

From the Office of
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429 Nicollet Hotel
Minneapolis, Minnesota

FOR RELEASE
FRIDAY P. M.
OCTOBER 9, 1953

Secretary of Agriculture Benson is "only a figurehead" for certain big business and big banker groups seeking to dominate formulation of the nation's farm policies, and undermine farm programs that in the past have provided stability in farm markets, Senator Hubert H. Humphrey (D. Minn.) declared today in an address before the annual state convention of the South Dakota Farmers Union.

"Don't make the mistake of blaming Benson alone for the anti-farmer trend in the new Administration's farm policies," Senator Humphrey said. "They are the policies of special interest groups dominating the high counsels of the Eisenhower Administration, and have the 'green light' of approval from the White House itself.

"Secretary Benson told the National Plowing Matches he has no 'plan' for agriculture. Well, that's hardly a secret -- that IS the Benson Plan.

"The Benson Plan is a do-nothing plan of leaving American agriculture at the mercy of speculators under the guise of restoring 'free markets'", Senator Humphrey warned. "It's not Benson's plan alone -- it is the plan of major financial interests calling the shots through the backdoor to the White House today. You're giving Benson credit for far more strength than he possesses if you think he is standing up against the obvious wave of indignant protest throughout American agriculture -- from Republican and Democratic farmers alike -- without powerful backing behind him in the hidden inner councils of the Eisenhower Administration.

"Secretary Benson is being 'used' as a front for the attack on farm programs under the guise of seeking to improve them, acting as a sounding board to create confusion and uncertainty within agriculture's ranks and turn city residents against farmers by continually emphasizing the 'cost' of farm programs to the American taxpayers, instead of telling the truth about the tremendous contribution of these programs to our nation's entire economy".

Republican farm policy is being dominated by "the Chicago Board of Trade and Wall Street", Senator Humphrey charged, with Benson being used "as a naive spokesman who can become the sacrificial lamb if necessary before next year's Congressional elections".

Any idea that Benson might be acting "on his own" was dispelled recently when President Eisenhower gave him "his personal blessing" during a conference at the President's vacation retreat in Colorado, Senator Humphrey said.

"Just how firm that backing was is reflected by Secretary Benson's subsequent action in demoting the only member of his staff who has become sufficiently alarmed at falling farm prices to speak out for continued effective price supports -- Assistant Secretary John H. Davis, who has been ousted as President of the Commodity Credit Corporation and given a more innocuous assignment as head of the Foreign Agricultural Service having nothing to say about domestic price support policies," Senator Humphrey declared.

Despite "lip service" toward continued protection for agriculture, the Administration "has far from given up" its obvious objective of getting rid of farm price supports at levels that are effective in stabilizing farm prices, Senator Humphrey warned.

U. S. Senator H. H. Humphrey - - - Huron Arena - - - October 9, 1953

Senator Humphrey opened his speech with some preliminary remarks about his recent travels covering more than 12,000 miles in Minnesota since August 1, visiting more than 100 towns, villages and cities, farm picnics, fairs, etc.

He eulogized M. W. Thatcher, Manager of G.T.A. as one of the greatest leaders in American agriculture, and specifically his outstanding contribution in the fight for parity.

He admonished farmers to keep an eye on Congress and watch Congressmen for performance.

Mr. Humphrey said "Agriculture is the fabric of our history", and added, "An economic tailspin always starts with agriculture".

He continued: "Russia's purported possession of the hydrogen bomb has thrown the Pentagon into a new scare and Washington circles are now talking about an additional 20 billion for defense.

I am sure that we are for adequate defense but few of us can comprehend the meaning of astronomical figures involving billions and what really constitutes a sufficient amount.

While we worry about hydrogen bombs and national defense, how about declining farm prices? How about our economic defenses? The real secret of U. S. defense is economic stability. You know more about the present agricultural decline than I - - because you are in it. I read about it in the papers.

Parity - yes, we had it up to 1952, but it went down hill rapidly after November 1952.

USDA talks about stabilizing prices. What prices?

When farm prices plunged downward, steel prices went up.

The cost of living is now at the nation's highest peak. The farmers share of the consumers dollar is down to about 43¢.

A fellow from the east recently remarked to me that farmers were subsidized and wallowing in money, that they had two Cadillacs on every farm, etc." I told him "You're not funny -- you're stupid".

(The above was taken from notes and the following from record.)

Now I wonder what some of these folks mean that are talking about adjustments - you know I hear this word all the time. I hear people say, "Well all we're going through is just an adjustment". Well that is a nice word providing that you aren't the one that is being adjusted. But if you are adjusted out of your job you're unemployed, and if you are adjusted out of your farm when the note comes due you're

broke. That word adjustment is just a nice, very fancy sophisticated word for saying that there are hard times coming upon some people. Well, let me tell you about an adjustment.

The farmer's share of the national income in 1953 will be lower than any year since 1932. That's a Federal Reserve Board statement. Your percentage share of the national income - you say, well my income is way up compared to what it used to be, but so are other peoples. I am talking about your relationship to the rest of the economy. The American agricultural share of the national income in 1953 will be lower than any year since 1932.

These are signs of the times. This is why when I attended the Minnesota State Fair that dozens of business men out there with their exhibits came to me and said, "Senator Humphrey, what are you going to do about these farm prices?" "What kind of an agricultural program do you support?" "You're for 90% of parity aren't you?" "You're for 100% of parity aren't you?" I said, "You bet I am, and I've been there for a long time too. I'm surprised you didn't know." I've gone up and down the highways and by ways of this my state of Minnesota and of some parts of South Dakota, and have talked with bankers and with druggists and hardware dealers, with cafe owners and novelty store owners and they are all concerned. They know. Up in North Dakota recently there were a number of little small towns where the civic and commerce associations all sent resolutions down to the Secretary of Agriculture and Congress asking for 100% of parity. Businessmen - I've walked enough miles behind the drugstore counter to know that when you don't have it, we don't either. I know what it takes to keep the cash register ringing, and that's beautiful music when you are in business and it's ringing, and my it can be quiet when it isn't. It takes customers - not just customers - customers with money in their pockets. Customers that are sure of tomorrow.

One of the reasons my dear friends today that their business is slumping, and it is, right here in Huron, and it is right in Minneapolis, is because there is an uncertainty in America today. A fear, a doubt, primarily because doubt and uncertainty have been spread throughout this land - consciously, by none other than the Secretary of Agriculture and some of his spokesmen, and I don't mind saying so quite publicly. His greatest damage is the uncertainty that he has given out by his statements. I remember the speech in St. Paul last winter and price supports were supposed to be disaster insurance only. The question is, when is a disaster a big enough disaster to get some Benson disaster insurance. That's the question. How disastrous does it have to be. I'm not doubting his integrity. I personally know the man and I think he's a very fine man and of good character. He just doesn't agree with what the pronouncements were of either political party.

By the way, this agriculture subject ought not to be partisan. I am glad that your Senator and Congressman were here to dedicate themselves to your program. This ought not to be Republican, Democrat stuff. This is economics, this is dollars and cents. When you are a Republican farmer you go just as broke as when you are a Democrat farmer you know. Or visa versa. When you sell your cattle if you live in Minnesota down at south St. Paul, they don't ask about your politics, they look at the cattle. Even though the market price may

be 27.50 a hundred I'm here to wager that you won't get an average of 18¢ a pound when they get through grading it. Why I've had letters from our farm people in Minnesota telling me where they have taken in 50 head of cattle, 40 head - I had one from a farmer in Hollendale, Minnesota only a few days ago where he took 46 good steers to market well fed and in the feeder lot and he averaged 16¢ a pound. Boy, he's happy! Oh yeah!

Well now there is something else that we need to know about this situation. I have been talking in general terms about what is good for the farmer is good for mainstreet. I want to say this - that I'm not here to give a speech just for agriculture. No, really - if it was just agriculture that was going to be hurt I suppose some people might say well, so what? I wouldn't say that, but some might. Why? Because there is only one-fifth of the population in agriculture. But my dear friends, what helps agriculture helps the whole nation, and we are talking when we talk about an agricultural program, a program for school teachers too. Who do you think is going to pay the school teachers? When your farm prices start to drop don't worry - these teachers salaries will come down too, and you too dear superintendent. When farm prices start to drop don't worry, lawyers fees will come down too and doctors fees will come down and nobody will pay the doctor bill. Everybody will be hurt.

The farmer is the big consumer. The farmer used more steel last year than went into the entire year's output of automobiles, and yet my dear friends if there is a little problem in the automobile industry everybody gets excited. Yet the farmer of America used more steel last year than all the automobile manufacturers put together for their passenger automobile. Farmers used more petroleum products last year than was used in any other industry. Why even the prosperity of the rich oil men depends a great deal upon the American farmer. Farmers used more raw rubber last year than it took to put tires on six million cars with a good spare tire "to-beet". So when there is a drop in farm income there is a drop in rubber workers employment, rubber workers income, rubber processing plants income. When there is a drop in farm income there is a drop in steel mill employment, up on the iron mines of northern Minnesota, a drop all the way down in the processing plants of steel. This economy of ours is intermeshed, interwoven, it's like a web, and when you start to throw it out of joint anyplace you throw it all out of joint. Farmers used more electrical power last year than went into the power needed for the cities of Chicago, Detroit, Baltimore and Houston combined, and my good friends, for every dollar that the government of the United States has loaned on REA, and by the way I repeat it's a loan at 2% interest, 35 year loan, no gift, no charity, not one dime of charity. For every dollar that the government has loaned and the farmers have invested, \$6.00 has been spent by farm people for electrical appliances. Why do you think every hardware store and every radio store in the country has all the radios and flatirons and electrical motors and everything else. Because of REA. We didn't used to have it. We used to see a big supply of lanterns. You can go awful broke just selling lanterns. Then to underscore what I've been saying let me point this out to you. Fifteen hundred factory workers were laid off at the Minneapolis Moline Company the other day and another tractor plant was closed down,

and the headlines of newspapers carried this story over and over and over again.

So friends, what we are really talking about then is a very basic part of the whole American structure. Now our nation is carrying tremendous burdens this day. We are responsible for world leadership. We are called upon my dear friends to do great things in helping the underprivileged peoples of the world, to help them in technological and scientific manner, to help them with food and clothing and medical care. Our government is called upon to lead the free peoples of the world, and when I say our government, our country our people are called upon to do this. Now this cannot be done by a poor country. It can only be done by a prosperous country. I have spoken out here to these soil conservation meetings and I have said to some of them that poor land means poor people and poor people means a poor America, all those in sequence. The only way we can bear the burden of our defense and the only way that we can undertake to repay the great investments which we made in homes around this nation, in new capital equipment around this nation is to keep America going ahead, not back. We can't be satisfied with \$325,000,000,000 a year national income. We've got to have \$400,000,000,000. Why do I say these things? I say it because the facts are true. We are a growing country. We are a country that has tremendous responsibilities, a country that is deep in debt, but not a debt that is unmanageable if we keep our prosperity where it belongs, our production and our prices. This debt becomes unbearable and it becomes crushing only when you can't pay the interest on the principle, and every GI that owns a home where he and his wife and family are now today, will be in trouble ladies and gentlemen if American agriculture is in trouble. Every young business man that started on main street, that borrowed money to start his business will be in trouble and will go to the wall if you are in trouble. So I appeal to this young business man in particular to be on your side, not on the side of the farmer but to be on his side so that he can live, that he can go ahead.

There is nothing so expensive as a depression ladies and gentlemen - don't forget that. They tell you that price supports are expensive. Ladies and gentlemen, let me tell you something. The amount that your government has spent on price supports wouldn't pay for one year of depression. It's depression that costs money, depression and wars are what hurt the world. Not prosperity and trying to keep prosperity, and all you've got to do is to let things get out of hand, let the price structure drop another five points Mr. Farmer and there will be foreclosures in South Dakota. It's gone down eight points in nine months. Let it drop five points in the next ten months and see what happens out here, and in Minnesota. Therefore I have very little time with these folks who come out and say - "Oh it's going to work itself out alright, we are going to get it adjusted around." Adjusted what way? Who is going to get adjusted? I listened to that kind of soothing talk too much, and even when younger and more gullible, but I am not so young now, and I am not at all gullible and I don't intend to listen to it for one minute.

Well, let's see what's underway. I brought some exhibits along that I thought you folks would like to see. I spent a good deal of my time doing research work. I have a briefcase full of it out in

the car and much of it up here. What do they say about price supports now? Well, here is what they say. Here is an exhibit. Mr. and Mrs. Taxpayer, this is from the Minneapolis Sunday Tribune of the Sunday of August 16, 1953. Each of you owns a share of this surplus U. S. wheat and then it goes on down here to say that Mr. and Mrs. Taxpayer own \$6.00, \$7.00 worth of wheat, \$6.00 worth of corn and \$1.00 worth of cotton, and it points out about the problem of surpluses. Price supports and surpluses and costs are all tied in together in one big editorial. There it is for your exhibit, for your look, now or after the meeting - a very interesting article.

What's the impact of the article. That this program costs too much. If you want tax reduction you can't have these things it says. Well let me tell you something friends. You are going to get some tax reduction, you are getting it right now. When your income is reduced your taxes are reduced. Think that over for a while. That's not the kind of tax reduction that you and I want, but that's the kind of tax reduction that's been put into effect. The beef feeders in Minnesota have had a lot of tax reduction, they've been right out of business. What a pity, what a shameful thing that that has to happen. There is something more important ladies and gentlemen than tax reduction - income increase. That's important. If you've got the income you can pay the taxes even if they are high, but if you haven't got the income you can't even pay the taxes if they are low, and I hope that people in this audience didn't pay taxes a few years ago. I'm not being unkind am I? Who did? Who were the income taxpayers? We didn't have any income. Sure, we pay an income tax now but we only pay it on our net, what's left over after your costs. There is no fairer tax in the world than the income tax. I'm worried that some people won't be able to pay any this year, and I say to those who are so concerned about economy in the government, be more concerned about the American economy. All that Washington is, is a sort of reflection, a facsimile of what goes on out here amongst the great people of America. The economy that we need to keep in balance is your economy, your pocketbook in balance, your books in balance. What's more important than the government's books in balance. The federal government books would be in balance if it were not for the world in which we live. We're not breaking ourselves spending money on price supports, we're breaking ourselves spending money on munitions. Eighty-five cents out of every taxpayers dollar goes for munitions. That's where the money is going, not on price supports.

What are the facts about this price support business? Well, the fact is that on storable commodities instead of the government losing money it's made money. On perishable commodities we've lost some money before. We've lost money because we didn't have the right kind of a program, but I'll tell you this. It isn't right to talk about the four billion dollars that the government has invested in crops and crop loans as a loss. That's an inventory. We don't call that a loss, a debit, we call it an asset. That's what we consider to be part of our wealth - part of our property, and I say to you that these great crops that are in storage and these crop loans that we have out are not losses, they are investments. Do the bankers say that it is a loss when you get an FHA loan on your home? Oh no, that's good business. It's good business to get an 80% loan on your home, but it's going to wreck the country if you get a 90% price support loan. Now how do you add that up? How many people would be in business long if it were not for

consumer credit. Why of course we believe in credit, and all it is is that the government of the U. S. has extended the farmer of America credit when no one else would do it. Crop loans to stabilize his market, and I say that had they been able to get the kind of loans that they ought to have gotten on beef that the beef market wouldn't have gotten where it did either. One of the reasons that the beef market went down as fast as it did is because all farmers borrowed short term money at high rates of interest and when that year loan came in he had to sell his beef cattle, and when he had to sell his beef cattle he had to sell them below what he had in them, and the more he sold the lower the price went and every time they called in a loan he had to sell more. Long-term credit at low rates of interest is pretty important - very important in fact.

Now my dear friends they are talking about not giving you the long terms and they have already raised the interest. Isn't it interesting! The government has got to go out now and talk to the people about the farm program, whether or not we ought to have 75% of parity, or 90% of parity. I want to ask you dear friends something. Did anyone come out and talk to you about the interest rate program? They increased the wages of money by 30% on one bond issue. We're paying higher interest rates in the government today than we paid in the last twenty years. Did you get consulted? Did I get consulted as a member of Congress? Not a bit. That was done by six men that met together one afternoon. They decided it. I read the other day where the government is going to have another big loan of five billion dollars, and who did it say the Secretary of Treasury was going to see? Was he going to hold hearings in Minneapolis to hear farmers or bankers? Oh no. He said he had to see a few investment bankers in New York and Philadelphia. He had to see a few investment bankers - right in the newspaper it said that. How many hundreds of millions of dollars do you think this new interest policy has cost the government this year?

Mr. Farmer, your dear wives, fellow citizens, without ever being consulted, the Congress I speak of now, without ever the American public being consulted, your taxpayers debt, your taxpayers responsibility went up \$300,000,000 on interest this year over last year. Three hundred million dollars. That will give a lot of price support my dear friends. Did anybody ever get consulted? I say no, and what is more the entire interest rate throughout the American economy went up. So that today if you buy an automobile the total purchase price runs anywhere from 5% to 6% more than it did before in the total price of the car on interest rates - because of the increase in interest rates. If you buy a home, because of the new interest rates on home construction, if you were a GI and wanted a three bedroom home at \$13,000 before the interest rates went up you got it. Now for \$13,000 you get a two bedroom home. You better be careful how many children you have, I guess that's what they are saying. Well, I happen to like big families and I happen to think that a man ought to be able to have a three, four or five bedroom home. I'm not one of these that frown upon the increase of our population and growth of family life in this country. I think it's a blessing, and I think we ought to gear our economy for it.

Well, where does this attack come from on price supports? Well here is one attack that I pointed out to you. Telling every taxpayer that you've got \$7.00 worth of wheat, \$6.00 worth of corn and \$1.00

worth of cotton in storage. Well, I want to tell the editor of this paper something. That's more wheat, corn and cotton than I ever had before, and I'm glad I've got it, and I want to tell him something else - there's nothing wrong in having it either. I'd rather have \$14.00 worth of wheat, cotton and corn than to have \$1,000 worth of watered down stock such as we once had around in this country.

Now look at this. This is Barron's Financial Weekly. Barron's Financial Weekly isn't read by every member of the Farmers Union. It's a select publication for brokers, high financiers, investment banks, insurance companies and commercial banks. It is a limited publication. It's one of the oldest publications in America. It is the financial Bible of big business. Ladies and gentlemen, what is the front page editorial on this magazine for July 27, 1953? Listen - "The Root of Evil". That's the first four words in big letters. The next line - "The farmers troubles stem from price supports", and then down here is the paragraph that I wish to read you and it's here for your look and for your study. Listen to this - "The cure for the present dilemma of American agriculture is the revision and the eventual elimination of the present system of price supports". That's the medicine that they're preparing, first the revision, then the eventual elimination of the present price support system. Why? This is a traditional policy of high finance in this country. Cheap food, cheap wages, high interest money for the few. As long as I remember that's the policy and I regret to say that a lot of those people are surrounding the administration today. Make no mistake about it.

Mr. Benson isn't the only one involved in this. The pressure is on the President of the United States day by night. The pressure is on the Congress of the United States. Many is the day that circulars have come to my office that said that the way to adjust this beef situation is - and then they go on and explain. The price of beef is down and you can't afford to feed high price feed to low price beef so how do you get by? Cut the price of feed. How? Take off the price supports. You've got poor cattle raisers now, then make the grain farmer poor too. That's their medicine. Well it's not mine I want to tell you, and I looked the other day in the paper to see that the Secretary of Agriculture is now considering lowering price supports on barley, oats and rye and other products. You read it too, but despite all the pious pronouncements that came from this platform that everything was going to be alright, the fact is that the Secretary of Agriculture is now visiting with the President of the United States to see what the price supports of rye, barley and oats and other small grains are to be. Well I happen to come from a state where we raise a lot of oats, a lot of barley, a lot of rye, flax and soybeans, and I don't intend to stand idly by and see this administration which promised 100% of parity in my state - that's what was promised, I was there - and not only upon the storables but upon all commodities, perishable and non-perishable. I don't intend to stand idly by and see that undermined.

Somebody is going to say, well that Humphrey is sure talking politics - well, this is politics. Commitments were made by Democrats and Republicans alike. Farmers were promised by Democrats and Republicans last year that their farm programs were going to be improved, not watered down, and I say right now that if the Secretary of Agriculture would talk in an optimistic way instead of a pessimistic way that much of the price structure would be stabilized. He's scared the living daylights out of every marketer in the country. This goes on

and on and on. In February in reply to some of us in the Congress of the United States, the Secretary said that within a few weeks the beef market would be stabilized. Yeah - it dropped another 15 points on parity.

Finally we got disaster relief for Texas, but we didn't get any long-term loans for Minnesota and South Dakota, North Dakota, Wisconsin and Iowa. No, if there was the will to do something about farm prices as quickly as there's been the will to do something about bankers interest rates we'd have no trouble. If there was as much will to do something about farm prices as this administration has exemplified in the will to do away with the Federal Trade Commission investigation we wouldn't have any trouble. You can get things done that you want to get done, do you know that folks? Really, it's quite true. If you need to get up at 8 o'clock in the morning, or six or five, you'll make it if you have to - if you want to. Of course you can sleep til noon you know, if you dilly, dally around about it. I say that whatever we've wanted to do we've been able to do and we haven't worried about the cost.

Now let's talk a little bit about the cost. Subsidies. Mr. Thatcher I believe mentioned something about this. I didn't get all of it but I got the Budget Bureau, I got the Bureau of the Budget, the President's office, to get me these facts. Listen - business from 1952 to 1953. In 1952 business got one billion forty-one million dollars in subsidies. Now this isn't what Hubert Humphrey says. I am reading to you now from the official report of the Bureau of the Budget of the United States government in its recent August analysis of special aids and services to the American economy. Here's the breakdown of what it cost the government to try and provide each of our major economic groups with these aids and special services as listed in the special report.

Let's start with agriculture first. In 1952 \$463,000,000. That's just about twice as much as it cost to investigate one senator out in New Mexico. In 1953 \$547,000,000. For the five years from 1949 through 1953, because the appropriations have all been made, the total cost will be \$2,857,000,000 for American agriculture. This includes every aid, soil conservation, REA, includes the loans, by the way, that will be repaid. Everything that agriculture has gotten from the government.

Now let's take a look at business. Remember now that agriculture was \$2,857,000,000 in five years. Business? To simplify it, \$4,430,000,000 in five years. Labor? \$1,600,000,000 in five years, and you hear a lot of public discussion about subsidies to agriculture but very little is said about subsidy to the business world, yet the administrations own figures show that twice as much subsidies go to business as is going to the farmer. Yet every day of the week my dear friends, you are told on the radio and through the press that you are being subsidized and no farmer likes to be told that. My good friends a lot of people are being subsidized. Every merchant on main street that has his mail delivered to his door is being subsidized. Every time I fly an airplane the airline is being subsidized plenty. Every publication like Barron's Financial Weekly that goes out here - that's subsidized. Do you think they'd pay enough postage to send that through the mails? Runs into millions and millions of dollars. Subsidy has been a part of American life, Tariff is a kind of a subsidy. Subsidies are not bad when they

produce results. They are good. Subsidies are only bad when they are a special privilege at the detriment of the other sections of the economy.

I am not complaining because American business has had over \$30,000,000,000 worth of tax certificates quick write-offs in three years, \$10,000,000,000 a year. I am glad they've had it. I believe in American business. They've done a good job with what they've had to work with and they've done a magnificent job. I am not complaining because workers get unemployment compensation. I know they need it, but I say that it is unfair, it is really downright atrocious to try to point the finger at American agriculture through the taxpayer and getting the taxpayer alarmed and saying farmers are being subsidized, you are paying their bills. Telling the city workers that pay \$1.07 a dozen for eggs - that's a lot of money for eggs. \$1.07 a dozen - saying that you are not only paying \$1.07 a dozen but you are literally putting gold braid on every setting hen. They don't like that, and this is the way that you divide and conquer.

Now what's the answer. The answer is to take a long-range look. We cannot legislate in agriculture year by year, and ladies and gentlemen I warn you that if this Congress merely extends the 90% price formula for another year, then you have been made a political victim because that will just get it over the next congressional election, and if that election goes the way some people think it is going to go, you'll find out what happens to you a couple of years later. The least that should be done is a three year extension to get it by the next presidential election.

Let's take this out of politics - we don't need to argue this out on the stump. We've got Congress that is going to meet in January, in fact it ought to be meeting now. What are we doing back here? This is a full time job. I should be back in Washington and Congress and I know it and I feel unhappy every day that I am not there, but some people wanted us to get out of town. They worked us day and night for six weeks from ten in the morning until eleven and twelve at night to get out of town. They've got a lot of things planning down there. It's pretty hard to keep up with them when you are 1200 miles away too, but we'll be back there in January and we've got enough time between January and next January, and we can even go the whole year if we have to. We've got enough time to perfect an agriculture program that will give some semblance of security and stability to American agriculture. Is there any business man in the world that can plan just one year from another. Why any public utility plans five, ten and fifteen years. Any big industry plans from ten to twenty years. They want to know what the market trends are going to be, and Mr. Farmer you've got to have the same right, the same opportunity.

They say that the problem is surpluses. What a shame! Is this the problem before the American people? Not on your life. You know what the problem is in this country? Some people are blind, economically blind. Let me give you the answer to surpluses. Listen - several announcements were made recently which have startled the world. I mentioned one a while ago. Mr. Malenkov, prime minister premier of the Soviet Union announces before the supreme soviet, that's their parliament, announces that Russia has a hydrogen explosion and American people were in a dither. Ever since then we've had one conflicting statement after another out of Washington. The chairman of the Atomic Energy

Commission says that we've got to spend billions of dollars more to protect ourselves. Mr. Wilson of the Secretary of Defense says that they can't do anything to us in three years. Just relax. The President says, Mr. Wilson you are wrong. Somebody else says he's right. Well now, sooner or later we ought to get together on this. Be that as it may dear friends, one thing we know, it happened, because eight days later the government of the United States confirmed the fact that the Soviet had exploded a hydrogen explosion, and I am of the opinion that they have plenty of it. So we are fearful, and justly so, make no mistake about it. We are living in a bad world. We've got to be strong. What was the next announcement?

The next announcement by Mr. Malenkov for the same supreme soviet, that is their parliament, that Russian agriculture failed to meet its goal, that Russian farm production is down 25%. Then came the announcement that they are going to revise the whole agriculture and they are going to give more incentives to farmers, better places and break up some of the collective farms. Isn't it interesting? When the russians announced that they had the hydrogen bomb our reply was that we've got more atom bombs, we've got a stockpile, we've got reserves of atom bombs, we're not afraid, we've got reserves. When Russia announced that she had a shortage of food we said, oh gee isn't that terrible, we've got too much, we're worse off than you are. Why my good friends, one of the main reasons that the Soviet Union hasn't march in certain areas of the world is because it can't feed itself. Napoleon said an army marches on its stomach, and make no mistake about it Soviet generals know that too. They're not short of planes, they've got two planes for every one that we have my dear neighbors and I know what I'm talkin about, I'm on the Senate Foreign Relations Committee. Charlie Wilson ought to know what he's talking about, he will if he's down there long enough. They've got two planes for every one that we've got. They've got atom bombs, they've got hydrogen explsn, they've got technological advance - terrific. Do you know what they don't have? They don't have a happy people, they've got a miserable people. They don't have happy farmers and prosperous farmers, they've got poor farmers and poor land and poor prices and poor production. You know what we've got? Well, we've had happy farmers, new farm homes and electricity and tractors and cars and good farm land and big production. The diet of the American people is the finest diet in the world. We are the only people of the world that go on a diet voluntarily. Everybody else is compelled to, but when we heard that Russia had a shortage of food our government official said, oh you think you've got trouble, we've got too much. What a pity!

Right in the same week another announcement is made. Had people been putting some of these announcements together they wouldn't have said some of the things they did. The announcement was made that the U. S. population in the month of August 1953 passed the 160,000,000 mark. In three years 7 $\frac{1}{2}$, 000,000 more of God's greatest creation, little children, were growing in this country. There's family music all over the place, and we've got a lot of room too. We're not even crowded. Wonderful - isn't it wonderful to know that in America where freedom lives, where hope still is with us and opportunity still prevails that we have more children and more people so that they can live this blessed life - 160,000,000 of them. That is an increase of 8,868,000 since 1950. It's a national gain in the past forty months that equals the total population of Illinois in 1950. The population by 1960 it is estimated will be 175,000,000 - 15,000,000 more in the next six years, and it will be over 200,000,000 by 1975. Now my good friends let's break this down. Every tall second

there's a new child, that is the population increases by one over the death rate. Three hundred people every hour while I talk to you we've had 300 more wonderful personalities come to America. Think of it. It's not my fault either! I'm happy to say that we've made our contribution in our family up to four and we're very proud of them. Think of this - 7,200 more people every day, 2,700,000 more every year. So they say we've got too much wheat huh! Too much corn, too much cotton, too much flax. Well let me give you an idea of what you are going to need. If we are to maintain the present standard of living for this increased population taking just 22 years advance now, that's not long. I was thinking just today that just 25 years ago I was on the football team at Doland, S. D. Gee, it seems just like yesterday. The reason that I'm thinking about it is that young chap from over here at the Plainsman came to me and said, "Do you remember last year Senator Humphrey that I took your picture with a football helmet on over at Doland"? Sure, I was down there with the Doland football team. Gosh, I felt as young almost as they did and yet it's 25 years ago. Just like that - it goes a lot faster when you get older too, a lot faster.

By 1975 we are going to have 20,000,000 more hogs in this country my good friends just to keep up the present standard of pork diet. Now that's equivalent to the entire 1950 production of Iowa and Nebraska. We are going to have to have 10,000,000 more of cattle. That's equivalent to all the cattle in 1950 in Texas, Oklahoma and Minnesota and we've got a lot of cattle. We're going to have to have 8,000,000 pounds of lamb equal to the production of lamb in Montana, Wyoming, Nevada and Utah. We're going to have to have more eggs, in other words for every 4 pounds of meat and 4 quarts of milk and every 4 eggs we're going to have another egg and another quart of milk and another pound of meat. You know what we're going to have to have for cereal grains? We're going to have to have top land equaling 100,000,000 acres. Where are you going to get another 100,000,000 acres in the United States? It isn't here. We've already plowed up the pasture after we sold the horse. It doesn't take much pasture for a tractor. Now this 100,000,000 crop land is equal to all the crop land of Wisconsin, Illinois, Michigan, Minnesota and Ohio and we produce a lot of crops. Where are we going to get that crop land. We're going to have to get it out of better soil conservation, better fertilizer, better seeds, better practices.

Ladies and gentlemen, the problem is not surpluses, the problem before the American people is how are we going to produce enough. So we've got a surplus this year. Are you sure we'll have one next year? I remember when we didn't produce crops. Do any of you have a pipeline to heaven? Can you guarantee that next year it is going to rain? Can you tell me that there will be no grasshoppers, no rust? Can you tell me that in southwestern Minnesota there will be no floods? Do you remember how the corn crop estimate went down? In July they were saying that they were going to have the biggest corn crop in history, and by the time the corn crop started to come in you know that a few little things had happened in certain parts of the country. Let me tell you something else my dear friends. Three times in the last 15 years American surplus agriculture commodities have saved the day. Pearl Harbor. Who was ready to do their job? American agriculture. We had the food and the fibre in the warehouses. V-J Day after 1945, victory in Europe and in the far east 500,000,000 people starving to death. Easy targets for communism and fascism. Who stepped in - 500,000,000 men, women and babies - the American farmer with his wheat, his corn, his cotton, his lard, his beef, our milk, our eggs. Five hundred million people are alive today ladies and gentlemen because the mercy of the American people and the compassion

of the American people, plus the good sense of the farmers and the government saved their lives.

Korea. In April of 1950 there was bill after bill up in Congress, and I can site the record for you saying that we've got to cut down on production, got too much surplus. Then came June 1950 and my good farm friends you remember that same fall, that same winter, the government came out here and said you better increase your corn production, we need more corn. Why, of course, I remember when it happened. I got the bulletin of the Department of Agriculture right in my office that told you to do so. Why we've got wheat of course in storage. We see these storage facilities around the country - what's wrong with having storage of wheat? Last week on Monday night in St. Paul I spoke with the production manager of the Twin City Ordinance Plant who told me that every day 3,000,000 rounds of ammunition, 50 calibre ammunition, was coming out of the Twin City Ordinance Plant. He says we've got ammunition stacked up there for blocks and the government tells us to work six days a week, and not only that but the government is expanding the ordinance plant and there isn't any war. Don't you know, we stopped shooting yet we keep producing ammunition. Why? Because our country would never feel safe without store houses full of ammunition. We've got to have stockpiles of ammunition storage facilities filled with ammunition.

Well let me ask you something. How long do you think an army is going to fight hungry? How long do you think America is going to be able to produce abundance of industrial products without food and fibre. Why these great storage facilities of ours are like food banks - you've heard of blood banks haven't you. The Red Cross asks you to donate your blood and I hope you do, we need the blood in the blood banks for emergencies. What a crazy system it would be if every time somebody got run over by a car or hit by a car we'd have to go and grab somebody off the street and tap him because we didn't want any reserves of blood. Why it would be ridiculous wouldn't it, but sometimes we have emergencies in American production too and sometimes things just don't go right and we need a reserve of good and fibre, not only by ourselves but the world. This food and fibre for the world has helped a lot too in India, Pakistan, all over the world in Greece, Italy, and I want to tell you something friends, I was one of the first in the Congress to plead with our President to send food to Europe, food to Germany. I was the first in fact. On the 8th day of July I made my last talk. I made seven speeches on the floor of the Senate asking the President to do so, introduced a resolution urging the use of American wheat, American butter. I said send bread and butter, food for freedom to Germany, and do you know something? The food that we sent to Germany, 45,000 tons, caused more trouble for Communism than all the guns and tanks that we've sent in the last three years. I'll tell you what else you can do. I'm no expert but I at least am awake. If you increase the butter diet of the old age assistance people in this country, people on old age assistance getting less than \$50.00 a month, and believe me who can live on that I don't know. If you'll increase their butter diet by at least 2 ounces a day, and increase the butter diet of the children that are dependent, the aid to dependent children classification, by 2 ounces a day, you'll use up every pound of butter that you've got down there in the government warehouses right now in one year. Now don't you tell me that the government of the U. S. can't afford 2 ounces of butter a day for $4\frac{1}{2}$ million old people that are getting less than \$50.00 a month. If you will increase the amount of milk protein, of milk solids in bread by 2.75%, if you will increase it just a little over 2-3/4% of what it presently has you'll use up all the

dried milk solids in this country and have to produce more, and we found out something about bread during the war years. We found out that when you milled the wheat it lost some of its minerals, thiamin and iron, and so the government of the U. S. passed a law and said that the bread had to be enriched and what are we doing now. We put chemicals in the bread, synthetic vitamins in the bread, and every time you buy a loaf of bread it says it's enriched.

Do you know how to really enrich bread? Do you know what recent science has proven? That animal protein, dried milk solids, that that is the best way to enrich the bread and it brings out all the minerals and vitamins in their full bloom. Now if we just had a little good common sense here we'd simply, instead of saying inject some chemicals into the bread and put in some synthetic vitamins into the bread, we'd put in a little more dried milk because the dairy industry of this country is important - very important.

I want to say to people that think they are paying high prices for food that you ought to go some other places and see what they are paying for food. The American farmer has kept food costs down in the United States more than in any other country in the world on the face of the earth. Why? Abundance, and price supports have made it possible for that farmer to have abundance. Price supports have made it possible for farmers to produce with a reasonable security and that's why I stand here today pleading for their continuation. I don't plead for just what we've got - that's a basic minimum - I wish some of you would write to me and ask for the bill that I've introduced into the Congress which asks for 90 to 100%. I've got flexibility in my bill, but flex up not down. Ninety to one hundred percent of price supports on all storable commodities and perishables, and I gave the Secretary of Agriculture in that bill many ways to have price supports. He can have perishable price supports like he has for sugar. The Sugar Act works. Oh my goodness my dear friends, the Sugar Act works very well, and they've spent more money on the Sugar Act than any other commodity by far. Mr. Benson is interested in the sugar business too and he's a good man. The Sugar Act works and you've got sugar that's not too out of line in price and the producer of sugar gets a good price. There are many other ways that it can be done. The stamp plan was once advocated by Senator Aitken for surplus commodities to the people that are in need. Many ways. We're not without skill to find out. Listen friends, any nation that can find scientists that can split the atom ought to find economists that can deal with surpluses without bankrupting the farmer.

Well I want to thank you for being such a wonderful and patient audience. This is a very big topic and no one address can properly deal with it. I think it can be summarized though to say this. That a nation that has an abundance of food and fibre is a nation that has time for other things. Most people in this world have to grovel in the dirt three-fourths of their time to get enough food to exist upon. We Americans take it for granted it's there. It's there year in and year out and that's why we've progressed the way we have, that's why we have time to send our children to school, we don't have to keep them all home to grovel in the dirt to have enough to put on the table. This is why our industry moves ahead and why young men and women can come from the farms and go to the factories to keep American industrial power at a high peak, because we've had modern farm machinery, modern scientific agriculture, and you know and I know that there will not be any modern scientific agriculture if the price structure goes to pieces. You can't buy high

priced crackers on low priced wheat, you can't buy high priced corn planters and pickers on low priced corn. It's just that simple, and you and I know that the price of a tractor stays the same practically all year long. The price of a corn picker stays the same all year long, if anything goes up, and if you are going to be in an economy where most of the prices are stable all year long except that they go up a little bit, and your prices are continuously going down or up and down like a child's fever all year long, do you know what's going to happen to you? You are going to go broke, and if you do then soon everybody does.

Price supports are not farm legislation. Price supports are legislation for the American people and it's just as important to have a stable agriculture as it is to have a good Air Force, and it's just as important to have a prosperous agriculture ladies and gentlemen, as it is to have a prosperous steel industry and the American government extends billions of dollars of special privileges to American steel so we have enough steel output and instead of the price going down goes up and up and up. When their cost of production goes up their price goes up and I say that it's just as important to have a stable agriculture and much more important in fact, than it is to have a stable dollar. Oh these boys that talk to me about a stable dollar. They say they want a solid dollar. Well the last time they got to fooling around with it to make it solid it got so solid and heavy it broke every bank in the country. I'm suspicious of these manipulators and I'm going to tell you something right now. You contracted much of your debt with what they call cheap dollars and if you are going to have to pay off your debt with what they call hard dollars you are going to be hard up. I didn't spend seven years of my life studying economics and political science to wake up some day to find out that the things that are happening to us right under our own eyes cannot be dangerous, indeed they can be dangerous.

So you go from this convention with one conviction, you go from here with the conviction that you as the people, representatives of the people, must make your voice heard. You've got to speak up, you've got to not only speak up for yourself but for your neighbor and the small town banker and the small town business man, they're all in this together. You've got to speak up for the worker in the factory too, he's with you. I was at two state AF of L conventions and one CIO convention and they all endorsed 100% of parity on American agriculture. Did you know that? They are for you. These working people know that you can't have jobs unless you have some degree of prosperity, and you all know that you can't have prosperity unless they have jobs. Some of these people that are planning lower price supports have got ulcers - they aren't going to eat your food, don't worry about that. The people that you are going to have to depend upon are the great numbers of people throughout the American communities and don't you listen to anybody that says this nation can't afford it, because I defy anyone within the range of my voice or over the range of this radio to prove to me that American can afford an agriculture price decline. For every dollar that your government spends in price supports to maintain agriculture \$3.00 will come back in good business and in revenue, but every time the government of the United States fails in its responsibility to agriculture not only will the government lose revenue that it needs, but everybody in America will suffer an income decline and that's one thing that we can't afford at this stage of the game. We're all too deeply committed. So I ask you to make your voice heard to your Congressman and Senator that have spoken to you, they're with you but back them up, and I ask you to make your voice heard to the President, to the Secretary of Agriculture, to the newspapers, to the Chamber of Commerce, to the labor movement, to

the paternal and veterans organizations because we're all in this together, every last one of us in here together.

Finally, I ask you to have real faith. The good sense of the American people is going to prevail. We're not going to permit ourselves to go down this time. No, too many of us lived through the last one. We're just not going to let it happen, and it's within your power to see that it doesn't happen. You are shareholders in this government, you are taxpayers, you are voters, you are citizens. Whatever you will, thy will be done. It's up to you. I'm your servant and while I represent the state of Minnesota in the Senate, I also have a vote for other people too you know. I don't just vote for Minnesota. When I voted for 90% of parity in 1949 I voted for you too and I voted for myself. It's a joy to be here and see old friends. I've got to run along now, I've got to catch an airplane back to Minneapolis tonight and tomorrow afternoon I'll be at Delavan, Minnesota for a big corn picking contest where I am to address a large group of farmers. We are going to do business, we are going to go to work. We're not going to listen to any alibis or any double talk, we're going to ask that programs be produced, and I for one am going to ask that the Secretary of Agriculture produce a program too.

This coming back to the grass roots that we're talking about, that's been done a lot and I'm all for it, but I want the Secretary to know that the program we've got on the books now came from the grass roots, that's why we've got it. I know what the PMA committees have done, I know that they're elected, I know that that's democracy in American agriculture and I don't have to be reminded in this year of 1953 that now we're going out to see the farmers. The trouble is that they are not going out to see the farmers. The trouble is they're meeting the Chicago Board of Trade and the Wall Street banker all too often, and I say to you that if you want to get the truth you better look for it and look hard because as the Biblical admonition says, "Seek Ye The Truth". It isn't on the platter, you are going to have to seek for it and "Ye Shall Be Free", and if you want programs that meet your needs you better ask that your people be represented in the high councils of government and that they be consulted, not in Minneapolis, because the laws are not made there at a hear, the laws are made in Washington, in Congress, and administered from the Department of Agriculture. There is where you better keep your eye and I'll be there to see you when you come down. Thanks a lot.



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