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It is unfortunate that a few remarks ~~that~~ I made at a news breakfast with 20 reporters <sup>last</sup> ~~on~~ Wednesday morning were taken out of context in one account of that meeting and escalated in the news with an interpretation clearly not intended.

The one-hour discussion with the press group centered around the serious problem of the world population <sup>^</sup> food ratio now and in the years ahead.

I pointed out that the world population may well reach 6.5 to 7.0 billion people by the end of this century. I expressed my judgment that agriculture will be able to increase output enough so that the world will be able to feed that many people--even though it does mean doubling food production here and abroad in 25 years' time<sup>s</sup>. However, at some point in time a continued growth of population at the present rate will result in widespread famine and starvation-related deaths.

In the discussion, I pointed out that any population, of people or anything else, that increases at an annual rate of 3 percent will in 100 years be 17 times larger than the starting number. Population has been increasing at about that rate in some countries. Everybody agrees that this is a problem which we cannot escape, for even now it is generally held that around 400 million people, mostly in areas of high population density, are already malnourished.

There was never any intention in any of the discussion or <sup>in</sup> <sub>^</sub> remark to impugn the motives or the integrity of any religious group, ethnic group, or religious leader.

I regret that some such interpretations have been made.



JAMES - Chapter 3, Verses 7 and 8

- 7 For every kind of beasts, and of birds, and of serpents,  
and of things in the sea, is tamed, and hath been tamed  
of mankind:
- 8 But the tongue can no man tame; it is an unruly evil,  
~~full of deadly poison.~~

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AN ADDRESS BY VICE PRESIDENT GERALD R. FORD  
AT A CONVENTION  
OF THE AMERICAN FARM BUREAU FEDERATION  
ATLANTIC CITY, NEW JERSEY  
11 a.m. TUESDAY, JANUARY 15, 1974

ADVANCE FOR RELEASE ON DELIVERY

It is a pleasure for me once again to attend a convention of the American Farm Bureau Federation. Roger Fleming was kind enough to send me an advance copy of his annual report and so I know that you already covered most of the political ground this morning under his expert guidance.

There is really very little that I can add to his comprehensive rundown but I do have a few thoughts that I would like to share with you.

In the first place, I want you to know that although my job has changed since the last time we met together, my interest in a fair deal for the American farmer has not.

As a Congressman I met nearly every fall with the members of my local Farm Bureau and discussed the problems and challenges they faced each year. I always enjoyed those sessions and I know that they helped me to do my job better in Washington.

I also like to think that they helped me to be a fair and effective spokesman for the unsung hero of our economy -- the American farmer. On that score, I think my legislative record speaks for itself.

Looking back at those meetings over the years, I found that several things stood out most vividly. One was the sharp good business sense of bureau members. They always knew what was good for the American farmer.

Secondly, they were good, solid members of the community -- the kind of people you instinctively looked up to. They had faith in themselves and their way of life, and you respected them for it.

But, what impressed me most of all was their sense of citizenship. Sure, they knew what they wanted as farmers -- knew how to drive a fair bargain in the market place and in the political arena.

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But they also knew what they wanted as Americans. And, time and again, what they wanted for America was the right thing.

They loved this country as only those who live and work on the land itself know how to love it. And whenever it came to a showdown, they always put the country's interest first, in war and peace.

In the 25 years I met with them, I never once knew them to let America down and I still take pride in our long and fruitful association.

Now I come before you in a new year, holding a new job, and bearing a new responsibility. I hope that I can count on your good will and your good counsel in my new mission just as I did in my old one.

As you know, I came into the Vice Presidency at a very painful time for all Americans, at the end of a very difficult year. For me, the prospect was as sobering as it was exhilarating.

Now, as we enter 1974, America still has more than its share of problems -- some of them very big problems -- and it would be foolish to try to conceal them.

But in the weeks since I was nominated to the Vice Presidency I have met with and talked to thousands of people from all parts of the country and from all walks of life. I have also talked with scores of my former colleagues in the Congress.

And everything I have seen and heard convinces me that, as Roger Fleming put it to you earlier this morning, America may be a little bit down, but America is far from out.

This is a vibrant, dynamic country. Our people are problem-solvers, not grumblers or fatalists. We are going to see things through.

Already, we have made considerable progress.

Consider the plight of the American farmer, for example. Ten years ago, it looked as if American agriculture was doomed to a future of total Government domination. It seemed inevitable

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that every American farmer would eventually become a kind of serf to the Federal Government, receiving Federal subsidies and federally-dictated orders for every seed he planted and every acre he left fallow. The money picture, the financial future, was also bleak.

Today the American farmer, like other Americans, still faces a number of problems. But, today, he is also enjoying a new measure of both freedom and prosperity.

He has just set a new record in the production of farm food and goods for the third year in a row.

And, in the first ten months of 1973 alone, the American farmer produced enough food and fiber to permit a record export of agricultural products -- \$13.6 billion worth. That was enough to pull our 1973 trade balance out of the red and back into the plus column.

Or, consider the energy crisis. Right now, throughout the entire industrial world, this problem is making itself felt with devastating effect.

America has not been immune. Yet by comparison with the countries of Western Europe and Japan, which depend on imported fuels for almost all of their energy, we are in pretty good shape.

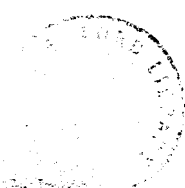
We are hurting a little, but we are far from crippled.

The American coast and continent are rich in untapped sources of energy, and American skill and know-how are second to none in their ability to extract and utilize them.

At the same time, American scientific and engineering expertise -- the same technological brilliance that placed men on the moon -- is developing new energy sources. Our scientists and technicians have never failed us. And they won't in the future.

Of course there is another problem on many minds as we gather here today. It is not so much a material problem as a mental one. It is a matter of attitudes, morale and, most of all, a matter of confidence -- confidence in the Presidency and

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confidence in the American political system as a whole.

According to some of the polls, that confidence has seldom been lower.

The polls are bad enough, but a few extreme partisans seem determined to make them worse -- seem bent on stretching out the ordeal of Watergate for their own purposes, whatever they might be.

While the American Farm Bureau Federation is meeting here to discuss solving some of the Nation's problems, a coalition of groups like the AFL-CIO, the Americans for Democratic Action and other powerful pressure organizations is waging a massive propaganda campaign against the President of the United States.

And make no mistake about it -- it is an all-out attack. Their aim is total victory for themselves, and the total defeat not only of President Nixon, but of the policies for which he stands.

If they can crush the President and his philosophy, they are convinced that they can then dominate the Congress, and through it, the Nation.

Should that day ever come, we can all kiss goodbye the chances of reducing Federal spending and increasing community and individual independence.

Should that day ever come -- with the super-welfare staters in control of the Congress, and the White House neutralized as a balancing force -- we can expect an avalanche of fresh Government intervention in our economy, massive new Government spending, higher taxes and a more rampant inflation.

The majority of responsible, thinking Americans must not let it happen, and I don't believe they will.

So far, I think the vast majority of my former colleagues in the House of Representatives have taken a highly responsible approach to this matter. I have faith that my new colleagues in the Senate will do the same.

But I would also urge them not to sit by while a lesser, but still very serious, evil is perpetrated.

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For if the relatively small group of activists who are out to impeach the President see that they do not have the strength to do it, they will try to do the next most damaging thing.

They will try to stretch out the ordeal, to cripple the President by dragging out the preliminaries to impeachment for as long as they can, and to use the whole affair for maximum political advantage.

Such a course would be bad for the Congress, bad for the Presidency and bad for the Nation.

There are vital challenges to be met and pressing problems to be solved. America has no time to waste on a long drawn out political grudge fight, and I think that most Congressmen of both parties agree on this.

So, if the Congress must move, let it move now.

In particular, let the House Judiciary Committee act promptly. There is no reason why the committee cannot have finished its job by the end of April, as Committee Chairman Rodino indicated to House Minority Leader Rhodes.

Personally, I firmly believe that no valid grounds exist for impeachment of the President. I believe that a majority of the committee will reach the same conclusion. But, whatever their feelings, they owe it to all of us to do their job promptly and responsibly.

They have no right to leave America hanging, when so much that is important remains to be done.

That is what the American people are telling their elected representatives, again and again, during the holiday break. Settle Watergate, they say. Write the last chapter; close the book, and get on with the vital business of the Nation.

It is high time we did just that. It is high time we got out of the rut of despair and self-doubt and back onto the high road of progress. Once we do that, America is bound to succeed.

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This is the same country and the same President that managed to achieve an honorable end to America's longest war.

This is the same country and the same President that have built new and promising relationships with the People's Republic of China and the Soviet Union, representing over a billion people.

This is the same country and the same President that have helped to lay the groundwork for a lasting peace in the strife-torn Middle East after a generation of hatred and violence.

None of those things happened by accident.

They happened because a wise and good people were led by a wise and good President.

No one is perfect -- no nationality and no executive.

But when you look back on the past years of the Nixon Administration and think of these really magnificent achievements, then Watergate no longer dominates the landscape.

Compared with these mountainous achievements, it's a tragic but grotesque sideshow.

So I urge each of you, as individual citizens and as members of the American farm community: Do everything you can to focus the energy and the ability of the country and the Congress where they can do the most good -- as forces for unity instead of division.

In the quarter century that I served in the House of Representatives there was one man who left his mark on the House more than any other -- Speaker Sam Rayburn. He came from farm country in Texas and he once said that the only thing besides people that he claimed to know was the land.

In his stern way, he had a deep love for both -- the people and the land -- and a deep understanding of both.

Though we had some friendly disagreements on legislative particulars, I like to think that some of Speaker Rayburn's affection and understanding rubbed off on me during my years on Capitol Hill.

I think that they gave me, too, a knowledge and love of our

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people and our land. This land of ours is still good, and so are our people. I know this in my heart. And that is why I remain an unashamed, unabashed optimist about America.

Edward Everett Hale, the 19th century American author who wrote the famous story of The Man Without a Country also wrote a few lines of advice that I think all of us could profit from as America begins this very difficult but potentially promising new year of 1974. Hale urged us to:

" . . . look up and not down  
To look forward and not back,  
To look out and not in, and  
To lend a hand."

If all of us in private and public life can live with that spirit in the year ahead -- and I believe we can -- then Watergate, energy and any other problem that comes down the road need hold no fear for America.

We have faced worse problems in the past as a united, determined and compassionate people, and always, as long as our unity, our determination and our compassion held firm, we have succeeded. We can and will do so again.

# # #

AN ADDRESS BY VICE PRESIDENT GERALD R. FORD  
BEFORE THE 45<sup>TH</sup> ANNUAL MEETING  
OF THE NATIONAL COUNCIL OF FARMER COOPERATIVES  
WASHINGTON HILTON HOTEL  
WASHINGTON, D.C.  
1 p.m. WEDNESDAY, JANUARY 16, 1974

ADVANCE FOR RELEASE IN WEDNESDAY PM'S

Thank you for inviting me here today.

Farmer cooperatives have a long and distinguished history of service to agriculture and the entire nation. And I am happy to meet with your Council to discuss some of the major challenges of the coming year.

A while back, President Nixon pointed out in a radio address to farmers that "Nobody bullies Earl Butz."

I remember thinking, "Who would dare?"

Personally, I'd rather get caught in a hay bailer.

So I just want to say what everybody knows: that Secretary Butz is one of the most effective spokesmen for agriculture that ever came to Washington. And his views on the economics of the market place are listened to and respected by every official in town.

Now, one of the best things about your invitation to sound the keynote today is that the right note was right at hand -- suggested in your very name.

What could be more appropriate for a theme for your meeting -- and indeed for the entire nation in 1974 -- than cooperation?

Bernard Baruch once said that "the highest and best form of efficiency is the spontaneous cooperation of a free people."

Efficiency is what we need and cooperation is what we're getting from the free people of America.

If there's a better way to meet today's challenges, I don't know it.

And just on a personal note, I happen to like this theme. We all know that spontaneous cooperation sometimes needs a little encouraging -- and I spent 25 years on Capitol Hill doing just

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that. I will continue to make it one of the principal objectives of my efforts in any job that I hold.

As we all know, many of the challenges facing us today are summed up in the two words "energy crisis," and I want to discuss this problem with you, although you'll be hearing much more on the subject this afternoon from Bill Simon. As the whole country realizes by now, what Simon says, Simon means and Simon does -- so he's a man worth listening to.

I also want to discuss briefly with you the importance of increased agricultural production this year, and its meaning not only domestically, but in the context of the needs of other nations.

Finally, I want to say a few words about the international situation.

But the common thread that runs through all these subjects is the challenge they present to our capacity for cooperation.

We are challenged to see:

- that our special interests must be weighed against our common interests;
- that we can often achieve more individually by taking actions collectively;
- and that in this interrelated world the exercise of excessive economic power threatens not only those against whom it is directed, but also the economic well being of those who use it.


In colloquial terms, we are challenged to see that the whole schmear is one single ball of wax.

Or as we say in Michigan, you can't catch fleas with only one finger.

Nothing so well illustrates the need for cooperation as the energy crisis -- both domestically and internationally.

Here at home, our people are responding to that need in a magnificent show of unity.

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The consuming public, industry, agriculture, every segment of the economy -- all are joining together in the greatest conservation effort in peacetime history.

The evidence of their cooperation is being tallied day and night on millions of gas, oil and electric meters, at gasoline pumps and wherever fuel is dispensed.

We asked our people:

- to turn down the thermostat;
- to turn out some of the lights;
- to lower their automobile speed; and
- to take many other conservation measures.

They have, and are, coming through on every request made of them.

They've already saved millions of barrels of fuel, and they'll save millions more this year.

They're cooperating because they understand what's at stake: jobs, production, income, investment. All of which translate into prosperity for everybody.

As for gasoline rationing, President Nixon is against it and I'm against it. And so far we haven't been overruled by Bill Simon, who also is against it but who has prudently readied a rationing plan in case it's needed as a last resort.

Our hope and expectation is that we won't have to come to it. There are inequities and inconveniences in any system you can devise, and we are determined to do everything we can to avoid them.

As for the conservation efforts of industry and agriculture, they are matching those of the public in every respect. Systematic energy audits are underway in many establishments and in many farm operations. Tough, measurable conservation goals are being set. And employees at all levels are being enlisted in campaigns to save energy wherever possible.

The single aim is to maintain jobs and keep production levels high. So far, we have been able to hold economic dislocations to

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a minimum, and I think the prospects are excellent that we can meet this crisis without any really serious disruptions.

Beyond the conservation program, we are moving on a long range basis to increase domestic sources of supply. These include construction of the Alaska Pipeline, something we should have gotten underway years ago. We also will be increasing oil and gas production on the Outer Continental Shelf, and stepping up production of coal, our most abundant source of energy.

In addition, we are marshalling our vast scientific and technological capabilities to develop promising new sources of energy. We want to be able to meet all our requirements from domestic sources.

As for fuel allocations in this critical period, you will be hearing about this in detail from Bill Simon, but I can assure you that the 1974 agricultural crop has one of the very highest priorities. It is our firm determination that adequate energy for agricultural production, harvesting, drying, transportation and processing will be available to meet agriculture's needs this year.

Our goal is full agricultural production.

To achieve it, this Administration is basing its policies on a conviction that was never more clearly stated than by Thomas Jefferson more than 150 years ago.

He said: "Were we directed from Washington when to sow and when to reap, we should soon want bread."

Well, we're not going to want for bread in this country, and we're going to do our part to prevent the rest of the world from wanting bread.

Certainly our help is needed in many nations. During the hour we've been having lunch here, the population of the world has grown by 8,000. One hundred ninety-two of these are Americans.

Our farmers are the world's most efficient producers of soybeans, wheat and other grains. We need their production -- and we need the assistance of your farmer cooperatives -- to help feed some of these new arrivals on earth.

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Government is doing its part by moving off the farmers' land -- and leaving it to the farmers. And one of our most important steps was to lift all restrictions on the millions of set-aside acres that are now being returned to production.

We need expanded food supplies not only to help feed people, but to help fight inflation here at home. A smaller percentage of the family budget goes for food in America than in any other country in the world. We want to keep it that way, while at the same time assuring farmers a full, fair share in our Nation's prosperity. The Agriculture and Consumer Protection Act, which the President signed last August, helps us achieve both goals.

Farm production also is critical in helping to boost our exports, improve our trade balance and strengthen the dollar in the international money market. The unprecedented export record set by agriculture last year helped to pull our trade balance into the black for the first time since 1970. We are counting on farmers to help keep the balance positive -- and farmers will need the important assistance your cooperatives provide.

America's agricultural abundance also is a key factor in our ability to forward the cause of peace and understanding. The American farmer's capacity to produce for export was a vital part of the negotiations that achieved detente with the Russians and improved relations with the People's Republic of China.

Now to see the true dimensions of the energy crisis, we have to look at the world picture.

And the first thing we must realize is the importance of avoiding the mistake of the two Irish sailors on a ship of the British Navy.

One said to the other, "The ship is sinkin'."

His shipmate replied, "Let 'er sink. She ain't ours."

In the present situation, if we don't join together to man the pumps, the prosperity of all nations could wind up in Davy Jones' locker.

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This fact of life is what lies behind President Nixon's call for a global solution to the energy crisis. And he has invited both oil-producing and oil-consuming nations to attend meetings here to develop a common solution.

For we are all joined together by a common tie.

On the map of the world economy, the borders between nations are no longer dividing lines. They are connecting links forged by the need for energy and the things energy produces.

A quarter of a century ago, a courageous and far-sighted American travelled around the globe and returned home with a prophetic message for men everywhere.

"One world," said Wendell Willkie.

How right he was! The forces of technology, trade, investment and communications have created an indissoluble world.

But what has not been fully developed is the spirit of cooperation that can make this world serve our common interests. And only this spirit can bridge the gap between promise and performance.

Still, we know that it can be developed, will be developed, and indeed is being developed, even at this moment of temporary discord.

The spirit of global cooperation will ultimately mature because it has a life and momentum all its own.

I do not see how it can ever cease to exist.

Men and nations may damage it temporarily. They may create road blocks. They may delay its progress for a while.

But on the highway of history, the spirit of cooperation is a juggernaut whose forward movement is as irresistible as the forward movement of time.

For it is powered by a self-generating fuel supply that no force on earth can shut down.

That fuel is hope.

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The spirit of cooperation is powered by the hopes of all mankind for a better life. Only by working together, using the forces of advanced industrialism for the benefit of all, can we ever fulfill the ancient dream of a world free of poverty, ignorance, disease and despair.

Recently, I was discussing the origins of cooperation among people with a friend who is an anthropologist at the Smithsonian Institution. He said one of its earliest developments came when cave-dwellers learned to hunt together in the great mammoth kills, herding the animals over the side of a cliff in an ever-narrowing circle.

But probably the most important milestone, he said, came with the development of agriculture. When men were first able to produce a surplus of food, they could trade it for the products of others who had special skills in other lines -- pottery making, weapon making, building. They traded with one another -- and trade was born. And so was interdependence among men, and what we call civilization.

That milestone of human development was reached, interestingly enough, in what we now call the Middle East.

But can there be any thought of ever going back?

Never. We can only go forward.

This energy crisis is painful precisely because it threatens to strip the gears by suddenly throwing the vehicle of progress into reverse.

It has caused disputes and disagreements among old friends. It has brought a clash of conflicting interests among allies. It has aroused old fears. It has interfered with the personal lives of people all over the globe.

But painful as it is, if the energy crisis can teach us once again what our cave-dwelling ancestors learned long ago, it will be worth it, more than worth it.

The lesson is simply that in cooperation is the hope of the world.

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America is working to further that hope in every way we can.  
And at our right hand is the American farmer, a tower of strength  
and a force for peace and unity among men and nations everywhere.

# # #



EXCERPTS FROM A SPEECH BY VICE PRESIDENT GERALD R. FORD  
AT A KENTUCKY FIFTH CONGRESSIONAL DISTRICT LINCOLN DAY DINNER  
AT LONDON, KENTUCKY  
7:15 P.M. WEDNESDAY, FEBRUARY 13, 1974

FOR RELEASE AT 7:15 P.M. WEDNESDAY

Agricultural production and farm income have reached record levels for three successive years. A new record harvest appears to be forthcoming in 1974.

Administration policies are designed to combat inflation by increasing the food supply. We have released producers of major crops from Federal controls, increased farm exports to record levels, and expanded agricultural research programs.

Farmers are faring better. Our aim is to see them adequately compensated for their hard labor in raising hogs and beef cattle and in growing the famous Kentucky tobacco.

Costs of price support programs will decline as farm income rises. The supply of credit for rural electrification and telephone service will increase. Conservation funds will be focused on longrange public benefits. Rural development programs will be directed toward State and local plans and priorities.

Federal expenditures for farm price supports dropped sharply this year and are expected to decline further in 1975.

In order to maintain the growth of agricultural productivity, we are taking steps to encourage production of meat and soybeans.

We are making this progress by decreasing Government regulation. The Agriculture Act of 1973, an achievement of this Administration, promises to get the Government off the farm in the years ahead. The Administration's policies encourage greater production which will translate into more income for the farmer, increased international trading benefits, and reasonable food prices for every American.

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We anticipate that the large 1974 harvest will serve as an excellent damper on increasing food prices facing the consumer and simultaneously assure a reasonable profit for the farmer.

We have proposed to the United Nations that it convene a World Food Conference. This conference is to be held next November. It is important to the American farmer, whose productivity has made this Nation the world's largest food exporter.

On another front, this Administration is pressing forward with Project Independence to assure self-sufficiency in petroleum and other energy resources. Our aim is to make America no longer vulnerable to the blackmail of other countries. While we strive to end the oil embargo, we ask the cooperation of friendly nations. President Nixon has pointed out that go-it-alone oil policies endanger the world's economy. Security and economic considerations are inevitably linked. Energy cannot be separated from either.

The Administration this week offered to share technology and emergency oil supplies if there is cooperative world action. We can have no real security in the world unless we are all secure. We seek cooperation, conciliation, and moderation. But we have a right to expect consideration from nations to which we give consideration.

A climate of peace has been generated in the world by the leadership of the Administration. This is the first year in over a decade that Americans are not engaged in war. We have extricated ourselves with honor from Vietnam. We have liberated our brave men who for so long were prisoners of war. We ended the draft. We helped to separate the warring parties in the Middle East and brought the world back from the brink of catastrophe. We have created new relations with China and the Soviet Union that would have been unthinkable a few years ago.

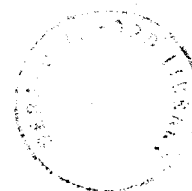
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Here at home, instead of looking solely at the unfortunate rise in unemployment --- caused primarily by the energy crisis --- let us look at the record number employed. This total is now in excess of 85.6 million, some 3.6 million more than at any other time in our peacetime history.

To meet rising living costs, we have increased Social Security and Veterans benefits. I say --- and I state this emphatically --- this Administration has responded to human needs.

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REMARKS OF VICE PRESIDENT GERALD R. FORD  
NATIONAL CONFERENCE FOR AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE  
STATLER HILTON HOTEL, WASHINGTON, D.C.  
11:00 A.M., TUESDAY, AUGUST 6, 1974

FOR RELEASE IN TUESDAY PM'S

I am pleased to participate in this important meeting of the leadership of America's agriculture.

Our Nation owes much to agriculture. But we understand it very little. In agriculture we find the highest development of free enterprise and an incentive-oriented society. People farm their own land; set their own hours; determine their daily tasks; keep up with rapid technological advances; market their own products; manage their own finances; plan production to anticipate demand a season in advance; contend with weather, weeds, insects, and disease; and meanwhile build modern rural communities that form the proudest aspect of America's heartland.

A good share of my old Congressional district was a rural-oriented part of Michigan. All my adult life I have worked with farm people and farm groups. I know of your work and dedication.

You have contributed to a sound society; a dynamic Nation, and a viable economy.

You have increased your productivity per person at twice the rate of industrial America. You made Americans the best-fed people in the world.

Agriculture today is a major factor in fighting the inflation that besets us.

At the very time that adverse weather limited production, a world-wide industrial boom increased food demand. Yet American agriculture was so productive we nevertheless got our food in 1973 for the same percentage of our take-home pay as in 1972. That percentage marked the lowest level in our history. It was lower than any other major nation of the world.

You have achieved this growth in productivity while releasing large numbers of people from the land to go into other gainful pursuits.

According to the Department of Agriculture, Americans can meet their food needs with 15.7 percent of their take-home pay. This permits the spending of 84.3 percent for other needs and niceties of life. No other Nation can do as well.

Without the offsetting favorable balance from agricultural trade, the value

of the dollar would have suffered more, increased petroleum costs would have been a worse burden, and our basic international strength would have eroded.

Agriculture has been a great ally in the battle against Public Enemy Number One — inflation. And we need all the allies we can get. There is deep concern among Americans and other peoples. Our economies are interrelated. We have promoted peace in cooperation with other Nations. We must seek a new international era in monetary and trade agreement. This Administration has made achievements abroad that provide a solid base for such progress.

At home, however, it is apparent that we must strive for a new confidence in our domestic capacity to deal with inflation. We have made economic predictions that turned out wrong. We have all made mistakes. But instead of dwelling upon the errors of the past, let us unite and cooperate to face the future. Let us seek a new sense of confidence in ourselves and in our Nation.

All the victims of inflation — business and labor, agriculture and industry, employed and unemployed, Democrats and Republicans — must rally as Americans against any further erosion of the buying power of the American dollar. The Government, of course, has a special responsibility to provide leadership by example. Restoration of economic confidence requires willingness to cooperate for the common good. We must generate and deserve that confidence.

In unity there is strength. The motto of the United States is E Pluribus Unum — "one out of many." Yet we are at this moment in history a fragmented Nation. Passions are high. Public opinion is divided.

At the very moment when we must mobilize all elements to cope with serious inflation, the President is the subject of Congressional impeachment. These proceedings are in full accord with our Constitutional processes. Reasonable and just people are differing on the impeachment issue. It will be resolved, in the American way, by a process of voting in the Congress. But reasonable and just people are also capable of simultaneously joining in a national, non-political campaign against inflation despite their other legitimate involvement.

Neither impeachment nor the November election campaign must interfere with immediate bipartisan efforts to bring inflation under control.

Leaders of this Administration have a responsibility to provide effective leadership — especially in the economic area — regardless of the pending

impeachment issue. Until impeachment is resolved one way or another, we must lose no time in dealing with inflation.

We simply cannot afford to let inflation continue to infiltrate while our attention is totally diverted by a single topic. America is capable of coping with two great challenges simultaneously. This is the same Nation that dealt in World War Two with two external situations at the same time, in the Pacific as well as the Atlantic. Today our peril is not from war but from domestic emotions that could distort our focus and concentration.

When the eagle on the dollar screams, the cry must be heeded by all Americans. Inflation cannot be defeated by recrimination and attack from any segment of our society on any other segment. I refer to both business and labor, and the Executive Department as well as the Congress. Let us seek avenues to unity, roads along which we can move together to meet the common enemy.

There are obviously many views and approaches in dealing with inflation. We need to explore a wide spectrum of ideas. I prefer an open and objective spirit of inquiry in which all views are given consideration. Congressional involvement is essential. So is the concentrated determination of the Executive Department. Working together, an example can be set for the Nation.

Let Washington restrain spending, if others are to follow.

Let Washington show the way to increased production.

Let a real partnership of the people and the Government be organized to protect the dollar.

Washington cannot ask others to show restraint unless Government demonstrates its own commitment. Accordingly, we must veto "budget-busting" legislation. We will need political guts to defer programs that are marginally desirable but not really essential. We cannot afford optional luxuries while striving to beat inflation.

The Federal Budget proposed for Fiscal Year 1975 calls for expenditures of \$305 billion. There are already indications that this total is being inflated by actual or potential Congressional proposals to as much as \$312 billion. We cannot tolerate this increase. It would feed the already fierce fires of inflation.

We must prevent such budget overruns from taking place. Actually, we must also resolve to reduce expenditures below the originally proposed \$305 billion



level. But we cannot do this without the active support of the public, the business community, the labor organizations, and the Congress.

As a Congressman for a quarter-century, I welcome the involvement of Congress in efforts to deal with inflation. It is my deepest wish that a way can be found for us to work together.

If — through cooperation — we are able to control expenditures, we will be in a much better position to have a budget next year that will not only be in balance but maybe in surplus. Nothing could be more important in the war against inflation than to achieve a surplus in next year's Government operations.

The importance of reduced expenditures cannot be overestimated. Reduced expenditures mean reduced government borrowing, reduced interest rates, and help for the Federal Reserve in its efforts to slow the inflationary expansion of money and credit.

These are the essentials. Without progress on these essentials, victory in the fight against inflation is beyond our grasp. Even as we persevere on this course we must explore other actions to help relieve inequities.

It serves no purpose to lecture the harrassed public, especially the low and middle income people who have been the main losers from inflation. We are mindful that some people are suffering more than others. Certain groups — older Americans, persons on fixed incomes, the unemployed — may require special help within budgetary limitations. Their plight must be heeded.

Certain industries such as the public utilities, housing, financial institutions, and others have been especially hard hit. There are suggested solutions that have merit and deserve prompt consideration. The time has come for action, not doom-saying and hand-wringing.

I have addressed myself to a tough problem requiring tough actions. But I believe in the America I have seen in 115,000 miles of travel in 40 states since becoming Vice President. I believe in the energy of our farms and towns and cities. We possess the highest living standard the world has ever known. Real income has escalated. The lot of the poor and the minority groups has improved dramatically. We have the productive ability and natural resources to overcome inflation. And we also have the American know-how, ability and the courage.

With the help of American agriculture, we can show the Free World that the spirit of "can do" is not dead in America. Let's show them the way to end inflation.

Your expanding food production enables us to promote peace worldwide and to negotiate creatively and compassionately. You have had a hand in turning around our farm program from a policy of restriction to a policy of expansion. We, and the entire world, can be thankful for that foresight.

Challenges remain ahead. But we have a mighty resource in agriculture and we are going to cope with inflation.

On behalf of our Nation, I thank you.

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## Office of the White House Press Secretary

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THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning without my approval H.R. 4296, referred to as the Emergency Agricultural Act of 1975. Although the aim of this bill is laudable, its results would be costly not only to consumers and taxpayers but to American farmers in the long run. It would damage our international market position which is so essential to American agriculture's long-term interests.

Approval of this bill, therefore, would not be in the public interest.

In the conduct of the Government's fiscal affairs a line must be drawn against excesses. I drew that line in my address to the Nation on March 29. I promised all Americans that, except where national security interests, energy requirements, or urgent humanitarian needs were involved, I would act to hold our fiscal year 1976 deficit to no more than \$60 billion.

New spending programs which the Congress is considering could easily raise the Federal deficit to an intolerable level of \$100 billion. This must not happen.

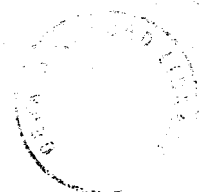
H.R. 4296 is an example of increased non-essential spending. In fiscal year 1976, it could add an estimated \$1.8 billion to the Federal deficit. If used as a point of departure for longer-term legislation -- as was strongly indicated during its consideration -- it could lead to an escalation of farm program subsidies in succeeding years.

Approval of this bill would undermine the successful market-oriented farm policy adopted by this Administration and the Congress. It is a step backward toward previously discredited policies.

Prospects for farmers, it is true, are not as bright this year as in the recent past. Farm production costs have been pushed upward by the same inflationary pressures that affect other industries. Demand for certain farm products has simultaneously slackened because of the recession. Prices paid by farmers are currently 11 percent above year-ago levels. In contrast, the index of prices received by farmers is now 7 percent below levels of a year ago. Fortunately, the latest index, released Wednesday, shows that the 5-month decline in prices received by farmers has been reversed and was 4 percent above a month earlier.

The Administration recognizes that some farmers have experienced financial difficulties due to this cost-price squeeze. It has taken a number of positive steps to assist farmers. The 1976 wheat acreage allotment was recently increased by 8 million acres to 61.6 million acres. This action provides wheat producers with additional target price and disaster protection.

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We have also increased the 1975 crop cotton price support loan rate by 9 cents a pound. And we recently announced an increase in the price support level for milk, which, combined with easing feed prices, should be helpful to dairy producers.

Within the past several days, we have completed negotiations with the European Community to remove the export subsidies on industrial cheese coming here -- a step that ensures that surplus dairy products will not be sold in the U.S. market at cut-rate prices. At the same time, we have worked out arrangements which enable the Europeans to continue selling us high-quality table cheese. This solution has enabled us to keep on mutually agreeable trading terms with our best customers for American farm exports.

The Administration has also taken action to protect our cattle producers against a potential flood of beef imports from abroad. The Department of State is completing agreements with 12 countries limiting their 1975 exports of beef to this country. These voluntary export restraint agreements are intended to keep imports subject to the Meat Import Law to less than 1,182 million pounds.

If unforeseen price deterioration requires action on my part, I will direct the Secretary of Agriculture to make adjustments in price support loan rates for wheat, corn, soybeans, and other feed grains. But it is our expectation that market prices for grains will remain well above loan rates and target prices in the coming year.

Most farmers have already made their plans and bought their seed. Many are well into their planting season. These plans have obviously been completed without any dependence on the provisions of H.R. 4296.

In the long haul, this bill would lead to constraints on production and result in loss of jobs in food-related industries. It would induce farmers to grow more cotton -- already in surplus -- and less soybeans needed for food. The bill would jeopardize the competitive position of our cotton in world markets.

American farmers have responded magnificently during the past several years to produce food and fiber for this Nation and the world. This has made agriculture our leading source of foreign exchange. This year, despite very trying circumstances, most farmers are again seeking full production. They have my support for a vigorous export policy for their products. I recognize that agricultural exports have been restrained twice in the past two years. We have now eliminated all restrictions on exports and we are determined to do everything possible to avoid imposing them again. Our farm products must have unfettered access to world markets.

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This Administration is determined to act in support of the American farmer and his best interests. It will not act to distort his market. We must hold the budget line if we are all to enjoy the benefits of a prosperous, stable, non-inflationary economy.

For all these reasons, I cannot approve this act.

GERALD R. FORD

THE WHITE HOUSE,

May 1, 1975.

# # # #



'TIME TO THINK'

When the Egyptians built the Great Pyramid they started with a broad base and narrowed it at the top. The resulting structure has stood for at least 5000 years.

During the last decade liberal Americans discovered this and decided to use a twist on the idea so they could restructure federal government. They started with a small point at the bottom, the individual taxpayer, then broadened out the government structure on top of him, adding more and more unproductive weight as they went up.

I wonder whose pyramid will prove the most stable, the Ancient Egyptians or the Modern Liberals?

Our forefathers envisioned this nation as having a lean, flexible government. Today we have a force-fed giant that's developing a severe case of middle age spread. Next comes arteriosclerosis and debility.

If you don't believe it, talk to the financial wizards who dragged New York City to the brink of bankruptcy with the same sort of deficit thinking.

Government in one form or another eats up nearly a third of our productive earnings as a nation today. In another 15 years it could call for up to one-half of our earnings.

Something's gone wrong.

Address by Secretary of Agriculture Earl L. Butz before the Pepperdine Businessmen's Luncheon, Pepperdine University, Malibu, California, June 30, 1975 at 12:00 Noon.

When the books close on the federal budget today, they will show the 14th federal deficit in the last 15 years.

It took us over 180 years as a nation to reach our first \$100 billion federal budget, in 1962.

Nine years later in 1971 the federal budget rolled past the \$200 billion mark for the first time.

In Fiscal 1975 it topped \$300 billion. Within two more years it may exceed \$400 billion.

Government programs, once underway, tend to grow rather than get smaller. They're like a wild bull tearing across a pasture; it's tough to turn them around -- and you can get beat up pretty badly in the process of trying.

The Number One policy issue in this country today should be, "Are we spending ourselves into trouble?"

Keynesian Economics says that deficit federal budgets, used to stimulate the economy during times of business slowdowns, should be balanced by budget surpluses in other years. If that's true we will need healthy budget surpluses every year until 1990 just to break even. As it now stands, 1976 is already scheduled for a deficit of around \$60 billion.

The time has come for some sound, conservative thinking. America has matured to the point where it is time to stop the speeches that promise the moon, and the brass bands that announce the coming of the latest political Messiah.

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We must no longer pretend that government can solve every problem for every individual. Politicians must no longer promise the easy life with everything good and nothing bad. The world doesn't work that way, and most people know it. Those who don't -- need to be reminded.

The trend toward a bigger, more rigid, central government is a trend that should frighten every American. It should worry anyone who values individual economic freedom, or who wonders about the future vitality of this country.

It's time to stop and seriously ask ourselves just what made this the most prosperous nation the world has ever known. Why do our citizens live longer and eat better than at any time in history? What happened to the "good old days" of childhood diseases and short lifespans?

How come our workers have better working conditions and higher wages than any other group of laborers on earth? What happened to the sweatboxes and the factories filled with illiterate children who were trapped for a lifetime of poverty and despair? What happened to the "noble peasant" who was tied to barest subsistence, a dirt house with a straw roof, and not enough bread or money to adequately support his family?

Those tragedies of despair have virtually disappeared from the American scene. Even our people on welfare live better than the majority of the rest of the world's population.

How have we come to lift ourselves up out of the muck of poverty, ignorance, superstition and fear that had held man captive most of the time since he lived in a dark cave and drew crude drawings of strange animals on the walls?

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The answer is individual freedom and hard work. Individual initiative and creativity; and most of all, the continuing hope for a better life for not only ourselves but for all mankind -- now and in the future.

Yet today we find that sort of hope waning. We hear the cries of doomsday and that America is a nation that has reached its peak.

Nonsense.

We hear the cries that our natural resources are running out, that we have put too much faith in technology and industrialization.

Nonsense. A hundred years ago it was whale oil that we were running out of. Then it was coal. Today we say that it is petroleum -- and a dozen other items.

It's true that our petroleum supplies are smaller than they once were, and that we should work to constructively conserve oil and all of our valuable resources. But it is a tragic mistake to believe that we have reached the end of our rope, that we should forsake technology and crawl back into our caves. I suspect that some of those who advocate such a move would be the first to look for a place to plug in their stereos and electric hotplates.

But there's another group who advocate some retrogressive ideas that I find even more frightening. Those are the people who advocate that the answer to all our problems is to simply turn the whole thing over to government and that then somehow everything will suddenly be all right.

That's real NON-sense. That's half-advanced thinking.

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There's no reason in the world to believe that a large, rigid bureaucracy staffed with people having little at stake other than their personal pensions would be able to solve today's problems any better than private enterprise.

Endless committee meetings won't drill through the rock to reach new oil reserves. Study groups won't build ships to take food to other people who need it.

Welders build ships. Farmers grow crops. Wildcatters find oil. Individual business people keep commerce rolling.

They all do it for a profit motive -- no matter how you want to measure it.

Even in the most communistic of countries a man works and produces because he knows that doing so will enable him to somehow better his personal position. It will enable him to keep out of jail; it will enable him to feed his family. It will enable him perhaps to get a better education for his children.

Some people call such motives greedy, but they are not. Such motives are nothing of the sort. The spur that moves individuals to improve their own lot is the highest and best instinct of man: the desire to evolve into something better. The desire to better adapt to his situation and his role on earth. The desire to learn and to lift himself and his fellows to a better life through his individual contributions to productivity.

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**Productivity:** that is the key word of them all. In this country we will have only that which we produce for ourselves. We may barter with other nations for their goods and services, but in the end only the products of our own collective, individual efforts will enable us to do so.

This nation of ours is great because we have worked and built. From the beginning we have planned and invested for the future.

We have built office buildings. We build computers to help us better assimilate our growing knowledge. We build airplanes, trains and trucks to haul our goods back and forth to those who need and want them.

The system that has enabled us to do all this is the American system of government as it has existed for almost 200 years. It is a Representative democracy that places a minimum of restriction on human freedom and opportunity.

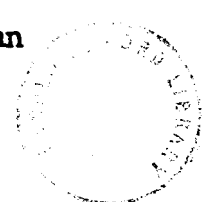
When Jefferson sat down and penned the Declaration of Independence, and when he and the other Revolutionary leaders created the Constitution of the United States, they gave us two of the greatest gifts ever known.

This is a great country not because we, as individuals, have been dominated by a over-powering government, but rather because we have not.

We are strong and powerful because we are free, because each man and woman is able to live and guide his or her own life, because we strive for equality of opportunity for all peoples, because ours is an incentive system.

But there is ill wind blowing. It is the belief that says government can do things better for the individual than the individual can do himself. That people are not smart enough or bright enough to plan their own lives.

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Those are the implied charges in the idea that it is somehow best to turn our individual choices over to a larger and stronger government. Some of America's detractors are saying that the collective will of the people -- that enigma which no one has yet been able to adequately define, let alone measure -- is of more value than the mind and the freedom of the individual.

They say that the private enterprise system and a representative democracy cannot take care of the unfortunate, the misfits, the ragged and the poor. Yet in this country we have a system where more of the poor have been able to lift themselves up off the bottom than in any country or system in the history of the world.

Too often today, in our compassion to want a better life for everyone -- and Lord knows all of us hate to see other beings suffer -- we are confusing human need with human want. Human needs can be fulfilled and government has a positive role in trying to meet them. But human wants are insatiable and any government, no matter how well intentioned, that tries to keep up with them -- or promises to fulfill them -- is doomed to failure and financial collapse.

In our Declaration of Independence we "mutually pledge to each other our lives, our fortunes and our sacred honor." We also hold, "that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of Happiness."

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But nowhere does it say anything about the necessity of having outrageously expensive government programs to accomplish these aims. It's time that We the People once again return to the principles of serious self-government. It is our right and our duty to do so.

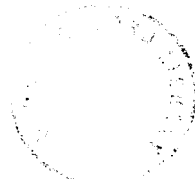
We have a choice. Do we want a continuation of the freedom and economic flexibility that has led us so far in twenty decades, or do we want a rigid, centrally-planned economy that dictates our every move and takes more and more of our net productivity just to keep it blundering along?

If its the latter that we choose -- and this is the direction our big government spending is taking us -- then we had better do as the Ancient Egyptians did, and build a big stone marker to show that we have been here.

# # # #

Advance for Release at 6:30 A.M. EDT, Monday, June 30, 1975

USDA 1899-75



'THE STORK AND THE PLOW'

Eight months ago the world was in a state of extreme agitation about the prospects of an unprecedented food crisis. Television cameramen traveled the world and zoomed in on swollen bellies and emaciated limbs wherever they could find them.

National magazines featured the same sort of material, and people who had never before heard of Thomas Malthus ran to the library to get his book and read his dire predictions.

Others, who hadn't thought seriously about agriculture since they left the family farm a generation ago were suddenly pushed into the limelight at big city cocktail parties. They expounded easily and endlessly about the possibilities of today's farming methods and the limitations of technical agriculture.

Governmental policy was dominated by the same sort of subjects.

Last November world leaders from 120 nations met in Rome to try to sort some sense and logic from the whole affair. The juiciest presentations at that meeting made more headlines. There were predictions that hundreds of thousands would starve before another summer was reached. There would be rioting and panic in the streets of every developing nation.

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Address by Secretary of Agriculture Earl L. Butz before the Working Conference on Research to Meet U.S. & World Food Needs, Plaza Inn, Kansas City, Missouri, July 9, 1975 at 9:00 A.M.

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But today -- as we sit here only 8 months later -- none of that has happened, and the entire food issue is being pushed to the back burner. There are other issues and other stories. Indeed, many farmers, farm leaders, and food experts are now fearful of a resumption of overproduction.

You don't have to read very far these days to find the words: surplus, depressed prices, or government production curtailment.

But the question is, 'Have we really swung from starvation to surplus in so short of time?'

Has the world food situation indeed changed so precipitously in only 8 months? Has the passing of only three seasons, and less than one crop-year, made such a difference? Should we seriously consider the proposal being advanced that the United States and Canada should again prepare to adjust their production downward so that the developing countries will have markets for the surplus grains they are bound to produce?

The answer to all these questions is an emphatic NO. The situation hasn't changed that much. The gravity of the food situation was grossly overstated in the fall of 1974, and our present worries about insurmountable surpluses are equally overstated.

The plain truth is that the marketplace worked and the adjustments needed to meet the shortfall in world grain production in 1974 were made. Grain prices rose and demand dropped, cutting the volume required. This was accomplished largely through adjustments in livestock feeding.

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Most of this adjustment occurred right here in the United States. By January 1975, cattle on feed in 23 major feeding states had dropped 26 percent below year-earlier levels. By April 1975, the comparable numbers were down 31 percent. This was the lowest number of cattle on feed for a comparable period since 1963.

Hog slaughter was also down, running at the lowest level since 1966. Per capita consumption of pork dropped to 15 pounds per person in the first quarter of 1975, down from 16 1/2 pounds a year earlier.

Egg production during the first quarter of 1975 was down about 4 percent. Broiler meat output averaged 6 percent lower.

The total amount of food actually consumed per person didn't vary a great deal from the trend line -- but even while the economists and politicians were wondering what to do the market was already in the process of adjusting itself. Available goods were distributed in the most satisfactory and efficient manner. There was no mass starvation in the poorer countries, nor government-enforced rationing of meat protein in this country.

To be sure, there were pockets of human distress and some food shortages in individual areas of the world. But these were handled in pretty good shape by food relief shipments from America and other nations as well.

So the world has weathered another of the so-called "Crises" that we seem prone to invent -- and forget -- these days. But there's a great danger in these quick swings of public opinion concerning the world food situation -- just as there was danger for the little boy who cried, "Wolf," too often.

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A year ago it was fairly easy to get public support for expanded research in food production and distribution. Everybody had become acutely aware of the race between the stork and the plow. For the first time many saw the stork gaining. Now, this year, the general attitude is that the plow is once again pulling ahead.

But we should not be lulled into a sense of false security. The race is still on. The 3.8 billion people on earth today could very well be 6.5 billion or 7.0 billion by the turn of the century. This means about 75 percent more people to feed.

This is a frightening challenge. It must be met at a time when there is no new Western Hemisphere to discover; no more prairie sods to plow, no more virgin forests in arable areas to clear. Indeed, in the United States alone, about 1.25 million acres of rural land were lost to industrial and residential use each year during the 1960's and early 1970's.

We point with pride to a great many breakthroughs on the agricultural scientific front, but now we must re-dedicate ourselves to the development of even more agricultural knowledge. Much of this will have to be the type of basic research that may not pay off for a decade or two. Much of it must be of the type that can be used and applied by farmers around the world, regardless of their system of farming.

Some of it will be the kind of research that will be difficult to justify to a skeptical public. Some of it will be the kind that will be cannon fodder for any irresponsible legislator who wants to ridicule it.

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But let's not forget that almost everything we now have or use was once an "impractical idea." People ridiculed it. They were critical of the men and women who "wasted their time fooling around with such nonsense." In the early days of hybrid corn even some Deans of Agriculture criticized plant breeders for spending money on such foolish things as brown paper bags to cover corn tassels and corn silk.

There have been cases where Directors of Research lacked the fortitude to support an "impractical scientist" when he needed it the most.

Unfortunately we still have some people in positions of responsibility today with the same sort of nearsightedness. There are some who sit on appropriating committees in our national and state legislative bodies about whom we should be thankful if they had even nearsighted vision in this regard.

One might think that in this age of enlightenment, science and research would sell itself.

It doesn't.

Those of us involved on this exciting front must be ever aware of the need to explain the facts about the stork and the plow. We must tell people about the need, and the opportunities, to more effectively utilize the finite resources of land, water, minerals and sunlight that the Good Lord gave us on this planet.

We must carry the message of the stark necessity of supporting, both philosophically and financially, our young scientists who try daily to unlock yet more pages of Mother Nature's book of treasured secrets.

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The great Indian leader Mahatma Gandhi once remarked that "Even God dare not approach a hungry man except in the form of bread." He was right.

In the decades since Gandhi made his remark we have seen the rising tide of expectations of people everywhere. We have seen the growing impatience of people everywhere to live with malnutrition, with illness, with starvation, with premature death as their inevitable lot in life. It's not necessary and they know it.

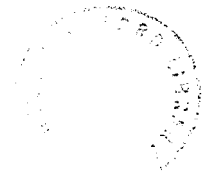
We've seen the determination of political leaders to provide that all important piece of bread for their peoples. We have seen nations go to war for as much, or for a great deal less.

Accordingly, it is on the battlefield of human hunger that the agricultural scientist must now pitch his tent. The battlelines are drawn and he will have to fight hard to earn the victory. It is to this noble cause that those of us in agriculture in these United States, on the eve of our Bicentennial Celebration, must now dedicate our finest efforts.

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Advance for Release at 6:30 A.M. EDT, Wednesday, July 9, 1975

USDA 1903-75



THE WHITE HOUSE  
WASHINGTON

From: Robert T. Hartmann

To: Ron Nessen

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Date: July 17, 1975 Time \_\_\_\_\_ a.m.  
~~PKKX~~

For your information.



them, to make sure, to make positive, that the consumer is given the maximum protection by all agencies of the Federal Government.

There is, of course, in my opinion, two very critical areas where the consumer needs help: One, price; and two, quality. And quality, of course, covers a very wide range.

I have asked Mrs. Knauer, with the help of this advisory group, to work with all departments of the Federal Government. Each department, with her help and assistance, will have within it a very important responsibility—helping the consumer. She, of course, can get from this distinguished group the kind of advice that is needed and necessary in order to make the Government's operation a successful one from the point of view of the consumer.

I have great faith in Mrs. Knauer. I believe this advisory group will contribute significantly. And so, it's a privilege and a pleasure for me at this point to ask Mr. Ratchford to come forth and swear in the new members of the Consumer Advisory Council. Thank you, Mr. Ratchford.

At this point, Executive Clerk John J. Ratchford administered the oath of office to Mr. Lee, Edward R. Willett, Hans B. Thorelli, E. Myers, and Jean Mayer.]

THE PRESIDENT. Congratulations.

MR. LEE. As the new Chairman of this Consumer Advisory Council, I would like to express my thanks to you, Mr. President.

This is the first time that this Council has ever had the President present at the swearing-in ceremonies, and I believe this is a most auspicious occasion. We appreciate it very much.

So, I would like to express my thanks to Mrs. Knauer for her continuing efforts on behalf of the American consumers. And I think that it is our hope, of this Council, that we may be able to make some contribution so that at the end of your term of office you can look back and feel that the consumers' welfare has been enhanced during the past few years.

Thank you.

The President spoke at 1:54 p.m. in the Cabinet Room at the White House.

## Vietnam Humanitarian Assistance and Evacuation Bill

Statement by the President Following Action by the House of Representatives Defeating the Legislation. May 1, 1975

I am saddened and disappointed by the action of the House of Representatives today in rejecting assistance to refugees from South Vietnam.

This action does not reflect the values we cherish as a nation of immigrants. It is not worthy of a people which has lived by the philosophy symbolized in the Statue of Liberty. It reflects fear and misunderstanding rather than charity and compassion.

Despite the House vote, I believe that in this tragic situation the American people want their country to be guided by the inscription on the Statue of Liberty:

"Give me your tired, your poor  
Your huddled masses yearning to breathe free,  
The wretched refuse of your teeming shore,  
Send these, the homeless, tempest-tossed, to me;  
I lift my lamp beside the golden door."

After World War II, the United States offered a new life to 1,400,000 displaced persons. The generosity of the American people showed again following the Hungarian uprising of 1956, when more than 50,000 Hungarian refugees fled here for sanctuary. And we welcomed more than a half million Cubans fleeing tyranny in their country.

Now, other refugees have fled from the Communist takeover in Vietnam. These refugees chose freedom. They do not ask that we be their keepers, but only, for a time, that we be their helpers.

Some Members of the House of Representatives apparently voted against the legislation to assist the refugees because of a section relating to evacuation from South Vietnam. The evacuation is complete.

I urge the Members of the House of Representatives and of the Senate to approve quickly new legislation providing humanitarian assistance to the South Vietnamese refugees. To do otherwise would be a repudiation of the finest principles and traditions of America.

## Veto of Farm Bill

The President's Message to the House of Representatives Returning H.R. 4296 Without His Approval. May 1, 1975

To the House of Representatives:

I am returning without my approval H.R. 4296, referred to as the Emergency Agricultural Act of 1975. Although the aim of this bill is laudable, its results would be costly not only to consumers and taxpayers but to American farmers in the long run. It would damage our international market position which is so essential to American agriculture's long-term interests.

Approval of this bill, therefore, would not be in the public interest.

In the conduct of the Government's fiscal affairs a line must be drawn against excesses. I drew that line in my address to the Nation on March 29. I promised all Amer-

icans that, except where national security interests, energy requirements, or urgent humanitarian needs were involved, I would act to hold our fiscal year 1976 deficit to no more than \$60 billion.

New spending programs which the Congress is considering could easily raise the Federal deficit to an intolerable level of \$100 billion. This *must* not happen.

H.R. 4296 is an example of increased non-essential spending. In fiscal year 1976, it could add an estimated \$1.8 billion to the Federal deficit. If used as a point of departure for longer-term legislation—as was strongly indicated during its consideration—it could lead to an escalation of farm program subsidies in succeeding years.

Approval of this bill would undermine the successful market-oriented farm policy adopted by this Administration and the Congress. It is a step backward toward previously discredited policies.

Prospects for farmers, it is true, are not as bright this year as in the recent past. Farm production costs have been pushed upward by the same inflationary pressures that affect other industries. Demand for certain farm products has simultaneously slackened because of the recession. Prices paid by farmers are currently 11 percent above year-ago levels. In contrast, the index of prices received by farmers is now 7 percent below levels of a year ago. Fortunately, the latest index, released Wednesday, shows that the 5-month decline in prices received by farmers has been reversed and was 4 percent above a month earlier.

The Administration recognizes that some farmers have experienced financial difficulties due to this cost-price squeeze. It has taken a number of positive steps to assist farmers. The 1976 wheat acreage allotment was recently increased by 8 million acres to 61.6 million acres. This action provides wheat producers with additional target price and disaster protection.

We have also increased the 1975 crop cotton price support loan rate by 9 cents a pound. And we recently announced an increase in the price support level for milk, which, combined with easing feed prices, should be helpful to dairy producers.

Within the past several days, we have completed negotiations with the European Community to remove the export subsidies on industrial cheese coming here—a step that ensures that surplus dairy products will not be sold in the U.S. market at cut-rate prices. At the same time, we have worked out arrangements which enable the Europeans to continue selling us high-quality table cheese. This solution has enabled us to keep on mutually agree-

able trading terms with our best customers for American farm exports.

The Administration has also taken action to protect our cattle producers against a potential flood of beef imports from abroad. The Department of State is completing agreements with 12 countries limiting their 1975 exports of beef to this country. These voluntary export restraint agreements are intended to keep imports subject to the Meat Import Law to less than 1,182 million pounds.

If unforeseen price deterioration requires action on my part, I will direct the Secretary of Agriculture to make adjustments in price support loan rates for wheat, corn, soybeans, and other feed grains. But it is our expectation that market prices for grains will remain well above loan rates and target prices in the coming year.

Most farmers have already made their plans and bought their seed. Many are well into their planting season. These plans have obviously been completed without any dependence on the provisions of H.R. 4296.

In the long haul, this bill would lead to constraints on production and result in loss of jobs in food-related industries. It would induce farmers to grow more cotton—already in surplus—and less soybeans needed for food. The bill would jeopardize the competitive position of our cotton in world markets.

American farmers have responded magnificently during the past several years to produce food and fiber for this Nation and the world. This has made agriculture our leading source of foreign exchange. This year, despite very trying circumstances, most farmers are again seeking full production. They have my support for a vigorous export policy for their products. I recognize that agricultural exports have been restrained twice in the past two years. We have now eliminated all restrictions on exports and we are determined to do everything possible to avoid imposing them again. Our farm products must have unfettered access to world markets.

This Administration is determined to act in support of the American farmer and his best interests. It will not act to distort his market. We must hold the budget line if we are all to enjoy the benefits of a prosperous, stable, non-inflationary economy.

For all these reasons, I cannot approve this act.

GERALD R. FORD

The White House,  
May 1, 1975.

*Nelson  
FXI*



"BOUNTIFUL HARVEST: THE HOPE FOR PEACE"

Much of the world's turmoil can be traced to man's quest for food, the quest for land on which to grow that food. It's been said that you can reconstruct any nation's history, its ups and downs, by following its attempts at land reform, its bickering over how to divide the spoils of the earth.

Increasing food production during the next twenty-five years will be man's greatest test. Potential food shortages within a quarter-century could serve as the catalyst for man's final act of self-destruction. The way in which we view agricultural production today, the priorities the world places on food, will hold the answers.

I for one believe the human race will solve its food production problems and hopefully stabilize its population in the remaining few decades left to do so. But those are high hopes which can come only with wisdom and action, not folly and talk.

Even from the beginning, food has held the key in man's earthly story. Eve ate the apple; Adam became a farmer.

Our oldest histories tell us of the struggles between the nomadic peoples who grazed livestock, and the sedentary tribes who raised crops.

The struggle over grazing rights provided us with the great legends of our own West. The battles between ranchers and sheepherders. The wars between cattlemen and homesteaders. Even before that, most of the trouble among the North American Indians came when one tribe encroached upon another's hunting grounds.

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Address by Secretary of Agriculture Earl L. Butz before the Economic Club of Chicago at the Palmer House, Chicago, Illinois, December 9, 1975 at 8:10 p.m.

Colonial empires were often built on the basis of gaining raw materials, usually food, for the Motherland. America itself was discovered in the search for a shorter trade route to the Far Eastern land of spices and tea. In our development days, many of the European loans which helped build this country were paid off with shipments of grains and tobacco.

When Hitler began his drive which touched off World War II his cry was, "Lebensraum" -- living space, productive land.

Twenty-five years ago the foundations of today's European Community were laid as a noble effort to "debalkanize" Europe. But in practice the chief thing that holds it together today is its Common Agricultural Policy.

National and international politics often center on food. The United States itself has supplied \$25 billion of food aid to other countries in the last two decades -- mainly for humanitarian purposes, but sometimes also to help bring political stability.

The World Food Conference in Rome a year ago was called to deal with the impending food shortages. When the discussions began, most of the representatives turned their interests to short-term emergency food distribution, rather than planning for increased food production in the future.

But in concentrating on emergency distribution and plans for future reserves, the point was missed that, unless production is increased, there will soon be little emergency food to distribute.

In summary, food is perhaps the most potentially explosive factor in the internal politics of over half of the nations of the world today.



We are now face-to-face with the fact that the world's Number One problem is how to feed 80 percent more people in the next quarter-century. Or, put it another way, "allow for slight improvement in individual diets and the job becomes one of learning in the next 25 years how to feed as many more people as we've learned to feed since the dawn of history."

This is a frightening prospect. It is one to which the world must address itself seriously -- and quickly.

We must find the answers at a time when there is no new Western Hemisphere to discover, no new prairie sods to plow, no more virgin woods in temperate climates to clear and convert into farmland.

Indeed, we must double food production at a time when most nations are losing arable land to urban sprawl, highway construction, and recreation.

Demographers predict that by the year 2000 earth's human population will be 6.5 to 7.0 billion, compared with 3.8 billion today.

Can we feed those 7 billion people 25 years from now?

The answer is simple. Yes, we can -- or they won't be here.

The question is not can we feed them, but can we feed them well. For that part of the world's population that goes to bed hungry most nights, can we make eating an exciting experience? Can we make eating something more than a mere exercise in sustaining a spark of life inside an emaciated body?

Can we produce and distribute enough food to generate the sort of happiness and satisfaction that will promote international political tranquility?

The answer to all these questions is a resounding yes:

-- if we continue to incorporate the latest and best technological advances into our agriculture;

-- if we continue with a program of intensive and far-reaching agricultural research;

-- if we continue to develop new sources of fertilizers and use them wisely;

-- if we continue to develop new types of pesticides and use them wisely;

-- if we maintain a viable system of credit to provide the massive capitalization required for intensive agricultural production;

-- if we continue to hold together a system of individual freedom and incentives that reach each and every farmer willing to strive for them.

Those qualifications apply mainly to agriculture in the developed world. But many other countries will need these things and more -- if they are to develop into viable agricultural producers capable of sustaining their own populations.

The United States alone cannot feed the world -- no matter how productive we are. It's possible to expand our farm production by a goodly degree, but not enough to serve the explosive food needs of all the world.

Already we are carrying a sizeable portion of the load. This year we will export approximately 100 million tons of grain (including soybeans and rice) to other countries. We will supply about 55 percent of all the feed grains that move in world trade, 50 percent of the wheat, and about 70 percent of the soybeans.

(more)

Even if we could double our contribution to world food trade in the next 25 years, we could not take up the slack.

Agricultural production must be increased in the indigenous areas where it will be consumed; that's about 90 percent of the production.

The main avenues for agricultural gains are:

(1) continued emphasis on research and development, and application of new techniques and farming techniques; and (2) the strengthening and extension of incentive systems for the man on the land.

The first will not be too difficult. Modern technology is transferable; research results can cross oceans and mountains overnight. Scientific developments that have taken 20 years to perfect can be transported to other countries in months.

But the strengthening of incentive systems for the farmer is far more difficult. Yet it is just as crucial. Too often we have believed that the road to more food for the developing countries is paved only with technology and science. Yet those techniques, when transplanted, have sometimes withered on the vine, almost before our own technicians could get out of the field.

Why?

Was it because the local farmer was illiterate? Was it simply because he was hung up with old ways and didn't want to change?

(more)

NO! It was often because there was no real incentive for him to take the risk to change. Talk is cheap. Explanations with no cash behind them are disposable; people have been telling the farmer in the developing nations how much better he should do things for years--but too infrequently has this created an economic environment with good prospects for increasing his real income.

Too few national governments have made the commitment to assure that changes in techniques would provide real incentives to the individual farmer.

If a farmer in a developing nation can see how a change will bring a profit, he'll change in a hurry. Farmers in India and Pakistan who had a chance to profit by planting the new varieties of wheat switched faster than our own farmers first accepted hybrid corn. Farmers in the Philippines made the same high-speed switch to new high-yielding rice varieties once they saw the returns they could get.

Too many nations, including our own, have an underlying, but powerful urge to pursue a cheap food policy -- making it difficult for the man on the land to reap the reward from the innovations he makes.

Consumers the world around welcome such a cheap food policy -- and politicians respond, whether they're capitalist or communist. As nations become less agricultural and more urban, the incentive base for the farmer becomes less certain. It becomes more susceptible to political pressures and special interest dealings.

Incentive is as important for the farmer who farms with a forked stick behind a water buffalo in India as it is to the man who rides a \$35,000 tractor in Iowa. Yet politicians often fail to perceive this simple fact.

Even in the highly literate nation of our own, we have seen repeated attacks on the incentive system for farmers. We have had such campaigns as the beef boycott, eat one less hamburger per week, or Meatless Tuesdays. It has only been two years since political pressures forced us into a system of federally imposed price ceilings on meats and other food products.

It has been less than two years since the American Bakers Association whipped up a scare campaign that bread would go to a dollar a loaf unless we imposed export controls on wheat.

It's been less than 6 months since an emotional reaction to the sale of grain to the Soviets induced a suspension of sales -- in spite of record harvests.

It's been less than four months since the longshoremen refused to load Gulf port grain that was destined for Russia -- on the pretext of keeping living costs under control -- while they did some fancy contract manuevering of their own.

While the motive for each of these examples may have varied, the net result was the same. It sent back the signal to producers that we were a nation which would interfere with farmers' access to a free market. It sent back a signal that the farmer should exercise caution in making yield-increasing investments in fertilizer, chemicals, seeds or machinery. It sent back a signal to some would-be young farmers that they are really thinking about the wrong vocation. It sent back a signal to some investors that agriculture really isn't too good a place to put their capital. It sent back a signal to some farm families that opportunities for satisfactory living might be better somewhere else, in some business where there was less danger of restraint on seeking and serving available markets.

(more)

The sad part is that these negative signals, these arbitrary restraints, didn't happen in some distant land. They didn't happen in a dictatorial society. They didn't happen in a Communist State. They didn't happen under a government dedicated to suppression of human rights. They didn't happen under a political system based almost completely on central planning.

They happened in the United States.

They happened in the world's greatest democracy. They happened in a nation whose hallmark is freedom of choice and freedom of action.

They happened in a nation whose level of economic literacy is perhaps the highest in the world. They happened in a country where the legislative body reputedly reflects the will of the people better than in any other nation.

Now we must ask, have we learned our lesson from taking those negative acts? Have we learned that if the United States is indeed to use its great food productive capacity, then the individual farmer must be free to produce and market his crops as he sees fit?

We must not dampen the incentives that have made our farmers the producers that they are. We must not signal to them in the language of price -- the language they understand best -- that we want less, not more.

We must not periodically signal to our farmers that they have only limited access to markets beyond their shores. We must not periodically throw governmental controls at them that dampen their plans for investment, their dreams of expansion, their hopes for success.

Our nation -- and indeed every nation of the world -- must make the commitment to move agriculture and food production to the front burner. It must be moved higher on the scale of priorities in both national policy and in capital allocation.

To do less will be to condemn hundreds of millions of people to such a substandard level of living in a few years that peace will be difficult, if not impossible.

There are various estimates about the number of people who already go to bed hungry or malnourished each night. Today, in a world of instant communications and far-reaching mobility, hungry people have power. They have the power to topple governments; they have the power to start revolutions.

Hungry people will, in time, no longer remain invisible or silent. No matter how remote their village, they now hear of the outside world on transistor radios. Many of them see movies. They see affluent travelers from North America, Europe and Japan. They now realize that a better life is indeed possible. Increasingly they will not settle for less. They see a ballet of affluence dancing all around them -- and they dream of a piece of the action.

Hunger is the stuff out of which revolution is born. And revolutions, once started, have a tendency to spread. They are like a pebble dropped into the pond; there is no way of knowing where the ripple will hit the shore.

The oceans on either side of us are no insulation. Four times in the generation of many of us in this room, the United States has been drawn into conflict away from our shores. There is no way we can avoid it the next time.

(more)

That is why this nation's agriculture now commands such a strategic position. Other nations may have Petro-power, but we have Agri-power -- and we have it in abundance. It is to our door that nation after nation will beat the path for food, and for the know-how to grow better food.

To the extent that we can respond to those needs, we will lay the foundations of peace.

America must help the world learn to grow food. We must use our Agri-power wisely and with strength. We must do these things not because we are a humanitarian nation, not because we are a Christian nation, not because we are a generous people -- but just because we are Americans.

In the years ahead, it will be impossible for the United States to exist as an Isle of Affluence in a Sea of Human Misery.

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