

REMARKS OF SENATOR BOB DOLE  
NATIONAL GRAIN & FEED ASSOCIATION  
WASHINGTON HILTON HOTEL  
TUESDAY, MARCH 12, 1974

*Handwritten:*  
1-11-74  
[unclear]  
out of [unclear]  
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I AM DEEPLY GRATEFUL FOR THIS OPPORTUNITY TO MEET WITH YOU TODAY. YOUR KIND INVITATION TO BE HERE AT THIS MEETING OF THE GRAIN & FEED DEALERS NATIONAL ASSOCIATION ENABLES ME TO RENEW OLD FRIENDSHIPS, AND BEST OF ALL, TO EXCHANGE IDEAS WITH YOU MEN AND WOMEN, WHO ARE SERVING THE NATION SO WELL. SPURRED BY THE DISCIPLINE OF COMPETITION, YOU ARE LEADERS IN THE GLOBAL FIGHT FOR AN IMPROVING LEVEL OF LIVING.

I WANT TO PAY TRIBUTE TO YOU WHO ARE LEADERS IN THE HIGHLY COMPETITIVE AND CREATIVE AMERICAN AGRIBUSINESS SYSTEM WHICH IS SECOND TO NONE IN THE WORLD. YOU ARE EFFICIENT.

-2-

YOU ARE AN INTEGRAL LINK BETWEEN THE PRODUCER AND THE  
ULTIMATE CONSUMER. IN A LARGER SENSE, YOU SERVE ALL SOCIETY.  
FOR FUNDAMENTALLY, THE GRAIN AND FEED DEALER IS PART AND  
PARCEL OF THE ENTIRE MODERN PRODUCTIVE PROCESS.

#### COMPLEX PROCESS

WHEAT THAT IS PRODUCED IN KANSAS IS OF NO USE TO THE  
HOUSEWIFE IN WASHINGTON, D. C. WHO WANTS TO MAKE ROLLS FOR  
DINNER UNTIL IT GOES THROUGH THE MARKETING PROCESS. THE  
ESSENTIAL FACT IS THAT THE GRAINS AND OILSEEDS THAT FARMERS  
PRODUCE MUST BE ASSEMBLED, STORED, TRANSPORTED, PROCESSED  
AND DELIVERED IN THE FORM, AND AT THE TIME, AND TO THE  
PLACES, THAT CONSUMERS DESIRE. YOU ARE SPECIALIST IN A

-3-

PART OF THAT COMPLEX PROCESS. SOME OF YOU PERFORM MORE OF THESE SPECIAL FUNCTIONS THAN OTHERS; BUT ALL OF YOU ARE ESSENTIAL IN THIS CONTINUOUS STREAM SO IMPORTANT TO OUR WELL BEING.

THE MIRACULOUSLY EFFICIENT SYSTEM WHICH FREE ENTERPRISE HAS DEVELOPED FOR THE PRODUCTION, MARKETING, DISTRIBUTION AND PROCESSING OF FOOD IS A REAL TRIBUTE TO WHAT FREE MEN IN A FREE SOCIETY CAN DO. YOU SHOULD BE PROUD OF YOUR SHARE IN THESE ACCOMPLISHMENTS.

#### CONCEPT OF SPECIALIZATION

THE CONCEPT OF SPECIALIZATION -- THE DIVISION OF LABOR -- HAS AN OVERALL GRAND DESIGN -- TO FACILITATE EXCHANGE AT THE

- 4 -

LEAST COST BETWEEN THE FARMER AND THE CONSUMER. TO ACCOMPLISH THIS IN A COMPLEX SOCIETY, THERE HAVE APPEARED AGENCIES OR INDIVIDUALS SUCH AS COUNTRY ELEVATORS, TERMINAL WAREHOUSES, EXPORT FIRMS, FEED MANUFACTURERS, COMMODITY EXCHANGES, PROCESSORS, BROKERS, COMMISSION HOUSES, ETC. IT IS ESSENTIAL THAT AS FREE MEN WE SEEK TO EXPAND THE OPPORTUNITIES FOR THE PRODUCTION AND MARKETING SYSTEM TO WORK EQUITABLY AND SMOOTHLY. ONLY THEN CAN YOU MAKE THE GREATEST OVERALL CONTRIBUTION TO OUR SOCIETY.

THE UNITED STATES IS THE WORLD LEADER IN THE MERCHAN-  
DISING OF GRAINS AND OILSEEDS. THIS LEADERSHIP POSITION  
HAS BEEN CREATED ON A SOUND FOUNDATION, UNDERGIRDED BY THE



MOST PRODUCTIVE AGRICULTURE IN ALL HISTORY. TOGETHER  
THESE CREATIVE SEGMENTS OF OUR SOCIETY SHOULD SHARE FAIRLY  
IN THE BOUNTY THEY HELP CREATE. I AM DEDICATED TO THIS  
OBJECTIVE BECAUSE IT IS NOT ONLY EQUITABLE, BUT IT SERVES  
THE BEST LONG RUN INTEREST OF THIS NATION.

#### CONTRIBUTION OF BUSINESSMEN

THERE ARE SOME PEOPLE WHO QUESTION WHETHER BUSINESS  
HAS THE DEDICATED PEOPLE AND ABILITY TO SATISFY THIS  
ESSENTIAL NEED OF OUR SOCIETY. ON SOME OF THE CAMPUSES  
I HAVE VISITED THERE SEEMS TO BE A QUESTION ABOUT THE  
SOCIAL AWARENESS OF BUSINESS. I HAPPEN TO BE ONE WHO THINKS  
THAT THERE IS MORE CREATIVITY AND ABILITY TO MEET CHALLENGES,  
ESPECIALLY IN THE AGRIBUSINESS COMMUNITY THAN SOME CRITICS

-6-

HAVE EVER REALIZED. I HAVE KNOWN AND WORKED WITH ENOUGH BUSINESSMEN TO REALIZE THAT THEIR CREATIVITY LEVEL, THEIR SOCIAL CONSCIOUSNESS LEVEL AND THEIR ABILITY TO ACCOMPLISH COMPLEX TASKS IS SECOND TO NO GROUP IN OUR SOCIETY.

MATERIAL AND SOCIAL PROGRESS

OUR MATERIAL ACHIEVEMENTS ARE PART AND PARCEL OF OUR SOCIAL PROGRESS. THE TECHNICAL SKILLS AND ORGANIZATION NEEDED TO PRODUCE AND MARKET MILLIONS OF TONS OF GRAIN AND OILSEEDS AND THEIR PRODUCTS WITH LOW PER UNIT PROFIT MARGINS REQUIRE THE HIGHEST TYPE OF MANAGEMENT BUTTRESSED BY THE NEW TECHNOLOGY. I KNOW THAT THIS CAN BE DONE BY PRIVATE ENTERPRISE AT LESS SOCIAL COST AND MORE EFFICIENTLY THAN BY GOVERNMENT.

-7-

IN THINKING ABOUT THIS INDUSTRY AND ITS ASSOCIATION  
IN ITS BARGEST SENSE, I MUST CONCLUDE THAT YOU ARE PROVIDING  
EFFECTIVE LEADERSHIP IN THE CREATION OF AN EFFICIENT AND  
PRODUCTIVE AGRIBUSINESS SO BASIC TO THE SECURITY AND  
STRENGTH OF THIS NATION -- AND TO THE FREE WORLD.

THIS LAND IS BLESSED AMONG ALL OTHERS -- AND YOU HELP  
TO MAKE IT SO.

HERE THERE HAS BEEN DEVELOPED THE MOST EFFICIENT GRAIN  
AND OILSEED MARKETING INDUSTRY IN ALL HISTORY -- AND YOU  
HELP TO MAKE IT SO.

DESPITE HIGHER PRICES, THE AMERICAN CONSUMER IS NOW  
ENJOYING FOOD AT THE LOWEST COST OF ANY PEOPLE IN THE WORLD  
IN TERMS OF HUMAN EFFORT EXPENDED AND YOU HELP TO MAKE IT SO.

-8-

THE MIRACLE OF AMERICAN AGRIBUSINESS EFFICIENCY IS LEAVING ITS IMPRINT IN EVERY AREA OF THE WORLD -- AND YOU HELP TO MAKE IT SO.

U.S. GRAIN AND OILSEEDS ARE NOW MAJOR DOLLAR EXPORT EARNERS -- AND YOU HELP TO MAKE IT SO. YOU HELPED TURN THE BALANCE OF PAYMENTS TIDE IN OUR FAVOR IN 1973.

MARKETING AMERICAN'S ABUNDANCE

THE ABILITY TO MARKET INCREASING ABUNDANCE IS A VALUABLE ASSET OF STRENGTH IN THE WORLD TODAY.

WITHOUT THAT ASSET, OUR ENTIRE ECONOMY WOULD BE CRIPPLED.

WITHOUT THAT ASSET, WE COULD NOT HAVE MOVED TREMENDOUS QUANTITIES OF FOOD UNDER THE FOOD FOR PEACE PROGRAM TO HELP THE ECONOMIES OF MANY LESS DEVELOPED NATIONS.



LET NO ONE DOWNGRADE THE CONTRIBUTION OF AGRIBUSINESS  
TO OUR NATIONAL STRENGTH AND TO OUR ABILITY TO IMPLEMENT  
FOREIGN POLICY DECISIONS.

FOR, I HAVE ITEMIZED ONLY A PARTIAL LIST OF AGRIBUSINESS'  
CONTRIBUTIONS TO OUR NATIONAL WELL BEING.

OPEN SOCIETY

THE AMERICAN WAR FOR INDEPENDENCE PRODUCED THE WORLD'S  
FIRST SOCIETY TRULY OPEN TO THE FULFILLMENT OF ITS PEOPLE'S  
POTENTIAL. AND IN SO DOING, IT RELEASED THE EXTRAORDINARILY  
CREATIVE GENIUS OF THE AMERICAN PEOPLE, FREED IT TO EXPLORE  
EVERY CHANNEL OF INNOVATION IN THEIR POLITICAL, SOCIAL  
AND ECONOMIC ORDER.

-10-

FULFILLING THE AMERICAN REVOLUTION

TODAY, WE ARE STILL CARRYING FORWARD THE UNFINISHED BUSINESS OF THAT REVOLUTION; WE ARE STILL SEARCHING OUT NEW WAYS TO ENLARGE THE AMERICAN DREAM OF A SOCIETY FULLY OPEN TO THE FULL POTENTIAL.

THE FRONTIERS OF OPPORTUNITY, OF KNOWLEDGE, OF HEALTH, OF SOCIAL JUSTICE AND ECONOMIC AND POLITICAL PROGRESS IN OUR LAND ARE STILL BEING EXPANDED.

CERTAINLY IF ONE COMPARES THE ACHIEVEMENTS OF OUR SYSTEM WITH THAT OF OTHERS, WE CAN TAKE GREAT PRIDE IN OUR ACCOMPLISHMENTS AND IN OUR DETERMINATION FOR EVEN GREATER IMPROVEMENT IN THE FUTURE. OUR FARM PEOPLE HAVE BEEN IN THE FRONTRANKS OF THESE GREAT ACHIEVEMENTS. THEY ARE

-11-

STILL THERE. WE CAN COUNT ON THEM. AS A MATTER OF FACT,  
MANY OF OUR NATIONAL POLICIES REST ON THE ASSUMPTION OF  
THE CONTINUING MIRACLE CALLED AGRICULTURAL ABUNDANCE AND  
ITS COUNTERPART, INCREASINGLY EFFICIENT AGRIBUSINESS.

AGRICULTURE FILLS KEY ROLE

AND IN A REAL SENSE WE NEED TO UNDERSTAND THAT  
AGRICULTURE IS IN THE FOREFRONT OF THE STRUGGLE FOR A  
BETTER WORLD. AND YOU GRAIN AND FEED DEALERS ARE HELPING  
TO MAKE THIS POSSIBLE.

MAKING THIS NATION SAFE FOR DEMOCRACY IS THE ESSENTIAL  
GOAL OF OUR FOREIGN POLICY. THE NEED TO CONTINUALLY STRUGGLE  
FOR THAT GOAL UNDERLIES OUR FACING UP TO OUR FUNDAMENTAL

-12-

OBLIGATIONS -- OBLIGATIONS WE REALLY OWE TO OURSELVES. WE CANNOT STAND ASIDE FROM THE TREMORS OF INTERNATIONAL DISTURBANCES WHEN WE KNOW THAT ANY DISTURBANCE IN THE GENERAL BALANCE OF POWER WILL OF NECESSITY AFFECT US. WE ARE JUST TOO IMPORTANT IN THE LIFE OF THE WORLD TO STAND ASIDE.

MAXIMIZING FARM FREEDOM

OUR AGRICULTURE HAS MOVED AWAY FROM TIGHT ACREAGE ALLOTMENT AND MARKETING QUOTA PROGRAMS THAT HAD RESTRICTED PRODUCTION FOR A GENERATION. IT NOW LOOKS OUTWARD INSTEAD OF INWARD, AND PRODUCERS CAN REACH COMPETITIVELY TOWARD THE GROWING WORLD MARKETS. MOST IMPORTANTLY, IT WAS A

-13-

BASIC FACTOR IN THE REESTABLISHMENT OF PEACEFUL TRADE RELATIONSHIPS WITH THE SOVIET UNION AND THE PEOPLES REPUBLIC OF CHINA. THE WORLD RECOGNIZES THE U.S. AS THE GREATEST AND MOST RELIABLE SOURCE OF FOOD AND FIBER.

UNDER THIS PROGRESSIVE LEGISLATION, WE HAVE SEEN NET FARM INCOME RISE ~~TO~~ \$26 BILLION IN 1973 -- AN UNHEARD OF LEVEL AS WE LOOK BACK IN RETROSPECT. INCREASED RETURNS FOR WHEAT, FEED GRAINS AND SOYBEANS WERE MAJOR CONTRIBUTORS TO THIS RECORD INCOME LEVEL. SINCE FARMERS HAVE MORE FREEDOM IN MAKING THEIR FARM DECISIONS, THEY CAN RESPOND QUICKLY TO THE DEMAND-PULL OF DOMESTIC AND EXPORT MARKETS. THUS, INDIVIDUAL NET PROFITS ARE MAXIMIZED AND THIS DETERMINES HOW MUCH OF WHICH CROP PRODUCERS GROW.



-14-

## INTERNATIONAL COMPETITION

AGRICULTURE MADE A SPECTACULAR CONTRIBUTION TO OUR 1973 PICTURE AS THE U.S. ACHIEVED ITS FIRST FAVORABLE TRADE BALANCE SINCE 1970. THIS STRENGTHENED THE DOLLAR. OUR INTERNATIONAL TRADE POSITION WAS ENHANCED WITH INCREASED ABILITY TO PAY FOR MUCH NEEDED OIL AND CONSUMER GOODS.

UNDER RIGID RESTRICTIVE PROGRAMS THAT HELD DOWN PRODUCTION, FARMERS COULD NEVER HAVE MET THE EXPANDED NEEDS OF U.S. CONSUMERS AND THE DEMANDS POURING IN FROM OVERSEAS MARKETS. UNDER THE NEW PHILOSOPHY OF A FARM PROGRAM KEYED TO THE MARKETPLACE, U.S. FARMERS CAN ASSUME A SOLID POSTURE AS RELIABLE SUPPLIERS OF FARM COMMODITIES COMPETING IN THE OPEN MARKET WITH PRODUCERS FROM OTHER NATIONS. EVEN NOW, BOTH

-15-

DOMESTIC AND FOREIGN BUYERS ARE BIDDING AGAINST EACH OTHER FOR THESE COMMODITIES.

STORAGE COST DOWN

SINCE GOVERNMENT GRAIN AND OILSEED INVENTORIES ARE VIRTUALLY AT ZERO FOR THE FIRST TIME SINCE THE END OF WORD WAR II, GOVERNMENT STORAGE AND HANDLING COST HAVE BEEN REDUCED TO NEGLIGIBLE AMOUNTS. FARMERS ARE DERIVING PRACTICALLY ALL OF THEIR INCOME FROM THE MARKET. IN FISCAL 1973, PAYMENTS TO FARMERS AMOUNTED TO \$3.9 BILLION. BY FISCAL 1975, THEY WILL BE LESS THAN A HALF BILLION -- CHIEFLY FOR CONSERVATION COST-SHARING, SUGAR AND WOOL THE SHIFT TO MARKET INCOME IS WELCOMED BY FARMER AND TAXPAYER ALIKE. REALIZED NET FARM INCOME IS AT AN ALL TIME PEAK.

-16-

WE HAVE SEEN MILLIONS OF ACREAGES SHIFT AMONG THE VARIOUS CROPS AS FARMERS WERE ABLE TO IGNORE PLANTING PATTERNS BASED ON ANCIENT ACREAGE HISTORY AND PLANT THE BEST CROPS FOR THEIR PARTICULAR OPERATIONS. THIS FOSTERED MORE EFFICIENT AND PROFITABLE FARMING AND NOT UNBALANCED PRODUCTION AS SOME HAD FEARED.

MAJOR IMPACT ON POLICY CHANGE

THE MAJOR DIRECT IMPLICATIONS OF THIS BASIC CHANGE IN FARM POLICY ON GRAIN AND FEED DEALERS ARE:

(1) THE INCREASED PRODUCTION OF GRAINS AND OILSEEDS LEADS INEVITABLY TO GREATER MARKETING FUNCTIONS AND TURNOVER HAS INCREASED SHARPLY. BASED ON THE JANUARY 1974 INTENTIONS REPORT, IT NOW APPEARS THAT YOU WILL NEED TO MOVE AT LEAST

-17-

15 PERCENT MORE TONNAGE IN THE 1974-75 MARKETING YEAR. IN VIEW OF THE MANY DIFFICULTIES IN MOVEMENT OF COMMODITIES WHICH YOU ARE CURRENTLY FACING, THESE UPCOMING PROBLEMS WILL CREATE MANY STRAINS. I HOPE THAT PART OF THIS CON\_ VENTION WILL BE DEVOTED TO A DISCUSSION OF MEANS OF OVERCOMING THE PROBLEM AREAS. IF YOUR GOVERNMENT CAN BE OF HELP, PLEASE LET THE APPROPRIATE AGENCIES, INCLUDING YOUR ELECTED REPRESENTATIVES KNOW. HOWEVER, IT WILL NOT ALL BE SOLVED BY GOVERNMENT.

(2) YOUR INCOME FROM LONG TERM STORAGE UNDER THE UNIFORM GRAIN STORAGE AGREEMENT WILL BE DOWN.

(3) WITH FLUCTUATING MARKETS CONSIDERABLY ABOVE LOAN LEVELS, FARMERS AND OTHERS ARE TAKING GREAT RISKS IN HOLDING COMMODITIES UNHEDGED IN THE FUTURES MARKET OR UNSOLD FOR

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-18-

FUTURE DELIVERY. THERE IS A MUTUALITY OF INTEREST IN THE PROBLEMS ASSOCIATED WITH TIMELY MARKETING BETWEEN THE PRODUCER AND THE ELEVATOR. IS THERE NOT A GREAT COMPETITIVE OPPORTUNITY IN PROVIDING FARMERS WITH THE BEST MARKETING ADVICE? I KNOW THAT THIS IS A REAL CHALLENGE, BUT ONE WORTHY OF THE BEST LONG TERM INTERESTS OF THIS INDUSTRY. MORE THAN 200 YEARS AGO A FAMOUS STATESMAN SAID:

"WE ARE NOT WEAK IF WE MAKE A PROPER USE OF THOSE MEANS WHICH THE GOD OF NATURE HAS PLACED IN OUR POWER."

PATRICK HENRY UTTERED THOSE WORDS WHEN THE UNITED STATES OF AMERICA WAS BUT A DREAM. IN THE TWO CENTURIES SINCE, WE HAVE SEEN THAT DREAM COME TRUE, FAR BEYOND HIS GREATEST EXPECTATIONS.



-19-

MAKING THE DREAM A REALITY

HIS WORDS ARE ESPECIALLY APPLICABLE TO THOSE WHO THROUGH THE YEARS HAVE MADE THE AGRICULTURAL COMMUNITY OF THIS NATION A GREAT ECONOMIC FORCE.

DAY IN AND DAY OUT, YOU WHO COMPRISE THE NATIONAL GRAIN AND FEED ASSOCIATION ARE EXEMPLIFYING THE TRUTH OF WHAT PATRICK HENRY SAID.

YOU ARE MAKING THE GREAT AMERICAN DREAM A REALITY BY MAKING USE OF THOSE MEANS WHICH THE GOD OF NATURE HAS PUT IN YOUR POWER. FROM THE EARTH'S PRODUCE OF A YEARLY RENEW-ABLE SUPPLY OF THE NATION'S REAL WEALTH -- GRAINS AND OILSEEDS --YOU MERCHANDISE THEM INTO THOSE PLACES WHERE THEY BECOME VALUABLE CONSUMER AND INDUSTRIAL GOODS,

VERTICAL

-20-

ENRICHING THE LIVES OF COUNTLESS PEOPLE IN THIS NATION  
AND THE WORLD.

IN SO DOING, YOU FORM AN INTEGRAL PART OF AMERICA'S  
FOREMOST INDUSTRY, ONE THAT MAKES THE GREAT AMERICAN  
DREAM A LIVING REALITY THROUGH THE MIRACLE OF FOOD --  
OUR MATCHLESS ABILITY TO PRODUCE AND MARKET MORE THAN  
ENOUGH FOOD TO KEEP OUR POPULATION ALIVE, HEALTHY, AND  
PRODUCTIVE.

-30-

ENRICHING THE LIVES OF COUNTLESS PEOPLE IN THIS NATION

AND THE WORLD.

IN SO DOING, YOU FORM AN INTEGRAL PART OF AMERICA'S

FOREMOST INDUSTRY, ONE THAT MAKES THE GREAT AMERICAN

DREAM A LIVING REALITY THROUGH THE MIRACLE OF FOOD --

OUR UNMATCHED ABILITY TO PRODUCE AND MARKET MORE THAN

ENOUGH FOOD TO KEEP OUR POPULATION ALIVE, HEALTHY, AND

PRODUCTIVE.

$$\begin{array}{r} 375 \\ 37.5 \\ \hline 337.5 \end{array}$$