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AGRICULTURE AND THE 90th CONGRESS

The 90th Congress is now in its ^{fifth} fourth month, and it is still not anticipated that there will be a great deal of commodity legislation during 1967. This is apparent because of lack of Presidential emphasis on agriculture and because the major commodity programs run through the 1969 crop. Under the 1965 omnibus farm bill, feed grains, wheat, cotton, rice, and wool producers each have programs running through 1969. The Cropland Adjustment program also runs through 1969, and the Sugar Act runs through 1971. Public Law 480 will not expire until December 31, 1968.

What then are the main concerns of the Agriculture Committee this year? The four important issues and their legislative status are:

1. Food grains to India resolution--has been passed and signed by the President. *PL 90-7*
2. Extension of the Food Stamp Plan--has been passed by the Committee and is headed for the House floor.
3. Supplemental financing for REA and RTA--hearings are near completion in the House committee. *H.R. 1400*
4. Amendments to Public Law 566, the Small Watershed Act--hearings are not yet scheduled.

India Food Aid

In 1966, U. S. taxpayers provided India with 8.6 million tons of food grains--wheat and milo, worth \$650 million--in addition to regular U. S. economic aid to India, which runs about \$500 million annually. The fact that U. S. food aid last year literally saved millions of lives cannot be disputed. It was hoped that by this year the Indian people would have developed their agricultural production and other "self-help" activities to the point that such large aid from the United States would no longer be needed.

However, another bad drought hit northern India in late 1966 and early 1967. This meant that once again India would be short of food--about 10 million tons.

Poage-Dole Resolution

(Food Aid India)

Once again the United States was called upon to help. Together with Agriculture Committee Chairman Bob Poage (D-Tex), I co-sponsored special legislation to express Congressional approval of further assistance to India during the drought along with continued emphasis on a variety of "self-help" efforts in that nation. On March 9, 1967, the House passed H. J. Res. 267; and on March 29, this legislation was signed into law by the President. (PL 90-7)

Hearings before the Agriculture Committee last year on legislation to extend P. L. 480 revealed the cold, brutal, and realistic fact that the United States and other developed countries will not be able to feed and clothe the unborn millions destined to populate the earth in the next few decades. Therefore, if world peace and stability are to be maintained, it is mandatory that we do everything within our power to help these millions learn to meet their own basic needs.

~~The India situation is actually but a part of the problem. One need only look at the arithmetic of world population growth to grasp the enormity of the world food problem. In fifteen years, by 1980, present population trends indicate an increase in world population of one billion people. By the beginning of the 21st century, only 34 years from now, world population is expected to more than double. In Latin America, Asia, and Africa, the growth rate is much more rapid; and in a number of countries in these areas, populations will double within twenty years.~~

The general successful direction should be clear by now. Communism and socialism offer starvation. Capitalism and free enterprise offer abun-

dance and prosperity. All of us will have to redouble our efforts in insisting upon some tangible "self-help" results by India and other underdeveloped countries.

Food Stamp Bill

The Food Stamp program has now grown to a \$200 million per year federal-state activity with some 2 million people receiving, on an average, \$16.00 worth of food stamps for a \$10.00 investment. Uncle Sam now picks up the \$6.00 difference.

The House Agriculture Committee has approved a bill extending the program for one more year but has written in a provision which would require states to pay 20% of the Food Stamp subsidy starting on July 1, 1969. The Administration opposes this principle of federal-state sharing; so it looks as if there will be a spirited debate on the bill when it reaches the House floor.

REA

Last year the Committee had its first taste of battle in 17 years on an REA bill. That bill, which would have set up telephone and electric banks in the U. S. Department of Agriculture to finance the expansion of rural telephone and electric borrowers, did not clear the Committee. In fact, it was unable to get out of a subcommittee then headed by the present Committee Chairman, Mr. Poage.

Two basic types of REA bills have been introduced in the 90th Congress. The first type is bank bills, such as H. R. 1400 introduced by Mr. Poage; my bill, H. R. 7698; and H. R. ~~770~~⁷³⁹⁰ introduced by Congressman Albert Quie of Minnesota.

Mc Millan of South Carolina

My bill differs substantially from H. R. 1400 by banning acquisition and expansion of Rural Electric into non-rural areas, by prohibiting federal guarantees on instruments of indebtedness issued by the bank, by providing for a single "cost of money" interest rate on bank loans, and by requiring the bank to repay all government capital with interest. The other type of REA bills would not follow the bank approach but would establish an insured loan program for supplemental REA financing.

The Committee is presently considering this legislation in executive session; so by the time you read this, a bill may have been approved by the Committee.

Watersheds

For the past 13 years the Small Watershed Act has operated smoothly and well. Some 800 separate projects have been built and each of these forms a link in the very vital conservation chain that connects a contour plowed field with a major river delta.

During this time hundreds of individual watershed projects have been referred to Congress for approval by the House and Senate Committees on Agriculture or Public Works. No one complained about this procedure, including the present President and his two predecessors. None of us, in fact imagined that there was anything wrong with this procedure. But the Executive branch, through the Budget Bureau, decided that Public Law 566 was unconstitutional because it allegedly allows Congress to encroach on the Executive branch's authority. The Administration persisted and froze some six dozen worthy projects at the Budget Bureau. After hearings before the Agriculture Committee and after noting the protests of the many Members of Congress in whose districts projects were being frozen, the Budget Bureau relented

-5-

and sent them to the Hill for final action. The Presidential warning which accompanied this final batch of projects stated that there would be no more until the statute is amended to permit exclusive Executive branch approval without Congressional veto.

Again this year the freeze is on with about two dozen worthy projects being held in administrative limbo. When the Committee completes its action on REA, we will then set about to resolving this difficult constitutional question.

Conclusion

In summary, work on three of the big four agricultural legislative issues in this session of Congress is already underway; and work on the fourth will be coming up soon. Other than the possibility of enacting legislation on advance payments for wheat producers at sign-up time, there is, at this stage, little prospect of any major revisions in our commodity programs.