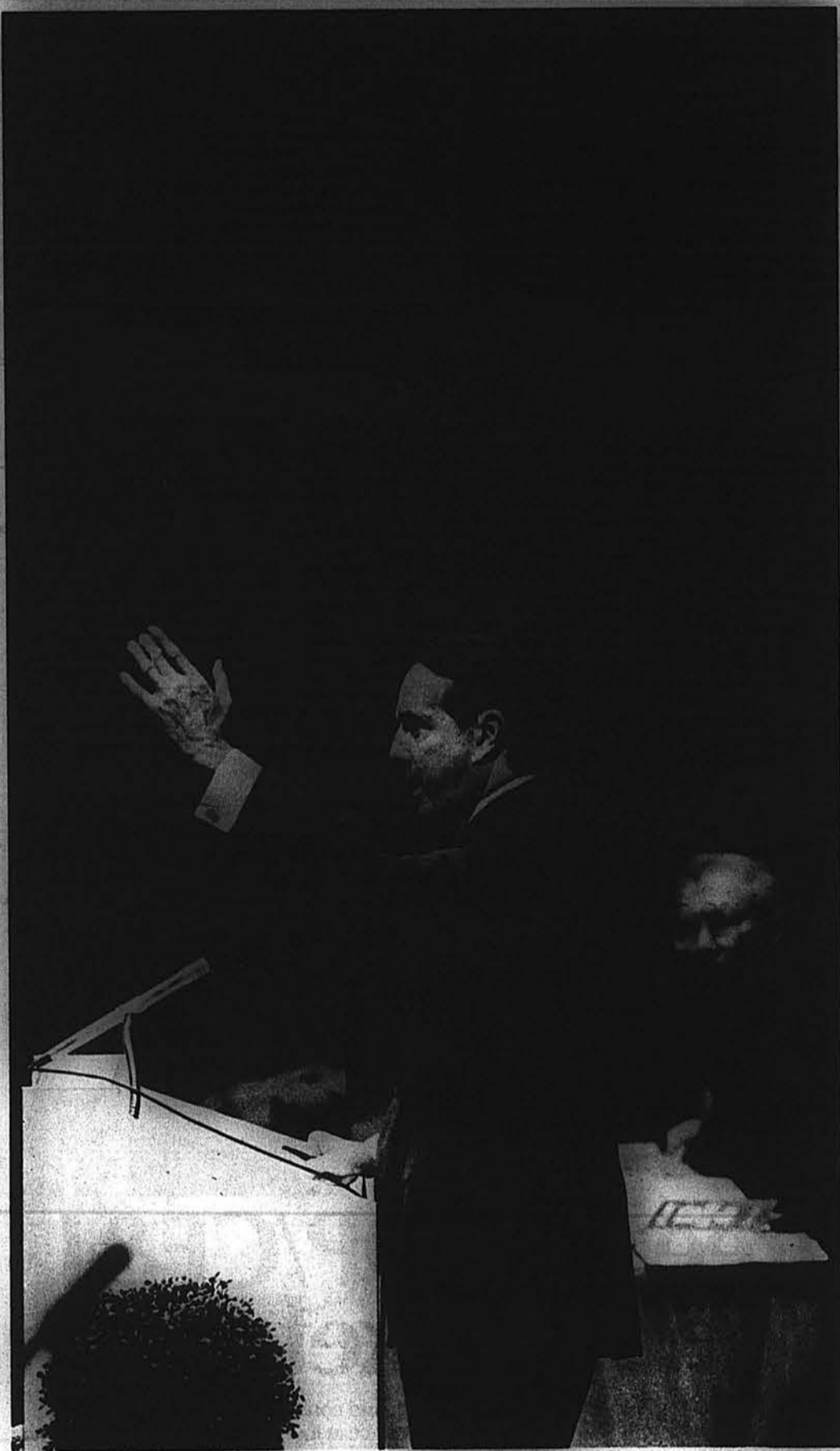
The Senate Finance Committee had adopted a resolution calling for GATT ministers to do four things: review the rules regarding subsidies; to improve the dispute settlement procedures; to initiate work programs in the areas of trade, in services, performance requirements and high technology products; and to complete an agreement on rules on import restrictions.

The major result of the meeting was a 2-year program to examine "all measures affecting trade, market access and competition, and supply in agricultural products, including subsidies and other forms of assistance."

Dole said that from a congressional perspective GATT results were inadequate. The finance committee will hold hearings beginning on Jan. 25, 1983, to review these results.

"We have got to get their attention. We don't need a trade war, but we may not have an alternative if we can't get their attention. We know the others have problems, but we also know we have problems in our own community."

SOME AMERICANS can't understand why we don't have more trade with Japan, a good agricultural customer. But there are restrictions on imports which prevent certain American agricultural



SEN. ROBERT DOLE (R-Kan.), chairman of the Senate Finance Committee, addressed Farmland's annual meeting a day earlier than scheduled because of commitments in Washington.

products to Japan, he said. "Those restrictions are maintained because they protect Japanese agriculture from competition with foreign imports. The ruling party in Japan is controlled by farmers who have more influence than farmers have in the United States," he said.

But American farmers must face realities. "With the Treasury bare, Congress may be unwilling to finance trade. There is a growing climate of protectionism in Congress. I don't think that's the way to go, but we must tell other countries that we don't want to trade if it's not on a fair basis. They can't

have it both ways," he said. Dole said this country has a complaint and must seriously consider East-West trade.

"I'm willing to sell them (the East) anything that they can't shoot back at us," he said, referring to high technology sales. "If they buy food, they won't have money to spend for something else." The audience applauded in support.

He reminded the audience that the Russian people were a great help during World War II. He noted that the Russian government has said it wishes to improve trade between the U.S. and Russia, but Russia rejects American

trade conditions. The Russians also want a "most favored nation" trade status.

He said this possibility should be explored. He criticized the "knee-jerk" reaction of the American government to possible conflict with Russia, saying "embargoes are not good policy."

Because of the embargoes, the United States is no longer regarded as a "reliable supplier" by other nations. Exports have dropped 17%. The soybean export market was "tossed to Brazil" in 1973 as a result of the Republican imposed embargo.

DOLE, after surveying his home state of Kansas, found people there are split 50-50 on trade with the Soviet Union. Half believe this country should not trade with Russia until they meet American demands on human rights issues; the other half believe trading could help obtain mutual arms reduction today rather than in 1987.

"I've been around long enough to know that we have got to increase our exports or we're not going to have any — or very many — farmers left," Dole said. "If we don't sell it, other countries will. We can't stand on principle. We need to work on this area, improve our relations with the Soviet Union. This will help gain arms reduction," he said.

Dole, who recently returned from a U.S.-Soviet trade meeting in Russia, said that it is the view of some that if we can assure the Soviets that we are a commercially reliable supplier, we can reach a reasonable accommodation with them on our human rights concerns.

"Given that exports create jobs and our critical need to reduce unemployment, increased exports to the Soviets could serve us well," he said.

Dole said he expects to see congressional pressure to use part of the balance of the \$190 million reconciliation bill, about half of which has already been spent in a blended interest program, for direct price subsidies. Too, he believes there will be moves to release the growing stocks of products like butter on the world markets at distressed prices.

HE HAS ASKED both houses in Congress to move the reciprocity bill this year. "This bill simply says that we won't let you in, if you don't let us in. Being competitive is free trade," he said.

Another measure which will be before Congress in the near future will be several bills on local content. These bills would require under certain circumstances that an automobile sold in the U.S. be 90% made from U.S. parts.

Dole warned that these bills carry a drastic consequence. They could seriously jeopardize a significant portion of American farm exports to both Japan and Europe.

There are good signs now that we are teetering on the brink of recovery. Inflation will be less than 5%; interest rates are less than 11%; the stock market has had the third biggest jump in its history. All the leading economic indicators are up," he said.

The last thing agriculture wants is to re-inflate. You have to help us in Congress do what has to be done. We must work harder on increasing exports, not farm programs. We just don't have the money (for increasing farm programs)," he concluded.

A Woman's Touch for the Cabinet

With her at Transportation, the Doles are rolling along

THE President doesn't want any yes men and women around him," Elizabeth Dole once remarked. "When she says no, we all say no." Behind the wry humor, there was a hint of truth. As assistant to President Reagan for public liaison and the highest-ranking woman in the White House, Elizabeth ("Liddy") Dole has been a silent team player, wielding little influence and rarely speaking out on women's issues. Now, however, she has moved into the spotlight as President Reagan's nominee to be the new Secretary of Transportation, succeeding the departing Drew Lewis. Her nomination was greeted enthusiastically on Capitol Hill, especially by the senior Senator from Kansas, Deadpanned Bob Dole. "An excellent choice."

The appointment will enhance the Dole's status as one of the most visible and influential couples in the capital. During their seven-year marriage, they have moved swiftly along separate and sometimes conflicting tracks. "You have to compartmentalize," says Elizabeth Dole, 46, explaining how they keep apart their personal and political lives. "You really have to have that basis." Besides, she adds, "there may be something at the White House being discussed that's not ready to be discussed on Capitol Hill." It works both ways. When the "Gang of 17," a bipartisan group of lawmakers and senior White House aides, was working behind closed doors last year on budget proposals for the President, Senator Dole told his wife, "Elizabeth, I'm not going to be able to talk to you about what we're doing."

Sometimes, of course, the temptation to compare notes, or apply a little matrimonial persuasion, is irresistible. Concedes she with a laugh: "There certainly have been times in the past when Bob and I have not seen eye to eye on an issue. We may try to talk each other out of it. I'll say, 'Bob, come off it. When you consider these points, how can you maintain your position on that?'"

Although both are ambitious workaholics—she rises every morning at 5:30, he at 6—they have avoided competing with each other. Friends say they have a relationship reminiscent of high school sweethearts. The couple have no children, but Bob Dole, 59, has a 27-year-old daughter from his first marriage. Dole says he has had no problems adjusting to the high-powered career of his wife, whom he calls a "sensible" feminist. When he ran unsuccessfully for the G.O.P. presidential nomination in 1979, Elizabeth resigned her job on the Federal Trade Commission to campaign for him. He dubbed his North Carolina-born wife "my Southern strategy."

Quipped he last week: "When she got ahead of me in the polls, I dropped out." Dole says his wife stands ready to help him make another run if Reagan decides not to seek re-election.

Elizabeth Dole did not have to lobby very hard for the \$80,100-a-year Transportation post, a job that would make her the first woman to head a Cabinet agency

in the Reagan Administration and the seventh in U.S. history. She has earned high marks in the White House for loyalty, competence and a toughness swathed in Southern charm. But her main advantage was being a woman in an Administration that is desperate to raise the visibility of women, and close its notorious gender gap.



The Secretary-designate and the Senator confer in her White House. Sometimes the temptation to use matrimonial persuasion is...

While Cabinet secretaries and Senators sometimes cross swords, Elizabeth Dole's elevation should ease the occasional awkwardness that resulted when she was defending White House positions and her husband was publicly opposing them. It should also reduce slightly any embarrassment caused by the Senator's overt presidential ambitions. By shifting to Transportation, she will be a few steps removed from the more delicate congressional and political operations at the White House.

Elizabeth Dole is given much of the credit for her husband's transformation from a partisan hatchet man to a legislative power. Although he still has the sarcastic wit that made him the acid-tongued heavy when he was Gerald Ford's running mate in 1976, his humor has lost its nasty edge. He has mellowed personally

and become more moderate politically. His stock soared during the last session when, almost singlehandedly, he shepherded through Congress \$98.3 billion worth of tax hikes designed to offset the staggering federal deficit.

Perhaps with his own political ambitions in mind, Dole has been vocal in criticizing Reagan on the deficit, Social Security and food-stamp cuts. Lately, however, he has softened his barbs, anxious not to antagonize the White House in the coming budget wars and, perhaps, eager to smooth things over before his wife ascends to the Cabinet. Writing in the *New York Times* last week, he lavishly praised Reagan's

"remarkable leadership" and insisted that the President's coalition with congressional Republicans was not eroding, as the press had suggested.

If she is confirmed, Elizabeth Dole will take over a department where political astuteness, rather than transportation expertise, is the watchword. She will be responsible for portioning out billions of dollars to states and cities for highway, airport and mass-transit programs. She will have to implement many of the policies put into effect by Lewis, one of Reagan's most highly regarded Cabinet members. Her biggest challenge will be to complete the rehabilitation of the air-traffic-control system, which was left in shambles after the controllers' walkout in August 1981. She also has to carry out the new 5¢-per-gal. increase in the gasoline tax and complete the transfer of the Government-owned Consolidated Rail Corp. to private interests.

She brings impressive credentials to the job. She made Phi Beta Kappa at Duke University in her native state and graduated from Harvard Law School. In the Johnson and Nixon Administrations, she worked on consumer affairs and was named a Federal Trade Commissioner in 1973. Once a Democrat and later an independent, she registered as a Republican just before marrying the Senator. After her husband dropped out of the 1980 presidential race, Elizabeth Dole campaigned for Reagan and was made a member of his transition team. Although criticized by women's groups last spring for not speaking out more on women's issues from the White House, she did work quietly with her husband and the Senate Judiciary Committee to eliminate discriminatory references to women in federal laws. Now that she will be moving away from the White House proper, there are signs she may become more vocal. After her nomination was announced, she sat in her office, surrounded by flowers, champagne and reporters. "I would hope," she said, "that we have another woman in the Cabinet soon."

—By Maureen Dowd, Reported by Jay Brannan and Evan Thomas/Washington

Meet the Power Couple

He is chairman of the Senate Finance Committee, one of the president's "fiscal five" and a prospective 1984 candidate in his own right. She is a White House super-lobbyist on the rise, dubbed to replace Drew Lewis as Ronald Reagan's secretary of transportation. Together, Robert and Elizabeth Dole have become a Washington power couple—hers to all the attention and mystique the title implies. And the silliness. As Reagan prepared to announce Elizabeth's promotion at his press conference last week, White House aides prevailed on her to keep the secret from Robert and thus help preserve the presidential scoop. Reagan himself scoffed at the precaution, but Elizabeth reassured him. "It's all right," she said. "I won't tell Bob. He'll understand."

Elizabeth Hanford Dole, 46, understands Washington's ways like an old pro. After five and a half years as a federal trade commissioner, she joined Reagan's White House staff to sell the president's programs to business and interest groups.

Husband-Wife Conflicts: Liddy Dole's star is on the rise at a time when husband Bob has become slightly suspect—at least within the Reagan administration. The senator made a brief run for the presidency in 1980—with the help of Liddy, who resigned from the FTC to help. Lately, Bob Dole has publicly differed with Reagan on such matters as the timing and details of tax cuts—a signal that Dole may intend to mount a 1984 presidential campaign. Liddy Dole's promotion from her White House political job lessens chances of the kind of husband-wife conflicts that have



Dole power: 'Rare sighting' of Bob and Liddy

occurred in their past. For example, an interviewer once asked Liddy whether, as women saw it, Ronald Reagan had "ice water in his veins." Before she could leap to the president's defense, a grinning Bob Dole began nodding his head vigorously.

The Doles' seven-year Washington marriage (her first, his second) has always been hectic. The cabinet-designate once remarked that after she married the senator they didn't have time to find a proper house. So Liddy moved into Bob's "bachelor pad" at the Watergate apartment complex and the Doles live there today, still complaining that they have no time for house hunting. When the Doles appear together on the social circuit, it's a "rare sighting," as a Senate staffer puts it. Yet their pair of high-charged careers "have really enriched our marriage," Liddy says.

"We have similar interests. If I work late, he cooks dinner and if he works late and I get home, I cook the dinner." Who cleans up remains their secret.

STEVEN STRASSER with THOMAS M. DEFRANK and ELEANOR CLIFT in Washington