



NEWS from U.S. Senator Bob Dole

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REMARKS OF SENATOR BOB DOLE
ANNUAL MEETING
NATIONAL BROILER COUNCIL
L'ENFANT PLAZA HOTEL
WASHINGTON, D. C.
OCTOBER 2, 1975

I am pleased to have the opportunity to address the National Broilers Council on the legislative picture in Washington.

In the chicken field -- or coup -- I think you all are pretty well aware of the situation with agricultural legislation. President Ford gave us a lesson in priorities as they relate to agriculture on May 1 when he vetoed the Emergency Farm Bill. In his veto message, he proclaimed that export controls imposed last October 4 had been removed, and that farmers deserve unfettered access to world markets. Those export controls were known as the "prior approval reporting of sales." Then last month, he "fettered them again" and his fetter has been extended until mid-October. It's on again/off again policy with the farmer in the middle -- and that includes the broiler producer.

It just seems that any talk about inflation today seems to end up blaming it all on the farmer. The Department of Labor came out last week with the second quarter figures on housing showing that labor costs in the building trade unions have risen five percent -- the highest increase in a quarter since 1971. But George Meany was not available for comment. He was advising Secretary Kissinger on foreign policy.

VITAL DECISIONS AHEAD

But truly I am grateful for this opportunity to address the National Broiler Council, especially so because this opportunity comes at a time when vital decisions are being made. They are decisions that will affect your industry, your country, and your business and professional lives, for years and perhaps decades to come.

You have perhaps heard that kind of talk before. It's customary -- even standard -- for public officials to characterize the public policy questions they address in these near-apocalyptic terms.

To be fair, we can hardly be expected to imply that the questions we in Congress deal with -- and the way we deal with them -- are unimportant.

But nonetheless, I know there may be a hollow ring to it. It has the sound of cliché about it.

CHOICE OF BASIC DIRECTION

In my view, the fact of the matter is, however, that we in the Congress and throughout the federal government, now and for the immediate next few years will be faced with making decisions that will determine whether we go toward or away from fiscal sanity and solvency, toward or away from the reinvigoration of our market economy, toward or away from a restoration of balance between individual and governmental power, toward or away from a resurgence of individual freedom.

It is not only the kinds of policy decisions we make that are important, but the way we go about implementing those decisions.

GRAIN TRADE POLICIES

For example, I am fully aware that there may be mixed emotions in this room about the current Administration policy toward grain exports. Without going into the details of the current situation, I think it would be sufficient at this point to observe that -- in spite of my misgivings about some aspects of the policy -- I can foresee some good coming out of all of this.

For example, if we are successful in negotiating a long-term sales agreement with the Soviets, in which they will contract to purchase an agreed upon minimum volume of grain over the next five years or so, I think we will have made a very positive step.

USDA SHOULD BE INVOLVED

In fact, somewhat before the Administration announced it was sending a team to Moscow to negotiate such a deal, I introduced a resolution in the Senate calling for such talks. But believe me, my resolution never contemplated that the State Department should have total control in a matter so foreign to their expertise.

Deputy Secretary Robinson -- and for that matter, Secretary Kissinger -- are fine public servants, masters of diplomacy and patriots.

But what they know about wheat crops and feed grains and agricultural economics, generally, isn't even an open question anymore. They know just enough to do some damage and not near enough to do any good.

I have had my differences with the Department of Agriculture, from time to time, but I'd rest easier now if they were given a more prominent, if not controlling role in the Moscow negotiations. I have and will continue to urge that such a role be given them.

FIGHT FIRE WITH FIRE? -- NOT ALWAYS

Because, here too, what is at stake is how faithfully we adhere to our own system. I cannot agree with those who advocate that this country -- when it deals with government controlled economic systems -- should fight fire with fire by giving our government control of our foreign trade.

Government control of our wheat trade, with the Soviets or any other potential buyer, cannot be the ultimate solution.

Gentlemen, I don't care whether you are a corn picker, cotton picker, chicken picker, orange picker, or a cherry picker . . . the farmers of this nation deserve opportunity to make a profit. As Senator Carl Curtis so aptly puts it, "profit is not a four letter word, but loss is!"

Somehow I get edgy when the Secretary of State or the Secretary of Treasury gets involved in negotiating the amount of food a nation can have from the U. S. That's the way Russia does it, and I can't help thinking that with all the land mass and population that Russia has . . . they lack only the motivation to make them a farm exporter of any commodity that we grow. What we have that they don't have is the drive to make a buck . . . yes, and to make a million if we can!

If our ultimate goal is the continued survival of our free enterprise system and the personal freedom that goes along with it, then we can't achieve that goal by surrendering the freedom of farmers, and grain exporters to operate in the international marketplace.

PAST PREDICTIONS COME TRUE

Like this specific, most of the decisions we are called upon to make in Washington these days are critical and we jeopardize the future of our system if we make the wrong ones. I repeat, these are the same kinds of dire predictions you may have heard repeatedly in the past. But the difference between then and now is that we aren't just making dire predictions anymore.

We are trying to cope with -- and remedy -- the present situation in which some of those previous gloomy forecasts have come true. Think of it. We may have a more than \$70 billion federal deficit this year. That is bigger than the federal budget was less than twenty years ago.

Inflation, long a problem ignored by successive Congresses, has flared up intensely enough to cause a recession.

Energy supply problems, predicted for years but swept under the rug during the euphoric post-war years of abundance, have descended on us with full force and put us at the mercy, not only of the OPEC cartel countries, but of the Democrat majority in the Congress.

And, as a further indicator of the scope of the federal fiscal problem, let me cite one short quote from the economic report of the President to the Congress, dated last February:

Transfer payments to individuals by the federal government have increased, after adjustment for inflation, by almost 9% annually during the past two decades. A continuation of this trend for the next two decades, along with only modest increases in other federal

expenditures and in those of state and local governments, would lift the expenditures by government at all levels from about one-third of the Gross National Product to about one-half.

What we in the Congress and the executive branch decide this year and next, and the very few years beyond that, will determine whether that trend continues.

If it does, then the simple mathematics of the President's report indicates that government will be spending fully half of what this country produces.

At present, government has the capacity to significantly influence the economic lives and well-being of our people. At some point, if this trend develops toward government control of more and more of the nation's product, that capacity to influence economic events becomes the capacity to control economic events.

At that point, as Council of Economic Advisers Alan Greenspan reminds us, we have -- by definition -- socialism or, at best, quasi-socialism.

INDIVIDUAL INVOLVEMENT KEY TO SOLUTION

Don't get me wrong. I am not here to offer a gloomy key-note message of the imminent collapse of our free-enterprise system. Far from it.

But if the warnings are cliched-but-true, so are the proposed remedies and solutions cliched-but-true.

The simple fact of the matter is that Congress has the primary responsibility for solving these problems. And while the majority in Congress has not, this year or in the recent past, shown any determined inclination to live up to that responsibility, this Congress like all Congresses before it, has shown it can be responsive, if not always responsible.

CONGRESSIONAL RESPONSE

Congress handling of the energy problem is a prime illustration. Congress has really done very little to meet the challenge. One prime reason for this inaction, in my view, is the ambivalence of the American people toward the problem. Polls show that, in the first place, many Americans don't even believe there really is an energy problem. Among those who do, there is far short of a consensus about what the solution may be.

And barring the pressure of a more or less united public support for a given policy direction, Congress is inclined to do nothing, or at least to do nothing that might require some citizen sacrifice, and therefore be unpopular.

POPULAR CONSENSUS LEADS TO ACTION

It has been an altogether different story on the question of federal budget matters, however. Here, as usual, the American people showed themselves to be far ahead of the Congress in its perception of the potential dangers inherent in continued big spending, big deficit, big taxing policies. Sometime over the last few years, the common wisdom that government could solve every problem provided it spent enough money on it, and that it could and should spend as much money as was "needed" to solve the problem, regardless of how big a deficit had to be run -- that common wisdom died.

The people lost faith in the ability of government to solve all the problems there were. And they considered the effort to do so a breach of faith because of the way it affected their tax burdens.

And so the Congress, ever responsive to such consensus attitudes, set up a reformed budget process that arms the Congress with a Congressional budget office, new budget committees in both the House and the Senate, and as it turns out, a growing institutional determination to stay within pre-determined budget targets.

The solution I am suggesting -- the way to reduce current dangerous trends in public policy, therefore -- does in fact, lie with you. That, perhaps is the greatest cliché of American political life. But clichés get to be clichés by frequent repetition. And this one gets repeated so often because, at its roots, it is profoundly true.