

# New Horizons for American Agriculture

Senator Humphrey, scheduled to be the annual ASA banquet speaker, did not appear. Here is the speech he planned to give.

By SENATOR  
HUBERT H. HUMPHREY  
Of Minnesota



**WE** IN MINNESOTA are proud to be hosts to this national convention, because soybean production is now a well established \$100 million crop to farmers in our state. In addition, the annual soybean crop in Minnesota is providing hundreds of thousands of man hours of employment in the marketing, transportation, and processing fields.



Perhaps nowhere has the rapid rise in soybean production been more graphically exemplified than right here in Minnesota, where soybean acreage has grown from 2,000 acres in 1934 to 2.8 million acres planted this year. In other words, the acreage devoted to soybeans in Minnesota has increased 1,400 times in 24 years!

Minnesota has now risen to be the second most important soybean producing state in the nation, second only to Illinois. Last year, we produced 12% of the total national output. And I want to serve notice on our friends in Illinois: We do not stand still in Minnesota! Our soybean producing area is still growing. Our increase in total soybean acreage has resulted from increases in both the number of producers growing soybeans, and the number of acres planted per farm. In 1934, only 4% of the Minnesota farmers planted soybeans. This grew to 10% in 1944, 20% by 1949, and approximately 40% by 1956. It will be higher this year and next. Already, soybeans provide \$1 out of every \$4 of cash income from the sale of crops in Minnesota.

It took courage and vision for you in the soybean producing and processing industry to keep your sights on the future, instead of retreating to standards of the past.

At a time when most spokesmen

for agriculture were talking about cutting back production, about adjusting backward from wartime peaks, about trimming our sails to prewar standards, you soybean producers proved you could not only hold your wartime gains—but could still move ahead. You did it by working together toward seeking out and capturing new markets. You did it by keeping your eyes on the lookout for new and broader horizons, instead of retreating to the past.

Of course, you had a unique commodity to work with—a commodity combining two of the world's greatest nutritional needs: edible oils and protein.

## Worldwide Markets

In a real sense, therefore, your markets are worldwide and expanding, limited only by your own imagination and enterprise in going after them—and by the living standards of the world.

If I have devoted considerable time to discussing your own commodity, it is primarily because your soybean industry is symbolic of the major points I want to make—points that concern all agriculture and the entire nation's attitude toward agriculture.

Your own growth is the result largely of response to the nation's needs in one period of emergency, and your future is closely interwoven with another emergency—the entire free world's struggle for survival.

Your destiny cannot be determined by you alone, in a period when survival of freedom in the world must transcend even the most pressing domestic problems.

Its destiny is linked inseparably with our struggle against the cunning, imperialistic forces of Communism threatening to engulf the world—and with the degree of recognition we receive as to the vital

importance of agriculture's role in that struggle.

You have had the vision and enterprise to seek new horizons for your markets rather than be satisfied with the past, and all agriculture needs to raise its sights to the broader concept of meeting the needs of the world in which we live, under conditions that exist in the world today.

But if agriculture itself needs to broaden its horizons, even more so is that need evident in the highest levels of our government.

The greatest hope for American agriculture today rests in building markets abroad, both for the present and for the future.

The greatest hope for strengthening the bonds linking our allies of the free world in an allout stand against the onward march of Communism is solidifying our economic and cultural ties.

These two objectives are too interlocked for either to be considered alone.

As a result, agriculture's future rests to a great degree on the extent to which we recognize its vital role in international trade, and make wiser use of our abundance to supply the needs of other people who might otherwise be compelled by necessity or naivete to turn to the Soviet orbit for food and fiber to survive.

Russia is making shrewd use of its time. The cunning rulers in the Kremlin have shifted at least for a time from military warfare to economic warfare—and are making more progress with trade than they were able to achieve with guns. They have moved their tentacles into country after country, in part or in whole, under the guise of economic agreements and expanded foreign trade operations.

The greatest weakness that has confronted Russia in this calculated

## We ask that P. L. 480 be recognized as foreign trade policy.

economic penetration of neutral areas has been its own shortage of food and fiber. Yet Russia has been shrewd enough to recognize that fact, and has given top priority to expanding its food output. Not for its own people, but as an economic weapon in a world which above all else must have food.

### Looking Backward

What have we been doing in this same period? We have been asking our farm people to lower their sights, to trim their sails, to cut their production to prewar standards. We have been told downward adjustment is necessary. We have been guided into looking backward, instead of looking ahead.

Remember one thing: The instinct for human survival is stronger than any conviction about ideology. People are going to eat. If we don't fill the food needs of the world, Russia will set out to fill them. She has already chartered her course in that direction.

The country on which the greater part of the world is dependent for food, fiber, and other trade will eventually wield the balance of power in the world. We are losing, today, on this economic front.

What good is it for us to build bigger H-bombs, if we let the rest of the world become slowly linked to the Iron Curtain countries by economic and trade policies?

The real material advantage we have over Russia today is our abundance of food. All of us would rather see it put to good use, rather than just be piled up in storage. And we Americans are naturally traders and merchandisers; the role of finding ways to feed the world fits us a lot more naturally than the role of warriors.

Why, then, are we hesitant about challenging Russia on the economic front? Why shouldn't we, instead of Russia, be aggressively seeking to become the world's supplier of the material wants of less-developed countries?

If our situation is serious enough to justify vast defense expenditures—and our military leaders assure us it is—we are certainly silly to be quibbling over the loss of a few American dollars through the export sale of farm products for foreign currencies.

If we expect to compete with Russia for international trade in the world of today, we must be ready to trade in whatever currencies are

available. We cannot hoard all the dollars ourselves, then be willing to sell only for dollars others do not have.

If we want to protect and strengthen our ties with other freedom loving people, we are going to have to trade with them—whether it is for lire, pesos, pounds, francs, or marks.

It is not as though we did not have good uses for foreign currencies. We are engaged in government operations all over the world. We have defense bases all over the world. We have private American business interests all over the world. We certainly can use constructively the foreign currencies we obtain through sale of our farm products abroad—and official records of our government prove it.

But there is still a second reason why we are failing to meet the Soviet challenge on the economic front.

It is the timidity of our government officials, and their lack of vision, imagination, and daring. They fail to understand what a powerful force for freedom our abundance of food and fiber could be, both in economic relationships and as humanitarian evidence of our concern for hungry people everywhere.

Far more is at stake than any political argument over farm policy. Our country's entire future is involved. Instead of criticizing farmers, the American people should be thanking God for our abundance, and insisting on its wise use as a weapon of freedom, a potent force for peace.

Instead of quibbling about his personal philosophy on farm legislation, Secretary Benson should have the courage to stand up to the President and the rest of the cabinet and defend our farmers as being one segment of our economy fully prepared to serve our country in this emergency.

I have not come to these conclusions lightly. Many of you know that I spent a month overseas this year to see for myself whether real opportunities existed for the kind of food utilization I have long envisioned. I have talked with our military commanders abroad. I have talked with our diplomatic representatives. I have talked with highest officials of other governments. I have talked with American businessmen abroad. I have talked with our church workers and representatives of CARE carrying on such a valuable people-to-people relief work abroad.

On every hand the answer was the same. It is a national disgrace that our country fails to realize the potential asset it has in an abundance of food and fiber, in the midst of a world of hunger and need.

Since my return, I have devoted long hours to conducting weeks of hearings before the Senate Committee on Agriculture into operations of P. L. 480, under which our farm export programs are conducted. From witness after witness before our committee, from every agency of our government and from producers as well as the private trade, the evidence has been conclusively the same.

### Emergency Legislation?

Yet our Secretary of Agriculture, as late as last week, reiterated his belief that P. L. 480 was "just emergency surplus disposal legislation." The same view has been echoed by spokesmen in the White House.

We must fully realize that our agriculture can and should be an integral part of winning freedom in the world. In that context, we need abundant production as a vital part of our defense arsenal, and we can certainly afford, in the nation's interests, seeing that our producers are properly and fairly rewarded for fulfilling our nation's needs.

When Congress reconvenes in January, it is my intention to submit a series of recommendations for improvement and expansion of P. L. 480 along those lines. You can rest assured we are going to ask for more than just a 1-year extension of this authority. We are going to ask that it be recognized as a foreign trade policy of our government, not just as a tool for getting rid of surpluses.

In time of war, we recognized the importance of food and fiber went far beyond just farm people. We created a War Food Administration, to mobilize our food resources for victory. Perhaps today, in time of a shaky and uncertain peace in the world, it is time to think about a similar role for a special "Peace Food Administrator" to guide more effective use of our food resources for another victory.

It is just as important to mobilize and use our resources for winning on the trade and economic front today as it was to help win on the battlefield a few years ago. It is even more important to use our food abundance as a constructive force for peace on the humanitarian front,

in the ideological struggle now dividing the world.

I urge your support in that effort. For only then can you and others in agriculture reach the new horizons that beckon from all over the world.

Back in April I wrote the then Assistant Secretary Butz to furnish me with an analysis of the price and income effects of exports under P. L. 480. On May 31 the Department furnished us with a splendid analysis of the effects of Title 1, P. L. 480, on farm prices, income and price support levels. This nine-page document has within it a tremendous amount of factual meat. The facts are laid bare for all to see. Probably I ought to quote from some of the sections of this report with special reference to the effects on fats, oils and oilseeds.

#### Report on P. L. 480

"Exports under Title 1 have been effective primarily in helping reduce large accumulated surpluses and in preventing further accumulations. This in turn has resulted in a substantial reduction in CCC handling and storage costs.

"The corollary objective of P. L. 480 is to build expanded foreign markets for U. S. agricultural products. This is a longer-time objective and the benefits to American farmers will accrue in the years to come. While few immediate results can be expected, evidence is growing that the improved diets abroad as the result of Title 1 sales and the market development activities connected with the program will be reflected in future exports.

"Prices of lard and edible tallow in 1955 appear to have been about 1c and those in 1956 nearly 2c per pound higher than they would have been without the P. L. 480 program. Prices of cottonseed and soybean oils were raised about 1½c to 2c per pound by the program in 1955 and about 2c in 1956.

"Without the program, 1955 and 1956-crop soybean prices to farmers would have rested completely on the support levels. As it was, prices received by farmers were about 15c for the 1955 crop and about 7c for the 1956 crop above support. Also, the increased export demand resulting from the program enabled the entire 1955 crop to move readily into commercial channels. While CCC is expected to acquire a considerable quantity of 1956-crop soybeans, the program is helping minimize the CCC takeover.

"Prices to farmers for 1955- and 1956-crop cottonseed were about \$2.60 and \$9.50 per ton, respectively,

above support. Without the program, 1955-crop prices would have been at the support level, while those for the 1956 crop still would have been somewhat above support. P. L. 480 exports of cottonseed oil in 1955-56 come partly from CCC stocks. Without the program, CCC would have acquired cottonseed oil from the 1955 crop. No such situation would have developed for the 1956 crop, since prices still would have been above support.

"Farmers' cash receipts from sales of farm products may have been increased by around \$165 million in 1955-56 and by around \$275 million in 1956-57, as a result of exports

under Title 1 of P. L. 480. For 1957-58, the amount may be not greatly different than in 1956-57, although admittedly, this figure has to be based on much less information than the others.

"The estimated approximate amounts for 1955-56 and 1956-57 by commodities are as follows:

Commodity	1955-56 1956-57	
	mil. dol.	mil. dol.
Wheat .....	70	70
Rice .....	10	10
Tobacco .....	40	30
Corn and other feed grains.....	10	10
Fats and oils .....	100	115
Meat .....	15	50
	165	275

#### Effects After 1957

"After 1957, the effects of exports



- Processors of soybeans
- Buyers of soybeans and feed grains
- Sellers of 44% Hexane Solvent Soybean Oil Meal
- Manufacturers of formula feeds

Pillsbury's BEST Livestock and Poultry Feeds are up to date, backed by the latest in nutritional research and the integrity of a company known and respected for over 87 years. Visit your local Pillsbury feed dealer for information and advice.

Official weights and grades  
Prompt and Courteous Service

Phone CHapel 2-2110, or write to . . .

# Pillsbury Mills, Inc.

Feed & Soy Div.

Headquarters: Clinton, Iowa

under Title 1 on support levels may be somewhat greater than to date, particularly on cotton and rice. This would result primarily on the operation of two factors:

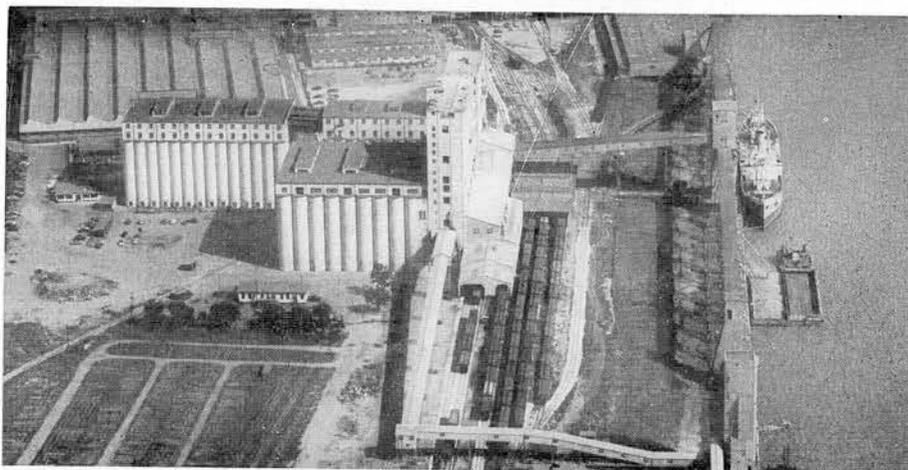
"First, the strengthening of market prices as a result of reduced supplies due to exports under Title 1 would tend to increase the parity price. Under the modernized formula for computing parity prices (not now applicable to wheat, corn, and peanuts) the most recent 120-month

average prices received by farmers (in some cases, the most recent 10-year season average price) is one of the factors used to compute the parity price. The increase in the average price due to exports under Title 1 would be reflected in a small increase in the parity prices for the commodity. Through 1957 this effect has been insignificant and generally is likely to be relatively small for the next several years.

"Although the exports to date have

not had any major effects on support levels (or farm income) the exports have resulted in reductions in CCC costs of handling and storing commodities.

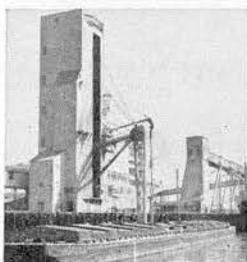
"Costs to the commodity credit corporation have been lower because the increased demand for exports under P. L. 480 in the market, for such commodities as wheat, soybeans, and tobacco, has reduced the quantity placed under support and the quantity acquired by CCC in operating price support programs. Further, the increased disposition out of CCC stocks due to exports under P. L. 480 have materially reduced CCC inventory of many commodities effecting a considerable saving in storage, interest, and handling costs."



Truck Dumper



Rail-car Dumper



Marine Leg and Pneumatic Barge Unloader

## New Orleans Elevator handled half of the U.S. soybean exports in 1956

—modern equipment, huge capacity expedite Mid-Continent cargoes

The Public Grain Elevator of the Port of New Orleans is an unsurpassed facility for the rapid, efficient handling of soybean shipments. It renders to the grain trade one of the most valuable services offered by any port. Modern installations include two large marine legs for unloading barges, supplemented by a pneumatic unloader, two rail-car dumpers, and a truck dumper — all designed for more rapid grain unloading — with consequent savings in time and money. Storage capacity has been doubled.

For full facts write:  
Board of Commissioners of the Port of New Orleans, 2 Canal St., New Orleans, U. S. A.

Ship via 

# PORT OF NEW ORLEANS U.S.A.

## ADM Buys Federal Foundry

ARCHER-DANIELS-MIDLAND CO., Minneapolis, disclosed the expansion of its operations in the foundry industry with purchase of Federal Foundry Supply Co., Cleveland.

Warner B. Bishop, Jr., vice president and general manager of ADM's foundry products division, said the acquisition will provide ADM with a complete line of basic foundry materials and supplies. The Minneapolis concern now is the country's largest manufacturer of foundry core oils and also produces shell molding, air setting, and CO<sub>2</sub> setting core binders.

The Cleveland company produces seacoal, core washes, foundry facings, parting compounds, core and mold blowing machines, bentonite, vermiculite, and sells a full line of foundry supplies and equipment, all of which are new to ADM, Bishop said.

Bishop said the Federal Foundry operations will be integrated with ADM's foundry products division, which has its headquarters at Cleveland. For the present the Cleveland company will operate as a subsidiary of ADM.

## Approved Varieties

THE FOLLOWING soybean varieties have been added to the list officially recognized by the U.S. Department of Agriculture, Agricultural Marketing Service announces:

Acme, Chippewa, Clark, CNS-4, CNS-24, Comet, Grant, Hardome, Harly, Jackson, Kanrich, Kim, Lee, Norchief, Renville, Smith Super, and Yellow Gatan.

NEW HORIZONS FOR AMERICAN AGRICULTURE

Address by Senator Hubert H. Humphrey (D., Minn.) before the 37th Annual Convention of the American Soybean Association, Hotel Leamington, Minneapolis, Minnesota, August 26 1957.

It is indeed a pleasure for me to have this opportunity to meet with the American Soybean Association. You represent a dramatic and still unfolding chapter in our country's agricultural history.

We in Minnesota are proud to be hosts to this national convention, because soybean production is now a well established hundred million dollar crop to farmers in our state. In addition, the annual soybean crop in Minnesota is providing hundreds of thousands of man hours of employment in the marketing, transportation, and processing fields. I am pleased to know that the National Soybean Processors Association is holding its convention simultaneously with the American Soybean Association, as the close working relationships between soybean processors and soybean producers has been one of the healthy factors in successful

advancement of your industry. You need to work together. You have much in common. Your destinies are linked together. Too often that fact is overlooked.

Soybeans have become a billion dollar crop in the United States, a vitally important segment of our agricultural economy.

Perhaps nowhere has the rapid rise in soybean production been more graphically exemplified than right here in Minnesota, where soybean acreage has grown from 2,000 acres in 1934 to 2.8 million acres planted this year. In other words, the acreage devoted to soybeans in Minnesota has increased 1,400 times in 24 years! Minnesota has now risen to be the second most important soybean producing state in the nation, second only to Illinois. Last year, we produced 12 percent of the total national output. And I want to serve notice on our friends in Illinois: we do not stand still in Minnesota! Our soybean producing area is still growing. Our increase in total soybean acreage has resulted from

increases in both the number of producers growing soybeans, and the number of acres planted per farm. In 1934, only 4 percent of the Minnesota farmers planted soybeans. This grew to 10 percent by 1944, 20 percent by 1949, and approximately 40 percent by 1956. It will be higher this year and next. Already, soybeans provide one out of every four dollars of cash income from the sale of crops in Minnesota.

You can not look into the dramatic story of soybean production in Minnesota without wanting to pay deserved tribute to such men of vision as R. E. Hodgson, superintendent of the Southeast Experiment Station in Waseca, who began working with soybean crops in the early 1920's, and John Evans of Montevideo, who was a real pioneer in the growing of soybeans in Minnesota, as early as 1917. Of course, there are many, many others who occupied a vital role in development of this great agricultural industry.

This 100 million dollar Minnesota crop represents an outstanding success in the large scale introduction of a new cash crop into the well established cropping systems of our state. It reflects great credit on the coordinated efforts of our farmers, merchandisers, experiment stations, technicians, processors, machinery manufacturers, and many other groups. Minnesota is proud of this contribution to the nation's well-being, for that is what our expansion of soybean production has been.

Because it relates to a theme I wish to develop later, I think it is fair to say that the greatest spur to this vast expansion of soybean acreage, in Minnesota and elsewhere, was patriotic response of our farmers to government requests to help meet our own nation's needs.

Soybean acreage in Minnesota and in the nation was relatively small until the start of World War II. Prior to the war, we were net importers of edible oils. When some offshore

sources were shut off, the government called for an expansion in soybean acreage. You producers met that demand, just as you have historically met every demand for our nation's needs.

It is well for the public to remember that. It is sometimes too easy for urban residents to forget how dependent they are upon the nation's farmers -- and how well our dwindling farm population has always provided abundantly for the needs of all our people.

The experience gained in producing the crop required to meet the nation's needs in time of emergency was the basis for the further expansion in the post-war period.

Today, instead of a net importer, we are the world's greatest exporters of edible oils and soybeans.

It took courage, and vision, for you in the soybean producing and processing industry to keep your sights on the future, instead of retreating to standards of the past. You have

shown that courage and vision, and it is paying off. You are going to need more of it, in order to prove to some skeptics that agriculture and agricultural thinking does not have to be geared to the past.

At a time when most spokesmen for agriculture were talking about cutting back production, about adjusting backward from wartime peaks, about trimming our sails to pre-war standards, you soybean producers proved you could not only hold your wartime gains -- but could still move ahead. You did it by working together toward seeking out and capturing new markets. You did it by keeping your eyes on the lookout for new and broader horizons, instead of retreating to the past.

Of course, you had a unique commodity to work with -- a commodity combining two of the world's greatest nutritional needs: edible oils, and protein.

In a real sense, therefore, your markets are worldwide and expanding, limited only by your own imagination and enterprise in going after them -- and by the living standards of the world.

Domestically, your markets have been divided between production of a high value protein animal feed, soybean meal, and a versatile human food ingredient, soybean oil.

As producers, it has been to your own self-interest to seek a greater share of your return from the oil ingredient of your beans. It has also been to the best interest of your fellow farmers, as it is farmers themselves who buy the soybean meal in one form or another.

The soybean meal pouring out of our great processing plants is the foundation stone of the mixed feed industry as we know it today. Eighty-eight percent of the farmers in Minnesota buy at least part of their feed. Many of you soybean producers also buy mixed feed for your cattle, hogs, or chickens.

In a real sense, therefore, your markets are worldwide and expanding, limited only by your own imagination and enterprise in going after them -- and by the living standards of the world.

We are investing huge foreign aid funds in trying to raise living standards in underdeveloped areas of the world -- and your potential markets improve as those living standards improve. Meanwhile, it is important that eating habits be cultivated as part of your market development.

For that purpose, I am convinced that even relief feeding operations making use of both oil and protein are important to the future of your industry. The demand for both is virtually unlimited. Every voluntary agency working in this field has appealed for our government to find ways to make more fats and oils available, and I have seen in my own observations that they are needed for balanced diets.

I am sure many of you are also aware of the wonderful work being done by the Meals for Millions Foundation, seeking to fight starvation in the world by providing high protein diet supplements financed entirely by voluntary donations -- a penny-a-meal project that is worthy of your support. I hope your organization will get behind such efforts, as part of your market development work.

Domestically, your markets have been divided between production of a high value protein animal feed, soybean meal, and a versatile human food ingredient, soybean oil.

As producers, it has been to your own self-interest to seek a greater share of your return from the oil ingredient of your beans. It has also been to the best interest of your fellow farmers, as it is farmers themselves who buy the soybean meal in one firm or another.

The soybean meal pouring out of our great processing plants is the foundation stone of the mixed feed industry as we know it today. Eighty-eight percent of the farmers in Minnesota buy at least part of their feed. Many of you soybean producers also buy mixed feed for your cattle, hogs, or chickens.

With your soybean production, you are helping to provide yourselves and others with highly desirable feed ingredients. And the more you develop substantial outlets for your oil, the more you can afford to encourage an expanded livestock economy by making a high value protein feed available at reasonable prices for yourself and others.

There are other sound reasons, from the standpoint of balance in the over-all picture of American agriculture, to continue encouraging the shift that has been under way to soybean production.

Additional acres going into soybeans mean less acres in other commodities with which we face greater problems.

In Minnesota, for example, while soybean acreage increased from 767,000 acres in 1949 to 2.6 million acres in 1956, the acreage of feed grains and wheat was reduced by 1.5 million acres in 1956 compared with the total in 1949.

I know the question that must be arising in the minds of some. If we continue to encourage this shift, are we just setting the stage for transferring the surplus problem of some of these other commodities onto the shoulders of soybean producers?

Let me just say this -- it does not have to happen, and I do not think it will. With the kind of vision and enterprise shown by the soybean industry in its research and market development work, with the kind of cooperation that has been maintained between soybean producers and processors, with the vast backlog of need that exists in the world for both the oil and protein ingredients of your product, a bright vista of future opportunity still exists for the soybean industry.

Whether or not you achieve the full potential of that future opportunity, however, will depend upon the sympathetic understanding, ~~understand~~, and the vision or lack of vision, of your government.

Make no mistake about it: regardless of what farm legislation is

on the statute books, government attitude and policy -- and the attitude and policies of those making vital administrative decisions within government -- have now and will continue to have a profound effect upon your economic opportunity.

To the extent that your government has the foresight to look deeply into the future, and work hand-in-hand with you and with the private trade toward creating a helpful economic climate for your continued expansion, there is no reason why the future should not be bright for soybean producers.

But to the extent that your government is timid and blind, afraid to lift its eyes to new horizons, unimaginative in planning ahead, and unwilling to take full advantage of the experience and guidance of the private trade, your path could become a rocky one.

It is not my intention tonight to engage in a controversial discussion of farm legislation, as important as that may be. Time would not permit fully developing the justifiable case

for greater economic protection for agriculture as being truly in the public's interest -- not just in the selfish interest of farmers, as many would have us believe.

But I do want to express serious concern, without partisanship, over some of the administrative attitudes toward whatever legislation exists.

I am convinced that much of the depressed plight of American agriculture today is directly traceable to administrative decisions and policies within the Department of Agriculture, regardless of what laws are on the books -- timid, fumbling, bungling, shortsighted decision that deprive you of fair income, and at the same time take more rather than less out of the pockets of other taxpayers.

And, I might add, more and more people are coming to the same conclusion -- people with years of valuable experience in the handling of farm commodities, and people to whom this

Administration would normally look for all-out support.

I am equally convinced that the present Secretary of Agriculture has at his disposal ample authority, in way of legislative and economic tools to bolster or depress farm prices and farm income almost at will.

Let me give you some examples.

While giving lip-service to the "free market" the CCC has made it impossible for any semblance of a free market to operate on many of our commodities. It has dumped corn to undersell the free market, in competition with the growers, driving prices down below the support levels so that in turn more corn must be taken over by the government. By its own sales policies it has forced more and more of the grain business to go through government hands, rather than less and less as it should be.

You have been more fortunate in soybeans, but you too

are to a great extent at the mercy of Department of Agriculture administrative decisions. Until the recent takeover, CCC had not lost any money in supporting the price of soybeans. As a matter of fact, the government's operations to bolster soybean prices had resulted in a \$4 million profit.

With a little courage and foresight, the Department of Agriculture could have avoided any takeover of beans from producers this year. Just a few more export sales of oil -- at the right time -- would have bolstered the free market sufficiently to attract beans out of growers hands and into the trade.

Timing is of the essence. Too often the CCC has withdrawn from export operations just before harvest season, moving back in to bolster the market only after most of the beans are out of producers hands and owned by speculators.

This year is no exception. We need export commitments

soon, to bolster the market while beans are in the hands of the producers. I hope our friends here from the Department of Agriculture will heed that advice.

Now, don't misunderstand me. The soybean industry has some good friends in the Department of Agriculture. Some of them are here with you, like Gwynn Garnett and Martin Sorkin. Yet, I am sure even they would concede privately that they are often overruled by men of lesser knowledge and understanding in the hierarachy of agricultural bureaucracy. Your task as organized producers is to insist that the interests of growers comes foremost in the highest decision-making levels of the Department. Fortunately, you have had the support of the processors as well in urging the Department of Agriculture to give more attention to the proper timing of its export commitments, for maximum beneficial effect on the market before beans are all acquired by speculators.

Perhaps I have talked too much tonight about soybeans -- and I know you have plenty of experts meeting with you far more familiar than I could hope to be with your own particular problems. But if I have devoted considerable time to discussing your own commodity, it is primarily because your soybean industry is symbolic of the major points I want to make tonight -- points that concern all agriculture, and the entire nation's attitude toward agriculture.

Your own growth is the result largely of response to the nation's needs in one period of emergency, and your future is closely interwoven with another emergency -- the entire free world's struggle for survival.

That same thing is true about most of American agriculture.

Your destiny cannot be determined by you alone, in a period when survival of freedom in the world must transcend even

the most pressing domestic problems.

That is also true about the rest of American agriculture.

Its destiny is linked inseparably with our struggle against the cunning, imperialistic forces of Communism threatening to engulf the world -- and with the degree of recognition we receive as to the vital importance of agriculture's role in that struggle.

You have had the vision and enterprise to seek new horizons for your markets rather than be satisfied with the past, and all agriculture needs to raise its sights to the broader concept of meeting the needs of the world in which we live, under conditions that exist in the world today.

But if agriculture itself needs to broaden its horizons, even more so is that need evident in the highest levels of our government.

If, in fact, that need is recognized at some levels

within the Department of Agriculture today, it is not being adequately reflected in its current policies -- nor is it being aggressively pursued and championed beyond the realm of the Department of Agriculture into the State Department, the National Security Council, and the White House.

The greatest hope for American agriculture today rests in building markets abroad, both for the present and for the future.

The greatest hope for strengthening the bonds linking our allies of the free world in an all-out stand against the onward march of Communism is solidifying our economic and cultural ties.

These two objectives are too interlocked for either to be considered alone.

As a result, agriculture's future rests to a great degree upon the extent to which we recognize its vital role in

international trade, and make wiser use of our abundance to supply the needs of other people who might otherwise be compelled by necessity or naivete to turn to the Soviet orbit for food and fiber to survive.

We as a nation are blind indeed if we are willing to rest our hopes entirely upon guns, planes, and bombs.

As vital as adequate defense forces remain for our protection, all they can buy us is time. How we use that time is up to us -- but our fate hangs in the balance.

Russia is making shrewd use of its time. The cunning rulers in the Kremlin have shifted at least for a time from military warfare to economic warfare -- and are making more progress with trade than they were able to achieve with guns. They have moved their tentacles into country after country, in part or in whole, under the guise of economic agreements and expanded foreign trade operations.

Make no mistake about it: countries becoming more and more dependent upon the Iron Curtain area of the world for food or manufactured goods are enmeshed more and more into the Soviet web, and slowly but surely are being weaned away from the remnants of the free world.

The greatest weakness that has confronted Russia in this calculated economic penetration of neutral areas has been its own shortage of food and fiber. Yet Russia has been shrewd enough to recognize that fact, and has given top priority to expanding its food output. Not for its own people, but as an economic weapon in a world which above all else must have food.

What have we been doing, in this same period? We have been asking our farm people to lower their sights, to trim their sails, to cut their production to pre-war standards. We have been told downward adjustment is necessary. We have been

guided into looking backward, instead of looking ahead.

Regrettably, the highest policy makers in our government fail to appreciate the greatest weapon for peace in our hands -- our abundance of food and fiber, and our potential to produce in still greater abundance.

We are going into a fight for our lives, with one hand tied behind our backs. We are failing to mobilize and fully use our greatest asset.

Timidity and hesitancy still lead our government officials to look upon our food export programs as merely emergency surplus disposal legislation -- a way to get out of a domestic problem, instead of the most effective way at our command of building economic ties for the future.

Remember one thing: the instinct for human survival is stronger than any conviction about ideology. People are going to eat. If we don't fill the food needs of the world, Russia will

set out to fill them. She has already chartered her course in that direction.

The country upon which the greater part of the world is dependent for food, fiber, and other trade will eventually wield the balance of power in the world. We are losing, today, on this economic front.

What good is it for us to build bigger H-bombs, if we let the rest of the world become slowly linked to the Iron Curtain countries by economic and trade policies?

Where in this government today do you see full realization of that fact?

Where do you see any aggressive leadership toward assuming the role we Americans are best equipped to fill in the current ideological struggle -- best equipped by productive resources and humanitarian instincts?

We are far from a military people, yet we seem to rest

too much of our hope on weapons.

Are we ready to choose the battlefield as our best grounds to meet Soviet Russia? Remember, Russia is outdoing us in the training of scientists and engineers. Remember, Russia has H-bombs too. Remember, Russia has less respect for human life than we do, and might more readily welcome a military showdown.

The real material advantage we have over Russia today is our abundance of food. All of us would rather see it put to good use, rather than just be piled up in storage. And we Americans are naturally traders and merchandisers; the role of finding ways to feed the world fits us a lot more naturally than the role of warriors.

Why, then, are we hesitant about challenging Russia on the economic front? Why shouldn't we, instead of Russia, be aggressively seeking to become the world's supplier of the material wants of less-developed countries?

I will give you my conclusions.

First, we are blinded by the almighty dollar. It has become almost a fetish for timid government officials to worry about doing business anywhere in the world for anything but American dollars.

My friends, let me remind you of something: we are in a struggle for international survival of freedom, not just haggling about the price of a cow over the fence with a neighbor on the back 40.

We are spending billions of good, hard American dollars for weapons of destruction, dollars you pay for in taxes -- and dollars that can never do any constructive good in the world after they have been turned into tanks and H-bombs. If our situation is serious enough to justify such vast defense expenditures -- and our military leaders assure us it is -- we are certainly silly to be quibbling over the loss of a few American dollars through

the export sale of farm products for foreign currencies.

If we expect to compete with Russia for international trade in the world of today, we must be ready to trade in whatever currencies are available. We cannot hoard all the dollars ourselves, then be willing to see only for dollars others do not have.

It is something like being in a poker game, and getting all the chips back in the hands of the dealer. The rest may decide to go on playing with matches or buttons. If we want to stay in the game, we will have to find ways to adapt to matches or buttons too.

We are in the international game to the finish, whether we like it or not. If we insist on just sitting on the sidelines as spectators, we have no right to complain about the outcome.

But if we want to protect and strengthen our ties with other freedom-loving people, we are going to have to trade with them -- whether

it is for lire, pesos, pounds, francs, or marks.

It is not as though we did not have good uses for foreign currencies. We are engaged in government operations all over the world. We have defense bases all over the world. We have private American business interests all over the world. We certainly can use constructively the foreign currencies we obtain through sale of our farm products abroad -- and official records of our government prove it.

But there is still a second reason why we are failing to meet the Soviet challenge on the economic front.

It is the timidity of our government officials, and their lack of vision, imagination, and daring. They fail to understand what a powerful force for freedom our abundance of food and fiber could be, both in economic relationships and as humanitarian evidence of our concern for hungry people everywhere.

To most of the officials in our government at Washington

today, our food abundance is just some kind of a domestic headache they would like to wish away. They simply fail to appreciate what an asset it really is. Perhaps the greatest disservice done to our country -- not just to farm people, but to our entire country -- has been the propaganda role of the Secretary of Agriculture in creating the impression that there is something bad about having more than enough food to go around. Apparently to try to win a political argument, Secretary Benson stands guilty of bringing American agriculture in disrepute.

Far more is at stake than any political argument over farm policy. Our country's entire future is involved. Instead of criticizing farmers, the American people should be thanking God for our abundance, and insisting upon its wise use as a weapon of freedom, a potent force for peace.

Instead of quibbling about his personal philosophy on farm legislation, Secretary Benson should have the courage to

stand up to the President and the rest of the cabinet and defend our farmers as being one segment of our economy fully prepared to serve our country in this emergency.

We need a Secretary of Agriculture today who can convince the President, the Secretary of State, and the National Security Council of the great asset you farm people have put at the country's disposal -- and one who will fight to see that our abundance is fully used internationally to turn the tide for freedom.

We need a Secretary of Agriculture who will stand up and tell the truth to the American people -- that every cent invested in protecting our farm producers is an investment in our nation's security, just as much as the money spent for tanks and guns.

We need a Secretary of Agriculture with the vision to realize that whatever costs are involved in aggressively seeking

out and gaining foreign markets for farm products today not only serves the best interest of our international relations, but actually is a sound investment toward building future markets for American farmers in the years of peace we seek ahead.

I have not come to these conclusions lightly. Many of you know that I spent a month overseas this year to see for myself whether real opportunities existed for the kind of food utilization I have long envisioned. I have talked with our military commanders abroad. I have talked with our diplomatic representatives. I have talked with highest officials of other governments. I have talked with American businessmen abroad. I have talked with our church workers and representatives of CARE carrying on such a valuable people-to-people relief work abroad.

On every hand the answer was the same. It is a national disgrace that our country fails to realize the potential asset it

has in an abundance of food and fiber, in the midst of a world of hunger and need.

Since my return, I have devoted long hours to conducting weeks of hearings before the Senate Committee on Agriculture into operations of Public Law 480, under which our farm export programs are conducted. From witness after witness before our committee, from every agency of our government and from producers as well as the private trade, the evidence has been conclusively the same.

Yet our Secretary of Agriculture, as late as last week, reiterated his belief that Public Law 480 was "just emergency surplus disposal legislation". The same view has been echoed by spokesmen in the White House.

They fail to lift their eyes, to the broader horizons involved. They lack the comprehension that even you farm people have —that food can be a greater asset than guns, at a time

when peace of the world is at stake.

They lack the vision that your own American Soybean Association has displayed, in gearing your goals to the future.

We can argue forever about farm policy, but we can have little basis for agreement as to what legislation is needed until we first arrive at some appreciation of the role American agriculture can and should play in our international relations.

We cannot solve problems of the present, based on thinking of the past.

We cannot adequately meet challenges of the future, guided only by standards of even the present.

We cannot solve agriculture's problems by thinking of agriculture as just an isolated, minority segment of our economy.

We must have a broader view, and realize that <sup>we are</sup> no longer confronted just with a problem of surpluses and depressed farm income. We must fully realize that our agriculture can and should be an integral

part of winning freedom in the world. In that context, we need abundant production as a vital part of our defense arsenal, and we can certainly afford, in the nation's interests, seeing that our producers are properly and fairly rewarded for fulfilling our nation's needs.

We urgently need to lift our eyes, and raise our sights. We need to broaden our concepts. We need to look for new horizons —and we need to be thankful that America's farmers have always been ready to fulfill our nation's needs, however they may be neglected and abused between national awakenings to our dependence upon them.

We need such a national awakening today.

My personal crusade has been to stir such an awakening, such a realization of the real importance of our abundance of food and fiber. Your help is needed. Between now and the first of the year, every effort should be made to get our country's top

policy makers to take a more serious look at the role our food abundance can play in bolstering the free world and strengthening our economic and trade ties all over the globe.

When Congress reconvenes in January, it is my intention to submit a series of recommendations for improvement and expansion of Public Law 480 along those lines. You can rest assured we are going to ask for more than just a one year extension of this authority. We are going to ask that it be recognized as a foreign trade policy of our government, not just as a tool for getting rid of surpluses.

Let me leave you with another thought. In time of war, we recognized the importance of food and fiber went far beyond just farm people. We created a War Food Administration, to mobilize our food resources for victory. Perhaps today, in time of a shaky and uncertain peace in the world, it is time to think about a similar role for a special "Peace Food Administrator" to guide more effective use of our food resources for another victory.

It is just as important to mobilize and use our resources

for winning on the trade and economic front today, as it was to help win on the battlefield a few years ago. It is even more important to use our food abundance as a constructive force for peace on the humanitarian front, in the ideological struggle now dividing the world.

If we fail to get the leadership we need in that direction from the Department of Agriculture, we must turn to the White House. If we fail to gain the full understanding we need anywhere in the Executive Branch, Congress itself must intervene and show the way.

I urge your support in that effort. For only then can you and others in agriculture reach the new horizons that beckon from all over the world.



# Minnesota Historical Society

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.



[www.mnhs.org](http://www.mnhs.org)