

REMARKS BY SENATOR HUBERT H. HUMPHREY

NATIONAL FARMERS ORGANIZATION

Kansas City, Missouri
December 16, 1971

I regret that I cannot bring you good tidings from Washington about Senate passage of the Strategic Reserve Bill.

This bill, as you know, would authorize national reserve inventories and direct increases in the loan rate for wheat and feed grains in 1971 and 1972.

The Senate's failure to complete action on this legislation is regrettable. Among other things, it will likely kill any chance of affecting the 1971 loan rates for wheat and feed grains, which would deny millions of dollars in additional income to producers of these crops.

I will continue my fight for passage of this bill -- already approved by the House -- as well as my resolution requiring adjustments in the 1972 wheat and feed grain programs. But it is clear that we can expect some strong opposition to these measures when Congress reconvenes next year.

There are too many people and interests in this nation today who benefit from low prices for our farm products. But, if the consumers of this country don't wake up soon to the fact that continued low farm prices mean the eventual destruction of our nation's family farm enterprise system, they will soon be forced to spend much more of their disposable income for food, instead of the 17 percent they now spend.

If farmers were rewarded or compensated for their investment and labors based on what the President and all the economists say should be our ruling guide for prices and wages, namely productivity, farmers should be getting:

- \$5 per bushel for their wheat
- \$3 per bushel for their corn
- \$50 per hundred for their cattle.

The productivity rate of the farm sector of our economy today is twice that of the nonfarm sector. Yet farmers continue to be penalized rather than rewarded for their efforts.

As a nation, we are quick to come to the aid of our railroads, our aircraft industry or other depressed industries, but we fail to respond to the depressed income needs of millions of farm families.

You and your leadership, especially Oren Lee Staley, have been in the forefront of this battle to secure economic justice for our farm producers.

Your self-help efforts in the field of farm bargaining have been unparalleled in farm history.

But you also need and deserve help from your national government to further strengthen those efforts. And I intend to continue my efforts to help you get that needed assistance.

During the Senate hearings and debate on the confirmation of Dr. Butz as Secretary of Agriculture, you and your leaders were there helping us dramatize the legitimate needs of family farmers.

And as I said just before the Senate vote on Dr. Butz's confirmation, "This debate will hopefully mean at least another \$1 billion in farm income next year."

I hoped the debate might have some import on the President. But that remains to be seen, and the record so far has been dismal.

Although Secretary Butz was given permission to buy some corn, purchases to date have been so small that market prices have moved little from what they were previously.

And, frankly, I believe that what small gains have been made have been made as a result of the House's action on the Strategic Reserve Bill rather than any USDA corn buys.

The grain trade knows the difference between USDA press releases about planned corn purchases and a bill that would require the purchase of 25 million tons of feed grains, 300 million tons of wheat and increase the loan rates for both commodities this year and next.

Yes, 1972 will be a year of decision for American agriculture and our nation's family farm producers -- and for the Administration.

When we return to Washington next January, we must complete action on several pieces of legislation important to the future of agriculture: They include:

- The Strategic Storable Agricultural Commodities Bill
- Legislation I have introduced to adjust the 1972 wheat and feed grain programs to insure that production will be brought in line with utilization demands
- Meaningful farm bargaining legislation
- Legislation to help meet the basic income and special assistance needs of smaller farmers, and
- Legislation to protect the family farmer from unwarranted incursions by corporate agriculture.

Realized net farm income this year is expected to drop by about \$300 to \$500 million. And, unless something is done about our grain surpluses and about cutting back production of wheat and feed grains in 1972, further drops in farm income can be expected again next year.

Next year is also going to be a Presidential election year when American farmers and rural people should press their case for better income opportunities.

During the 1968 Presidential campaign, Mr. Nixon made a number of promises about improving farm income and strengthening the voice of farm and rural America. But let us take a quick look at what has happened since he became President:

- Farm prices are the lowest they have been in the past twenty-three years for some commodities
- Parity is down to 70 percent
- Net farm income has drifted downward
- Acreage set-aside programs have been substituted for sound supply-management programs
- Huge surpluses of wheat and feed grains are now hanging over the market, thereby depressing prices
- The President has recommended the near abolition of USDA, and a number of programs serving rural people through his rural revenue sharing proposal
- He has impounded millions of dollars in desperately needed REA, ACP, Food Stamp, and other USDA program funds and
- He has appointed a man as Secretary of Agriculture who enjoys little or no support from the farm people he should be representing.

Do you want four more years of that kind of performance?

Neither farmers nor those who depend upon farmers for income or profits can afford another four years of such continued treatment.

American farmers must pull together in the next few years like they have never done before. Unless they unite their potential political strength, they will continue to be ignored and shunted aside by their national government and political leaders.

I pledge you my support in Congress.

We cannot -- and must not -- permit the destruction of our nation's family farm system.

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No-ifs ands ^{your friend} Butz '000659

FARM SPEECH
Priorities = Prec. Income Party

I. MENTION WHAT A GREAT FARM ORGANIZATION THE NFO IS AND WHAT A GREAT FARM LEADER STALEY IS

Staley - N.F.O

II. POSSIBLY SOMETHING ABOUT YOUR RURAL BACKGROUND

Depression - S. DAK

III. NOW MENTION THE PROBLEMS OF RURAL AMERICA: FARMERS LEAVING THE LAND: SMALL TOWN BUSINESSMEN CLOSING UP: RURAL COMMUNITIES FADING INTO THE NIGHT (BRING IN THE THEME OF GOODBYE AND GOODNIGHT TO OUR RURAL COMMUNITIES

Lites going off all over Rural America

25 years - Low income - Good Bye - Good night - Farmers leaving - 30 million -

A. THE ONLY WAY TO REVITALIZE RURAL AMERICA IS TO GET FARMERS FAIR FARM PRICES

Prec. Income Party

B. RURAL DEVELOPMENT STARTS IN THE FARMER'S POCKETBOOK

Rural Develop in farmer's pocketbook

C. FARM PRICES TODAY: CORN 90¢ LOCALLY: BARLEY 85¢: WHEAT \$1.25: JUST TO NAME SOME EXAMPLES

Price

D. FARM PRICES IN 1947: CORN \$2.08: BARLEY \$2.08: WHEAT \$2.50: SOYBEANS \$3.50

1947

(POSSIBLY SAY FARMERS SUPPORTS THE PRESIDENT'S EFFORTS TO ROLL BACK PRICES: THAT IS ALL THE WAY TO 1947)

E. AND PEOPLE ARE WONDERING WHAT'S WRONG WITH RURAL AMERICA; AND WHY THE FARM LIGHTS ARE GOING OUT ALL OVER RURAL AMERICA; AND WHY OUR ECONOMY IS IN TROUBLE TODAY

Roll Back

F. THE PROBLEM IS LACK OF INCOME IN RURAL AMERICA: RURAL DEVELOPMENT STARTS IN THE FARMER'S POCKETBOOK

Rural Develop - means

G. ALL FARMERS ARE ASKING FOR IS THE ~~COST~~ COST OF PRODUCTION PLUS A REASONABLE PROFIT

Cost of Prod - plus Profit

H. THE ONLY WAY TO DO THAT IS THROUGH COLLECTIVE BARGAINING

Self Help Bargaining

Politicians - Promises 000660

IV. POLITICIANS CANNOT SOLVE YOUR PROBLEMS - I know that
But can make them

⊗ V. BUT WE CAN HELP: YOU HAVE TO HAVE FRIENDS IN HIGH OFFICE | can help.

(POSSIBLY SAY THAT IF ELECTED PRESIDENT YOU WILL APPOINT SOMEONE TO BE SECRETARY OF AGRICULTURE WHO WILL HAVE THE SUPPORT AND CONFIDENCE OF THE NFO)

1972

A. BRING IN HOW YOU OPPOSED BUTZ

(Butz)

B. MENTION HOW YOU OPPOSE VERTICAL INTEGRATION AND HOW YOU OPPOSE THE PENETRATION OF RURAL AMERICA BY CHECKERBOARD SQUARE

We say no to checkerboard square!

C. MENTION YOUR FIGHT FOR THE INCREASE IN ~~LOAN~~ LOAN PROGRAM AND THE STRATEGIC GRAIN RESERVE

Loan increase
Grain Reserve

VI. MENTION THAT ONE OF THE GREATEST FIGHTS IN THE NEXT GENERATION WILL BE TO SAVE RURAL AMERICA, OUR FAMILY FARMS, AND INDEPENDENT BUSINESSMEN

~~XXXXXXXXXXXXXXXXXX~~ Save Rural America

A. MENTION THE FANTASTIC PLUSES OF RURAL AMERICA: SENSE OF ~~XXX~~ COMMUNITY: GOOD FRIENDS AND NEIGHBORS: ELBOW ROOM: GOOD WATER AND AIR: SUPERB RECREATIONAL OPPORTUNITIES

B. X NO ONE CAN TAKE THAT FROM US

America Needs
Parsons

C. ALL WE NEED NOW IS INCOME: ETC., ETC.

D. RURAL AMERICA HAS A DREAM TOO

⊗ School Lunch
- food for elderly
- War on Hunger

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(DO NOT MENTION ANYTHING ABOUT SURPLUSES
(I WOULD SUGGEST THAT YOU DO NOT MENTION THE RURAL DEVELOPMENT BANK IDEA

↳ President Orin Lee Haley

↳ Commissioner for Welfare of Minn

V.P. Erhard "Frank" ~~Finck~~ Fingston (Jawa)

x President Minn NFO Dwayne O'Keson (Norman Larson)

REMARKS BY SENATOR HUBERT H. HUMPHREY

Non Partisan
But
not non- ~~partisan~~

NATIONAL FARMERS ORGANIZATION

KANSAS CITY, MISSOURI

DECEMBER 16, 1971

Sam Hangers
"Reward your
friends -
Punish your
enemies"

Time for frank + carded talk -

↳ Trouble in Rural America
↳ neither party Done enough

- Party 67-68

- Income Taxon Projection \$300 to \$500 mil

- Interest up

↳ Debt up.

- ORGANIZE - ORGANIZE

I REGRET THAT I CANNOT BRING YOU GOOD TIDINGS FROM WASHINGTON ABOUT SENATE PASSAGE OF THE STRATEGIC RESERVE BILL.

THIS BILL, AS YOU KNOW, WOULD AUTHORIZE NATIONAL RESERVE INVENTORIES AND DIRECT INCREASES IN THE LOAN RATE FOR WHEAT AND FEED GRAINS IN 1971 AND 1972.

THE SENATE'S FAILURE TO COMPLETE ACTION ON THIS LEGISLATION IS REGRETTABLE. AMONG OTHER THINGS, IT WILL LIKELY KILL ANY CHANCE OF AFFECTING THE 1971 LOAN RATES FOR WHEAT AND FEED GRAINS, WHICH WOULD DENY MILLIONS OF DOLLARS IN ADDITIONAL INCOME TO PRODUCERS OF THESE CROPS.

I WILL CONTINUE MY FIGHT FOR PASSAGE OF THIS BILL -- ALREADY APPROVED BY THE HOUSE -- AS WELL AS MY RESOLUTION REQUIRING ADJUSTMENTS IN THE 1972 WHEAT AND FEED GRAIN PROGRAMS.

Priorities for Rural America - ~~As follows~~

- (1) Fair Farm Prices
- (2) Better Farm Income
- (3) Full Parity.

This is the beginning of Rural Development

BUT IT IS CLEAR THAT WE CAN EXPECT SOME STRONG OPPOSITION TO THESE

00663

MEASURES WHEN CONGRESS RECONVENES NEXT YEAR.

THERE ARE TOO MANY PEOPLE AND INTERESTS IN THIS NATION TODAY WHO BENEFIT FROM LOW PRICES FOR OUR FARM PRODUCTS, BUT, IF THE CONSUMERS OF THIS COUNTRY DON'T WAKE UP ~~TO~~ TO THE FACT THAT CONTINUED LOW FARM PRICES MEAN THE EVENTUAL DESTRUCTION OF OUR NATION'S FAMILY FARM ENTERPRISE SYSTEM, THEY WILL SOON BE FORCED TO SPEND MUCH MORE OF THEIR ~~INCOME~~ INCOME FOR FOOD, INSTEAD OF THE 17 PERCENT THEY NOW SPEND!

A Food Bargain

IF FARMERS WERE REWARDED OR COMPENSATED FOR THEIR INVESTMENT AND LABOR BASED ON WHAT THE PRESIDENT AND ALL THE ECONOMISTS SAY SHOULD BE OUR STANDARDS FOR PRICES AND WAGES, NAMELY PRODUCTIVITY, FARMERS SHOULD BE GETTING:

822000 Farm

X 1948 - Total Investment - \$117 Billion
 Total Net Farm Income \$ 16 Billion

1970 Total Invest - \$250 Billion
 Total Net In - \$ 16 Billion

Buy 1/2 as much -

Why Farmers leaving Rural
 America - Income!!

"Good By - Good Bye"

Farm lites going out all over
 America -

Reporters ask me
 what do farmers of America think
 of Wage Price Freeze -

Farmers say to workers + business
 "Welcome to the Club". We've
 been favored for 20 years.

Roll back Prices all the way to 1947

-3- 000665

1971

-- \$5 PER BUSHEL FOR THEIR WHEAT

* 6 Soybeans

-- \$3 PER BUSHEL FOR THEIR CORN

* 5 Barley -

-- \$50 PER HUNDRED FOR THEIR CATTLE.

1947-

2.50

3.50

2.00

2.08

1.25

2.80 (Short Supply)

90 to 91

Barley 85¢

THE PRODUCTIVITY RATE OF THE FARM SECTOR OF OUR ECONOMY

TODAY IS TWICE THAT OF THE NONFARM SECTOR

TO BE PENALIZED RATHER THAN REWARDED FOR THEIR EFFORTS.

As a nation, we are quick to come to the aid of our

RAILROADS, OUR AIRCRAFT INDUSTRY OR OTHER DEPRESSED INDUSTRIES,

BUT WE FAIL TO RESPOND TO THE DEPRESSED INCOME NEEDS OF MILLIONS

OF FARM FAMILIES -

yet Agric so important -

~~50 billion, 16 billion~~

no new prospects with a lot

You and your leadership, especially OREN LEE STALEY, have

enormous Agri

BEEN IN THE FOREFRONT OF THIS BATTLE TO SECURE ECONOMIC JUSTICE

FOR OUR FARM PRODUCERS

and in so doing, you are fighting for a productive & prosperous America

YOUR SELF-HELP EFFORTS IN THE FIELD OF FARM BARGAINING HAVE BEEN UNPARALLELED IN FARM HISTORY.

to the way of the future.

BUT YOU ALSO NEED AND DESERVE HELP FROM YOUR NATIONAL GOVERNMENT TO FURTHER STRENGTHEN THOSE EFFORTS AND I INTEND TO CONTINUE MY EFFORTS TO HELP YOU GET THAT NEEDED ASSISTANCE!

DURING THE SENATE HEARINGS AND DEBATE ON THE CONFIRMATION OF DR. BUTZ AS SECRETARY OF AGRICULTURE, YOU AND YOUR LEADERS

WERE THERE HELPING US DRAMATIZE THE LEGITIMATE NEEDS OF FAMILY FARMERS.

(Butz nomination received one purpose - Ag in the news!)

AND AS I SAID JUST BEFORE THE SENATE VOTE ON DR. BUTZ'S CONFIRMATION, "THIS DEBATE WILL HOPEFULLY MEAN AT LEAST ANOTHER \$1 BILLION IN FARM INCOME NEXT YEAR."

+ Owen Lee Staley + N 70 were right there setting putting on the pressure.

South

*Purchase
corn
1.4 bushels
sold
1.5 million
70/10
on
Texas*

I HOPED THE DEBATE MIGHT HAVE SOME ~~IMPACT~~ ^{impact} ON THE PRESIDENT.

BUT THAT REMAINS TO BE SEEN, AND THE RECORD SO FAR HAS BEEN

DISMAL.

L ALTHOUGH SECRETARY BUTZ WAS GIVEN PERMISSION TO BUY SOME CORN, PURCHASES TO DATE HAVE BEEN SO SMALL THAT MARKET PRICES HAVE MOVED LITTLE FROM WHAT THEY WERE PREVIOUSLY.

L AND, FRANKLY, I BELIEVE THAT WHAT SMALL GAINS HAVE BEEN MADE ~~WERE~~ ^{are the} RESULT OF THE HOUSE'S ACTION ON THE STRATEGIC RESERVE BILL RATHER THAN ANY USDA CORN BUYS.

L THE GRAIN TRADE KNOWS THE DIFFERENCE BETWEEN USDA PRESS RELEASES ABOUT PLANNED CORN PURCHASES AND A BILL THAT WOULD REQUIRE THE PURCHASE OF 25 MILLION TONS OF FEED GRAINS, ~~25~~ ^{several} MILLION, TONS OF WHEAT AND INCREASE THE LOAN RATES FOR BOTH COMMODITIES THIS YEAR AND NEXT.

E

000668

L Yes, 1972 WILL BE A YEAR OF DECISION FOR AMERICAN

AGRICULTURE AND OUR NATION'S FAMILY FARM PRODUCERS -- AND FOR THE
ADMINISTRATION.

L WHEN WE RETURN TO WASHINGTON NEXT JANUARY, WE MUST COMPLETE

ACTION ON SEVERAL PIECES OF LEGISLATION IMPORTANT TO THE FUTURE

OF AGRICULTURE: THEY INCLUDE:

-- THE STRATEGIC STORABLE AGRICULTURAL COMMODITIES BILL

-- LEGISLATION I HAVE INTRODUCED TO ADJUST THE 1972 WHEAT

AND FEED GRAIN PROGRAMS TO INSURE THAT PRODUCTION WILL BE

BROUGHT IN LINE WITH UTILIZATION DEMANDS

Effective
-- MEANINGFUL FARM BARGAINING LEGISLATION - *N.F.O.*

School Lunch
Food for Elderly
Food Stamps
Food for Peace

000669

-- LEGISLATION TO HELP MEET THE BASIC INCOME AND SPECIAL
ASSISTANCE NEEDS OF SMALLER FARMERS, AND

-- LEGISLATION TO PROTECT THE FAMILY FARMER FROM ~~UNDERRATED~~

being gobbled up

~~INCURSIONS~~ BY CORPORATE AGRICULTURE.

Farm credit for young farmers

REALIZED NET FARM INCOME THIS YEAR IS EXPECTED TO DROP BY

ABOUT \$300 TO \$500 MILLION AND, UNLESS SOMETHING IS DONE ABOUT

OUR GRAIN SURPLUSES AND ~~ABOUT CUTTING BACK PRODUCTION OF~~ *the surplus of* WHEAT

AND FEED GRAINS IN 1972, FURTHER DROPS IN FARM INCOME CAN BE

EXPECTED AGAIN NEXT YEAR.

But

NEXT YEAR IS ALSO GOING TO BE A PRESIDENTIAL ELECTION YEAR.

This is the time for

WHEN AMERICAN FARMERS AND RURAL PEOPLE ~~COULD~~ *to* PRESS THEIR CASE

FOR BETTER INCOME OPPORTUNITIES. - *Demand* -

get solid commitments

DURING THE 1968 PRESIDENTIAL CAMPAIGN, MR. NIXON MADE A NUMBER OF PROMISES ABOUT IMPROVING FARM INCOME AND STRENGTHENING THE VOICE OF FARM AND RURAL AMERICA. BUT LET US TAKE A QUICK LOOK AT WHAT HAS HAPPENED SINCE HE BECAME PRESIDENT:

- FARM PRICES ARE THE LOWEST THEY HAVE BEEN IN THE PAST TWENTY-THREE YEARS FOR SOME COMMODITIES
- PARITY IS DOWN TO 70 PERCENT
- NET FARM INCOME HAS DRIFTED DOWNWARD
- ACREAGE SET-ASIDE PROGRAMS HAVE BEEN SUBSTITUTED FOR SOUND SUPPLY-MANAGEMENT PROGRAMS
- HUGE SURPLUSES OF WHEAT AND FEED GRAINS ARE NOW HANGING OVER THE MARKET, THEREBY DEPRESSING PRICES

- Interest Rates up -
- Credit Tighter -

000671

-9-

-- THE PRESIDENT HAS RECOMMENDED THE NEAR ABOLITION OF USDA,
AND A NUMBER OF PROGRAMS SERVING RURAL PEOPLE THROUGH HIS
RURAL REVENUE SHARING PROPOSAL

-- HE HAS IMPOUNDED MILLIONS OF DOLLARS IN DESPERATELY
NEEDED REA, ACP, FOOD STAMP, AND OTHER USDA PROGRAM FUNDS

AND

-- HE HAS APPOINTED A MAN AS SECRETARY OF AGRICULTURE WHO
ENJOYS LITTLE OR NO SUPPORT FROM THE FARM PEOPLE HE SHOULD
BE REPRESENTING.

~~DO YOU WANT FOUR MORE YEARS OF THAT KIND OF PERFORMANCE?~~

NEITHER FARMERS NOR THOSE WHO DEPEND UPON FARMERS FOR
INCOME OR PROFITS CAN AFFORD ANOTHER FOUR YEARS OF SUCH CONTINUED
TREATMENT.

AMERICAN FARMERS MUST PULL TOGETHER IN THE NEXT FEW YEARS
LIKE THEY HAVE NEVER DONE BEFORE. UNLESS THEY UNITE THEIR POTENTIAL
POLITICAL STRENGTH, THEY WILL CONTINUE TO BE IGNORED AND SHUNTED
ASIDE BY THEIR NATIONAL GOVERNMENT AND POLITICAL LEADERS.

I PLEDGE YOU MY SUPPORT ~~CONFIDENTIAL~~

WE CANNOT -- AND MUST NOT -- PERMIT THE DESTRUCTION OF OUR
NATION'S FAMILY FARM SYSTEM.

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*"A Healthy agriculture, a prosperous
country - to this end we are
dedicated" NFA Song*



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