

REMARKS OF  
SENATOR BOB DOLE  
REPUBLICAN NATIONAL COMMITTEE CHAIRMAN

69TH ANNUAL CONVENTION  
NATIONAL FARMERS' UNION  
8:30 P.M., THURSDAY, FEBRUARY 25, 1971  
WASHINGTON HILTON HOTEL  
WASHINGTON, D. C.

I AM PLEASED TO BE WITH YOU THIS EVENING AT THIS 69TH ANNUAL MEETING OF THE NATIONAL FARMERS UNION, ESPECIALLY FOR THE OPPORTUNITY IT AFFORDS TO DISCUSS AGRICULTURAL FACTS AND THE REAL ISSUES. OVER THE MANY YEARS OF MY STRONG AND CONTINUING INTEREST IN FARM MATTERS, I HAVE LEARNED MUCH FROM MY NFU CONTACTS. I KNOW THESE WILL CONTINUE TO BE CONSTRUCTIVE.

I WELCOME THIS OPPORTUNITY TO BE WITH YOU, FOR WE SHARE A COMMON CONCERN. IT IS CONCERN FOR AMERICAN AGRICULTURE AND FOR ALL SEGMENTS OF AMERICAN LIFE.

WITH THAT CONCERN, WE ALSO SHARE A COMMON DETERMINATION. IT IS A DETERMINATION TO FACE SQUARELY THE PROBLEMS OF THE PRESENT, AND TOGETHER DEVELOP CONSTRUCTIVE ANSWERS FOR A BRIGHTER FUTURE.

IT IS SIGNIFICANT THAT TONY DECHANT HAS SEEN FIT TO INVITE THE CHAIRMEN OF THE TWO GREAT POLITICAL PARTIES TO DISCUSS ISSUES AFFECTING YOU THIS EVENING. IT IS SIGNIFICANT AS AN INDICATION OF ADMINISTRATION INTEREST IN FARMERS THAT PRESIDENT NIXON SHOULD CHOOSE FOR THE TOP REPUBLICAN POLITICAL POST A MAN FROM A WESTERN KANSAS WHEAT TOWN WHO HAS SERVED ON THE HOUSE AGRICULTURE COMMITTEE, IS PRESENTLY SERVING ON BOTH THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY AND THE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS. I HAVE TRAVELLED ABROAD AND WILL CONTINUE TO TRAVEL WHENEVER THE NEED ARISES TO PROMOTE THE BEST INTERESTS OF ALL PEOPLE UNDER THE FOOD FOR PEACE PROGRAM. YOU WILL RECALL THAT THIS PROGRAM WAS INITIATED BY PRESIDENT EISENHOWER IN 1954 AND HAS HAD STRONG BIPARTISAN SUPPORT EVER SINCE. IT IS ONE OF THE GREATEST AND MOST CONSTRUCTIVE PROGRAMS TO ADVANCE THE FOREIGN POLICY INTERESTS OF THE UNITED STATES.

LET ME MAKE ONE POINT CLEAR -- JUST AS SECRETARY OF AGRICULTURE CLIFFORD HARDIN WAS GIVEN THE CHARGE BY PRESIDENT NIXON TO REPRESENT THE FARMERS OF THIS COUNTRY IN THE COUNCILS OF GOVERNMENT -- SO WILL THE PRESENT CHAIRMAN OF THE REPUBLICAN NATIONAL COMMITTEE FIGHT NOT ONLY IN THE SENATE, BUT ALSO IN THE POLITICAL ARENA FOR THOSE INTERESTS.

LET ME SAY AT THIS POINT THAT THOSE INTERESTS -- THE INTERESTS OF FARM PEOPLE -- ARE THE INTERESTS OF AMERICA -- JUST AS THE STRENGTH OF A DYNAMIC AND PROGRESSIVE AGRICULTURE IS A SOURCE OF STRENGTH AND PROGRESS FOR OUR NATION AND THE WORLD.

YOU KNOW AND I KNOW THAT THERE IS A GREAT DEAL OF MIS-UNDERSTANDING AMONG OUR CITIZENS BOTH OVER THE IMPORTANCE AND THE COMPLEXITY OF FARM AND RURAL PROGRAMS.

IF YOU WILL PERMIT ME ONE SMALL PARTISAN REMARK -- AND I KNOW YOU SUSPECT THAT I HAVE ONE LITTLE ONE TUCKED AWAY -- I CAN'T HELP BE DISMAYED BY THE ATTITUDE THAT CITY DEMOCRATS HAVE TOWARD AGRICULTURE.



- REFUSED TO SERVE -

THAT ATTITUDE WAS MANIFESTED THIS YEAR WHEN CONGRESSMAN HERMAN BADILLO OF NEW YORK CITY REFUSED TO SERVE ON THE HOUSE AGRICULTURE COMMITTEE. CONGRESSMAN BADILLO'S FELLOW DEMOCRATS WERE UNHAPPY THAT HE DID NOT REMAIN ON THE AGRICULTURE COMMITTEE, SINCE THE COMMITTEE OVERSEES THE MAJOR ANTI-POVERTY LEGISLATION CONCERNING FOOD STAMPS, COMMODITY DISTRIBUTION AND SCHOOL NUTRITION. TWO YEARS AGO REPRESENTATIVE SHIRLEY CHISHOLM SAID, "ALL I'M ASKING FOR IS SOMETHING MORE RELEVANT THAN AGRICULTURE", WHEN IT WAS SUGGESTED BY DEMOCRAT COLLEAGUES THAT SHE DEVOTE SOME TIME TO TACKLING ONE OF THE MAJOR DOMESTIC PROBLEMS FACING THE NATION -- OUR FOOD AND FARM POLICY.

I BELIEVE THE ATTITUDE OF THESE TWO CITY DEMOCRATS IS SYMBOLIC OF A GREAT SEGMENT OF THE DEMOCRATIC PARTY -- A GROUP OF PEOPLE WHO HOLD DEAR VERY LITTLE OF THE VALUES THAT EXIST IN RURAL AMERICA; VALUES THAT HAVE MADE AND DO MAKE AMERICA GREAT.

I AM REMINDED, OF COURSE, THAT SIMILAR OBSERVATIONS HAVE BEEN MADE ABOUT MY OWN PARTY -- THAT WE REPUBLICANS DON'T CARE ABOUT THE FARMER AND RURAL AMERICA.

I EVEN RECALL A QUOTE FROM MY OWN FRIEND, BOB POAGE OF TEXAS, WHO ONCE SAID THAT NEITHER POLITICAL PARTY CARED ABOUT 5 PERCENT OF THE POPULATION WHEN THE OTHER 95 PERCENT WAS OFF THE FARM.

- G.O.P. DOES CARE -

WELL, FRIENDS, I'M HERE TO TELL YOU THAT'S ONLY HALF RIGHT. THE REPUBLICAN PARTY DOES CARE, AND I'M GOING TO DO MY BEST TO SEE THAT IT CONTINUES TO CARE, AND I KNOW PRESIDENT NIXON IS GOING TO DO HIS VERY BEST TO BRING PROSPERITY AND TRANQUILITY TO THE RUROPOLIS AS WELL AS TO THE METROPOLIS.

WORDS AND PHRASES ARE, OF COURSE, EMPTY ECHOS UNLESS ACCOMPANIED BY DEEDS. AND THIS ADMINISTRATION WILL BE LIKE EVERY OTHER ADMINISTRATION -- MEASURED BY ITS DEEDS -- NOT ITS WORDS.

THERE WAS A GREAT DEMOCRAT WHO ONCE SAID, "LET'S LOOK AT THE RECORD". LET'S TAKE A QUICK LOOK AT SOME ITEMS OF ACCOMPLISHMENT THAT FARMERS AND RURAL RESIDENTS FROM ACROSS THE NATION CAN EXAMINE.

- FARM INCOME -

FIRST OF ALL, THE 1961-1968 AVERAGE REALIZED NET FARM INCOME WAS \$13.8 BILLION. THE 1968-1970 AVERAGE -- THE NIXON YEARS -- WAS \$16.0 BILLION -- UP \$2.2 BILLION, OR 16 PERCENT. YOU AND I KNOW THIS IS STILL INADEQUATE. IT'S STILL NOT FAIR, BUT IT'S A START. WE INTEND TO DO EVEN BETTER WITH NEW PROGRAMS.

- GRAIN DUMPING -

I RECALL THE MILLIONS OF BUSHELS OF GRAIN DUMPED INTO THE MARKET TO HOLD DOWN PRICES DURING THE FREEMAN YEARS. I RECALL A FORMER SECRETARY OF AGRICULTURE EXPRESSING PLEASURE WHEN FARM PRICES FELL, AND A CHAIRMAN OF ECONOMIC ADVISORS UNDER PRESIDENT JOHNSON STATING ON TELEVISION THAT DUMPING CORN AND OTHER GRAINS ON THE MARKET WAS GOOD BECAUSE IT WOULD RESULT IN LOWER HOG PRICES.

I RECALL AN EFFORT MADE IN THE HOUSE AGRICULTURE COMMITTEE TO RAISE THE MINIMUM RESALE PRICE ABOVE THE 105 PERCENT OF LOAN LEVEL AND THE PRESSURE THAT CAME FROM THE GREAT SOCIETY TO MAINTAIN THAT LOW RESALE PRICE -- AN EFFORT WHICH WAS SUCCESSFUL BY THE NARROW MARGIN OF ONE DEMOCRAT.

I RECALL THE OUTCRIES FROM THE FARMERS UNION GTA AGAINST THIS MARKET-DESTROYING ACTIVITY.

HOWEVER, MY RECALL MECHANISM DOES NOT INCLUDE ANY STATEMENTS OF CRITICISM OF THESE POLICIES BY THE PRESENT CHAIRMAN OF THE DEMOCRATIC NATIONAL COMMITTEE IN REGARD TO THE INTERESTS OF OUR FARM FAMILIES ON THIS REAL DOLLAR AND CENTS ISSUE.



- NO DUMPING POLICY -

I CAN RECALL IN THE MID-SIXTIES FARMERS WOULD DREAD THE DAY COMMODITY CREDIT CORPORATION WAS TO ANNOUNCE THE SALE OF SOME SURPLUS GRAIN. IT WAS A PRETTY SURE BET GRAIN MARKETS WOULD DROP 3¢ TO 10¢. I AM PLEASED TO SAY THAT THE MINIMUM LEGAL RESALE FOR GRAINS IS NOW 115 PERCENT OF LOAN. CCC IS GETTING THAT MUCH AND MORE. THERE IS NO "DUMPING" PHILOSOPHY OR PRACTICE IN THIS ADMINISTRATION.

FOREIGN NATIONS KNOW THEY CAN DEPEND ON THE U. S. TO DELIVER THE QUALITY GRAIN THEY WANT. YOUR LOCAL CASH PRICE ONCE AGAIN REFLECTS EXPORT SALES. THIS IS A HEALTHY TREND, FOR AS WORLD MARKETS EXPAND, GRAIN PRICES SHOULD INCREASE. ON TOP OF THIS, THE FARMER STILL RECEIVES HIS MARKETING CERTIFICATE FOR 100% OF PARITY ON HIS DOMESTIC PRODUCTION. WHEN YOU COMBINE THE CASH PRICE YOU RECEIVE WHEN YOU SELL YOUR GRAIN AND AVERAGE THE MARKETING CERTIFICATE INCOME, A BLEND PRICE IS THE RESULT.

LET'S LOOK AT THE BLEND PRICE ON WHEAT THE PAST THREE YEARS. IN 1968 IT WAS \$1.79 PER BUSHEL. IN 1969, IT WAS \$1.89, AND IN 1970 IT WAS \$2.11 PER BUSHEL. IF THE ADMINISTRATION IS SUCCESSFUL IN MAINTAINING AND EXPANDING WORLD MARKETS FOR U.S. GRAINS, WE CAN FORESEE A FURTHER INCREASE IN THIS BLEND PRICE IN 1971.

- I.G.A. -

IN REGARD TO THE INTERNATIONAL GRAINS AGREEMENT, THERE IS ANOTHER MATTER OF OVERRIDING INTEREST TO GRAIN FARMERS AND TO ALL THE MEMBERSHIP OF THIS GREAT FARM ORGANIZATION -- WHICH I SHOULD LIKE TO LAY ON THE TABLE FOR YOUR CAREFUL ANALYSIS. FOR IT IS TIME YOU GOT THE REAL FACTS ON THE INTERNATIONAL GRAINS AGREEMENT AND WHAT IT DID TO YOU -- NOT FOR YOU.

THE I.G.A. PROVED TO BE AN INTERNATIONAL ECONOMIC DISASTER, ESPECIALLY FOR U.S. WHEAT GROWERS, DESPITE THE FOLLOWING NOVEMBER 1967 STATEMENT BY PRESIDENT JOHNSON AT THE SIGNING ON BEHALF OF THE UNITED STATES:

"THE NEW ARRANGEMENT THUS WILL PROVIDE NEW PRICE  
INSURANCE TO U.S. WHEAT FARMERS."

IT PROVED TO BE LOW PRICE INSURANCE AND LOSING MARKET INSURANCE. OTHER COUNTRIES UNDERSOLD US AND WE WERE LEFT "HOLDING THE BAG" FULL OF UNEXPORTED WHEAT.



I WILL NOT TAKE THE TIME OF THIS GROUP TO DETAIL ALL THE REASONS FOR THE QUICK DEMISE OF THE I.G.A. PERHAPS, JUST THE FOLLOWING FEW WORDS, COINED IN DIPLOMATIC LANGUAGE, BY SECRETARY HARDIN ON NOVEMBER 17, 1969, ARE SUFFICIENT:

"WORLD PRODUCTION AND EXPORTABLE SUPPLIES HAVE CLIMBED TO RECORD LEVELS, BUT IMPORT NEEDS HAVE FALLEN. THESE CHANGES HAVE BEEN OF SUFFICIENT MAGNITUDE TO CAUSE EXTREME DOWNWARD PRESSURE UPON WORLD WHEAT PRICES. THUS THE PRICE PROVISIONS OF THE NEW ARRANGEMENT WERE IMMEDIATELY PUT TO THE SEVEREST POSSIBLE TEST. AMONG THE PROBLEMS ENCOUNTERED WITH THE WHEAT TRADE CONVENTION ARE A NUMBER OF STRUCTURAL DEFICIENCIES, WHICH TENDED TO DISTORT TRADE PATTERNS AND WEAKENED CONFIDENCE IN THE FAIRNESS AND WORKABILITY OF THE ARRANGEMENT."

JUST LISTEN TO THIS COMMENT BY THE AUSTRALIAN MINISTER FOR PRIMARY INDUSTRY, THE HONORABLE J.D. ANTHONY:

"WHAT HAS HAPPENED IS THAT FRANCE HAS INCREASED HER SALES AT THE EXPENSE OF CANADA AND THE UNITED STATES. AT THE SAME TIME, THE AUSTRALIAN WHEAT BOARD HAS TAKEN FULL ADVANTAGE OF ITS FAVORABLE POSITION UNDER THE I.G.A. AND HAS BEEN VERY VIGOROUS AND SUCCESSFUL IN ITS MARKETING. AS A RESULT -- AND THERE IS NO DOUBT ABOUT THIS -- AUSTRALIA HAS GAINED MORE THAN HER TRADITIONAL SHARE OF THE WORLD MARKET. WHILE THIS HAS BEEN HAPPENING, COUNTRIES WHO ARE NOT PARTIES TO THE I.G.A. -- PARTICULARLY THE SOVIET UNION AND EAST EUROPEAN COUNTRIES -- HAVE BEEN EXPANDING THEIR SALES AT PRICES OUT OF LINE WITH I.G.A. PRICES."

- A NEW AGREEMENT -

A NEW AGREEMENT WAS NEGOTIATED AND ANNOUNCED EARLIER THIS WEEK WHICH ENABLES U.S. WHEAT GROWERS TO PROSPER FROM EXPANDING MARKETS. THE MACHINERY OF THE INTERNATIONAL WHEAT COUNCIL FOR CONSULTATION AND THE COLLECTION OF DETAILED INFORMATION ABOUT PRICES, COMMERCIAL AND CONCESSIONAL SALES AND FREIGHT RATES WILL BE MAINTAINED. THE IWC WILL ALSO KEEP UNDER REVIEW THE POSSIBILITY OF CONVENING ANOTHER NEGOTIATING CONFERENCE WHEN AND IF IT APPEARED THAT THE PROBLEMS OF ESTABLISHING A REFERENCE WHEAT AND A PRICING ARRANGEMENT APPEARED FEASIBLE. THE NEW AGREEMENT ALSO PROVIDES FOR PERIOD MEETINGS AND CONTINUOUS CONSULTATIONS ON THE GENERAL WHEAT MARKETS. DURING THE LIFE OF THE NEW AGREEMENT, WHEAT TRADING PRICES ARE DETERMINED BY THE ORDINARY PLAY OF MARKET FORCES.

IT IS THE INTENTION OF THIS ADMINISTRATION TO OBTAIN OUR FAIR SHARE OF THE WORLD WHEAT MARKETS. OUR WHEAT GROWERS DESERVE EVERY CONSIDERATION, AND WE INTEND TO SEE THAT THEY GET IT.

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- HUNGER AND FOOD -

LET US DISCUSS ANOTHER FACTOR OF OUR AMERICAN SCENE IN WHICH NFU MEMBERSHIP HAS A GREAT DIRECT AND INDIRECT INTEREST. IT IS THE QUESTION OF HUNGER AND MALNUTRITION IN THE UNITED STATES.

IN MAY 1969, PRESIDENT NIXON DELIVERED A MEMORABLE "HUNGER MESSAGE", IN WHICH HE SAID, "THAT HUNGER AND MALNUTRITION SHOULD PERSIST IN A LAND SUCH AS OURS IS EMBARRASSING AND INTOLERABLE." SINCE THAT DATE, THE UNITED STATES HAS MOVED FORWARD IN OVERCOMING THESE PROBLEMS.

WHILE THERE ARE SOME WHOSE HUNGER FOR HEADLINES EXCEEDS THEIR THIRST FOR FACTS, I FEEL YOU SHOULD HAVE AN EXPOSURE TO FACTS OF RECORD SINCE 1969:

- \* A TRIPLING IN THE NUMBER OF PEOPLE BENEFITTED BY THE FOOD STAMP PROGRAM, FROM 3.2 MILLION TO 9.5 MILLION.
- \* MORE THAN A FIVE-FOLD INCREASE PER MONTH IN THE VALUE OF FOOD STAMP BONUS COUPONS, FROM \$22 MILLION TO THE CURRENT MONTHLY VALUE OF \$128.5 MILLION.



- \* AN INCREASE FROM 3.8 MILLION TO 6 MILLION IN THE TOTAL OF NEEDY CHILDREN RECEIVING FREE OR REDUCED-PRICE MEALS AT SCHOOL. SOME 800,000 ADDITIONAL YOUNGSTERS BENEFIT FROM SPECIAL FOOD SERVICE AND SCHOOL BREAKFAST PROGRAMS. TOTAL PARTICIPATION IN THE SCHOOL LUNCH PROGRAM APPROACHES 24 MILLION.
- \* A WIDENING GEOGRAPHIC RESEARCH FOR FOOD ASSISTANCE. IN MAY OF 1969, 436 OF THE COUNTRY'S MORE THAN 3,000 COUNTIES AND INDEPENDENT CITIES LACKED A FAMILY FOOD PROGRAM FOR POOR PEOPLE; THAT TOTAL HAS NOW BEEN REDUCED TO 10.
- \* A NEAR DOUBLING OF THE TOTAL COVERAGE OF FAMILY FOOD ASSISTANCE PROGRAMS, FROM 6.8 MILLION PERSONS TO 13.2 MILLION TODAY.

THIS IS A PROUD RECORD FOR ALL AMERICA, FOR WE ARE WELL ON THE WAY TO ATTAINING THE PRESIDENT'S GOAL -- TO BANISH HUNGER FROM THIS LAND FOR ALL TIME.

NEVER BEFORE HAD THE LEADER OF A GREAT NATION SET SUCH A GOAL AS A MATTER OF NATIONAL POLICY. NEVER BEFORE IN THE HISTORY OF MANKIND HAD A NATION COMMITTED ITSELF TO COPE WITH HUNGER AND MALNUTRITION ON SUCH A VAST AND UNPRECEDENTED SCALE. NEVER BEFORE HAVE FARM FAMILIES BENEFITTED FROM SO MANY NEW AND BETTER CUSTOMERS.

BUT, ONE MORE COMMENT. THE FOOD STAMP PROGRAM NOW INCLUDES NEARLY 10 MILLION PEOPLE THROUGHOUT THE NATION. IT NOW INCORPORATES A KEY ELEMENT OF THE PRESIDENT'S FAMILY ASSISTANCE PROGRAM, THAT IS, THE "WORKFARE" PROVISION. IT INCLUDES A SPECIFIC REQUIREMENT THAT THOSE WHO ARE ABLE TO WORK SHOULD BE WILLING TO WORK IF THEY WANT TO RECEIVE THE HELPING HAND OF THEIR FELLOW CITIZENS AND TAXPAYERS WHO FINANCE THE FOOD STAMP PROGRAM.

- FARM EXPORTS -

JUST A WEEK AGO, THE USDA ISSUED A PRESS RELEASE WITH THE HEADING "1970 FARM PRODUCT EXPORTS HIT RECORD \$7.2 BILLION". THIS WAS 22 PERCENT ABOVE 1969. ALL OF US SHOULD REJOICE THAT AMERICAN FARMERS CRACKED THE \$7 BILLION BARRIER FOR THE FIRST TIME IN HISTORY...AND LIKE THE MAN SAID, "YOU AIN'T SEEN NOTHIN' YET", BECAUSE WE ARE ON OUR WAY TO A \$10 BILLION ANNUAL EXPORT GOAL.

YOU AND I KNOW IT IS MOST IMPORTANT THAT WE EXPAND OUR AGRICULTURAL EXPORTS. IN CONSIDERING FARM POLICY, ONE MUST BE SENSITIVE TO THE FACT THAT EXPORT OUTLETS FOR FEED GRAINS, WHEAT, COTTON AND SOYBEANS, INCLUDING THE PRODUCTS, PROVIDING AN IMPORTANT SHARE OF THE MARKET. AND WE HAVE TO BE MOST CONCERNED WITH THE NEED TO MAINTAIN AND EXPAND THESE OUTLETS.

OUR PROGRAMS MUST LOOK TO OVERSEAS MARKETS, AND WE MUST BE PREPARED TO COMPETE FOR MAXIMUM UTILIZATION OF OUR PRODUCTS THROUGHOUT THE WORLD.

IF U.S. FARM EXPORTS ARE TO REACH OUR \$10 BILLION GOAL BY THE NEXT DECADE -- A NECESSARY OBJECTIVE -- THEY MUST MOVE COMPETITIVELY IN THE MARKETS OF THE WORLD. IT WILL BE OUR POLICY TO DO EVERYTHING FEASIBLE IN OUR DISCUSSIONS WITH FOREIGN GOVERNMENTS TO STIMULATE EXPORT MARKETS FOR U.S. FARM FAMILIES. WE ARE NOT SATISFIED WITH THE RESULTS OF THE KENNEDY ROUND OF TRADE NEGOTIATIONS. WE KNOW NOW THAT IN THAT ROUND AGRICULTURE WAS TREATED AS A POOR RELATIVE.



- MARKET OPPORTUNITY -

THE NEW AGRICULTURAL POLICIES IN THEIR EMPHASIS ON EXPANDING MARKETS PROVIDE AN OUTSTANDING OPPORTUNITY TO GRADUALLY INCREASING ORIENTATION TOWARD A MARKET CONCEPT WHICH LETS YOU, THE FARMER, MAKE MOST OF THE DECISIONS. THIS IS IN DISTINCT CONTRAST TO THE PREVIOUS SUPPLY MANAGEMENT, GOVERNMENT CONTROLLED VIEW OF COMMODITY MOVEMENTS WHICH ASSUMED THAT THOSE IN WASHINGTON ARE ENDOWED WITH GREATER MARKET AND PRODUCTION WISDOM THAN YOU HAVE. ACTUALLY, BY THE END OF THE 1970 MARKETING YEAR WE WILL HAVE MADE CONSIDERABLE PROGRESS IN KEEPING THE GOVERNMENT OUT OF THE MARKET FOR SALES OF AGRICULTURAL COMMODITIES. THE STATISTICS BEAR THIS OUT. WITNESS THE FOLLOWING DATA ON REDUCTION OF CARRYOVER STOCKS:

	<u>1969</u>	<u>Est. 1971</u>	<u>Reduction in Carryover</u>
Wheat	819 mil. bus.	725 mil. bu.	-94 mil. bus.
Feed Grains	50 mil. tons	34 mil. tons	-16 mil. tons
Soybeans	324 mil. bus.	75 mil. bus.	-249 mil. bus.
Cotton	6.5 mil. bales	5 mil. bales	1.5 mil. bales

I BELIEVE THAT BY THE END OF THIS MARKETING YEAR, THE COMMODITY CREDIT CORPORATION WILL HAVE DISPOSED OF ALL OR PRACTICALLY ALL OF ITS STOCK OF SOYBEANS AND CORN, AND IT IS THE ADMINISTRATION'S POLICY TO DEVELOP PROGRAMS THAT WILL PREVENT COMMODITIES FROM COMING INTO CCC OWNERSHIP. IMPLICIT IN THIS CONCEPT IS THE NEED FOR AGRICULTURE TO HOLD AND EXPAND ITS MARKETS, AND ACHIEVE HIGHER FARM INCOME.

- FUTURE OUTLOOK -

NOW, LET'S TAKE A QUICK LOOK INTO THE CRYSTAL BALL AND SEE WHAT AGRICULTURAL LEGISLATION IS PENDING IN COMING MONTHS.

FIRST, THE SUGAR BILL EXPIRES THIS YEAR. THE PRESENT PROGRAM REGULATES SUGAR IMPORTS AND ASSURES DOMESTIC PRODUCERS ABOUT 60% OF THE TOTAL MARKET. A DECREASING SCHEDULE OF PAYMENTS IS MADE TO THE PRODUCER, BASED ON THE AMOUNT OF HIS PRODUCTION. THE ACT IS IN EFFECT SELF-FINANCING. HEARINGS ARE EXPECTED TO BE CONDUCTED IN THE NEAR FUTURE AND CONGRESSIONAL CONSIDERATION OF THIS LEGISLATION IS EXPECTED EARLY IN 1971.

SECOND, PESTICIDE LEGISLATION IS TO BE CONSIDERED. I NEEDN'T REMIND YOU OF THE IMPORTANCE OF THIS LEGISLATION. ANYONE WHO HAS HANDLED THESE CHEMICALS AS MUCH AS YOU HAVE ON YOUR FARMS KNOWS THE TWO FACTORS THAT MUST BE CONSIDERED IN THIS LEGISLATION:

- (1) THEY ARE DANGEROUS. THEY WILL KILL OR INJURE IF NOT HANDLED AND APPLIED PROPERLY.
- (2) THEY ARE VITAL TO AGRICULTURE. THESE CHEMICALS HAVE IN SOME CASES, REPLACED THE "HIRED" MAN...IN FACT, SEVERAL HIRED HANDS IF YOU WERE TO ATTEMPT TO FARM WITHOUT THE VALUABLE "TOOLS" OF PESTICIDES AND HERBICIDES.

PROPOSED LEGISLATION BY THIS ADMINISTRATION WOULD CLASSIFY THESE CHEMICALS AND RESTRICT THE USE OF THE CHEMICALS. HEARINGS WILL BE HELD ON THIS LEGISLATION IN THE NEAR FUTURE IN THE SENATE. THEY ARE ALREADY UNDERWAY IN THE HOUSE. CLOSELY RELATED TO THIS ENVIRONMENTAL PROBLEM IS AGRICULTURAL POLLUTION WHICH IS BEING CONSIDERED IN THE PUBLIC WORKS COMMITTEE OF THE SENATE, OF WHICH I AM A MEMBER. THROUGH THE USE OF SEDIMENTATION AND OTHER TECHNIQUES, THE ABATEMENT OF WATER POLLUTION FROM ANIMAL FEEDLOTS CAN BE EFFECTIVELY CONTROLLED. THE REAL PROBLEM IN CONTROLLING POLLUTION FROM ANIMAL FEEDLOTS RESTS IN JUDGING AND CONTROLLING THE AMOUNT OF RUNOFF RAIN WATER THAT MOTHER NATURE CHOOSES TO DROP IN THE FEEDLOT AREA. HEARINGS WILL BE HELD ON THIS PROBLEM SOON.



- RURAL DEVELOPMENT -

THIRD, RURAL DEVELOPMENT IS A TERM USED THROUGHOUT THE NATION TODAY. SOME PEOPLE WOULD HAVE YOU BELIEVE IT IS THE ANSWER TO ALL THE ILLS OF THE CITY. SOME PROPONENTS VISUALIZE LITERALLY MOVING THOUSANDS OF OUR URBAN DWELLERS BACK TO THE RURAL COMMUNITIES. I'VE SEEN THE MESS SOME OF THE URBAN RENEWAL PROJECTS HAVE CREATED -- AND WE DON'T NEED TO COPY THAT MESS IN RURAL AMERICA.

A GOOD RURAL DEVELOPMENT PROGRAM WILL COME ABOUT ONLY IN TIME -- IT WILL EVOLVE -- FOR IF WE WERE TO ATTEMPT A MASSIVE SHIFT OF POPULATION, THE RURAL ECONOMIC, SOCIAL AND ECOLOGICAL ENVIRONMENT COULD BE DESTROYED IN THE PROCESS.

CONSEQUENTLY, THIS ADMINISTRATION IS WORKING TOWARD PROVIDING THE TOOLS TO ASSIST THIS EVOLUTION. TITLE IX OF THE AGRICULTURAL ACT OF 1970 DEALT WITH THE FIRST STEP -- TO APPRAISE EXISTING RURAL PROGRAMS AND ASSURE RESIDENTS OF RURAL AREAS THE SAME FEDERAL SERVICE AND PRIVILEGES THE URBAN DWELLER ENJOYS. THE RURAL TELEPHONE BANK BILL WAS FAVORABLY REPORTED BY THE SENATE AGRICULTURE COMMITTEE YESTERDAY. THIS LEGISLATION HAS BEEN PENDING IN THE PAST FOUR CONGRESSES, BUT THE NIXON ADMINISTRATION IS THE FIRST TO ADVOCATE AND SUPPORT IT. I BOTH HOPE FOR AND ANTICIPATE PROMPT PASSAGE OF THIS CONSTRUCTIVE MEASURE. IT WILL ASSURE RURAL AMERICA THE MEANS TO ESTABLISH COMPARABLE TELEPHONE SERVICE AS IS AVAILABLE IN URBAN AREAS.

A RURAL DEVELOPMENT BANK TO MAKE FINANCIAL AND TECHNICAL ASSISTANCE AVAILABLE FOR THE ESTABLISHMENT OR EXPANSION OF RURAL PRIVATE OR PUBLIC ENTERPRISES HAS ALSO BEEN INTRODUCED. CONSIDERABLE RESEARCH IS UNDERWAY ON OTHER RURAL DEVELOPMENT LEGISLATION, INCLUDING A COMPREHENSIVE REVISION AND EXPANSION OF THE FARM CREDIT SYSTEM.

FOURTH, AND NOT TO BE MINIMIZED, IS FARM BARGAINING. PROPOSALS ALONG THIS LINE HAVE BEEN MADE REPEATEDLY IN THE PAST WITH LITTLE SUCCESS. OF THE NUMEROUS PROPOSALS BEING DISCUSSED SO FAR THIS SESSION OF CONGRESS, IT WOULD SEEM A NEW EMPHASIS IS BEING ALIGNED AND THERE IS SOME WELL-FOUNDED OPTIMISM THAT NEEDED LEGISLATION WILL BE WORKED OUT.

WE ALL KNOW WE HAVE PROBLEMS. WE ALL KNOW THAT WE ALL MAKE MISTAKES. I AM NOT FOOLISH ENOUGH TO TRY TO TELL YOU THAT THIS OR ANY OTHER ADMINISTRATION HAS BEEN PERFECT IN ITS AGRICULTURAL OR RURAL RECORD. YOU AND I KNOW THERE HAVE BEEN MISTAKES, BUT I WANT YOU TO KNOW THAT WHATEVER ERRORS THAT OCCURRED WERE MADE WITHOUT MALICE AND IN MOST INSTANCES WERE CORRECTED AS QUICKLY AS POSSIBLE.

- CONCLUSION -

TO CONCLUDE, I WOULD LIKE TO DRAW ATTENTION TO SOME  
AREAS WHERE I SEE AGREEMENT BETWEEN FARMERS AND THE REPUBLICAN  
PARTY:

- \* NEITHER THE REPUBLICANS NOR THE FARMERS LIKE TO SEE  
SURPLUS GRAIN ACCUMULATE AND "DUMPED" ON THE MARKET  
TO FORCE FARM CASH PRICES DOWN. UNDER THIS ADMINISTRATION,  
CCC STOCKS HAVE BEEN REDUCED AND THAT GRAIN SOLD ON THE  
MARKET WAS AT MARGINS WHICH DID NOT REDUCE CASH PRICES  
TO FARMERS.
- \* AGRICULTURAL CHEMICALS ARE ESSENTIAL "TOOLS" FOR FARMERS,  
AND THIS ADMINISTRATION IS WORKING TO PRESERVE THEIR  
CONTINUED SAFE AND APPROPRIATE USE.
- \* FARMERS LIKE A CHANCE TO BE INDEPENDENT AND TO MAKE AS  
MANY DECISIONS ON THEIR FARMS AS POSSIBLE. THIS ADMINI-  
STRATION HELPED CONGRESS PASS LEGISLATION WHICH, FOR THE  
FIRST TIME IN A DECADE, PERMITS FARMERS TO PLANT MORE OF  
WHATEVER CROP MAKES HIM THE MOST MONEY.



- \* EXPORT SALES HELP IMPROVE DOMESTIC PRICES FOR GRAIN AND THIS ADMINISTRATION HAS ACTIVELY PURSUED EXPANSION OF EXPORTS OF ALL GRAINS.
- \* FARMERS AND REPUBLICANS FEEL AN OBLIGATION AND A DESIRE TO FEED THE POOR AND HUNGRY THROUGH COMMODITY DISTRIBUTION, SCHOOL FEEDING PROGRAMS, AND THE FOOD STAMP PROGRAM. THESE PROGRAMS ARE BEING EXPANDED AS RAPIDLY AS POSSIBLE WITHOUT LOSING CONTROL OF THEIR ADMINISTRATION.
- \* I THINK THE FARMERS AND THE REPUBLICANS AGREE WITH THE WAY LOUIE ARMSTRONG PUT IT ON A RECENT TELEVISION INTERVIEW AS HE RECALLED AN ADMONITION OF HIS FATHER, "WE OUGHT TO HELP THE POOR, NEEDY PEOPLE...BUT NOT THE POOR, LAZY". IF A MAN IS NOT HANDICAPPED AND CAN WORK, HE SHOULD BE WILLING TO WORK TO EARN FOOD STAMPS OR WELFARE PAYMENTS.

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- \* DAIRY FARMERS HAVE BEEN GENERALLY SATISFIED WITH ADMINISTRATION ACTIONS REGARDING PRICE SUPPORT LEVELS, MARKET PROMOTION AND OTHER LEGISLATION -- AND THIS ADMINISTRATION HAS NOT RECOMMENDED THAT HOUSEWIVES USE THE "LOW-PRICED SPREAD".
- \* RURAL PEOPLE AND REPUBLICANS ARE COMPLETELY IN TANDEM ON THE NEED FOR SUPPLEMENTAL FINANCING FOR RURAL TELEPHONE BORROWERS IN ORDER TO EXPAND AND IMPROVE TELEPHONE SERVICE TO FARMERS, RANCHERS, AND OTHER RESIDENTS OF RURAL AMERICA.
- \* FARMERS AND REPUBLICANS AGREE THE 16.7 PERCENT OF DISPOSABLE INCOME THE AMERICAN CONSUMER PAYS FOR FOOD IS THE BIGGEST BARGAIN IN THE WORLD.

SO LET'S KEEP TABS -- DEEDS SPEAK LOUDER THAN WORDS. FROM THIS LIST AND THOSE ITEMS WE SEE AS POSSIBLE LEGISLATION IN THE NEAR FUTURE, I CAN SEE FARMERS AND REPUBLICANS ALREADY HAVE A LOT IN COMMON, AND THERE'S A LOT MORE TO COME.