

REMARKS OF SENATOR BOB DOLE

47<sup>TH</sup> ANNUAL INTERNATIONAL TECHNICAL CONFERENCE  
GRAIN ELEVATOR AND PROCESSING SOCIETY

CROWN CENTER HOTEL  
KANSAS CITY, MISSOURI

THURSDAY, MARCH 4, 1976

IN THIS, OUR BICENTENNIAL YEAR, I WAS MOST GRATEFUL FOR THIS INVITATION TO MEET WITH THE GRAIN ELEVATOR AND PROCESSING SOCIETY. IT IS AN OPPORTUNITY TO RENEW OLD FRIENDSHIPS, AND BEST OF ALL, TO DISCUSS WITH YOU MEN AND WOMEN, WHO ARE SERVING THE NATION SO WELL, SOME CONCEPTS WHICH MUST BE CONSIDERED FUNDAMENTAL IF THE AMERICAN DREAM IS TO SURVIVE.

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## FREEDOM AND FREE ENTERPRISE

THE AMERICAN WAR FOR INDEPENDENCE PRODUCED THE WORLD'S FIRST SOCIETY TRULY OPEN TO THE FULFILLMENT OF ALL 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. FREEDOM IS THE KEY WORD.

TODAY, WE ARE STILL CARRYING OUT NEW WAYS TO ENLARGE THE AMERICAN DREAM AND TO KEEP IT SAFE FOR ALL OF US AND FOR ALL WHO WILL FOLLOW US.

THE AMERICAN IDEAL OF FREEDOM IS A COMPREHENSIVE ONE -- AND IT INCLUDES THE ECONOMIC FREEDOM WHICH WE CALL FREE ENTERPRISE. FREEDOM, LIKE THE NATION ITSELF, IS INDIVISIBLE. THE LOSS OR LESSENING OF ECONOMIC FREEDOM ALWAYS THREATENS TO DIMINISH OTHER FREEDOMS AS WELL.

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1 IN A SOCIETY WHICH CALLS ITSELF FREE, THERE IS NO PLACE FOR AN ECONOMIC SYSTEM WHICH IS NOT. FREE ENTERPRISE IS NOT JUST A CONVENIENT SYSTEM WHICH CAN BE DISCARDED AT WILL. IT IS AN ESSENTIAL PART OF WHAT WE USED TO TAKE PRIDE IN CALLING THE AMERICAN WAY. AND AS SUCH, IN SPITE OF ITS CURRENT CRITICS, IT NEEDS NO APOLOGY, AND I WILL OFFER NONE,

1 INCENTIVE TO PRODUCE

FREE ENTERPRISE HAS PUT YOU IN THE FOREFRONT OF A GLOBAL EFFORT TO IMPROVE LIVING STANDARDS. IT HAS PLACED YOU AS A LINK BETWEEN THE PRODUCER AND THE ULTIMATE CONSUMER, FROM WHERE, IN A REAL SENSE, YOU SERVE ALL SOCIETY. AND THE MAGIC OF THE SYSTEM IS THAT IT HAS MADE IT IN YOUR OWN SELF-INTEREST TO DO SO.

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WHAT IS TRUE OF OUR SYSTEM AS A GENERAL RULE, IS  
DRAMATICALLY AND VISIBLY TRUE AS IT APPLIES TO THE  
SPECIFIC CASE OF AGRICULTURE, AMERICAN FARMERS -- FREE  
FARMERS -- ARE THE WORLD'S MOST PRODUCTIVE. THEY WILL  
STAY PRODUCTIVE IF WE CAN KEEP THEM FREE.

#### AGRICULTURE PRODUCTION AND THE CONSUMER

I THINK IT IS TIME THAT ALL THE AMERICAN PEOPLE,  
PARTICULARLY IN THE GREAT METROPOLITAN CENTERS, RECOGNIZE  
THE CONTRIBUTION THAT AMERICAN AGRICULTURE HAS MADE, NOT  
ONLY TO THIS NATION, BUT TO ALL THE WORLD AS WELL. TOO  
LONG, TOO MANY OF US HAVE TAKEN THIS MIRACLE OF AMERICA'S  
AGRICULTURAL PRODUCTIVITY FOR GRANTED.

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THERE HAVE BEEN GREAT RECENT TECHNOLOGICAL ADVANCES IN AGRICULTURE, WHICH THE AMERICAN FARMER -- LIKE NO OTHER -- HAS BEEN FREE TO EXPLOIT. THE RESULT HAS BEEN A PRODUCTIVITY BOOM WHICH ENABLES THE AMERICAN CONSUMER, NOT ONLY TO HAVE THE WORLD'S BEST FOOD, BUT ALSO TO BUY IT WITH A SMALLER PERCENTAGE OF HIS EARNED INCOME THAN ANY OTHER CONSUMER IN THE WORLD.

#### FREEDOM FROM OVER-REGULATION

WE MUST NOT INTERFERE UNDULY WITH THE SYSTEM THAT MAKES OUR ABUNDANT FOOD SUPPLY POSSIBLE, AND MUST NOT INTEREFERE THEREFORE, WITH A SYSTEM THAT CAN FAIRLY BENEFIT THE FARMERS WHO PRODUCE IT.

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THE SENATE AGRICULTURE COMMITTEE, UNDER CHAIRMAN TALMADGE, AND OF WHICH I AM RANKING MINORITY MEMBER, KNOWS THAT IT IS IMPORTANT TO PROVIDE JUSTICE TO OUR FARM PEOPLE -- A NUMERICALLY AND PROPORTIONATELY SHRINKING GROUP, AND THAT WE MUST APPROACH FARM PROBLEMS AND RELATED MATTERS IN A CONSTRUCTIVE BIPARTISAN SPIRIT. WE DO THIS AS A MATTER OF SIMPLE EQUITY. ALSO, WE DO THIS BECAUSE WE KNOW THERE ARE SO MANY IN OUR SOCIETY WHO ARE PRIMARILY DEPENDENT UPON THE PRODUCERS OF FOOD AND FIBER -- OUR BASIC STRENGTH.

#### APPRECIATING FARM PROBLEMS

ALL AMERICANS NEED TO KNOW MORE ABOUT THE CONTRIBUTION AGRICULTURE MAKES TO OUR ECONOMY -- AND I INTEND TO TELL THEM ABOUT IT. ALL AMERICANS NEED TO KNOW MORE ABOUT HOW MUCH THE REST OF THE ECONOMY DEPENDS ON THOSE INCOMPARABLE PRODUCERS WHO WREST RECORD CROPS FROM THE EARTH. THEY

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ARE THE SAME MEN AND WOMEN WHO DAILY SEARCH THE SKY FOR SIGNS OF RAIN IN THEIR CONCERNS REGARDING DROUGHT, TAKE THE RISKS OF HAIL DAMAGE, EARLY FROST AND SOMETIMES FLOODS. THEY TELL ME BY EVERY COMMUNICATION MEDIA, DO NOT LET THE GOVERNMENT TAKE AWAY FROM US, BY SOME CAPRICIOUS ACTION, THE OPPORTUNITIES THAT THE FREE MARKET OFFERS US.

#### REWARDING HARD WORK

IF AMERICAN AGRICULTURE IS TO MAXIMIZE ITS PRODUCTION AND THEREBY ITS CONTRIBUTION TO THE ECONOMY, IT MUST HAVE THE FREEDOM TO PRODUCE, BUTTRESSED BY THE INCENTIVE SYSTEM. THIS IS ONLY POSSIBLE UNDER THE FREE MARKET APPROACH. PRODUCTION OF WHEAT RESPONDED TO EXPORT DEMAND BECAUSE OUR WHEAT GROWERS HAD THE SHACKLES OF CONTROL REMOVED, AND UNDER THE INCENTIVE OF PRICE, PRODUCED AT THEIR CAPACITY. ALL OVER THE WORLD, THERE

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ARE GOVERNMENTAL LEADERS WHO ENVY OUR PRODUCTION MIRACLE,  
UNFORTUNATELY, MANY FAIL TO UNDERSTAND HOW IT HAPPENS,  
AND THIS ENVY TOO OFTEN TURNS TO RESENTMENT. BUT OUR  
AGRICULTURAL ABUNDANCE ISN'T JUST "THERE," RIPE FOR THE  
PICKING. WHAT MANY OF THESE FOREIGN LEADERS FAIL TO  
UNDERSTAND -- AND WHAT, UNFORTUNATELY, MANY AMERICANS  
FAIL TO APPRECIATE -- IS THAT WE DON'T JUST HAVE A LOT,  
WE PRODUCE A LOT.

WE AREN'T JUST WEALTHY BECAUSE WE ARE WEALTHY.  
WE ARE PROSPEROUS BECAUSE, ONE -- WE WORK HARD; AND TWO --  
WE HAVE A SYSTEM THAT REWARDS HARD WORK.



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NOW LET US SEE TO WHAT EXTENT FOOD-SHORT NATIONS AGGRAVATE THEIR SUPPLY PROBLEMS BY CHOOSING THE WRONG GOVERNMENT POLICIES AND PROGRAMS -- ESTABLISHING THE WRONG SYSTEM -- THAT CREATES DISINCENTIVES TO AGRICULTURAL PRODUCTION. TO HELP ANSWER THIS QUESTION, THE U. S. DEPARTMENT OF AGRICULTURE RECENTLY STUDIED MORE THAN 50 COUNTRIES FOR THE PURPOSE OF IDENTIFYING THE TYPE AND DEGREE OF EXISTING DISINCENTIVES,

#### POLICIES THAT DISCOURAGE PRODUCTION

FORTY-SIX OF THE COUNTRIES SURVEYED HAVE POLICIES THAT DIRECTLY OR INDIRECTLY DISCOURAGE DOMESTIC PRODUCTION. AMONG THE DISINCENTIVES REVEALED BY THE SURVEY ARE POLICIES WHICH:

1. CONTROL THE SELLING PRICE OF THE PRODUCERS;
2. CONTROL THE RETAIL PRICE TO THE CONSUMER,
3. FOSTER NON-COMPETITIVE BUYING;
4. RELY HEAVILY ON EXPORT CONTROLS, EITHER DIRECTLY, BY QUOTAS, OR;
5. THROUGH RELIANCE ON EXPORT TAXES, OR BOTH;

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6. IMPORT FOR SALE AT SUBSIDIZED PRICES;
7. CONTROL EXCHANGE RATES;
8. RESTRICT CREDIT, LAND TENURE, AND FARM SIZE;
9. RESTRICT DOMESTIC MOVEMENT OF AGRICULTURAL PRODUCTS, AS FROM ONE DISTRICT TO ANOTHER.

IT IS, IN MY VIEW, NO ACCIDENT THAT THE LIST OF COUNTRIES WHICH PRACTICE SUCH POLICIES IS SIMILAR, IF NOT IDENTICAL, TO A LIST OF COUNTRIES WITH LOW LIVING STANDARDS, LOW NUTRITIONAL LEVELS, AND LOW EXPECTATIONS ABOUT CHANCES FOR SELF-IMPROVEMENT.

#### POLICIES WHICH ENCOURAGE PRODUCTION

AND I AM AGAINST ADOPTION OF ANY POLICIES THAT MAY LEAD US IN THE WRONG DIRECTION THAT THESE 46 COUNTRIES HAVE PURSUED. RATHER THAN OURSELVES EMULATING THEIR FAILURES, WE OUGHT TO BE ENCOURAGING THEM TO COPY OUR SUCCESSES. LET ME TELL YOU IN PLAIN LANGUAGE WHAT I'M FOR AND WHAT I'M AGAINST.

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AGRICULTURE DEPARTMENT CONTROL OF AGRICULTURE POLICY

I AM OPPOSED TO THE DEPARTMENT OF STATE'S INTERFERENCE, BY VARIOUS DEVICES, IN THE MARKETING OF AGRICULTURAL COMMODITIES. THAT DEPARTMENT DOES NOT, AND CANNOT, UNDERSTAND EITHER THE SHORT OR LONG TERM RAMIFICATIONS OF ITS UNINFORMED INTERVENTION IN COMMODITY MARKETS AND PRODUCTION.

GOVERNMENT-HELD GRAIN RESERVES

I AM OPPOSED TO GOVERNMENT-HELD FOOD RESERVES BECAUSE THEY ARE COSTLY, SIMPLISTIC AND COUNTERPRODUCTIVE. ALMOST ALL OF THE THEORETICAL WRITING ON THIS SUBJECT HAS COME FROM NON-FREE MARKET-ORIENTED ACADEMICIANS. THE NEXT TIME YOU HEAR SUCH PROPOSALS, ASK HOW THE RESERVES ARE TO BE ACQUIRED, AND AT WHAT PRICE LEVEL. ASK HOW A SURPLUS IS TO BE PRODUCED WHEN PRICES DECLINE AND THE FARMERS' ECONOMIC VIABILITY DECLINES ALONG WITH THEM. ASK FOR DETAILS.

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### INTERNATIONAL COMMODITY AGREEMENT

I AM OPPOSED TO INTERNATIONAL COMMODITY AGREEMENTS WITH ARBITRARILY ESTABLISHED MAXIMUM AND MINIMUM PRICES. I AM IN FAVOR OF MORE INTERNATIONALLY-PRODUCED INFORMATION PREPARED AND RELEASED IN A TIMELY WAY, SO THAT FREE MARKETS -- AND FREE FARMERS -- CAN RESPOND TO THEM -- AND PERHAPS EVEN MAKE A PROFIT -- WHICH IS ANOTHER THING I AM FOR.

### QUALITY EXPORTS

I STRONGLY BELIEVE THAT, IN VIEW OF THE AMERICAN FARMERS' CAPACITY TO PRODUCE IN EXCESS OF DOMESTIC DEMAND, WE MUST EXPORT IN GREAT VOLUME, ASSOCIATED WITH THE SIGNIFICANCE OF THE EXPORTS IS THE NEED TO MAINTAIN THE QUALITY OF THE EXPORTS AT THE HIGHEST POSSIBLE LEVEL CONSISTENT WITH THE CONTRACTUAL OBLIGATION. THE CONGRESS WILL PRODUCE LEGISLATION TO IMPROVE THE INTEGRITY OF OUR GRAIN INSPECTION SYSTEM IN THE NEAR FUTURE. AND THAT, TOO, IS SOMETHING I FAVOR.

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MUCH OF MAN'S PROGRESS HAS BEEN MEASURED IN TERMS OF TRADE. IT WAS TRADE, PRIMARILY, WHICH SENT MARCO POLO, COLUMBUS, MAGELLAN, DRAKE, AND OTHER EXPLORERS ON VOYAGES WHICH BROADENED THE HORIZONS OF THE WORLD. TRADE OVER THE AGES HAS PROVIDED CONTACTS ENRICHING OUR KNOWLEDGE AND CULTURE. TODAY, TRADE IS A VITAL COMPONENT IN THE PROSPERITY OF THE UNITED STATES. IF TRADE GOES ALONG WITH ECONOMIC PROGRESS -- AND IT DOES, IN MY VIEW -- ANYTHING THAT, IN THE LONG RUN, HAMPERS TRADE IS DETRIMENTAL TO LONG-TERM ECONOMIC PROGRESS.

THERE IS AN ABSOLUTE NECESSITY THAT THE ONGOING TRADE NEGOTIATIONS PRODUCE RESULTS FOR AGRICULTURE TO EXPAND OUR OPPORTUNITIES TO EXPORT.

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FOOD FOR PEACE

ASSOCIATED WITH COMMERCIAL EXPORTS IS A PROGRAM WHICH IS UNIQUELY ROOTED IN AMERICA'S COMPASSION AND CONCERN FOR THE LESS FORTUNATE OF THE WORLD. I AM REFERRING TO THE FOOD FOR PEACE PROGRAM -- PUBLIC LAW 480. WHEN THE HISTORY OF THE TWENTIETH CENTURY IS WRITTEN, THE DEVELOPMENT AND IMPLEMENTATION OF THE FOOD FOR PEACE PROGRAM WILL BE LOOKED UPON AS ONE OF THE MOST CONSTRUCTIVE STEPS EVER TAKEN BY ANY NATION. THIS EXPRESSION OF AMERICA'S COMPASSION IS A TRUE MILESTONE IN MAN'S CONCERN FOR HIS FELLOW MAN. IT IS MAKING LIFE BETTER AND MORE ABUNDANT FOR MILLIONS OF FELLOW HUMAN BEINGS.

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I HAVE BEEN EXAMINING THE ADMINISTRATION OF THE PROGRAMS AND SOME OF THE AMENDMENTS WHICH THE CONGRESS HAS IMPOSED. AFTER CAREFUL SOUL-SEARCHING, I HAVE NOW COME TO THE CONCLUSION THAT THE REQUIREMENT THAT SPECIFIED PERCENTAGES OF SALES UNDER THIS PROGRAM GO TO CERTAIN COUNTRIES, BASED ON INCOME AND OTHER RESTRICTIONS, IS MAKING THE PROGRAM UNWIELDY AND HARMING THE STATED OBJECTIVES. THEY ARE ALSO CAUSING UNNECESSARY DELAYS IN COMMODITY MOVEMENTS, TO THE DETRIMENT OF FARMERS.

#### INTERNATIONAL FINANCING AGREEMENTS

IN A MORE SPECIFIC CASE, WE MUST ELIMINATE U.S. SUPPORT FOR INTERNATIONAL FINANCING ARRANGEMENTS THAT SUBSIDIZE THE PRODUCTION OF OILSEEDS AND OTHER OIL-BEARING CROPS EXPORTED IN COMPETITION WITH U.S. OILSEED CROPS -- AS HAS BEEN DONE FOR PALM OIL.

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AGRICULTURE AND POLITICS

TO MOVE INTO ANOTHER AREA OF CONCERN ALTOGETHER,  
I AM DISTURBED TO READ THAT, IN THIS 200TH YEAR OF OUR  
LIFE AS A REPUBLIC, MANY PEOPLE APPARENTLY HAVE CONCLUDED  
THAT IT REALLY DOES NOT MAKE ANY DIFFERENCE WHO THE  
PRESIDENT IS. AS ONE WHO HAS BEEN ELECTED BY THE PEOPLE  
OF THE GREAT STATE OF KANSAS TO HIGH OFFICE SEVERAL TIMES,  
I MUST ASK MYSELF WHAT CAN I CONTRIBUTE TO A RENEWAL OF  
FAITH IN THIS GREAT ONGOING REVOLUTION AND TO A FEELING  
THAT LEADERSHIP OF THIS GREAT NATION DOES MAKE A  
DIFFERENCE.



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THE PEOPLE MUST CHOOSE -- BOTH WISELY AND WELL. THEY MUST CHOOSE ON THE BASIS OF ISSUES WELL-PRESENTED AND WELL-UNDERSTOOD. THIS INVOLVES THE RIGHT OF THE PEOPLE TO ASK QUESTIONS OF OUR LEADERS, AND TO DEMAND SPECIFIC ANSWERS. THIS INVOLVES GETTING THE TRUTH TO THE PEOPLE; FOR TRUTH AND FREEDOM GO HAND-IN-HAND.

### CONTROLLING BUDGET DEFICITS

I THINK THAT THE AMERICAN PEOPLE ARE TIRED OF THE "QUICK FIXES" PAID FOR BY DEFICIT FINANCING AND BY INFLATION -- THE CRUELEST TAX OF ALL. THE AMERICAN PEOPLE ARE TIRED OF POLITICAL VOTES FOR UNECONOMICAL PROGRAMS WHICH CURRY FAVOR AT THE NEXT ELECTION, WITH THE BILLS TO BE PAID FOR BEGINNING IN THE ODD NUMBERED AND SUBSEQUENT YEARS. DO YOU REALIZE THAT, IN THIS CONGRESS ALONE, PRESIDENT FORD HAS VETOED PROPOSED APPROPRIATIONS AMOUNTING TO A MINIMUM OF \$9.7 BILLION.

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WITNESS GEORGE WASHINGTON'S ADVICE IN HIS  
FAREWELL ADDRESS:

"AS A VERY IMPORTANT SOURCE OF STRENGTH AND SECURITY, CHERISH PUBLIC CREDIT, ONE METHOD OF PRESERVING IT IS TO USE IT AS SPARINGLY AS POSSIBLE, AVOIDING OCCASIONS OF EXPENSE BY CULTIVATING PEACE, BUT REMEMBERING, ALSO, THAT TIMELY DISBURSEMENTS, TO PREPARE FOR DANGER, FREQUENTLY PREVENT MUCH GREATER DISBURSEMENTS TO REPEL IT; AVOIDING LIKEWISE THE ACCUMULATION OF DEBT, NOT ONLY BY SHUNNING OCCASIONS OF EXPENSE, BUT BY VIGOROUS EXERTIONS, IN TIME OF PEACE, TO DISCHARGE THE DEBTS WHICH UNAVOIDABLE WARS MAY HAVE OCCASIONED, NOT UNGENEROUSLY THROWING UPON POSTERITY THE BURDEN WHICH WE OURSELVES OUGHT TO BEAR, THE EXECUTION OF THESE MAXIMS BELONGS TO YOUR REPRESENTATIVES, BUT IT

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IS NECESSARY THAT PUBLIC OPINION SHOULD COOPERATE. TO FACILITATE TO THEM THE PERFORMANCE OF THEIR DUTY, IT IS ESSENTIAL THAT YOU SHOULD PRACTICALLY BEAR IN MIND, THAT TOWARDS THE PAYMENT OF DEBTS THERE MUST BE REVENUE; THAT TO HAVE REVENUE THERE MUST BE TAXES; THAT NO TAXES CAN BE DEvised WHICH ARE NOT MORE OR LESS INCONVENIENT AND UNPLEASANT; THAT THE INTRINSIC EMBARRASSMENT INSEPARABLE FROM THE SELECTION OF THE PROPER OBJECT (WHICH IS ALWAYS A CHOICE OF DIFFICULTIES), OUGHT TO BE A DECISIVE MOTIVE FOR A CANDID CONSTRUCTION OF THE CONDUCT OF THE GOVERNMENT MAKING IT, AND FOR A SPIRIT OF ACQUIESCENCE IN THE MEASURES FOR OBTAINING REVENUE, WHICH THE PUBLIC EXIGENCIES MAY AT ANY TIME DICTATE."

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GETTING INVOLVED

YOUR ELECTED REPRESENTATIVES IN THE CONGRESS AND THE PRESIDENT WANT TO HEAR YOUR RECOMMENDATIONS AND CRITICISMS. I URGE YOU TO KEEP UP WITH THE ISSUES AND TO SPEAK UP. YOUR COMMENTS ARE MORE EFFECTIVE BEFORE LEGISLATION IS APPROVED -- OR BEFORE A NEW REGULATION BECOMES EFFECTIVE.

OUR SYSTEM HAS WORKED REMARKABLY WELL FOR 200 YEARS. OUR GOVERNMENT WILL BE RESPONSIVE IN THE FUTURE, IF YOU ARE INFORMED AND STAY INVOLVED.

TAKE PART IN AMERICA'S FUTURE. THAT IS A PLEDGE YOU SHOULD MAKE TO YOURSELF IN THIS BICENTENNIAL YEAR.

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