



*Speak
Senator --
Jerry Hall is also
asking about this
Will you do it?*

*July 12
Tuesday
A.M.*

*Natl Press Club
Ballroom*

July 10-13, 1988 • J.W. Marriott Hotel at National Place • Washington, D.C.

April 21, 1988

The Honorable Robert Dole
141 Hart Senate Office Building
United States Senate
Washington D.C. 20510

Dear Senator Dole:

Every four years, five major agricultural communications organizations join forces for the U.S. Agricultural Communicators Congress. It is purposely scheduled during the Presidential election year to focus on agricultural policies and issues. Nearly 600 communicators attended our first congress in 1984. We expect an even larger group at the July 10-13, 1988 meeting.

No program for this unique group would be complete without a look ahead at the legislative outlook. On behalf of the program committee, we would like to invite you to make the keynote address at our Congressional Breakfast meeting July 12 at 7:30 a.m. This session will be held in the National Press Club Ballroom.

Speaking to the USACC reaches virtually every agricultural communications channel available. Many members of the five associations are working journalists for TV and radio stations, farm magazines, newspapers and newsletters. Others are public affairs specialists with agribusinesses, farm cooperatives, state universities or federal agencies.

We appreciated your appearance on the first day of the first congress in 1984. We sincerely hope you will accept this invitation to participate in what is sure to be another one-of-a-kind gathering of people whose business it is to communicate with farmers, ranchers and rural America.

Sincerely,

Patricia Peak Klintberg
Patricia Peak Klintberg
Washington Editor
Doane's Agricultural Report
Program Committee

Marcia Taylor
Marcia Taylor
Washington Editor
Farm Journal
Program Co-Chair

Paul Weller
Paul Weller
President
Agri-Washington
Steering Committee

Participating Sponsors:

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Agricultural Relations Council • Cooperative Communicators Association
National Association of Farm Broadcasters

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*8/09
Cedric
Mark
8:45
group leaves
at 9:00*

DROUGHT TALKING POINTS

AGRICULTURAL COMMUNICATORS CONGRESS

JULY 12, 1988

- 0 THE NUMBER ONE QUESTION TODAY IN FARM CIRCLES IS WHAT WILL THE ADMINISTRATION AND CONGRESS DO TO HELP FARMERS IMPACTED BY THE DROUGHT.

0 THE 1985 FARM BILL WAS ONE OF THE BEST BILLS
CONGRESS HAS EVER PASSED, BUT IT WAS
DESIGNED TO WORK IN A TIME OF SURPLUSES, NOT
DROUGHT-INDUCED SHORTAGES.

0 THE 1985 FARM BILL WAS WORKING -- EXPORTS,
PRICES, LAND VALUES AND NET FARM INCOME WERE
ALL HEADING THE RIGHT DIRECTION, UP, WHILE CCC
OUTLAYS WERE STARTING TO DECLINE.

0 HOWEVER, UNLESS CONGRESS AND THE
ADMINISTRATION ACT PROMPTLY AND RESPONSIBLY,
THE DROUGHT HAS THE POTENTIAL TO REVERSE THE
GAINS WE HAVE MADE IN AGRICULTURAL POLICY BY
UNDERMINING THE INCOME GAINS AND ADDED
STABILITY OF THE FARM SECTOR.

0 EVERY SECTOR WILL FEEL THE PINCH.

0 LIVESTOCK PRODUCERS -- ARE BEING HURT NOW

AND NEED IMMEDIATE ASSISTANCE FOR EMERGENCY

FEED AND WATER. LIVESTOCK LIQUIDATIONS ARE

CAUSING SHORT-TERM PRICE DECLINES.

0 DEFICIENCY PAYMENTS -- ARE FALLING

DRAMATICALLY FOR MANY PRODUCERS WHO TRIED
TO GROW A CROP. MANY PRODUCERS CAN'T REPAY
THEIR ADVANCE PAYMENTS AND FARMERS ARE
FACED WITH A SITUATION OF HIGHER PRICES BUT NO
CROP TO SELL.

0 DAIRY PRODUCERS -- ARE ALSO HURT BY HIGH FEED
COSTS AND WANT TO STOP THE POTENTIAL 50 CENT
PRICE CUT SCHEDULED THIS JANUARY IF NET CCC
PURCHASES EXCEED 5 BILLION POUNDS.

- 0 EXPORTS -- A FEW HAVE SUGGESTED
DISCONTINUING THE EXPORT ENHANCEMENT
PROGRAM (EEP), WHICH HAS MOVED 40 MILLION
METRIC TONS OF WHEAT AND HAS BEEN
RESPONSIBLE FOR \$5 BILLION IN SALES OF U.S.
AGRICULTURAL COMMODITIES SINCE 1985.
- 0 SECRETARY LYNG'S COMMITMENT TO MAINTAINING
EXPORT ENHANCEMENT PROGRAM IN FACE OF
EUROPEAN COMMUNITY COMPETITION IS
IMPORTANT.

0 ALSO, SECRETARY LYNG HAS REAFFIRMED THE
SO-CALLED "REAGAN DOCTRINE" TO AVOID ANY
EMBARGOS.

0 REGARDING EEP, WE CURRENTLY HAVE ENOUGH
WHEAT TO MEET DOMESTIC DEMAND THROUGH
CARRY-IN STOCKS ALONE, WITHOUT THE 1988
PRODUCTION. IN TOTAL, WE WILL HAVE MORE THAN
A 3 BILLION BUSHEL WHEAT SUPPLY TO MOVE THIS
YEAR EVEN WITH THE HEAVY LOSSES IN SPRING
WHEAT.

0 THE KEY IS TO ENSURE THAT BOTH THE PERCEPTION
AND REALITY OF U.S. FARM PROGRAMS DO NOT
APPEAR TO DISCRIMINATE AGAINST AMERICAN
FARMERS TO THE BENEFIT OF OUR WORLD TRADING
PARTNERS.

CONSUMER IMPACT

- 0 CONSUMERS ARE BECOMING ALARMED THAT THE WORST DROUGHT IN OVER 50 YEARS WILL RAISE FOOD COSTS. WE ARE TOLD THAT EVERY 1% INCREASE IN INFLATION ADDS \$50 TO THE GROCERY BILL.

- 0 EARLY ESTIMATES ARE THAT FOOD PRICES WILL RISE 2-5% THIS YEAR. IN THAT REGARD, THE DROUGHT WILL HELP REMIND ALL OF US THAT WE HAVE TRADITIONALLY HAD THE BEST FOOD BARGAIN IN THE WORLD.

0 ADMINISTRATION RESPONSE - I KNOW VICE

PRESIDENT BUSH SPOKE TO YOU YESTERDAY AND HE
HAS DONE A GOOD JOB BEING ON TOP OF THE
DROUGHT SITUATION.

0 SECRETARY LYNG HAS HANDLED THE SITUATION
WELL.

0 THE EMPHASIS ON MAINTAINING LIVESTOCK
FOUNDATION HERDS WILL KEEP INFLATION LOWER
AND PRESERVE NEXT YEAR'S FEED MARKETS.

0 PROGRAMS ANNOUNCED INCLUDE -- EMERGENCY
HAYING AND GRAZING, EMERGENCY FEED
PROGRAMS FOR LIVESTOCK, ADDITIONAL MEAT
PURCHASES UNDER SECTION 32 ARE GOING TO
HELP.

0 THE EARLY PRODUCTION LOSSES WILL BE
REFLECTED IN TODAY'S JULY 12 WORLD SUPPLY AND
DEMAND REPORT.

0 THE AUGUST 11 REPORT WILL BE MORE ACCURATE,
BUT CONGRESS WILL TRY TO PASS A BILL BY THEN.

0 CONSENSUS NEEDED -- SAID REPEATEDLY THAT ANY
CONGRESSIONAL RELIEF EFFORTS SHOULD BE
SPELLED "B-I-P-A-R-T-I-S-A-N". POLITICIANS SHOULD
NOT TRY TO BENEFIT FROM SOMEONE ELSE'S
MISERY.

0 BIPARTISAN BILL -- BEING INTRODUCED TODAY BY
TASK FORCE MEMBERS SHOULD BE A GOOD
PACKAGE. COMMITTEE MARKUP AND SENATE FLOOR
ACTION COULD BOTH OCCUR BY THURSDAY.

GENERAL DIRECTION

0 NEED TO FORGIVE ADVANCE DEFICIENCY PAYMENTS

NOT COVERED BY DISASTER PAYMENTS;

0 NEED TO TREAT PROGRAM AND NON-PROGRAM

CROP PRODUCERS EQUALLY BY PAYING ON THE

SAME PERCENTAGES OF LOSS

0 WILL NEED TO BE FISCALLY RESPONSIBLE;

0 CANNOT UNDERMINE THE FEDERAL CROP
INSURANCE PROGRAM.

0 THE AMOUNT OF HELP DEPENDS ON PROGRAM
SAVINGS. THE VICE PRESIDENT'S SUGGESTION OF
USING WHAT WE SAVE IN FARM PROGRAM SPENDING
SHOULD BE ADHERED TO.

0 THE MID-YEAR BUDGET REVIEW IS DUE OUT LATER
THIS MONTH (22 OR 23RD).
GRAMM-RUDMAN-HOLLINGS MAY REQUIRE A
PRO-RATE IN ASSISTANCE LEVELS.

SUMMARY

- 0 DROUGHT IS A TEMPORARY SET BACK FOR RURAL AMERICA. FUTURE OPPORTUNITIES MAY ACCRUE AS SURPLUSES ARE DRAWN DOWN.

- 0 NEED TO KEEP THE 1985 FARM BILL IN PLACE, MAINTAINING THE DIRECTION OF PRICE AND INCOME SUPPORTS AND AVOID SHORT-TERM ACTIONS THAT CAUSE LONG-TERM PROBLEMS, PARTICULARLY LOW INTEREST LOAN PROGRAMS.

- 0 GOVERNMENT SHOULD RESPOND IN A FISCALLY RESPONSIBLE MANNER AND NOT GET INTO A GAME OF ONEUPMANSHIP DURING AN ELECTION YEAR.
- 0 FOR LONG-TERM HEALTH, NEED TO KEEP EXPORTS MOVING AND KEEP BUILDING EXPORT MARKETS.
- 0 DROUGHT RELIEF SHOULD INCLUDE LIVESTOCK IMMEDIATELY AND NON-PROGRAM CROPS AS WELL AS PROGRAM CROPS AND BE FISCALLY RESPONSIBLE.

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