

Remarks of Vice President

Hubert H. Humphrey

National Farm Editors Luncheon

Washington, D. C.

April 18, 1966

I want to make one or two general observations that are meaningful to me.

The first is that our abundant supply of food possibly is our margin of strength in the power scheme of the world today. Other nations can surpass us in population. At least one other nation--the Soviet Union--can challenge us in terms of nuclear power. And combinations of nations can place against us the vast array of both power and production. But there is no nation that can equal us in terms of our agricultural productivity and quality of agricultural products.

In these post war years, American food has played a very significant role in the national security of the United States and in our foreign policy. In fact, it could have played an even greater role. But we have at long last come to recognize that food and fiber is one of the forms of foreign aid that is most meaningful to our hunger stricken world and to a world that is striving to come into the twentieth century.

We also have come to realize that no amount of gifts on the part of the United States can possibly satisfy the food needs of a growing population in this world. But with our willingness to share our abundance--through long-term credits, under public welfare, or by outright grants of food--must come technical assistance. And here must be a recognition on the part of the receiving country that larger amounts of the loaned resources must be invested in modern agricultural techniques.

We have come to grips with this problem particularly in the most recent action on the part of our government relating to the Indian food crisis. The President and the Congress have both insisted that the Indian government make a much larger investment of its own capital resources in the production of food and fiber. In other words, India must stimulate its own production over and beyond what it already has done.

I do not want my remarks to be misunderstood. The Indians have made substantial progress in the production of food and fiber since 1950. But in comparison with the increase in population and the uncertainties of production due to weather and other natural events, food production just has not kept pace.

Therefore, the Secretary of Agriculture, in his consultations with the food minister of India and other members of the government of India, has stressed the importance of the Indian investment in agricultural resources. This means fertilizer, pumps, better irrigation systems, new seed, new agricultural techniques and agricultural education.

In my recent visit to India I found a tremendous investment in agricultural education in the Punjab area. New schools of agriculture are being established in India and receive the cooperation of our great colleges and universities.

The second observation I would make is that we are passing through the period of agricultural surpluses in the American economy and into a period of balanced supply. I want to interpellate for a minute what I mean by this.

A good inventory--a substantial inventory of food and fiber--is in the national interest. It definitely is in the interest of international peace. And it positively is in the interest of the consumer.

But we must have a farm program that does not permit carryover stocks to depress the prices of the products the farmer produces. The farmer must not be called upon to produce more than what the domestic economy needs if that additional production will depress the price of his product.

The government of the United States, working with farm organizations and farm cooperatives, must find a means to keep the farm producer from becoming the victim of the gyrations of the market. This is a market that needs to have an excess supply in it in order for the United States of America to protect its own national interest, to be able to provide for its own national security.

Now what is this supply situation? I've been looking into it and I am concerned. There is a plentiful supply of only two commodities, cotton and tobacco. Great efforts are being made to improve the exports of these products. But as far as other commodities are concerned, we need to take a careful look at the supply situation.

The estimated carry-over of feed grains on October 1, 1966, will be 55 million tons. That is a four month supply. That is no excess at all. A four month supply of feed grains in the United States with a high cost livestock economy and a high cost poultry economy is not enough. It is on the borderline of being a shortage. The estimated carry-over on October 1, 1967, based on intentions to plant and normal yields, is about 58 million tons, which at that time also will be a four month supply.

In 1964 production of feed grains was 20 million tons less than 1965 due to weather and program cutbacks. Another year like that could cause a sharp upward price pressure.

When we talk about inflation we ought to remember that for years agriculture has been the one segment in this economy that has received less than its fair share of the national income. Our farmers actually have been keeping down the cost of living at their own expense.

When farmers start to get a price for their products that they deserve, the cost of living seems to be going up. But the fact of the matter is that the cost of living has been held down at the expense of the individual farm producer over a long period of time. He doesn't owe me that. He doesn't owe you that. And he doesn't owe anybody in this country that.

He is entitled to a full meal. He is entitled to a fair price. He ought not to have to be the cushion that absorbs price changes in the rest of the economy. He ought to get his fair share.

If you average out the price of beef and pork this year as compared to last year, you will find that it does not average out at a high level. The same thing is true with respect to the price of other farm commodities. About 16 months

ago we were having meetings here wondering what we would do to save the livestock producer. The livestock producer has to borrow money at high rates of interest and on short term credit. It is a high cost operation.

We have to get a better perspective. If we take a look at the total food picture, over a period of months, we get a more honest picture of the price structure of today's food.

Let us look at rice. They need rice in Vietnam as much as they need bombs. Yet the estimated carry-over of rice in August of this year will be six million tons. That's only a three week's supply.

The United States is deeply involved in Asia. Asians are rice eating people. If we had only a three week's supply of ammunition, we would hear about that. When you have only a three week's supply of rice you ought to take a good look at the picture. It is my view that three week's supply of rice is not adequate.

If this nation is committed, as it is and will be for years to come, in the affairs of Asia, we better recognize that Asians are rice eating people. We ought to take another good look at our rice program. What that look will reveal, wiser minds than mine will have to determine. But I know enough to be concerned.

Now let's take wheat. The estimated carry-over in July of this year will be between 550 and 575 million bushels, about 17 million tons. That's a four month supply. We consume a lot of wheat. And we export a lot of wheat, both commercially and under Public Law 480. Then, too, you have to take into consideration the fact that <sup>durum</sup> ~~germ~~ wheat comprises over 20 per cent of the estimated stocks. Furthermore, current pricing makes wheat a feed grain.

About 100 million bushels of wheat each year actually comes under the feed grain category. So if we look at our figures we can see that we no longer have massive surpluses of wheat.

Now I want to say a word about butter and non-fat dry milk. It is estimated that production will be down this year by about 20 to 25 per cent. We have fluid milk and we have manufacturing milk. Our problem over the years has been with manufacturing milk. The cow numbers are down sharply in Minnesota, Wisconsin and Iowa. This is where 60 per cent of the butter is produced.

One of the reasons for the recent rise in the price support was to give some incentive for dairy farmers in the manufacturing milk producing areas to keep their cows and to have an adequate supply of milk for butter needs. The vast supplies of non-fat dry milk solids are gone. That is not a good condition.

We ought to have supplies of these dairy products available over and beyond our normal need, both domestically and for export. One of the things I am concerned about is that we don't press our export opportunities as much as we should when we get on too short a supply basis.

Finally, on soybeans, we have a report that I think is most challenging and interesting. The estimated carry-over on September 1, 1966, is 40 million bushels. That's a two week supply. A two-week supply of soybeans as a carry-over is no carry-over at all. That's a much more serious situation than the low reservoirs in upstate New York.

The estimated carry-over for September, 1967, under projected plantings and normal yields, is about 30 million bushels - about a one-week supply.

Soybeans are the fundamental source for feed protein both here and abroad. A short 1966 crop could result in sharply higher feed costs to farmers. Shortly thereafter we would see higher meat and poultry prices. What we have to do in a very practical sense is to gear up a campaign to utilize the Department of Agriculture's experiment stations in teaching farmers how to maximize their yields per acre.



I am concerned about the supply situation. The day of surpluses is over. What we need to take a look at is whether we have planned our production program to meet the supply needs of the next few years.

We should permit our farmers to sell their products at a fair price, so that abundance of production doesn't put a penalty on it. We thereby create a market with an availability of supply and a market offering reasonable prices for the consumer.

You have had discussions here about the Food for Freedom program. It's a great program - a tremendous program.

Our monies invested in agricultural research are wisely expended. We have learned a great deal about how to use the products of the soil in more ways than for food.

The last thing we ever have to do in this country is to make any step or design any policy or follow any advice that would in any way weaken our agricultural economy. We have enough bombs to exterminate all that God created. But we had better make sure that we've got enough food to be able to feed God's children. That's what you should be concerned about.

We ought to have a national security reserve as a matter of national policy. If we could get the people of this country as concerned about reserves of food as they are about the number of bombs we have, we would have a balanced defense.

We need a balance of our defense structure. I am a strong supporter of defense. But I don't believe that a modern nation such as ours guarantees its security or anyone else's by just weapons. If we ever had a lesson in that we got it in Vietnam.

It will take a lot more than weapons to win in Vietnam. It's going to take food. It's going to take political understanding. It's going to take political and social action. It's going to take patience. It's going to take time. And it's going to take suffering.

We've got enough weapons there to almost inundate the whole peninsula. But what we need is something more than that. Experience capsules what I've said. With your help, maybe we can get a better understanding of the role of agriculture, not only in our economy, but in our national security.

I'm happy to report that farm income is up another billion dollars this year. It appears it will be about a 15 billion dollar net. But I ask the American people to remember the long period of drought when the agricultural economy goes up a little bit.

It's like some of these men I hear that ask for a good wage. They say their employment is seasonal and when they work, they need a good hourly wage. You have to keep in mind that

when a farmer gets a good price for a product in a particular month or year, there were some years he got little or nothing. This is what I remember and what this government is going to remember.

Thank you.

Remarks of Vice President  
Hubert H. Humphrey

[Unedited transcript]

~~Remarks before the~~ National Farm Editors Luncheon  
Washington, D.C.  
April 18, 1966

~~Mr. Brenner, Mr. Osborn. I thank Berney. I don't want any of you here to be particularly excited about all these notes.~~

I just picked up two or three papers as I left the office to see whether or not I might refer to something that might be of some value to you. You have some of the foremost farm experts in America in your presence and I am just sort of a from the pursuits of Agriculture legislation and I see these two distinguished colleagues from the Senate Committee on Agriculture and I don't feel that I can offer you anything that is particularly new. <sup>want to</sup> I make one or two general observations that are ~~at least~~ meaningful to me. <sup>is</sup> The first is that our abundant supply of food ~~is~~ possibly <sup>is</sup> our margin of strength in the power scheme of the world today. Other nations can surpass us in population. ~~Some other nations.~~ <sup>--the Soviet Union--</sup> At least one other nation, can ~~at least~~ challenge us in terms of nuclear power <sup>(X)</sup> ~~the Soviet Union.~~ And combinations of nations can place against us the vast array of both power and production.

But there is no nation that ~~can possibly~~ <sup>can</sup> equal us in terms of our agricultural productivity and quality of agricultural products. <sup>7P</sup> In these post war years, American food has played a very significant role in the National security of the United States, and in our foreign policy. In fact, ~~I think~~ it could have played an even greater role. But we have at long last come to recognize ~~one~~ <sup>that food and fiber is one</sup> of the forms of foreign aid that is most meaningful to our hunger stricken world and to a world that is striving to come into the twentieth century ~~is the aid of food and fiber.~~ <sup>8</sup> We also have come to realize, ~~this is another observation,~~ that no amount of gifts on the part of the United States, can possibly satisfy the food needs of a growing population in this world. But with our willingness to share our abundance, ~~either~~ <sup>7-2 through</sup> on long-term credits, ~~or~~ under public welfare, ~~aiding,~~ or by outright grants of food. ~~With that~~ must come technical assistance, ~~and a~~ <sup>And there must be a</sup> recognition on the part of the receiving country that larger amounts of the loaned resources be invested in modern agricultural techniques.

We <sup>have</sup> come to grips with this problem particularly in ~~India~~ ~~and~~ the most recent action on the part of our government relating to the Indian food crises. The President and the Congress have both insisted that the Indian government make a much larger

investment of its own capital resources in the production of food and fiber. In other words, ~~to~~ <sup>India must</sup> stimulate its own production over and beyond what it ~~has~~ <sup>has</sup> already ~~done~~ <sup>done</sup>. I do not want my remarks to be misunderstood. The Indians have made substantial progress in the production of food and fiber since 1950. But in comparison with the increase in population and the uncertainties of production due to weather and other natural events, food production ~~has~~ <sup>has</sup> just ~~not~~ kept pace.

Therefore, the Secretary of Agriculture, in his consultations with the food minister of India and other members of the government of India, ~~stress~~ <sup>has ed</sup> the importance of the Indian investment in agriculture resources. This means fertilizer, pumps, ~~it means~~ better irrigation systems, ~~it means~~ new seed, new agricultural techniques, ~~it means~~ <sup>and</sup> agricultural education.

In my recent visit to India I ~~did find for example in the Punjab area,~~ <sup>found</sup> ~~a tremendous investment in agricultural education,~~ <sup>in the Punjab area.</sup> New schools of agriculture are being established and ~~being~~ <sup>receive the cooperation of</sup> receiving the cooperation for example in this instance, of Ohio State University. ~~Other places, there are other great colleges and universities that are aiding in these developing countries.~~ <sup>In different areas of our providing assistance.</sup>



One other observation ~~that~~ I would make is that we are ~~passing through the period of agricultural surplus~~ ~~passing in the period that surpasses~~ in the American economy ~~into~~ <sup>sellate?</sup> through a period of balance supply. And I want to interperlate for a minute what I mean by this. ~~It is my personal view, which I advance on every occasion, that I am permitted to advance it, that~~ <sup>#</sup> a good inventory, a substantial inventory of food and fiber <sup>is</sup> in the national interest. It ~~is~~ definitely <sup>is</sup> in the interest of international peace. And it is positively in the interest of the consumer. ~~But~~ <sup>we are</sup> ~~And if you're~~ going to have carryovers <sup>stocks, we</sup> you must have a farm program that does not permit these carryovers to unduly depress the prices of the products that the farmers produces. ~~You~~ <sup>we</sup> cannot ask the farmer to be both the producer of an abundance of food and fiber and ~~at the same time~~ to over produce because of ~~the need of~~ the national interest or the international commitments of our country. <sup>The farmer</sup> ~~He~~ should not be called upon to produce <sup>(an adequate supply of)</sup> a high quality ~~of~~ food for the American consumers ~~in adequate supply~~ and then to produce more than what the domestic economy needs <sup>if that additional product</sup> ~~which~~ <sup>will depress</sup> ~~depresses~~ the price of the product ~~of the product~~ he produces. And ~~if that can be accepted, it then behooves~~ The government of the United States, working with farm organizations and particularly farm cooperatives, ~~from the farm producers themselves,~~ <sup>must</sup> to find a means and a program ~~that will at least~~

*keep the*  
~~place a~~ ~~on the farm income so that this farm producer~~  
~~from becoming the~~  
~~will not be the~~ victim of the gyrations of the market *this is a*

market, *b* ~~if you please~~, that needs to have an excess supply in  
it in order for the United States of America <sup>to protect its own</sup> to be able to <sup>natl</sup> ~~inter~~  
provide for its own national security. <sup># P8.5</sup> Now what is this

supply situation? ~~Well~~ I've been looking into it and ~~very~~

~~frankly~~, I am concerned. There is a plentiful supply of *only*  
two commodities, ~~period~~. ~~Maybe an overplentiful supply.~~

~~Cotton and tobacco.~~ Great efforts are being made to improve  
the exports of these products. ~~By the way I want to emphasize~~

~~the importance of pushing exports.~~ By ~~excellerating~~ our

exports, one of the better features of PL 480 <sup>was</sup> is the  
availability of these currencies that were generated under

Title I for the development of markets. And we ought to press

that, I think with even more vigor than we have in the past. But

*for as* ~~insofar as~~ *Commodities are concerned, we need to take a careful*  
~~other items in the supermarkets of American~~

*look at the supply situation.*  
~~agricultural supply, I find for example feed grain.~~ <sup>#</sup> Estimated  
*of feed grains on* *will be* *that is*  
carryover October 1, 1966, 55 million tons, ~~which is~~ a four

month supply. And ~~a~~ I might add, if I could give some advice

as a friend, that one of the needs of the American public is

~~to understand that figures are never starving.~~ *And becoming more that* That ~~what~~

~~appeared to be a big supply some years ago may be no supply~~ *a few* *very little*

~~at all now.~~ Which relates to the population of animals and

*That is no excess at all.*



fowl for example when you get into feed grain. It relates to the valuable consumption so the estimated carryover October 1, 1966 is a four month supply. Very frankly, I don't think ~~That's~~ <sup>any</sup> excess at all. We ought to have <sup>a national security reserve</sup> as a matter of national policy <sup>a</sup> national security reserve. If we could get the people of this country as concerned about the reserves of food supplies and we are about the number of bombs we have, ~~we would~~ I think we'd have a balanced defence.

And quite frankly, ~~They need rice in Vietnam almost more~~ <sup>as much as</sup> than they need bombs. And when I get to the rice item, I'll show you what I mean. ~~But~~ <sup>A</sup> four month supply in the United States with a high cost livestock economy and <sup>a</sup> with high cost poultry ~~produce~~ <sup>poultry</sup> economy, a four month supply is not enough. ~~It's~~ <sup>not</sup> an excess. Very frankly, <sup>rd</sup> It is on the borderline of being a shortage. The estimated carryover <sup>on</sup> in October 1, ~~1966~~ 1967, based on intentions <sup>and</sup> ~~on~~ normal meals. <sup>yields</sup> Now, all of these matters are subject to change because of weather. Because of other factors beyond weather.

~~There~~ <sup>tons</sup> is about 58 million pounds, this is a projection, which <sup>also is a</sup> ~~is another~~ four month supply. Because you've got an increase in human population, an increase in animal population that is related to the needs of the human population. Now in

*Lazelo*

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*(of feed grains)*

# In 1964 production was 20 million tons less than 1965 due to weather ~~features.~~ *and program cutbacks.* And ~~cut back on the program.~~ And another year like that could cause a sharp upward price pressure.

# So when we are ~~talking~~ *talk* about inflation, gentlemen, ~~one of the best~~ *agriculture* we ought to remember that for years the ~~American farmer~~ was the one segment in this economy ~~or the one person in this economy~~ that received less than ~~he was entitled to under~~ *its fair share of the national income.*

*Our farmers* ~~any fair well laid out national income.~~ And actually, kept down the cost of living ~~at his own expense.~~ *at their* ~~I have made that speech a hundred and one times out on the ??~~ and

~~I am glad to make it here in Washington because it's true.~~

# ~~And finally~~ When farmers start to get a price for their products, ~~some of them~~, that they deserve, the cost of living seems to be going up. *But the fact of the matter is* And in fact was that the cost of living was being held down at the expense of the individual farm

producer, over a long period of time. ~~And I don't think he owes me that.~~ *He doesn't owe* And ~~I don't think he owes you that.~~ *He doesn't* And ~~I don't think he owes anybody in this country that.~~ *doesn't* ~~I think~~ *He* is entitled to a full meal. ~~I think~~ *He* is entitled to a fair

price. He ought not to have to be the ~~cushion~~ *cushion* that absorbs price ~~increases~~ *change* in the rest of the economy, ~~or price changes.~~

He ought to get his fair share. Now, ~~everyone of us knows,~~  
~~speaking of the cost of food, that the farmers share/that~~ <sup>JP</sup> ~~of the~~  
~~food dollar has not gone up appreciably. And I think we also~~  
~~know that when you're in a highly uncertain and volatile~~  
~~type of production like animal production, that you do have~~  
~~times when market prices go up and when market prices go down.~~

I would suggest that ~~as we look at the farm price picture~~  
~~that we do what we said we ought to do about the federal~~  
~~budget picture. We have people today that say we wought to~~  
~~look at the federal budget in a five year period. Or a three~~  
~~year period. But not to just look at it year by year. Now~~  
~~that is argumentative and , it's arguable, I should say, but~~  
~~there are modern economists that say that in order to really~~  
~~get a good look at what the federal budgeting process is, because~~  
~~of the price of projects in which federal government now be=~~  
~~comes involved, that you should look over a larger span of~~  
~~time. Well now,~~ <sup>JP</sup> ~~If you will average out the price of beef~~

and pork this year as compared to last year, you will find that  
<sup>does not</sup> it averages out ~~now~~ <sup>at</sup> not at high levels. ~~Because I remember~~  
~~that just a year ago,~~ <sup>page 7</sup> ~~About 16 months ago,~~ we were having  
<sup>here</sup> meetings ~~right around this room and~~ wondering what we would  
do to save the livestock producer. ~~And The~~ livestock pro-  
ducer has to borrow money, at high rates of interest, <sup>and on</sup> short-

term loan. <sup>It is a</sup> ~~The~~ high cost ~~of~~ operation. ~~We made desperate~~  
~~efforts to try to bring up that livestock price structure~~  
~~than the livestock farmer, you just cut back on his production~~  
~~and this year feed prices are up.~~ <sup>7</sup> The same thing was true  
of farm prices a year ago. The same thing was true of poultry  
prices. <sup>6</sup> ~~I might add. I can recall a few years, a few months~~  
~~past when poultry prices were f very low -- but what I am~~  
~~pointing out is that I think~~ <sup>We</sup> have to get a better perspective  
~~here~~ and not fight these people - either the producer or the  
consumer.

~~And~~ <sup>If</sup> ~~we~~ take a look at <sup>the</sup> ~~that~~ total food picture, over a  
period of months, <sup>we</sup> ~~you will~~ <sup>and</sup> get a better, more honest picture  
of the price structure of today's food. Now ~~if our feed grain~~  
~~supply diminishes, beyond what I have said here, it will have~~  
~~an upward pressure on prices and I think this why we have to~~  
~~take a very careful look at feed grain production.~~

<sup>Let us look at rice. They need rice in Vietnam as much as they</sup>  
<sup>Now, how about rice?</sup> ~~My friend there from Louisiana knows~~  
<sup>need bombs. Yet</sup> ~~more about rice than I ever will know and I am just going to~~  
~~venture some figures which doesn't reveal any intimate~~  
~~knowledge of the matter of production. But if these figures~~  
~~are right,~~ the estimated carryover in August of this year,  
<sup>is</sup> ~~will be~~ six million tons. <sup>That's only a three week supply.</sup>



~~That's a three quarters of a month's supply. And the~~

~~# The United States of America is deeply involved in Asia, and~~

~~Asians are rice eating people. And a three quarters of a~~

~~month's supply? I want to say right now that if Bob McNamara~~

~~had only <sup>a</sup> three week's supply of ammunition, <sup>we would</sup> there'd be~~

~~<sup>hear about that,</sup> somebody around this town with being heard from. I think that~~

~~When you <sup>only</sup> have three <sup>week's</sup> quarters of a month's supply of rice~~

~~you ought to take a good look at the picture. Now, this does~~

~~require some modification of as I understand it. Now Alan~~

~~you can tell me much better on the law that might make~~

~~growers to exceed minimum allotments, but I don't want to go~~

~~into the details of that. That's a matter that can be dis-~~

~~cussed through proper legislative channels. It is just the~~

~~Vice <sup>my</sup> President's view that the three <sup>week's</sup> quarters of a month's~~

~~supply of rice is not adequate. Now, I'm not asking for a~~

~~month's supply of rice to depress the market. I am simply~~

~~Page 99 saying that <sup>this</sup> If our nation is committed, as it is and ~~we~~ will~~

~~be for years to come, in the political and affairs of Asia,~~

~~into the whole involvement in Asia, that we better recognize~~

~~that <sup>Asians</sup> we are rice eating people, and <sup>take</sup> we maybe ought to have~~

~~another good look at our rice producing program. What that~~

~~look will reveal, wiser minds than mine will have to determine.~~

~~But I at least know enough to be concerned.~~

*Let's take*  
Now ~~on~~ wheat. The estimated carryover in July of this year *between 550 and 575* *bushels, about 17 million tons.* 1966 will be ~~550 million~~ *17 million tons.* ~~Stretch it about~~ another 50 million ~~make it 600 million.~~ About 17 million tons. About 450 million bushels, excuse me, I maybe mis-spoke myself. That's a four month supply. We consume a lot of wheat. *And we export a lot of wheat, both commercially and under* Now if you just talk about domestic supply, but I am *Public Law 480.* also talking about normal exports and not including Public Law 480. Now this, however, does take into consideration the drain out of our stock of the India program.

India's becoming one of the countries ~~There may be other~~ problems in other countries where the food becomes more vital *the grain* to our national interest *than the Marines.* Where food becomes more essential to our national security than the Air *Force.* So I think we ought to take a good look at it. When you have to take another evaluation on the wheat supply because supplies are actually lower than I've indicated since *then, too, you have to take into consideration the fact that* germ wheat would comprise over 20 percent of the estimated stocks. *Furthermore,* and current pricing makes wheat a feed grain, *about 100* million bushels *of wheat each* per year of that wheat becomes really under what you might call feed grain category. So I believe that if we look at *our* those figures we can see that *we no longer have* our so-called massive surpluses *of wheat.* are no longer prevalent or relevant. The term is not relevant and nor are the supplies in terms of massive surplus is prevalent.

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I want to say a word about - 12 -

Now ~~on~~ butter and non-fat dry milk. It is estimated that production will be down this year by about 20 to 25 percent. ~~Of course,~~ We have ~~our~~ fluid milk and we have ~~our~~ manufacturing milk. Our problem over the years has been with manufacturing milk. The ~~cow~~ numbers are down sharply in Minnesota, Wisconsin and Iowa, ~~and I imagine in certain other mid-western states.~~ And This is where 60 percent of the butter is produced ~~in these three states that I just mentioned.~~

One of the reasons for the recent <sup>rise in the</sup> price support ~~just~~ was as ~~you know~~ to give some incentive for dairy farmers in the butter producing and manufacturing milk producing areas to keep their cows and to have an adequate supply of manufacturing milk for the butter needs. ~~This is the most difficult of our programs. I must say to find the answer the proper balance and the proper answer in this dairy area. But I want to point out that the vast supplies of non-fat dry milk solids are gone. These have evaporated. There are gone. And I'm not at all sure that that's a good condition. I happen to think that we ought to have supplies of these products available over and beyond our normal exports. And one of the things that I am concerned about is that we don't press our exports opportunities as much as we should when we get on too short a supply basis.~~

Finally, on a ~~product known as~~ soybeans, we have a report that I think is ~~somewhat more~~ even more challenging ~~and~~ and interesting. By the way, I ~~didn't ask~~ ~~think that~~ the Department of Agriculture to prepare this for me. This is a little independent research out of their figures as well as estimates in the trade. I didn't have, frankly, the time to call up the Department on these matters. I think. I've been working on this whole subject for a long time because I am concerned and I am speaking to you very frankly. I hope to be able to present a memorandum to the proper authorities in this government about adequate supply of agricultural commodities.

~~The~~ Soybeans. Estimated carryover on September 1, 1966, <sup>to</sup> 40 million bushels. That's a two week supply. ~~Fifteen day~~ supply. Ladies and gentlemen, <sup>two-week</sup> ~~a 15-day~~ supply of soybeans as a carryover of September 1966 is no carryover at all.

# That's a much more serious situation than the reservoirs in upstate New York. ~~And that's bad enough when you're short~~ of water. And by the way, the shortage - the drought conditions seem to prevail in certain areas of the country. I'm deeply concerned about the possibilities of bad weather and in high agricultural producing areas this year. George, I believe that they estimate that you may have weather conditions that are not too favorable in New England again. Still a big



~~shortage.~~ <sup>JP</sup> The estimated carryover ~~according to the market~~ estimates that I read, ~~and this comes from the soybean~~ council people ~~and from the Department of Agriculture,~~ <sup>for</sup> September, 1967, under projected plantings and normal yields, is about 30 million bushels - ~~which would be about a quarter~~ <sup>one-week</sup> of ~~a month's~~ supply. <sup>Soybeans are</sup> ~~This is the~~ <sup>fundamental</sup> source <sup>for</sup> of the feed protein both here and abroad. ~~And~~ <sup>A</sup> short 1966 crop could ~~cause~~ <sup>result in</sup> sharply higher feed costs to farmers. ~~And~~ <sup>Shortly</sup> there-  
~~after higher poultry meat prices.~~ <sup>we would see higher meat and poultry prices.</sup> ~~So~~ <sup>we</sup> what we're going to have to do in a very practical sense is to gear up a campaign to utilize the Department of Agriculture ~~on the~~ experiment stations in teaching farmers how to maximize their yields per acre.

~~And as you know, President Johnson asked for legislation~~ <sup>JP</sup> ~~to permit soybeans on diverted acres.~~ <sup>the growing of</sup> Once again, I am not here to tell people how they ought to legislate. That's not my duty nor is it my privilege as Vice President. The President sends down proposals and the Congress looks over those proposals and makes its judgment and I think Congress has done a mighty good job. ~~But~~ I am concerned about the supply situation. ~~And I think we can summarize it by saying~~ <sup>JP</sup> ~~that the day of surpluses is over. With the exception of~~ cotton and tobacco. ~~And I have a feeling that those are both~~

~~manageable.~~ What we better take a look at is whether we ~~are~~  
~~have planned our~~  
~~had subjected our~~ production program ~~whether or not~~ to meet  
the supply needs of the next few years.

Page 11 # ~~The first~~ <sup>best</sup> anti-inflationary advice I can give anyone, is  
to ~~have enough to~~ <sup>allow our farmers to</sup> produce enough at a fair price, so that ~~your~~  
abundance of production doesn't put a penalty on it. ~~And~~ <sup>We</sup> thereby  
~~to have~~ <sup>create</sup> a market <sup>with</sup> that an availability of supply and <sup>a</sup> market <sup>offering</sup> at  
a reasonable price <sup>5</sup> for the consumer.

# ~~Now you've already~~ <sup>you have</sup> had discussions here about the Food  
for Freedom or ~~the food for peace~~ programs. ~~I think~~ <sup>6</sup> It's a  
great program - a tremendous program, ~~and I hope that you will~~  
~~give it your wide and wise interpretation of counsel.~~ ~~I think~~  
~~that~~ <sup>7</sup> our monies invested in agricultural research are wisely  
expended. We have learned a great deal about how to use ~~farm~~  
the products of the soil ~~for example,~~ in more ways than ~~in just~~  
for food. ~~We use it in materials in supplies for humankind~~  
~~other than food.~~ <sup>7</sup> ~~And~~ The last thing we ever have to do in this  
country is to ~~make~~ take any step or design any policy or follow  
any advice that would in any way weaken our agriculture economy.  
~~I'd rather talk to the farm editors, frankly, about the security~~  
~~of my country than I would to the weapon editors.~~ ~~And I spent~~  
~~yesterday afternoon out at the nuclear arms arsenal,~~ ~~I want to~~  
~~tell you one thing you can go away from here and be sure of~~

~~We have~~ <sup>But</sup> ~~you got~~ enough bombs to exterminate all that God created. ~~You~~  
~~we had better make~~ <sup>we've</sup> ~~better~~ be sure that ~~you've~~ got enough food ~~and in God's world~~  
to be able to provide God's children. That's what you ~~really~~  
~~should~~ <sup>#</sup> ~~ought~~ to be concerned about. We need a balance, ~~yes a~~  
~~balance~~ <sup>ama</sup> of our defense structure. ~~I've been~~ a strong supporter  
of defense. ~~I think you know that.~~ But I don't believe that  
a modern nation such as ours guarantees its security or any-  
one else's by just weapons. If we ever had a lesson in that  
we got it in Vietnam. <sup>Page 12</sup> ~~It~~ will take a ~~whole~~ lot more than  
weapons to win in Vietnam. It's going to take food, ~~It's~~  
going to take political understanding, ~~It's~~ going to take  
political and social action, ~~It's~~ going to take patience, ~~and~~  
~~It's~~ going to take time, <sup>And</sup> ~~it's~~ going to take suffering. <sup>#</sup> We've  
got enough weapons there to almost inundate the whole peninsula.  
<sup>what</sup> But ~~we~~ need is something more than that. I think that that  
experience, right now, almost capsules what I've tried to say.  
So <sup>W</sup> With your help, maybe we can get a better understanding  
of the role of agriculture, not only in our economy, ~~which is~~  
~~a vital segment of our economy~~, but the role of agriculture in  
our national security. ~~I trust my firends in the Department~~  
~~of Agriculture will tell you a little bit about the improvement~~  
<sup>#</sup> ~~I'm happy to report that farm income is up~~  
~~in farm income, and it has, wonderfully, I'm glad, it's up~~  
~~about~~ another billion dollars this year. It appears it will be

about a 15 billion dollar net. <sup>But</sup> ~~I~~ I ask the American people to  
keep in mind when the agricultural economy goes up a little  
bit, the long period of drought. <sup>7</sup> ~~It's pretty much~~ like some of  
these men I hear that ask for a good wage. They say their  
employment is seasonal and when they work, they need a good  
hourly wage. ~~I think~~ <sup>page 13</sup> you have to keep in mind that when a  
farmer gets a fairly good price for a product in a particular month of  
year, ~~just remember the years he didn't get anything. Or he~~  
~~get far too little.~~ <sup>2</sup> This is what I'm going to try to remember  
and ~~I think this~~ what this government is going to  
remember.

Thank you.



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