

"THE FEDERAL GOVERNMENT'S ROLE IN AGRICULTURE"

REMARKS OF CONGRESSMAN DOLE

CORN REFINERS ASSOCIATION

WASHINGTON, D.C.

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I DEEPLY APPRECIATE BOB LIEBENOW'S INVITATION TO SPEND A FEW MINUTES WITH THIS DISTINGUISHED GROUP DISCUSSING PROBLEMS THAT WE ARE ALL CONCERNED ABOUT.

CONCERN, WORRY, MISGIVINGS -- THESE WORDS ARE ALL TOO FAMILIAR THESE DAYS. AS A NATION, WE HAVE BECOME ALMOST TOTALLY PREOCCUPIED WITH GRAVE AND PRESSING PROBLEMS -- BOTH DOMESTIC AND INTERNATIONAL.

AND THESE PROBLEMS EXIST EVERYWHERE WE LOOK. OUR NEGOTIATORS IN PARIS ARE TRYING TO REACH A SETTLEMENT WITH WHICH WE CAN LIVE FOR THE MOST FRUSTRATING MILITARY STALEMATE THIS NATION HAS EVER EXPERIENCED. IN OUR NATION'S CAPITAL, THE ADMINISTRATION AND THE CONGRESS ARE TRYING TO REACH AGREEMENT ON ANOTHER STALEMATE -- TAXES AND THE BUDGET.

AND, IF THESE ARE NOT ENOUGH TO COPE WITH, WE ARE ALSO CONFRONTED WITH FEARS AND FRUSTRATIONS OF THE VERY CRITICAL CIVIL STRIFE RAMPANT THROUGHOUT THE COUNTRY.

WOVEN INTO THE FABRIC OF THESE ASSAULTS ON THE "ESTABLISHMENT" ARE BASIC INTERNAL PROBLEMS THAT WE CAN NO LONGER AVOID SOLVING. THE SHOCKING FACTS ABOUT THE EXTENT OF POVERTY IN THIS NATION HAVE BEEN FORCEFULLY PUSHED TO THE FOREFRONT. ADDED TO THIS ARE WIDELY VARYING REPORTS ON THE EXTENT OF MALNUTRITION AND HUNGER AMONG THE POOR OF OUR SOCIETY.

-AG ADJUSTMENT ACT, 1933-

IT IS IN THIS YEAR OF EXTREME UNREST AND FRUSTRATION THAT WE CELEBRATE THE 35TH ANNIVERSARY OF THE FULL INVOLVEMENT OF THE FEDERAL GOVERNMENT INTO THE BUSINESS OF AGRICULTURE. MOST OF OUR PRESENT-DAY AGRICULTURAL PROGRAMS HAD THEIR GENESIS IN THE ORIGINAL AGRICULTURAL ACT OF 1933.

-WHAT HAS HAPPENED SINCE '33-

THE ENSUING 35 YEARS SINCE THIS LEGISLATION WAS PASSED HAVE SEEN A LOT OF ADDITIONAL LEGISLATION WRITTEN -- ALL DESIGNED TO MEET AND OVERCOME ONE PHASE OR ANOTHER OF WHAT WE EUPHEMISTICALLY CALL "THE FARM PROBLEM".

DURING THE SAME PERIOD, WE HAVE SEEN THE U.S. DEPARTMENT OF AGRICULTURE GROW FROM A RELATIVELY SMALL AGENCY TO ONE TODAY EMPLOYING OVER 100,000 PEOPLE AND SPENDING ABOUT \$6 TO \$7 BILLION EACH YEAR.

-MIGRATION TO THE CITIES-

THESE LAST 35 YEARS HAVE ALSO SEEN FUNDAMENTAL CHANGES IN THE POLITICAL ENVIRONMENT OF THE NATION. POLITICALLY, SOCIALLY AND ECONOMICALLY, WE HAVE BECOME AN URBAN SOCIETY.

VAST NUMBERS OF PEOPLE HAVE MIGRATED FROM THE FARMS TO THE CITIES. ESTIMATES OF RURAL MIGRATION RUN AS HIGH AS 20,000,000 PEOPLE IN THE LAST 20 YEARS.

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-EFFECTS OF URBAN CONCENTRATION-

THE RESULTS IN TERMS OF THE SHIFT IN THE POLITICAL AND ECONOMIC POWER HAVE BEEN INEVITABLE. AFTER SEVERAL ROUNDS OF COURT-ORDERED REAPPORTIONMENTS, POLITICAL POWER MOVED INTO SUBURBIA WITH THE PEOPLE. FOR EXAMPLE, LOOK AT THE CURRENT CONGRESS. OUT OF 435 REPRESENTATIVES, 388 ARE FROM DISTRICTS WHERE 4/5THS OR MORE OF THE PEOPLE LIVE IN URBAN AREAS.

ALONG WITH THE EXODUS OF PEOPLE AND POLITICAL POWER FROM RURAL AMERICA, THERE HAS ALSO OCCURRED A FUNDAMENTAL CHANGE IN THE AVERAGE AMERICAN'S VIEW OF THE SOCIAL ROLE OF AGRICULTURE.

IN THE PAST, FARMING WAS VIEWED AS AN ENTERPRISE WITH SPECIAL VIRTUES -- AN ENTERPRISE THAT SHOULD BE PROTECTED AND MAINTAINED WITH A PARTICULAR STRUCTURE BECAUSE OF ITS SPECIAL NON-ECONOMIC VALUES. TO MANY, THE FARM FAMILY EPITOMIZED "THE GOOD LIFE" WITH FARM PEOPLE MAKING SPECIAL CONTRIBUTIONS TO THE SOCIAL STABILITY OF OUR NATION. THE WELL-BEING OF AMERICA SEEMED TO HAVE ITS ROOTS IN AGRICULTURE.

THIS VIEW IS RAPIDLY DISAPPEARING.

IN ITS PLACE, WE FIND EITHER AN ALMOST TOTAL DISREGARD OF THE IMPORTANCE OF AGRICULTURE TO THE WELL-BEING OF OUR NATIONAL ECONOMY, OR A FEELING THAT FARMERS ARE GETTING RICH BY TAPPING THE PUBLIC TILL FOR HIGH FEDERAL SUBSIDIES.

THESE SOCIO-ECONOMIC AND POLITICAL CHANGES IN AND OF THEMSELVES HAVE HAD DRASTIC RESULTS IN TERMS OF PUBLIC ATTITUDE AND SUPPORT OF FARM-DIRECTED PROGRAMS. BUT THEY HAVE BEEN EVOLUTIONARY IN NATURE -- FOR THE MOST PART, OCCURING OVER THE LAST TWO DECADES.

-TODAY'S ATTACKS ON FARMING-

NOW, HOWEVER, THE ATTACKS ON FARM PROGRAMS ARE COMING WITH INCREASING SPEED. AND THEY ARE COMING FROM ALL DIRECTIONS.

PART OF THIS IS DIRECTLY RELATED TO THE ECONOMIC AND SOCIAL CRISES THIS NATION FACES. PART IS JUST PLAIN DUE TO THE GENERAL FEELING OF FRUSTRATION AND DISSATISFACTION OF THE AMERICAN PEOPLE. IN ANY EVENT, THEY SERVE AS IMPORTANT INDICATORS OF THE DIRECTION FEDERAL AGRICULTURAL PROGRAMS MAY TAKE IN THE FUTURE.

-FIVE INDICATORS AFFECTING FARMING-

LET'S TAKE JUST A FEW MINUTES AND REVIEW SOME OF THE MORE IMPORTANT CHANGES TAKING PLACE.

FIRST, THE WAVE OF INCREASED INTEREST IN AND PRESSURES FOR CONSUMER LEGISLATION IS DIRECTLY AFFECTING THE ROLE OF THE DEPARTMENT OF AGRICULTURE.

FOR EXAMPLE, MEAT AND POULTRY INSPECTION. THESE PROGRAMS HAVE NEVER BEEN SMALL OR CHEAP TO OPERATE. AS LEGISLATION IS ENACTED EXTENDING USDA'S RESPONSIBILITY IN THESE AREAS, THEY ASSUME MORE AND MORE IMPORTANCE IN THE DEPARTMENT'S FUNCTIONAL HIERARCHY.

THE END RESULT IS THAT USDA IS BECOMING INCREASINGLY CONSUMER ORIENTED, AT THE EXPENSE OF THE PRODUCERS.

SECOND, THE RATE AT WHICH SOCIAL LEGISLATION -- ORIGINALLY DESIGNED FOR AN INDUSTRIAL SETTING-- IS BEING APPLIED TO THE FARM SITUATION IS INCREASING DAILY. THREE EXAMPLES ARE THE APPLICATION OF MINIMUM WAGE LAW, RESTRICTIONS ON FARM WORK FOR YOUTHS UNDER AGE 16, AND GREATER APPLICATION OF THE NATIONAL LABOR RELATIONS ACT TO FARM LABOR.

THIRD, WE SEE LESS AND LESS SUPPORT FOR THE MAINTENANCE OF SPECIAL CREDIT ARRANGEMENTS AND LEGAL RESTRICTIONS DESIGNED TO KEEP THE SMALL FARMER IN PRODUCTION. SEVERAL STATES HAVE EXPERIENCED DETERMINED ATTACKS ON LAWS DESIGNED TO LIMIT THE SPREAD OF CORPORATE FARMING.

FOURTH, BASIC SUPPORT PROGRAMS ARE COMING UNDER SHARP ATTACK FROM ALL SIDES. IT IS CHARGED THE PROGRAMS ARE DESIGNED TO BENEFIT THE BIG PRODUCER, NOT THE SMALL OPERATORS. AS A RESULT, WE NOW HAVE OVER 20 BILLS PENDING IN THE CONGRESS THAT WOULD ELIMINATE OR SERIOUSLY REDUCE THESE PROGRAMS.

FIFTH, THERE ARE THE SERIOUS CHARGES LEVIED AT THE USDA AND ITS SURPLUS DISPOSAL PROGRAMS. IT IS CLAIMED THAT THESE PROGRAMS HAVE ADDED TO RATHER THAN HELPED CURE HUNGER AND MALNUTRITION IN THIS COUNTRY. THE REPORT, "HUNGER IN THE USA", BY THE CITIZENS BOARD OF INQUIRY INTO MALNUTRITION AND HUNGER, SAID EMERGENCY HUNGER CONDITIONS EXISTED IN 256 COUNTIES OF 24 STATES. EVEN MORE RECENTLY AN HOUR-LONG TELEVISION DOCUMENTARY ON THE SAME SUBJECT LEVIED SERIOUS CHARGES AT THE USDA FOOD DISTRIBUTION PROGRAMS. THEY RECOMMENDED TRANSFER OF THAT FUNCTION TO THE DEPARTMENT OF HEALTH, EDUCATION AND WELFARE.

THESE FIVE FACTORS ARE AND WILL CONTINUE TO AFFECT OUR NATIONAL AGRICULTURAL POLICIES AND PROGRAMS.

- PARITY OF INCOME -

FURTHER COMPLICATING THE SITUATION IS THE HARD, COLD FACT AND WE HAVE BEEN UNABLE TO OBTAIN PARITY OF INCOME FOR FARMERS.

THERE IS NO NEED TO REPEAT THE FIGURES ON FARM INCOME FOR THE LAST YEAR. THEY HAVE BEEN WIDELY PUBLICIZED. THE END RESULT, THOUGH, HAS BEEN A WAVE OF BITTER FRUSTRATION THROUGHOUT THE FARMING COMMUNITY.

-FARM BARGAINING POWER-

WE HAVE A MEASURE OF THE DEPTHS OF THIS FEELING IN ONE
AREA -- FARM BARGAINING POWER.

YOU MAY HAVE SEEN THE INITIAL RESULTS OF A RECENT NATION-WIDE
POLL ON FARMER REACTION TO THE QUESTION OF INCREASING THEIR BAR-
GAINING POWER. THIS POLL WAS CONDUCTED BY THE FARM JOURNAL.

THE JOURNAL REPORTED THAT WHILE AN OVERWHELMING MAJORITY OF
FARMERS POLLED FAVORED THE INCREASE IN BARGAINING POWER, A
MAJORITY ALSO OPPOSED ANY PLAN THAT WOULD INVOLVE STRONG GOVERN-
MENTAL CONTROL OF PROCESSES AND PRICES DETERMINED THROUGH THE
BARGAINING PROCESS. IN EFFECT, THE FARMERS SAID THEY HAVE LITTLE
SYMPATHY FOR THE CONCEPT OF A NATIONAL AGRICULTURAL RELATIONS BOARD.

-CHANGE, YES; BUT IN WHAT DIRECTION-

I DON'T BELIEVE THERE IS ANY QUESTION BUT THAT WE ARE
NOW ENTERING A CRITICAL PERIOD IN TERMS OF THE FUTURE NATIONAL
POLICIES AFFECTING AGRICULTURE. THE CHANGES ARE PROBABLY INEVITABLE.

BUT IT IS NOT AS EASY TO MAKE ACCURATE PREDICTIONS OF THE DIRECTION THESE CHANGES WILL TAKE. WE HAVE NO FIRM FOUNDATION FROM WHICH TO PROJECT. NOTHING ON THE POLITICAL, ECONOMIC OR SOCIAL SCENES IS NORMAL TODAY.

-NEED TO APPRISE ULTIMATE EFFECTS-

I AM AMONG THOSE WHO HAVE NOT BEEN COMPLETELY HAPPY AND SATISFIED WITH OUR FARM PROGRAMS AND THE WAY IN WHICH THEY HAVE BEEN OPERATED.

I DO HOPE, HOWEVER, THAT VERY SERIOUS CONSIDERATION WILL BE GIVEN TO THE ULTIMATE EFFECT OF ANY MAJOR CHANGES BEFORE THEY ARE LEGISLATED.

THIS IS WHY I HAVE SUPPORTED THE PROPOSAL FOR A ONE-YEAR EXTENSION OF THE CURRENT FOOD AND AGRICULTURAL ACT. I THINK THAT IT IS IMPERATIVE THAT WE REMOVE IN-DEPTH CONSIDERATION OF THE PROGRAM FROM THE ELECTION-YEAR CONTEXT IN ORDER TO THOROUGHLY AND ADEQUATELY REVIEW IT.

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-GOVERNMENT PAYMENTS CRUCIAL-

WHETHER WE LIKE THE SITUATION OR NOT, WE ARE AT A POINT WHERE GOVERNMENT PAYMENTS UNDER THE PROGRAM MAKE UP A VERY SUBSTANTIAL PORTION OF THE AVERAGE FARMER'S NET INCOME.

AS AN EXAMPLE, LOOK AT MY OWN STATE. THE KANSAS CROP AND LIVESTOCK REPORTING SERVICE REPORTS THE AVERAGE NET INCOME PER FARM IN 1967 WAS \$5,259.

IF THE GOVERNMENT PAYMENTS HAD NOT BEEN IN EFFECT, THE AVERAGE NET FARM INCOME IN KANSAS WOULD HAVE DROPPED TO \$2,978 IN 1967.

-AGRICULTURE -- STILL BASIC-

THIS ALL HAS TO BE SERIOUSLY CONSIDERED IN ANY GENERAL REVAMPING OF OUR FARM PROGRAMS. AGRICULTURE IS STILL A BASIC INDUSTRY. ITS STATE OF HEALTH IS OF DIRECT CONCERN TO OUR TOTAL ECONOMY. THIS IS STILL THE ONE AREA IN WHICH THE COMMUNIST NATIONS HAVE BEEN COMPLETELY UNABLE TO MATCH US. THE RESULT HAS BEEN THE NECESSITY OF DIRECTING A HEAVY PROPORTION OF THEIR PRODUCTIVE CAPACITY TO MEETING THE FOOD AND FIBER NECESSITIES FOR THEIR POPULATION.