

Steichen
Tom Steichen

Let Ole Syfested
000567

LOST: MONEY FOR MAIN STREET

Excerpts from Address by Senator
Hubert H. Humphrey at annual banquet
of Farmers Union Central Exchange,
St. Paul, Minn., Thursday Night,
March 3

Republican farm policies are turning this great agricultural region -
America's great dairy land and bread basket - into a vast economically de-
pressed area.

There is no longer much argument about the objectives - nor the ef-
fects - of the Benson-Eisenhower-Nixon farm program. When the academic eu-
talk phisms about "adjustment" and "freedom in the marketplace" are stripped
away, the plain truth is clear enough for anyone to see.

Mr. Benson's aim is to drive what he considers "surplus" farmers
off their land with low prices, economic ruin, and despair.

From time to time, Republican farm planners get impatient with the
stubborn persistence of farm people to stick on their farms even in the
face of sliding incomes and discouraging prices. In their impatience,
the Republicans even become a little generous. If farmers don't move
out fast enough because they're going broke, the Republican Administra-
tion will speed up the exodus by paying farmers to shut down their whole
farms and put them in the soil bank.

< The Republican Administration has paid farmers more money to plow

under their growing crops or simply to leave their land idle than the Democratic Administrations of Presidents Roosevelt and Truman spent to support farm prices during the entire 20 years from 1933 through 1952!

The Republican Administration has managed, however, to see to it that none of their big-spending generosity stays with the farmers.

Mr. Benson took office in January 1953. Since that time, the annual total farm net income has declined by 23 per cent.

This drop in farm income represents 3.5 billion dollars a year that was taken away from the cash registers on the Main Streets of the farming region of the nation since 1952.

In the past seven years the economy of our farming areas had lost a cumulative total of 24.5 billion dollars out of what they would have received if farm income had been maintained at the 1952 level - when farm prices averaged 100 per cent of parity.

But comparison with 1952 is not a really adequate measure of what our farmers have lost - and what our rural communities and agricultural states have lost in the way of income. America is a growing country. We have nearly 15 million more people than we had in 1952. Our total national economy has grown. Our per capita incomes have grown - that is, nearly every one's but the farmers.

The full, real extent of what the Benson-Eisenhower-Nixon farm

policies have cost us should be measured against what agriculture should
have received if farmers had shared fully in the expansion of our overall
economy. Farmers shouldn't stand still economically any more than the
rest of us. Their incomes should have climbed during the past seven years -
not merely stood still, much less gone down.

✓ If farm income had increased as much during the past seven years as
our overall national income increased, total ^{annual} net farm income would have
been 20 billion dollars - which is almost double what it actually was last
year!

✓ Think what that 8 or 9 million more dollars would have made in the
cash registers in the towns and cities of our farming communities!

✓ Probably every single man and woman in this audience has some kind of
public responsibility in the community in which he lives, as well as his
responsibility toward his own home and farm and family. ✓ You are on school
boards and town boards and county boards; you are officers in your local
churches; you help run your community Red Cross Drives, and Boy Scouts,
and lodges, and Chambers of Commerce. You are responsible citizens.!!

✓ You know the toll that the farm depression has taken out of the local
governments and the community institutions that are the bedrock foundation
of democratic life. You know what it has cost your children in the way
of educational opportunity. You know what it has cost your community in

in the way of public services. You know how sliding farm income has magnified and exaggerated the burden upon local taxpayers of trying to maintain community institutions and local governmental services at decent, adequate levels.

L You farm people, in the Farmers Union, know as clearly as anyone. You foresaw what the result would be of the sliding scale. You foresaw the farm depression - and believe me, many of your neighbors in town didn't believe you when you first warned them what would come, but they believe it now.

L The hardship and worry that farmers have been going through is not necessary. Worse than unnecessary - it is senseless and inexcusable.

L Our agricultural economy can be managed so that it will provide equality of opportunity for farm people to enjoy their fair share of the good things of life - if we will just apply a little common sense and a lot of sincere determination to the job.

L Last fall I introduced a bill called the "Farm Family Program Development Act." This bill would give the major responsibility for designing the details of farm programs right to the people who can handle it best - to the farmers themselves.

L My bill spells out the broad, general outlines of public interest

which farm programs should follow in order to conform to the ^{ll}public interest^{ll} and promote the general welfare. It gives farmers the tools they need to start farm income on the way up to full equality. It directs the Secretary of Agriculture to provide the legal machinery and the technical experts that are needed for planning a practical, workable program for the farmers who produce each commodity.

It puts the initiative for planning and launching a program directly in the hands of the ^{farm}producers themselves, through the election of a program development committee for each commodity or inter-related group of commodities. When a plan has been developed by the committee of producers, elected directly by producers, it will be submitted to a referendum of all the farmers whom it would affect. If a two-thirds majority approve it, and if Congress does not object on grounds of public policy, it will move into effect.

They say imitation is the sincerest form of flattery. If that's so, then my Family Farm Program Development Act has been sincerely flattered several times. One of the imitations - and a very good and honest one at that - is the subject of hearings by the House COMMITTEE on Agriculture right now.

This approach to the farm problem is one that can work. It is sound,

from the standpoint of developing realistic, practical farm programs that will do the job of restoring farmers' incomes. It is sound from the standpoint of the broad public policy that it states in respect to agricultural production and consumption. It is sound from the standpoint of administration, with a broad scope of powers and influence and detailed administrative responsibility placed directly in the hands of working farmers.

Nelson

I was tremendously pleased to learn last week about the splendid progress that is being made in Wisconsin, under the leadership of Governor Gaylord Nelson, in unifying Wiscon's dairy farmers behind a practical, realistic dairy plan. Governor Nelson's plan, which was outlined with the help of economists at the University of Wisconsin and is being completed in detail with the advice of dairy farm leaders, would give dairy farmers the power and the means for adjusting milk supplies to demand, and reversing the squeeze on dairy farmers' incomes.

Humphrey

Governor Nelson's dairy plan could be implemented under the Family Farm Program Development Bill I have introduced. It is one example of the kind of programs, adapted to meet the special circumstances of each group of producers, that can be developed and put into effect under the direction of farmers and their representatives.

There is no longer any excuse for anyone to pretend that the farm

problem will simply evaporate and go away if we continue to drift along with Extra Taft Benson's assurances of 'parity in the marketplace'. The Department of Agriculture finally got around to doing the job of economic analysis it was hired for for a job it should have started just as soon as the President and the Secretary of Agriculture started to think about turning our farm programs around toward the so-called 'free market' direction.

[Better late than never - and maybe just in the nick of time - the Senate Agriculture Committee has prodded the Department into taking a look at what would happen to farm prices and farmers incomes if 'free market' conditions were put into effect. The conclusions of this ^{study} ~~sutdy~~ give the lie to the "parity in the marketplace" myth.

[If price supports were eliminated, says the Senate Report, net farm income would plunge 47 per cent below 1958 levels by 1965.

~~Make no mistake about it,~~ this is the best-informed estimate it is possible to obtain of the probable consequences of the farm policies recommended by Benson and developed according to Mr. Benson himself, with the aid and advice of Richard Nixon. The Administration has gone on record time after time in favor of the objective of reducing price supports to the point that they will not "accumulate surpluses", accompanied by the elimination of controls on production. [If you don't "accumulate" the

surplus and take it off the market, or if you don't give farmers the

the opportunity to keep their production in line with demand, then you do not have a workable Farm program.

It doesn't take much imagination to forsee the economic calamity that would overtake the communities of this great farming region if the Eisenhower-Benson-Nixon farm philosophy is given another four-years' extension.

The handwriting is there on the wall, written in the sorrow and discouragement of living experience during the past seven years, far all to see.

For farmers and their families, it spells out deepening hardship, widening inequality, and spreading defeat of the hope for security, dignity, and a fair share of life's comforts.

For the businessmen on the Main Streets which serve agriculture and depend upon farm income for their own prosperity, it spells declining sales, dying opportunity, closed doors and empty stores.

For the rural communities, it spells social decay, inadequate schools and other public services, and the drifting away of young people to seek their fortunes in more promising places.

There is something terribly wrong about this prophetic picture.

In the first place, it is wrong because it pictures cruel injustice to farm people and their neighbors in the rural communities who serve them.

Less than two decades ago, the people of this great dairy land and

bread basket made a prodigious effort unmatched in all history to increase their output of food to energize much of the entire free world's effort to win the war and save millions of lives from starvation.

Subsidy < Right today, the people of this region are contributing a "subsidy" of \$83 to the annual food bill of every urban family in the nation.

< In 1952, when farm prices averaged 100% of parity, the "market basket" of food items purchased annually by the average wage-earner's and clerical worker's family sold for \$1,034 in the retail store.

In 1959, the "market basket" cost \$1,040 -- only \$6 more than in 1952. But the middleman's charges had gone up \$89.

< The farmers of America absorbed \$83 of this \$89 increase in marketing charges in the form of lower prices for his products. If farmers hadn't taken lower prices, the wage-earner's groceries would have cost him \$83 more than it did. //

If that \$83 cut in the farmer's pay for the city *man's* groceries isn't "subsidy," nothing ever was.

farm The people who have served their nation so well in war, and who are now serving it only too well for thier own benefit in peace, deserve something better than to be shunted off into an economic backwater.

< In the ~~second place~~, the prophecy of Ezra Taft Benson's future for midwest agriculture contains a serious misconception of America's real

needs and opportunities.

We still need food in America. We still need our farmers. We still need busy, bustling, prosperous Main Streets.

↳ The so-called "surplus" is really very small, when it is considered in relation to total farm output. It is ridiculous to allow the tail not only to wag the dog, but to make us almost lose sight of the dog altogether.

But more important is the fact that there is no "surplus" of food at all in a troubled and fearful world in which one-half of the human race lives and dies on the raw edge of hunger.

↳ And what is most important of all, there can be no real peace in such a world as this.

↳ Hunger has become the ^{road} ~~word~~ to revolution among a billion people who have barely shook themselves awake from blank, uncomprehending misery.

↳ We are living in an age of massive political and social upheaval. The civilization of man is being rocked to its roots; it will be re-made in a new image, with drastic implications for our own place in it.

↳ In the human upheavals of our time, food is both a dynamic engine of economic change, and a crucial lever of political power. Soviet rockets have beat ours to the moon, but Soviet farmers can not match the abundance of our fields. No one in America has out-distanced the performance of communism by a greater margin ~~than~~ our farmers have.

Our American agriculture gives us one of the most significant advantages we possess over our Communistic competitors. Yet we hide our light under ~~the~~ billion bushels--piled up uselessly, unimaginatively, resentfully, in government storage.

I want to give you one example of how our food is needed, to satisfy the demands of common Christian conscience, as well as the requirements for our very survival as a civilization.

I'm sure most of you have read recently about the State of Kerala in India. Kerala had an election campaign about a month ago. The outcome of that election was heralded in the headlines as a great victory over Communism.

But I read beyond the headlines. And I have talked to Indian leaders, and others, who know at first-hand the full story about Communist strength in Kerala.

I do not regard the outcome of the Kerala election as a reassuring "victory over Communism" at all.

The anti-Communist parties put up a coalition ticket. They beat most of the Communist candidates.

But the Communists polled one-third of the total vote!

That doesn't seem to me to be a convincing and satisfactory "victory" over communism in Kerala. To me, it seems a frightful and

ominous fact that Communism can attract one-third of the voters in a free election in an important State in India.

Let me tell you something else about Kerala. This State has the highest proportion of educated people among its population of any State in India. It has the highest proportion of Christians. In many respects, it ought to be one of the strongest centers of sympathy for the Western World.

But most of the people of Kerala live all their lives on the edge of hunger. They are chained to an endless treadmill of poverty from which they cannot escape. They must struggle, year in and year out, for barely enough food to survive until the next harvest.

There are no jobs for many of the educated people of Kerala. The common man cannot afford to pay a doctor when he gets sick; he dies, and the doctors are unemployed. The State cannot afford to build schools, or to hire teachers; the educated men and women remain unemployed. There are no jobs for the trained engineers and lawyers.

Bitter, angry, frustrated, idle, the trained people schooled by Christian missionaries are ideal prospects for Communist recruiters.

Kerala's treadmill of poverty and hopelessness is manufacturing Communists year in and year out. Unless it can be broken, Kerala's

Communists will grow from one-third to one-half of the voting strength.

Unless India's treadmill of poverty can be broken, Communist strength will feed on endless despair and misery until it has swallowed up the whole nation

If the dam breaks in India, and Communism wins--whether next year, or 10 years from now, or however long it takes--then the flood will quickly surge over a billion people in the underdeveloped countries of Asia, Africa, and even South America.

There can be no secure peace for our children unless poverty's chains can be lifted from the economy of Kerala--and hundreds of other places much like it around the globe.

The treadmill of poverty in Kerala can be broken with wheat from ^{South} North Dakota with dried milk from Wisconsin ^{and Minnesota}

The key to economic progress--and to the hope and optimism that are Communism's greatest foes--is surplus food to free labor from the necessity for subsistence farming, so that it can be turned instead to the creation of wealth - creating capital improvements.

The "capital improvements" that are most urgently needed are simple things--roads, bridges, water systems, sanitation systems, schools. In all these primary needs, human labor is the major element of cost. And in Kerala and many places like it, not much else but food is needed to hire

workers.

000580

✓ In hundreds of villages in Kerala--in thousands of villages throughout India--there are absolutely no road connections to bigger towns and cities. If the village farmers had only metal tools, instead of wooden sticks for tilling their crops, they could greatly increase their production, and raise their standard of living and security. But without roads, they cannot transport their crops to market. If they produce more than they need to eat, it rots.

✓ But if food from America can be used to hire workers away from their subsistence farming to build a road, the villagers will have a basic capital improvement which can start a dynamic chain of economic progress. One advance can build on another.

✓ Progress creates hope and faith--faith in the ability of the democratic system to provide the necessities and comforts of life, with freedom, that the Communist propagandists promise as the price of freedom.



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