

REMARKS BY SENATOR HUBERT H. HUMPHREY

STATE TRACTOR PULL

A NATIONAL FOOD POLICY

Albert Lea, Minnesota

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A tractor pulling contest is a good time to gather together and pay tribute to the great success and productivity of American agriculture.

It is especially pleasant for me to visit Southern Minnesota and be able to see good crops about ready for harvesting. There are other areas of the country -- and not far from here -- which have been suffering from drought.

We have learned a great deal in the last two years about the importance and the complexity of our American agricultural system.

Now that we are facing a world food shortage, we have come to realize that we cannot take our great agricultural productivity for granted.

Many nations of the world face serious food deficits. Our productive capacity means not only markets for our farmers. It means life to the people of these countries.

With so many people dependent on our farmers and their output, we should make certain that our farmers are well rewarded. They should be treated as the first class citizens which they are.

I only wish that our Department of Agriculture would listen to this message. Every time I hear from the Department, it is offering some excuse for not taking steps to help our farmers.

We need to encourage our farmers to produce by assuring them good, steady prices for their milk, livestock, eggs and crops.

Everyone knows about our great Minnesota dairy farmers. And yet an estimated 1,500 have left the business because prices have dropped about \$2 per hundred-weight in just four months. This makes no sense at all.

If we want farmers to increase their output, we must find out what the problems are. It is hardly fair to expect our farmers to absorb a 12 percent inflation rate.

And I must say that it's not too hard to find out what the farmers' problems are. I get back here to Minnesota just about every week and I hear about low milk prices, accompanied by the high price of parts, twine, fertilizer and machinery.

In addition, particularly everything which the farmer needs is in short supply.

To deal with this situation, we need strong leadership in the field of agriculture. And we also need a national food policy.

I long have argued that a national food policy is needed. The time for decision on this issue is long overdue.

A national food policy must look beyond the level of production and commercial demand. We also must take into account our humanitarian needs at home and abroad.

A sound national food policy must look to the total agricultural picture from the farmer to the ultimate consumer. This involves credit, transportation, adequate supplies of fuel and fertilizer, new seeds, expanded agricultural research, and storage, processing and distribution facilities.

Credit is extremely important in today's capital-intensive agriculture. The costs of land and machinery have skyrocketed in recent years, and credit is the essential lifeblood of normal operations.

It is hard for farmers to increase production when interest rates remain high. Our farmers cannot pass off their cost increases to consumers as in other sectors of the economy.

We also must realize that improvements are needed on our rural transportation system.

Rural roads are in a sorry shape in many areas, and like the bridges, they are not up to handling today's 10 ton trucks.

Our railroads also have been neglected, with abandonment of tracks used as the main solution to this problem.

I have introduced legislation to increase the funding provided for both our rural roads and railroads. We can hardly expect our transportation system to meet today's needs if we neglect it and fail to make an adequate investment.

We also must begin to deal with the serious shortage of fertilizer which we experienced during the past year. The Department of Agriculture estimated a shortage of around five percent in nitrogen fertilizer for this year. But we all know that the shortage was much more severe.

This shortage is likely to grow worse next year. Dealers have been unable to get the full amount needed. As you know, standing contracts have been broken, and dealers have pulled out of some areas.

Fertilizer prices have gone through the roof during the last year. One recent survey indicated that nitrogen fertilizer had increased by about 124 percent since last fall when the price freeze was lifted.

There are many instances where the price increase was far greater than 124 percent, or there was black marketeering. And many farmers simply were not able to obtain the fertilizer they needed.

We also know that fuel is critical in our agricultural production. Here again costs have gone through the roof.

With our corn crop planted late this spring because of heavy rain we will need ample propane on hand for fall drying needs.

A sound national food policy also requires expanded research to unlock the secret of nitrogen fixation which is the way the soybeans create their own nitrogen fertilizer. Discovering this secret will be a major breakthrough in terms of increasing crop production.

A sound national food policy also must include a food reserve program. A reserve program will serve to assure adequate food and fiber for American consumers, enable us to meet our export commitments and serve as a buffer in case of disaster.

A reserve program establishes a degree of stability in our agricultural markets since we can buy when there is production in excess of needs.

Just as we must be prepared to buy when there is excess production, so we also should have reserves on hand in times of need.

The Department of Agriculture refuses to concede the havoc produced by not having a reserve.

This has been one of the major causes of inflation. And we all know that no one benefits from boom and bust prices.

I should point out that we must look beyond our own nation in developing a national food policy.

In the future, the competition for precious food will involve not only the traditional population and agricultural production equation. It also will be heavily influenced by the level of demand in the developed countries where consumers have begun to demand more protein in the form of meat, milk and eggs.

The poorer nations already have had to cut consumption and deplete their limited foreign exchange holdings.

Famine already has hit large parts of Africa, and Southeast Asia is near the danger point. A further delay in monsoon rains, could spell disaster.

The United States occupies a critical role under these circumstances because it holds the key as the world's major food reserve nation. With world food reserves down to about 27 days, this is a matter of serious concern to other nations.

This is why a national food reserve policy is of such great importance. In an era of plenty, there was no great urgency. There was more margin for error.

That era is gone, I call on our Government to recognize the importance of such a policy. And I urge you to lend your support to this effort.

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