

REMARKS OF CONGRESSMAN BOB DOLE  
NATIONAL BEET GROWERS FEDERATION  
ANNUAL MEETING  
THE BROADMOOR HOTEL  
COLORADO SPRINGS, COLORADO  
DECEMBER 8, 1965

Mr. Chairman, Officers and Members of the National Beet Growers  
Federation, and Guests:

When my good friend Harold Purdy invited me to speak at your annual meeting, I was pleased to accept because I appreciate the opportunity of getting better acquainted with sugarbeet growers from Kansas and all the other states represented here.

When Harold told me the location of the meeting, I was even more pleased to accept, because there are few cities in the world that have the striking natural setting enjoyed by Colorado Springs.

The contrast between the flat and fertile plains of western Kansas, which have a quiet, serene kind of beauty of their own, and the rugged peaks here, exemplifies and symbolizes to me the infinite diversity of our great country, the infinite diversity of America.

We have in our land a diversity not only of scenery, of topography, of physical surroundings, of beauty -- but we are blessed among nations to have within our borders and within our system the room for, and the respect for, and the tolerance of, a great diversity

DEC 8 1965

-2-

and variety of outlooks and opinions and points of view.

And may God help us if the pressure for conformity, if the pressure for reaching a "consensus" on every subject under the sun, ever becomes so great that we in America lose our tolerance and respect for opposing views.

God help us if the voice of the dissenter in America no longer can be heard.

As a member of the party which now -- is the minority party in Congress, I am particularly sensitive to the need for letting dissenting voices be heard and I have found myself not always able to join in the Congressional Consensus Chorus.

I have not injected sour notes into the chorus merely for the sake of engendering discord. I have not objected to the noble objectives of much of the legislation which has been passed as being necessary for the Great Society.

But when, in good conscience, I have felt that proposed legislation could be improved, or that it would impose unnecessary restrictions on the actions and personal decisions of Americans, or that it would add too greatly to the concentration of power that is ever becoming stronger in Washington, or that something vital was lacking from a bill which should be included -- it is my duty to my country and those I represent to voice my opinions, and I have done so.



DEC 8 1965

-3-

And I shall continue to do so.

Yet any legislator must realistically recognize that his own views will not always prevail. And if they do not, he must decide, when the time comes for the final vote on a bill, whether the proposed law, even without the improvements he would like to see, is basically good legislation -- whether, over-all, it is in the national interest and in the interests of the part of our nation he represents.

If he decides in the affirmative -- if he decides that the good features of the bill outweigh the less favorable -- then he should vote for the bill.

I have just returned from Rome, Italy, where I attended the bi-annual Food and Agriculture Organization Conference. As one of two advisors appointed by the Speaker of the House, it was my privilege to participate in this, the 20th anniversary session of that organization. I would like to spend just a moment discussing what it means to all of us, to live in a world facing a population explosion and an impending food crisis.

In just 3 short decades world population will double if current population growth rates are maintained. In spite of efforts made in most countries, the increase in food production in the world as a whole during the past few years ranged from 1 to 2 percent per annum, while the average rate of increase in the world population

DEC 8 1965

-4-

reached at least 2 percent. This stagnation of food production, in the face of rapidly rising population, is presenting serious economic and social problems to the governments of many developing countries. The situation demands that ameliorations be sought from every possible direction.

The F.A.O. is the one International body which is concerning itself with this growing problem. It is attempting through various programs to expand agricultural production in the underdeveloped nations where population growth is the greatest. F.A.O. has been largely a statistical and technical type of International body but in recent years has undertaken a broader scope. F.A.O. is actually one of the independent specialized agencies of the U.N. and it cooperates with the U.N. itself and its other sister agencies.

Needless to say, the political problems facing the U.N. are equally as formidable in the F.A.O. As in the case of the U.N., the United States contributes the lions' share to F.A.O.'s activities --- Russia, on the other hand is not even a F.A.O. member.

It was most interesting to meet and hear foreign agriculturists and diplomats discuss the various aspects of F.A.O.'s work. Perhaps my most interesting experience was a half hour private meeting with the Director General of F.A.O., Dr. Sen of India.

In the years ahead, as the F.A.O. looks toward the solution



DEC 8 1965

-5-

of the mounting food crisis the United States will, I am certain, play a vital role in helping to meet the problem.

The United States has a long record of extending assistance to people whose food supply has been disrupted by war or natural disaster.

The enactment of P.L. 480 in 1954 marked a new departure in the extension of food aid to other countries. P.L. 480 was originally enacted as a temporary measure with primary emphasis on two objectives: (1) the disposal of surplus U.S. farm products in the short run, and (2) the expansion of international trade on a commercial basis in the longer run. It is still officially known as the "Agricultural Trade Development and Assistance Act of 1954."

P.L. 480 has provided an outlet for increasing quantities of surplus farm products. It has not led to the expansion of commercial trade with a few exceptions which really are special cases. Instead it has become an increasingly important form of foreign aid and has been renamed "Food For Peace."

Numerous proposals now being made contemplate a massive expansion of U.S. food aid to help underdeveloped countries feed their exploding populations.

If food aid is to be continued and expanded, the primary considerations should be foreign policy and our relationships with recipient countries rather than surplus disposal.

DEC 8 1965

-6-

It is not in the interest of the United States or recipient countries for any country to become premanently dependent on our food aid programs for a substantial part of its food supply. Accordingly, further extensions of food aid should be conditioned upon the willingness of recipient countries to take effective measures to expand their own production of food and exportable goods which can be used to pay for commercial imports. Such measures must include programs to raise the literary level in recipient countries and steps to encourage capital investment in productive facilities. I might add Dr. Sen indicated to me just last Friday that he agreed with this contention.

Definite plans should be worked out to insure that food aid is gradually replaced by increased home production or commercial imports. No food aid should be continued to any country that expropriates foreign-owned property without just compensation; or to any country that threatens international peace.

I also believe food aid should be extended only in the form of authorizations to purchase specified quantities of U.S. commodities on the open market. These authorizations should be negotiated and announced as far as possible in advance to assist U.S. farmers in the planning of their output.

The cost of food aid extended to other countries as an instrument of foreign policy should be charged to foreign policy and



DEC 8 1965

-7-

not to agriculture and the distribution of U.S. produced food supplies should not be delegated to an international agency.

These are a few thoughts which I feel should be carefully considered by Congress, particularly the House Committee on Agriculture, during hearings to extend P.L. 480 next year.

Before I stray further afield I want to discuss the Sugar Act passed by Congress in the closing days of this Session.

My own feeling is that the basic concept of the Sugar Act is sound, and its performance over the years has proved that concept to be sound. I believe a sugar program is needed for America but at the same time recognize there are weaknesses in the present sugar program which should be corrected -- and, must be corrected, in my opinion, if the basic program is to continue to win the approval of Congress.

Let us, for a few moments, examine some of the present program's strengths and weaknesses.

There is no doubt that the quota system has helped to provide the kind of economic climate in which a healthy and competitive domestic sugar producing industry could live. And there is no doubt that this has been good for the nation -- good not only for the scores of communities in the 25 states where sugar crops are grown, but also good for all the nation.

DEC 8 1965

-8-

In my opinion it would be unrealistic to eliminate all protection for the domestic sugar producing industry. Every major developed nation in the world has some kind of Sugar Program designed to assure sugar supplies for its people, and all those programs include provision for domestic production to supply a large portion of the people's needs.

Most of these nations are in the northern hemisphere, in the temperate zone, where the standards of living generally are the highest, and where decent wages are the rule. In these nations producers of many crops -- not only sugar crops -- simply cannot successfully compete without some protection, no matter how efficient they are, with producers in the low-wage, underdeveloped nations of the tropics.

And all persons with good judgment, looking at all the facts, recognize that domestic sugar production is essential for the nation's welfare.

You have only to look at the supermarket shelves, and examine the ingredient labels on the products, to be convinced of the importance of sugar to the entire food processing industry -- and therefore to the entire consuming public.

Critics have only to remember the sugar crisis of a little more than two years ago -- and the tremendous part you beet producers



DEC 8 1965

-9-

played in stemming the tide of rising prices -- to know how important domestic production is in maintaining adequate supplies at reasonable prices.

And the Sugar Program has maintained reasonable prices for consumers, over the years.

Critics point to the price of raw sugar in New York, and the price of raw sugar in the so-called world market, and then try to leave the impression that everybody else in the world pays the world prices while American consumers are stuck with the New York Price, which is usually higher.

Nothing could be further from the truth.

The so-called world market, as you and I know, is only a residual market for excess world production that has no home -- that is not covered by any of the national and international sugar programs. Only about 10 percent of the world's sugar is traded on the so-called world market.

Therefore, using the world market price as a price standard is eminently unfair -- and presents an untrue picture.

A true comparison is a comparison of wholesale or retail prices actually paid by consumers in various countries around the world. Repeated studies have shown that the United States price compares most favorably with prices consumers elsewhere pay. For example, on January 1 of this year, the average retail price of sugar

DEC 8 1965

-10-

in the United States was 11.6 cents a pound. In West Germany the price was 14 cents a pound; in France, 12.6 cents a pound; in Italy, 16 cents a pound; in the Netherlands, 14 cents a pound; in Sweden, 15 cents a pound. And so on -- around the world. The average retail price of refined sugar in 22 countries around the globe was 11.8 cents a pound on the first day of this year -- two-tenths of a cent more than the average price in the United States.

Moreover, in three of the last five years, the United States price was higher than the average, the smount was small -- only three-tenths of a cent a pound on the first of January in one year, and only one-tenth of a cent a pound in the other.

Thus we see that by any true comparison, the price of sugar to United States consumers is indeed reasonable and compares favorably with prices paid by consumers in other developed countries of the world. Any fair way you measure it, the Sugar Program has been and continues to be good for American sugar consumers.

How about American producers, and American agriculture generally?

Well, you know that in your own communities the sugarbeet gives a solid footing to farming operations. Partly this is because the beet itself is a dependable crop, and although not entirely immune to the vagaries of the weather and to the onslaughts of insects, it



DEC 8 1965

-11-

withstands the vicissitudes of nature better than most crops.

The sugarbeet's value to your farming operations is due partly, also, to the important place it has in your crop rotation program, and in your plan of farm operations. Around the beet, many of you have built a crop-and-livestock operation which not only diversifies your sources of income but also helps to maintain and improve the fertility and productive capacity of your land.

Still another reason for the sugarbeet's importance to your own communities is that it provides dependable cash income -- and for this the Sugar Program is in large measure responsible. Your prices for sugarbeets do not climb to the heights that prices for some other farm crops do -- but neither do sugar-beet prices prices plunge to the depths to which prices for some other crops fall. And so stability of income, for which the Sugar Act can take a considerable amount of credit, is another reason why sugarbeet production in the United States is a good thing for our nation.

Agriculture is our nation's largest single industry. Although the number of farms and the number of people on farms continue to diminish year by year as American farmers become more and more efficient, agriculture still is the largest single buyer of a host of products of American industry.

For example, American farmers now use enough steel products --

DEC 8 1965

-12-

farm machinery, trucks, cars, and so on -- each year to make almost five million compact cars. Each year American farmers use enough rubber to put tires on more than six million cars -- and enough electricity to power the six New England states. Each year American farmers use the equivalent of 15 billion gallons of crude oil -- and they spend one and a half billion dollars a year for fertilizer and lime.

So when there is any program that helps to strengthen American agriculture and to keep American farmers in the market place as buyers, ~~and~~ and still provide basic freedoms and flexibility, then that program is good for all America.

The Sugar Program does this, and that is why, many Members of Congress voted for the sugar bill this year -- to keep the basic program going -- recognizing that the particular bill as passed by Congress and signed by the President, had many serious shortcomings.

Attempts were made to correct some of the shortcomings --- but without the support of the Congressional leadership or the Administration the correcting amendments failed in the Committee, and we were prevented, by the rule under which the bill came to the floor of the House, from presenting the correcting amendments to the full House membership.



DEC 8 1965

-13-

I will mention only a few of the shortcomings. Most of them concern the foreign provisions of the bill.

For example, one of the purposes of providing sugar quotas to foreign countries is to encourage the export trade of the United States. We buy their sugar, and they are supposed to buy from us. Yet there is no way --- no way of making absolutely sure that even a single dollar of the millions of dollars we spend for foreign sugar ever comes back to the United States in trade or any other way.

This is, in my opinion,<sup>a</sup> /shortcoming of the Sugar Act.

The House passed sugar bill made only a half-hearted move in the correct direction, but that was all. There was a requirement that, in allocating the so-called "little global quota" and in allocating deficits to Western Hemisphere countries, "special consideration" shall be given to nations that buy agricultural commodities from us. But in actual practice, this requirement meant very little.

I attempted to broaden and strengthen this principle in the Act, but my amendment did not receive the support of either the Committee leadership or the Administration, and it was not adopted during the consideration of the bill by the House. The Conference Committee adopted a mild directive in regard to foreign deficits along the lines I first had proposed. I am hopeful this will now be administered in a manner beneficial to all U. S. Agriculture.

DEC 8 1965

-14-

Another amendment in this same vein I would have offered if the Administration had not abandoned the principle of imposing an import fee on foreign sugar. This amendment would have authorized the Secretary of Agriculture to lift the fee on any particular country -- not impose it at all -- if that country used its sugar dollars to buy goods from the United States.

Of course, when the Administration failed to ask Congress for an import fee on foreign sugar, although previously having told the world that such a fee would be proposed, there was no point in offering the amendment.

I regret very much that the Administration yielded to pressure and abandoned its original position with respect to the import fee. There is no reason why the foreign sugar interests should receive anything like the full United States price unless they do something for it.

In order to receive the full price for your sugarbeets, reflecting the price of sugar, you must pay minimum wages to your labor, you must observe the anti-child labor law, you must stay within your allotted acres. In other words, you must meet all the restrictive features of the Sugar Act that apply to sugarbeet producers, in order to get the full price for your beets. These restrictions, as you know, are enforced by the tax-and-compliance payment system, unique to the



DEC 8 1965

-15-

Sugar Act.

The amendment concerning the import fee which I would have proposed would have applied, to some extent, the same principle to the foreign sugar interests. Although it would not have required paying living wages to their own people, the foreign sugar interests at least would have had to return a part of their sugar dollars to us in trade -- or pay it to the United States Treasury.

Also pertaining to foreign sugar was another amendment I proposed in the Committee. This would have required the President to suspend the quota of any country shipping petroleum, arms or other articles of war to Cuba, North Viet Nam, China, or any other country with which we do not have diplomatic relations in the future. Although this amendment was clearly in the national interest, it did not receive the support of the Committee leadership, which favored the vague language now in the law concerning the suspension of quotas in the national interest.

So much for shortcomings on the foreign side. Now how about the domestic provisions of the Act?

I full realize, gentlemen, that in order to obtain sugar legislation this year it was necessary for all elements of the domestic sugar industry, including the cane sugar refiners, as well as the domestic beet and cane producers, to agree on a joint program that all the groups could and would support. In order to achieve this joint support you

DEC 8 1965

-16-

had to make some compromises, as did all the other groups. Frankly I was somewhat disappointed by the final treatment accorded the domestic beet industry, particularly new producers, but I realize your association did the best it could under the circumstances.

While the domestic beet industry agreed to most of the provisions of this bill dealing with domestic production and marketing of sugar, on the whole, U. S. sugarbeet producers did not receive the equitable treatment to which they are entitled.

H.R. 11135 simply allows the domestic beet grower to market the sugar he produced in response to and at the request of the Secretary of Agriculture.

It does not allow him to share in the growth of the U. S. sugar market until U. S. consumption reaches 10.4 million tons.

It does not provide for any further expansion of the domestic beet industry by new producers in new producing areas.

It does not free him from acreage restrictions and marketing controls. In fact, old growers took an average acreage cut of 11½ percent for 1965 -- even higher in some areas, such as Kansas -- and will take <sup>another</sup> a cut of ~~5 to 7½~~ percent in 1966.

Finally, it gives him only about one-third of the Cuban reserve with the rest of the Cuban quota being distributed to the far corners of the world.



DEC 8 1965

-17-

If quotas can be given to such countries as Swaziland, Mauritius and the Fiji Islands then provisions should have been made to promote new domestic production without adversely affecting the status of old growers.

My views, along with the views of the distinguished Congresswoman from the State of Washington, Catherine May, are expressed more fully in the House Agriculture Committee report on the sugar bill which many of you have seen. We both believe so wholeheartedly in the value of the sugarbeet industry to the entire West that we feel provisions should be made for additional growth of the industry.

You now have a sugar law which runs until the end of 1971. But time goes fast -- and before you know it you will be considering the legislative outlook again. Based on the experience we have just gone through, allow me to offer a couple of suggestions:

First, I suggest you use this time to examine the Sugar Act carefully, and especially the provisions that draw the most criticism. It behooves all of us with an interest in effective sugar legislation to examine the law critically now, when we are not under pressure. Some fundamental changes should be made -- so the good features can be retained. Otherwise, if the atmosphere the next time is anything like the atmosphere in Congress when sugar was considered this year, the Sugar Program could be in serious trouble.

DEC 8 1965

-18-

Second, I suggest that you recognize -- perhaps more fully than perhaps you have in the past -- that some in positions of power with regard to shaping sugar legislation have no constituent interest in the sugarbeet industry. In some cases, indeed, the constituent interest of the persons in key position of power over sugar legislation is directly opposite to the interests of the sugarbeet industry.

Mr. Chairman and Friends, it has been a tremendous pleasure visiting with you. I trust you will visit my office on your next trip to our Nation's Capital.