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Mr. President: Confusion and uncertainty over the future agricultural policies of the new administration seriously threatens to undermine the farm economy of our nation.

Farm prices are already on the skids, at a time when costs of farming are increasing. Farm income is declining dangerously in relation to the income of other segments of our economy.

The current issue of the U. S. News and World Report agrees that farmers are caught in a squeeze -- getting less for what they sell and paying almost as much for what they have to buy. It backs up its conclusion that a farm recession is now under way with figures from the Bureau of Agricultural Economics showing that the farm share of national income has fallen below 1932.

In that depressed year, farmers' share of the national income was 7.3%. By 1946, that share had risen to 10.8%. For 1953, it is now officially estimated to be only 6.5%.

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Other economic indicators of the farm situation -- the parity position of farmers, the farmers' share of the food dollar, and what farmers keep from gross income -- are also all sharply down, according to the U. S. News and World Report.

These are warnings that must be heeded, if we are to avert the kind of collapse that has plunged us into past depressions.

Immediate, positive, constructive action is needed to bolster the economic climate for American agriculture.

Action is needed to clarify the conflicting philosophies now so apparent within the ranks of the Administration in regard to agriculture.

Action is need to make good the repeated assurances of the leaders and platforms of both political parties that economic protection for agriculture would be continued.

Action is needed to establish such economic protection as a basic public policy, fully accepted as in the public's interest,

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beyond the realm of political controversy.

Mr. President, I send to the desk a bill to accomplish that purpose.

It will assure American farmers fair returns for answering the nation's call to greater production. It will eliminate the threat of economic penalty for producing in the abundance the nation now requires to meet fully its domestic and international needs.

I am proposing that the farm price support level be at 90-100% of the parity fair return standard for all basic and other designated storable commodities -- the parity level pledged to the American farmer by President Eisenhower during the campaign.

I am proposing to make mandatory the support of a number of commodities which are now subject to the discretion--or indiscretion--of the Secretary of Agriculture.

The bill would add flaxseeds, soybeans, oats, rye, barley and grain sorghums to the list of commodities supported by mandatory 90-100% price supports.

It would also make mandatory the support of dairy

products, cattle, hogs and poultry and eggs at not less than 90% of parity.

I am further proposing to extend the period of firm, mandatory farm price supports through 1957, a year after the new Administration takes office.

I am asking that the present dual parity formula be continued for that same period, instead of requiring the so-called "new formula" to go into effect at the end of next year.

In this bill, I am purposely not limiting the Secretary of Agriculture to any one method of support for perishables, recommending instead that he consider the use of any or all of several alternative methods.

We must accomplish price support to the farmers without penalizing consumers by withholding such perishable products from useful, human consumption.

Mr. President, American farmers were told by President Eisenhower in a campaign speech at Brookings, South Dakota, on

October 4, 1952, that:

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"The Republican Party is pledged to the sustaining of the 90% of parity price supports, and it is pledged even more than that to helping the farmer obtain his full parity, 100% of parity, with a guarantee in price supports at 90%."

Earlier at Kasson, Minnesota, on September 6, President

Eisenhower said:

"I firmly believe that agriculture is entitled to a fair, full share of the national income ... and a fair share is not merely 90% of parity--but full parity."

He added, and again I quote:

"As provided in the Republican platform, the nonperishable crops so important to the diversified farmer --crops such as oats, barley, rye and soybeans --should be given the same protection as available to the major cash crops."

He also said, in the same talk:

"We must find sound methods of obtaining greater protection for our diversified farms, our producers of perishable foods. They yield the rich variety of meat, milk, eggs, fruits and vegetables that support our nutritious national diet . . . we can and will find a sound way to do the job."

Mr. President, with those views I most heartily agree.

I have accepted the President's pledge to American farmers in good faith, as I am sure our farmers have done.

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I welcomed President Eisenhower's views as consistent with the constructive farm philosophy of the Democratic administrations under which agriculture had been guided out of the depth of depression into its period of greatest progress and prosperity. He seemed to agree with many of us that our farm price support laws needed to be strengthened and expanded to cover more commodities and not weakened, or scuttled.

As an expression of my agreement, I am placing before the Senate in bill form the means of carrying out President Eisenhower's pledges to America's farmers. It is designed to firm up our entire agricultural economy by ending the doubt and uncertainty that now hangs over the head of every farmer risking his investment in the production of food and fiber for the nation's needs.

There is urgent need for such action without delay.

Day after day, farmers in my State of Minnesota and in other states are tumbling to the brink of financial ruin over the Niagara of falling farm prices.

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I have received letters, telegrams, a memorial from the State legislature of Minnesota, and other appeals for action from farmers without precedent since the 1920's, when agriculture was permitted to sink into a decline that ended in mass bankruptcy.

We can never permit such a decline again.

On the contrary, we urgently need the utmost strength in our agricultural economy at this very time.

Agriculture's job has not changed overnight. Farmers of this country still have the tremendous responsibility of producing abundantly to meet all the expanding needs of a growing population, and of contributing their utmost to the economic strength of our country at a time when we must be -- and remain -- economically strong.

Food requirements of the future will be much greater than now, and ways must be found to make further strides in production.

The problems confronting farmers trying to accomplish their job of production haven't changed overnight either. They are still

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there, and must be faced squarely regardless of changes in the country's political leadership.

Foremost among them is the problem of insuring continued food abundance by providing some assurance of reasonable returns for the farmer producing it.

Everyone has a stake in maintaining such abundant production, not just the farmer.

Our population has been increasing at the rate of about $2\frac{1}{2}$ million a year -- $2\frac{1}{2}$ million more mouths to be fed each year, 7,400 a day, 300 an hour, five every minute.

In the face of that population trend, consumers have a vital stake in maintaining a strong and productive agricultural economy. Abundant agricultural production is the consumer's only safeguard against soaring retail prices, now that price controls are being scuttled.

But can farmers be expected to go on producing in abundance, if it means they must take less and less? To protect the interests

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of both farmers and consumers, we must maintain the incentive of fair prices to achieve abundance. We must then find ways to use that abundance wisely without penalizing the producer.

Both Presidential candidates recognized and accepted that public policy as in the best interest of the entire nation.

Unfortunately, farmers are learning that a sharply conflicting philosophy is coming out from hiding from within the ranks high in the councils of the Republican Party.

The discredited "starve out" theory of lowering prices to force compulsory adjustments is being brushed off and hauled into public light again.

Farmers have a right to know the real intentions of the Republican administration.

They know ~~what~~ President Eisenhower promised them.

They know what Secretary of Agriculture Benson is saying.

They know the two views are in sharp conflict.

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The Secretary of Agriculture is undoubtedly a sincere, earnest and deeply religious man. Nevertheless, his principles are obviously opposed to the campaign promises of President Eisenhower.

Secretary Benson expounded his farm philosophy in an address at St. Paul, in which he declared that "price supports should provide insurance against disaster". He apparently doesn't believe price supports should be used to provide farmers some insurance of fair prices.

Farmers have every right to be alarmed at what looks like the beginning of a sell-out -- a repudiation of what had been pledged to them not once but repeatedly during the campaign.

They will be even more alarmed if they read the remarks of the President pro tempore of the Senate (Mr. Bridges) given in this chamber Friday, apparently setting the stage for turning back the clock to a survival-of-the fittest, squeeze-out-the-little fellow farm philosophy.

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Such a course would be a direct repudiation of the President's pledge to the farmers of this country, and a dangerous tampering with the nation's future food supply.

It is clear to me, on the basis of Secretary Benson's speech at St. Paul, that if there is to be any action to strengthen farm markets and halt price declines, that action must be clearly initiated by the Congress.

And it appears clear to me, on the basis of the Senator from New Hampshire's policy statement on Friday, that if anything is going to be done to make good President Eisenhower's campaign pledges to farmers, it will have to be supported from this side of the aisle instead of depending upon the President's own majority party.

That's all I have done in this bill--to ask the Senate to make good on the pledges to American farmers by both political parties.

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We cannot leave these vital problems to be solved at the discretion -- or indiscretion -- of the Secretary of Agriculture. However sincere he may be, his basic philosophy does not agree with the necessity of maintaining high level farm price supports.

Fortunately, he rose above his own principles long enough to extend at least temporarily the existing 90 percent support for dairy products.

His decision is certainly welcome, but it holds little assurance for the future -- for either dairy products, or other commodities.

In granting the 90 percent support dairy extension, the Secretary still made clear he was opposed to it in principle. And he certainly gave a gloomy outlook of what his ideas are toward reducing price supports in the future.

Let me quote from a Washington Post article explaining Secretary Benson's position:

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"In temporary justification, he (Benson) pointed out, however, that dairymen pay high prices for feed. Corn and wheat which go into it will be supported at 90 percent of parity, at least until 1954. It would not be fair to drop dairy prices, he felt, until corn and wheat come down in price."

Could it be any clearer what his intentions are toward support of all basic commodities after 1954?

Can farmers be asked to keep on producing in abundance with such a threat hanging over their heads?

The American farmer needs to be told and wants to be told as quickly as possible where he stands. It is important that the farmer, the agricultural tradesmen, the boards of trade, the mercantile exchanges and those who deal in farm commodities know and know promptly that the Congress of the United States does not propose to stand by and do nothing while agricultural prices break and drag our whole economy into a sharp recession or a depression.

They need to be assured that the American people want continued abundant production, and that we recognize a public obligation to protect the producers of that abundance.

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Both Secretary Benson and Senator Bridges have recently been making disturbing statements about "unmanageable surpluses", indicating they are thinking in terms of scarcity, rather than welcoming abundance and seeking to make good use of it.

What's behind the smokescreen suddenly being created about "unmanageable surpluses", at a time when every study shows the world's food production is not even keeping pace with its population growth?

How can there be talk about huge surpluses of corn, when we have been using up more feed grains than we have produced the last few years. We have been drawing upon our reserves until we should be more concerned about maintaining them at safe levels than talking about "surplus"?

Let's not be hoodwinked into turning backward toward any scarcity philosophy for agriculture. We reject the notion of squeezing the little fellow out of business until production can be so restricted as to demand--and get--artificially high prices from the consumer.

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I'm afraid too many spokesmen for the majority party

can't get over the habit of looking back twenty years or so.

In all sincerity, I ask them to turn around and look ahead, instead. They have a new responsibility and a new obligation to look ahead, and to act constructively for the future.

How much food are we going to need from American farmers? Let me give you some examples.

To supply each person in 1975 with the same standards of diet as we have been getting will require about $5\frac{1}{2}$ billion more pounds of red meat than were produced in 1950.

Such a requirement for meat means that by 1975 we will need annual increases equivalent to the 1950 pig crops of Iowa and Nebraska, PLUS the 1950 cow numbers of Minnesota, Texas, and Oklahoma, PLUS the 1950 lamb crops of Montana, Wyoming, Utah, and Nevada.

We will need 10 billion more quarts of milk--equal to the 1950 milk production of Michigan, Wisconsin and New York.

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We will need an additional $1\frac{1}{4}$ billion dozen eggs --

equal to the 1950 egg production of California, Kansas, Missouri, Illinois, and Pennsylvania.

These figures don't allow for better diets. They provide just for holding our own. And yet all of us hope that by 1975 our standard of diet can be improved.

The American farm is the production plant that must meet these growing requirements for American consumers.

Is this any time to start dismantling that plant, cutting down its productive capacity, telling the farmer if he can't cope with the hazards of our complex economy he just better get out of business?

That's just what these folks mean who talk so glibly about "natural adjustments", "free markets", and "less government interference".

Nobody raised such howls about huge government outlays to

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expand our great industrial productive facilities, to make sure we could meet the stepped-up demands of defense production. Nobody said we ought to let free markets take care of such expansion. Nobody said that we let our industry risk its own investment, without any assurance of orders and tax benefits from the government.

Why isn't there just as much a public stake in making sure our agricultural plant can meet its future demands?

I'm proud of the American farmer, and his record of meeting the nation's needs in the face of a struggle to survive. I think he can meet the huge needs ahead. But I think we all have a vital stake in helping him meet those needs.

It can't be done by limiting our research activities. It can't be done by weakening our conservation efforts. It can't be done by tightening our credit facilities. It can't be done by restricting fertilizer production. And it certainly can't be done by weakening our price support structure, and

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thereby telling farmers that if they go ahead on a long-range development program of this nature they do so at their own risk.

Yet all those threats hang over the head of American agriculture today.

Let's remove those threats, and give agriculture a green light to go on producing with confidence. As a nation which requires that production, we are willing to assure farmers fair returns for producing it.

We must prepare for the day when it will be clearly demonstrated for all to see that we in the United States are not an agricultural surplus nation. We may soon need incentives to increase the production of wheat, flax, corn, sugar beets, and other farm commodities.

My bill would also extend the provision of section 402 of the Agricultural Act of 1949, which would allow a further

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increase in price support levels above the mandatory levels if production incentives are needed for the national welfare and national security.

In fact, an intelligent agricultural policy must recognize that there is a great, untapped, potential demand for our agricultural commodities.

All of us want to see food, used, not wasted.

Both the Democrat and Republican parties, during the campaign, promised to find new ways to support perishables. I hope we can do so. My bill would fulfill the Democratic and Republican pledges to extend supports to such perishables, but I'm willing to leave the way open to find a better way to do it.

I don't want to tie the Secretary of Agriculture's hands. I don't want to see any waste of foods when need exists for it in the world.

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We know that our loan-and-storage programs that work so well for storable commodities are not practical for perishables without risking huge waste and economic loss. But there certainly are other alternative methods available for supporting such perishables.

Among them, I'd like to suggest further consideration of:

1. The use of compensatory payments, such as previously included in the 1948 Agricultural Act authored by Senator Aiken, and similar to those still successfully used in the Sugar Act. I understand Secretary Benson has just recently testified in support of continuing the present Sugar Act that includes such payments, so perhaps he may decide they have merit for support of other commodities.

2. Expanding distribution of perishables through our school lunch program, charitable institutions and military procurement.

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3. New methods of more liberal credit for livestock producers that will encourage and permit more orderly marketing.
4. A domestic food allotment plan similar to that previously proposed by Senator Aiken for low-income families.
5. Development of international programs for making such food supplies available where they are most needed in the world.
6. Use of our abundant production to fight communism, by improving the diets of South Korean and other allied troops.

Through wise use of such methods, I am sure, the proven benefits of price support can be achieved for producers of these important perishables without penalizing the consumer and risking huge waste and heavy economic loss -- a loss that in the past has often been far greater than the costs of these alternative methods would be.

It is to our own interest as a nation, and it is in the interest of freedom and humanitarianism all over the world,

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that we begin to raise our sights and use some imagination so that our agricultural products can be effectively utilized, and our agricultural economy protected.

We should enter into international negotiations through the United Nations to extend the principles of the international wheat agreement, not only for wheat, but for other agricultural commodities. Millions in the world are undernourished and underfed, and can use the health-giving strength and life which American farmers produce in their fields.

Furthermore, as the distinguished Senior Senator from Montana, Mr. Murray, has urged, we should ship our beef to ~~West~~ Korea where South Korean soldiers are suffering from serious malnutrition. Meat, too, can be used as a weapon in the struggle against Communist imperialism. Hunger among South Korean troops is reducing the effectiveness of their combat units.

All of these potential outlets offer new opportunities for agriculture, and new challenges for this administration to serve agriculture -- if it will.

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But the need for positive action is now.

There has been a need for firm action on farm prices for many weeks.

A month ago, Mr. Benson asked for time to study the problem before declaring his position on price supports. Today the problem is no longer one of giving him time to study the problem. The Secretary has announced his policy, and it is a policy which runs counter to the pledges made by President Eisenhower to the farmers of the United States during his campaign.

Today the need is to eliminate confusion and indecision and move on to protect the economic stability of rural America.

The situation in agriculture is too serious to quibble about political credit. The necessity is to get something done.

That is why I have introduced this bill, and why I am sure many of my colleagues on both sides of the aisle will

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support such an effort to make good on what our farmers have
been led to expect — and to thereby serve the best interests
of the entire nation.



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