

REMARKS OF CONGRESSMAN BOB DOLE  
GREAT WESTERN SUGAR COMPANY LUNCHEON FOR GROWERS  
FRIDAY, SEPTEMBER 20, 1968

RURAL AMERICA AND JOB OPPORTUNITY

I CONSIDER IT AN HONOR AND A PRIVILEGE TO BE ON YOUR PROGRAM TODAY. I HAVE KNOWN FRANK A. KEMP FOR A NUMBER OF YEARS AND, AS I AM CERTAIN ALL OF YOU KNOW, HE IS AN OUTSTANDING GENTLEMAN AND A REAL FRIEND OF THE BEET PRODUCER. MR. KEMP HAS APPEARED BEFORE OUR HOUSE COMMITTEE ON AGRICULTURE, AND I CAN TELL YOU THAT HE IS RESPECTED BY EVERYONE ON OUR COMMITTEE, REPUBLICANS AND DEMOCRATS ALIKE. HE HAS HAD GREAT INFLUENCE IN SHAPING SUGAR LEGISLATION, AND IT IS CERTAINLY MOST APPROPRIATE THAT THIS FACILITY BEARS HIS NAME.

CONGRESS WILL PROBABLY BE CONSIDERING SUGAR LEGISLATION AGAIN IN 1970, AND I SHALL LOOK, AS IN THE PAST, FOR ADVICE AND COUNSEL FROM FRANK KEMP, LAMAR HENRY, BOB FISHER, BILL DAVIS, AND OTHERS VITALLY CONCERNED ABOUT THIS LEGISLATION.

*Bob Dole*

- THE IMPACT OF BEETS -

YOU ARE WELL AWARE OF THE GREAT IMPACT THIS FACTORY WILL HAVE UPON THIS ENTIRE AREA. I NEED NOT TELL YOU THAT CASH RETURNS FROM YOUR BEETS WILL BE IN EXCESS OF \$11 MILLION THIS YEAR, WHICH REPRESENTS SALES OF 600,000 TONS OF BEETS HARVESTED FROM 41,000 ACRES. ACCORDING TO THE FACT SHEET BEFORE ME, THE TOTAL ECONOMIC IMPACT FOR THE AREA WILL EXCEED \$75 MILLION SINCE ECONOMISTS CALCULATE THAT AGRICULTURAL RECEIPTS TURN OVER SEVEN TIMES IN A COMMUNITY. THIS GREAT PARTNERSHIP BETWEEN THE GROWERS OF THIS AREA AND GREAT WESTERN WILL PRODUCE 100 MILLION POUNDS OF HIGH QUALITY SUGAR ANNUALLY PLUS AN ADDED BENEFIT IN THE FORM OF LIVESTOCK FEED FROM THE PULP.

IN ADDITION, WHEN WE CONSIDER THAT THIS PLANT REPRESENTS A \$15 MILLION INVESTMENT WITH 55 YEAR-ROUND EMPLOYEES AND AS MANY AS 200 DURING PEAK SEASON, IT IS EASY TO FORESEE THAT THE INITIAL IMPACT IS ONLY THE BEGINNING.

- CURRENT FARM SITUATION -

IN MY OPINION, THE PROSPECTS FOR CONTINUED PROSPERITY FOR SUGAR BEET PRODUCERS IS GOOD. OUR BIG PROBLEM TODAY IS HOW TO IMPROVE FARM INCOME GENERALLY. LET'S FACE IT, OF ALL THE MAJOR ISSUES OF PUBLIC POLICY THAT THIS NATION HAS BEEN CONFRONTED WITH OVER THE YEARS, NONE HAS PROVED TO BE MORE DIFFICULT TO SOLVE THAN HAS THE FARM PROBLEM.

WE HAVE A REAL PARADOX. IN SOME WAYS, AMERICAN AGRICULTURE HAS BEEN AMAZINGLY SUCCESSFUL OVER THE PAST DECADES. BUT, IN OTHER WAYS, OUR ATTEMPTS AT DEVELOPING AND IMPLEMENTING NATIONAL POLICIES AND PROGRAMS TO SERVE THE FARMER HAVE BEEN DISMAL FAILURES. LET'S EXAMINE THE SUCCESSES FIRST. AMERICAN AGRICULTURE, WHEN MEASURED IN TERMS OF ITS ABILITY TO PRODUCE AN ABUNDANCE OF THE NECESSITIES OF LIFE AT REASONABLE COSTS, IS THE ENVY OF ALL THE WORLD. JUST LOOK AT SOME OF THE MEASURES OF THIS SUCCESS.

- .... 100 YEARS AGO, EACH U.S. FARMER AND FARMWORKER SUPPLIED ENOUGH AGRICULTURAL COMMODITIES FOR 5 PEOPLE.
- .... 25 YEARS AGO, A FARMWORKER SUPPLIED 13 PEOPLE.
- .... TODAY, EACH FARMWORKER PROVIDES FOR 40 PEOPLE.



- EAT BETTER AT LOWER COST -

AND HOW WELL HAS THE AMERICAN FARMER SERVED THE GENERAL PUBLIC?  
VERY WELL INDEED! THE AVERAGE AMERICAN IS EATING BETTER AND AT A LOWER  
COST -- IN TERMS OF HIS INCOME -- THAN EVER BEFORE. LOOK AT THE  
FIGURES:

- .... IN 1950, THE AMERICAN CONSUMER SPENT 22.2% OF HIS DISPOSABLE  
INCOME FOR FOOD.
- .... IN 1960, THE PERCENTAGE WAS 20.
- .... IN 1967, FOOD COST THE CONSUMER ONLY 17.7% OF HIS INCOME.
- .... IF CONSUMERS IN 1967 HAD TO PAY THE SAME PROPORTION OF THEIR  
INCOME FOR FOOD AS THEY DID IN 1960, IT WOULD HAVE COST THEM  
\$11 BILLIONS MORE!

I BELIEVE THAT ANY SERIOUS STUDENT OF THE AGRICULTURAL SITUATION CANNOT  
BUT APPRECIATE THE FULL EFFECT OF THIS FANTASTIC SUCCESS STORY. THE FARMER,  
BY PROVIDING ABUNDANT SUPPLIES OF NECESSITIES AT LOWER COSTS BOTH IN  
TERMS OF LABOR INPUTS AND ULTIMATE COST TO THE CONSUMER, HAS FURNISHED  
THE CORNERSTONE OF OUR PRESENT ECONOMIC ABUNDANCE.

- POORLY PAID FARMERS -

BUT THE OTHER SIDE OF THE COIN IS NOT THAT BRIGHT. WE HAVE HAD OUR FAILURES IN THE AREA OF FARM POLICIES -- AND THEY HAVE BEEN SERIOUS FAILURES. IN SPITE OF AMERICAN AGRICULTURE'S OUTSTANDING SUCCESS AS THE PRODUCER OF OUR BASIC FOOD AND FIBER NECESSITIES, THE FARMER HAS BEEN VERY POORLY PAID FOR HIS EFFORTS. WHILE THEIR PRODUCTION GREW, COSTS SOARED, DEBTS VASTLY INCREASED, AND FARM INCOME HAS COMPLETELY FAILED TO KEEP PACE WITH THE REST OF THE NATION'S GROWTH. HERE IS WHAT HAS HAPPENED:

- .... NET FARM INCOME DROPPED 10% -- A DROP OF OVER \$1.9 BILLIONS -- IN 1967.
- .... TOTAL FARM LIABILITIES INCREASED BY \$4.2 BILLIONS IN 1967.
- .... THE NUMBER OF FARMS DECREASED ANOTHER 3%.
- .... FARM PARITY STANDS AT THE LOWEST LEVEL IT HAS REACHED SINCE THE DAYS OF THE GREAT DEPRESSION.

- FARMER FRUSTRATION -- 1969 AND AFTER -

THIS THEN IS THE AGRICULTURAL POLICY SITUATION AS WE APPROACH 1969. THE NEXT QUESTION IS WHAT DOES THE FUTURE HOLD? IT IS IN THIS AREA THAT I HAVE TO CAREFULLY STEER. IF YOU LOOK BACK ON WHAT HAS HAPPENED IN THE PAST AND CONSIDER THE APPARENT INABILITY OF THIS NATION TO SOLVE ITS PROBLEMS IN RURAL AMERICA, YOU CAN UNDERSTAND MY HESITANCY TO MAKE FIRM PROJECTIONS ABOUT THE FUTURE. HOWEVER, IF THE EVIDENCE OF CONSTITUENT COMMENTS IS WORTH ANYTHING, THE BEWILDERMENT AND DISCONTENT OF THE FARMER IS SPREADING, AND ITS EFFECT WILL BE FELT. IN THE WAKE OF A YEAR THAT HAS SEEN THE COST-PRICE SQUEEZE BECOME DISASTROUSLY TIGHT, THE FARMER IS SEEING THE FOLLOWING CHANGES WHICH ARE FURTHER AGGRAVATING THE SITUATION.

1. HE SEES HIS POLITICAL POWER SLIPPING. IN THE WAKE OF THE VAST RURAL MIGRATION, THE COURT ORDERED REAPPORTIONMENT OF SEATS IN THE LEGISLATURE HAS SHIFTED THE POWER TO THE URBAN AREAS AT BOTH THE FEDERAL AND STATE LEVELS.
2. HE HAS OBSERVED INCREASINGLY GREATER EFFORTS ON THE PART OF THE DEPARTMENT OF AGRICULTURE -- HIS DEPARTMENT -- TO EMPHASIZE CONSUMER AND RELATED SERVICES.



3. HIS FARMING OPERATIONS ARE BEING AFFECTED MORE AND MORE BY THE APPLICATION TO FARM LABOR OF THE MINIMUM WAGE LAW, PROVISIONS OF THE NATIONAL LABOR RELATIONS ACT, AND OTHER SOCIAL LEGISLATION ORIGINALLY DESIGNED FOR THE INDUSTRIAL SETTING.
4. THE END RESULT IS A GROWING FEELING ON THE PART OF THE FARMER THAT THE UNITED STATES IS MUCH MORE CONCERNED ABOUT LOW PRICES AND THE WELFARE OF THE CONSUMER THAN IT IS WITH THE ULTIMATE WELL-BEING OR EVEN EXISTENCE OF THE PRODUCERS OF OUR FOOD AND FIBER NECESSITIES.

DESPITE THESE POINTS, THOSE OF US CONCERNED ABOUT AGRICULTURE MUST CONTINUE TO BE OPTIMISTIC. RIGHT NOW, CONGRESS IS CONSIDERING EXTENSION OF THE 1965 FARM ACT, AND I PREDICT THAT BEFORE CONGRESS ADJOURNS, PERHAPS EVEN NEXT WEEK, CONGRESS WILL PASS A SIMPLE ONE YEAR EXTENSION. SOME FARMERS ARE OPPOSED TO ANY EXTENSION AND OTHERS PREFER A FOUR YEAR EXTENSION OR A PERMANENT EXTENSION. IN MY OPINION, THE ONE YEAR EXTENSION SERVES A VERY USEFUL PURPOSE. IT WILL GIVE THE NEW ADMINISTRATION, WHETHER REPUBLICAN OR DEMOCRAT, ONE YEAR TO EITHER COME UP WITH SOME NEW PROGRAM OR REVISE AND IMPROVE THE PRESENT ONE. TO THOSE WHO URGE PERMANENT EXTENSION OF THE 1965 ACT, THIS WOULD ONLY TAKE THE PRESSURE OFF THE LEADERS IN BOTH POLITICAL PARTIES. I DON'T BELIEVE KANSAS OR COLORADO FARMERS, OR FOR THAT MATTER FARMERS ANYWHERE IN AMERICA , CAN CONTINUE TO EXIST ON PRESENT DAY PRICES. PRESSURE MUST BE KEPT ON BOTH MAJOR POLITICAL PARTIES FOR IMPROVED FARM INCOME, FOR IF RURAL AMERICA CONTINUES TO DECLINE, THEN URBAN AND SUBURBAN AMERICA WILL DECLINE ALSO.



- MIGRATION OFF THE FARM MUST STOP -

I DON'T HAVE TO TELL ANYONE HERE ABOUT THE MASS MIGRATION INTO AMERICA'S CITIES THESE PAST TWO DECADES. IN THE LAST EIGHT YEARS ALONE, 3.5 MILLION PERSONS HAVE LEFT THE FARM TO FACE THE DIFFICULT ADJUSTMENTS OF OVERCROWDED CITIES. THESE MILLIONS HAVE NOT HAD THE SKILLS REQUIRED FOR ADEQUATE EMPLOYMENT IN URBAN AREAS. THEY HAVE SOMETIMES GONE ON THE WELFARE ROLLS. THESE MILLIONS HAVE BEEN TORN FROM THEIR TRADITIONAL TIES WITH THE LAND BY TECHNOLOGICAL EVOLUTION AND LOW FARM PRICES. THEIR BITTERNESS IN NOT FINDING JOBS NEAR HOME -- IN THE FARMLAND COUNTRY WHERE THEY GREW UP -- IS UNDERSTANDABLE.

I AM THEREFORE CONVINCED URBAN PROBLEMS CANNOT BE SEPARATED FROM THE PROBLEMS OF RURAL AMERICA. AS FARMS GROW IN SIZE AND SOPHISTICATION, ALTERNATE PATTERNS OF EMPLOYMENT MUST EMERGE NEAR HOME TO MAINTAIN A HEALTHY RURAL-URBAN BALANCE.

THE TAX BASE OF THE COUNTRYSIDE CANNOT DEPEND UPON AN EVER-DWINDLING SUPPLY OF FARMER-TAXPAYERS, HARD PRESSED BY DEPRESSION LEVEL FARM PRICES AND RISING COSTS.

- RURAL AMERICA MUST ATTRACT INDUSTRY -

NOW, RURAL AMERICA HAS HAD SOME SUCCESS IN ATTRACTING INDUSTRY. GOODLAND IS ONE OF THE COMMUNITIES ENTERING UPON THE CHALLENGE OF THE FUTURE TODAY. BUT OTHER TOWNS HAVE NOT BEEN SO FORTUNATE.

THE OPEN COUNTRYSIDE, IN ORDER TO ATTRACT INDUSTRY, AND THUS MAINTAIN SOME PROSPERITY, MUST COMPETE FAVORABLY WITH CITIES.

.... EDUCATIONAL OPPORTUNITIES MUST BE AVAILABLE AT ALL LEVELS.

.... ADEQUATE HOUSING MUST BE AVAILABLE AT REASONABLE COST IN ATTRACTIVE UNITS.

.... MEDICAL FACILITIES AND PERSONNEL MUST BE ABLE TO PROVIDE TOP CARE.

.... RECREATIONAL FACILITIES MUST BE COMPETITIVE WITH URBAN FACILITIES.

THE DISADVANTAGE OF DISTANCE FROM POPULATION CENTERS MUST BE OFFSET BY OTHER FACTORS WHICH ALLOW INDUSTRY TO COMPETE. USUALLY LOWER REAL ESTATE COSTS AND LOWER TAXES ARE ADVANTAGES THE CENTER CITIES CANNOT MATCH.

IN THE FINAL ANALYSIS, TAX INCENTIVES SHOULD BE PROVIDED TO INDUSTRY TO INDUCE DEVELOPMENT IN RURAL AMERICA. I HAVE INTRODUCED LEGISLATION PROVIDING SUCH TAX INCENTIVES FOR TRAINING THE UNSKILLED WORKER.

- CONCLUSION -

I JUST HOPE OTHER COMMUNITIES ARE ABLE TO FIND SUCCESS AS YOU HAVE HERE TODAY.

THE KEMP PROCESSING PLANT PROVIDES JOBS, INCENTIVES FOR EXPANDED AGRICULTURAL PRODUCTION, AND AN OVER-ALL STIMULATING EFFECT ON THE LOCAL ECONOMY. I AM CERTAINLY PLEASED ALL THIS HAS COME TO OUR CONGRESSIONAL DISTRICT, AND I WISH YOU ALL SUCCESS IN YOUR ENDEAVORS TO PRODUCE THE NATION'S HIGHEST QUALITY SUGAR.