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THE WHITE HOUSE
WASHINGTON

The US-Soviet Grain agreement provides for annual purchase by the Soviet Union of 6 million tons of grain (mandatory) and up to 8 million tons without further consultation. Further it provides that the Soviet Union may purchase additional amounts subject to US availabilities after consultations with the US government. The agreement goes into effect Oct 1, 1976 and runs for five years.

from Bud



GRAIN EMBARGO

Harlow's notes

I will ^{directly answer the} get to the specifics of your question, but first some perspective.

One thing is ~~certain~~ about being President: You have to make decisions. ^{You just can't straddle and wobble around} "Maybe" isn't an option in the Oval Office. Like President Truman said, "The buck stops here."

Sometimes a ~~Presidential~~ ^{your} decision is unpopular -- not because ~~it's~~ ^{it's} wrong -- but because ~~political opponents~~ ^{critics make a big issue} ~~seize only on an aspect of it, for criticism.~~ ^{That's} In the case of my decision on the grain embargo, ^{and} I ~~can~~ understand ^{how} some of the criticism, ^{from farmers,} but most of it is ~~simply partisan attack.~~ ^{some farmers feel about it.}

look at circumstances of embargo. The outcome has been

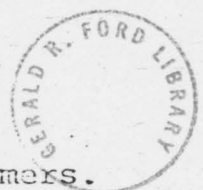
^{The way I see it,} In my judgment, freedom for the farmer means freedom to sell his crops. If ^{he is} a President asks ^{ed} the farmers to achieve ~~a goal~~ full production, then ^{the government is} he has an obligation ^{obliged} not to interfere with ^{his} their ability to sell what ^{he} they produce.

Farmers, ~~just~~ like ~~any~~ other Americans, have a right to ^{have a} trust their President, ^{they can trust.} I recognize ^{my} the obligation ^{to them,} I recognize ^{their} the need for trust.

I foresee no circumstances ⁱⁿ ~~under~~ which I would impose an embargo on farm products.

While that ~~provides an answer~~ ^{for} as to the future, your question ~~has raised the facts and~~ circumstances of the past.

While ~~it is fair to~~ ^{One can fairly} argue that the embargo lasted ^{too long,} longer than it should have, ^{but} it's ~~also~~ ^{look back} important to ~~recall~~ the ~~exact~~ ^{and see} circumstances of why it was imposed at all.



Had we not acted, ~~I believe~~ the maritime unions, or the Congress, would have ^{very likely done} imposed something ^{far} worse ^{to} on the farmers.

^{President of the AFL-CIO} George Meany and others were threatening to stop all shipments to the Soviets, including the 10 million tons ^{already} that had just ^{Some 70 members of} been sold. ^{Many in Congress were threatening} to put ^{all} farm grain export sales under the control of a government board.

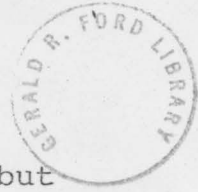
A bill had been ~~introduced with over 70 co-sponsors to~~ accomplish that. ^{Their} ~~the bill had the support of~~ ^{was} Mr. Meany ^{and} other union leaders, and ^{by} Senator Mondale who called for ~~imposition of~~ strict export control licenses.

I rejected such ~~a course of~~ ^{having always} action, ~~I have~~ fought against that kind of government control, and I will continue to do so. Instead, ^{we} ~~my Administration has~~ negotiated a long-term grain trade agreement ~~with the Soviet Union,~~ ^{with the Soviet Union will stay} whereby the trade ~~will be left~~ in private hands and our farmers will continue to produce for a market and not a government board.

This agreement has turned ^{an off-and-on} ~~an erratic~~ foreign buyer into a long-term stable purchaser.

^{The result is,} Thus, the circumstances that led to ^{can} the problem ~~which~~ ^{again} arose in 1974, will not happen in ~~the future~~ because of the actions ^{we have taken} ~~we took~~.

GRAIN EMBARGO



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Sometimes a Presidential decision is unpopular --- not because it is wrong -- but because political opponents seize only on an aspect of it for criticism. In the case of my decision on the grain embargo, I can understand some of the criticism, ^{from farmers,} ~~but most of it is simply partisan attack.~~

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Thus, the circumstances that led to the problem which arose in 1974, will not happen in the future because of the action we took.



VETOES

For two years, I have stood for all the people against a free-spending majority in the Congress. Fifty-six times I vetoed unwise legislation 41 times I made those vetoes stick -- a batting average isn't that bad.

Many of my vetoes have been a Message to Congress which said

- remember all the taxpayers
- forget the special interest groups
- do not settle for a partially good bill.

Congress occasionally got the message and sent me back a better bill which I then signed into law.

All in all, my vetoes have saved the taxpayers over \$9 billion dollars. I found it interesting to note that Senator Mondale voted to override all these tax-saving vetoes.

AGRICULTURE



Flip 1.) -- "There will be no more grain embargoes if I'm elected President."

Iowa State Fair
August 25, 1976

Flop -- Within the hour, he told reporters that, of course, embargoes would be mandatory if we lack adequate reserves to meet our own domestic needs.

Des Moines Register

Flip 2.) -- To increase farm profits Carter proposed 80% support price for milk as being adequate.

Capital Times - Wisconsin
March 25, 1976

Flop -- In response to criticism, Carter said that he would have signed the 85% parity bill vetoed by President Ford.

Des Moines Register
April 4, 1976

Flip 3.) -- In August Carter issued a statement saying he was taking no position on Proposition 14, a controversial item on this November's California ballot.

Flop -- On September 5, however, Carter called a convention of the United Farm Workers and said that "I support the objectives of Proposition 14." The union then endorsed Carter.

-- On September 7, Congressman Sisk, a Carter supporter, resigned from the Carter-Mondale Committee because of Carter's frequent change of position on the issue.

Los Angeles Times
September 8, 1976

BUSING

- Flip 2.) -- Carter signed a Georgia Senate-House of Representatives resolution opposing forced busing to achieve integration in the nation's classrooms and calling for a constitutional amendment.

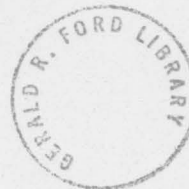
Atlanta Constitution
February 25, 1972

- Flop -- Asked about what seemed to have been a shift in position, Carter said flatly that he "never advocated any constitutional amendment to prohibit busing."

Washington Post
March 7, 1976

- Jody Powell, Carter's press secretary, conceded to the Associated Press in February that Carter had changed his stand on busing since he was Georgia's governor in 1972.

Congressional Quarterly
June 24, 1976



CITIES

Flip 1.) --"I think it would be inappropriate for the Federal Government to single out New York City for special favors."

New York Times
March 31, 1976

Flop --"If I am elected President in November, I would immediately start to work with the governor, the mayor, and our advisors to formulate a contract to be signed by me to resolve New York City's financial difficulties."

Business Week
May 3, 1976



FOREIGN TRADE

- Flip -- During the primaries Carter frequently criticized the loss of U.S. jobs resulting when American companies locate abroad.
- Flop -- On July 22, Carter said foreign investment by U.S. companies was "very healthy."

U.S. Journal
July 23, 1976

HEALTH CARE

Flip

-- "In general, the Kennedy-Corman Bill suites me but there are a few facets of it on which I'd like to reserve judgement.

Philadelphia Inquirer
April 12, 1976

Flop

-- "I have never adopted any sort of health plan that was equivalent to the Kennedy-Corman Bill. I think I am the only Democratic candidate who did not."

Boston Advertiser
July 25, 1976

TAX POLICY ON HOUSING

Flip

-- Carter told the Boston Globe on February 26, 1976, that the income tax deduction for home mortgage interest payments "would be among those I would like to do away with."

Flop

-- The Wall Street Journal noted on April 26, 1976, that when reminded of his statement to the Globe he first denied he had said it. He added that he had said this was one "incentive I would consider modifying" and then without elaboration, asserted, "If I change the deduction it would be increased, not decreased."



TAX REFORM SPECIFICS

-- Last year Carter promised to reveal specific tax provision plans by the end of the year. Earlier this year, he pledged to do the same during the generalelection campaign. Now he insists it won't be possible until a year after he takes office.

Wall Street Journal
May 13, 1976

WAGE AND PRICE CONTROLS

Flip

-- Carter requested Nixon to reinforce wage and price controls to slow "unprecedented inflation."

Atlanta Journal
April 19, 1973

-- ..If elected he (Carter) said he would ask the Congress to restore the power of wage and price controls to the Presidency.

Cincinnati Enquirer
January 10, 1976

Flop

-- Latest Carter view -

"On Wage and Price Controls Carter said he would use them only as "a last resort" and that early in his administration he would not even seek standby authority to impose them."

Los Angeles Times (Interview)
August 24, 1976

REVENUE SHARING

Flip

-- "I think revenue sharing is a big
hoax and a mistake."

Atlanta Constitution
January 12, 1973

Flop

-- "I stand with you in urging Congress
to extend its general revenue sharing
program..."

Speech, Conference of
Mayors - June 29, 1976

Flip

-- Carter does not endorse the "counter-
cyclical" plan to concentrate revenue
money in the areas of highest unemploy-
ment.

Boston Globe
February 16, 1976

Flop

-- "We also need counter-cyclical assistance,
with revenue sharing and other financial
aid designed to meet the special needs
of the most hard pressed urban areas."

Speech, Conference of
Mayors - June 29, 1976

ISSUE: FARM POLICY



This Administration's national farm policy is and will continue to be one of full production. It is good for everybody. It is a policy of fair prices and darn good income for farmers through commercial sales of their products on a worldwide basis.

For nearly 40 years American agriculture has been dominated by government production controls -- cutbacks and curtailment of growth in the agricultural plant -- all in the name of stability. The farmer was "stabilized" with an income only about two-thirds of the income level of his urban neighbors. And most of the help from government price-support and acreage diversion went to those whose incomes were already above the average, rather than to the smaller farmer.

However, we now have a policy that offers maximum incentive to those who produce food. The combination of market orientation and unrestricted production permits farmers to use their resources fully. Farm productivity and efficiency have consequently been on the rise.

The American farmer has now been freed from dependence on Federal Treasury payments not to produce. Under the high price support structure of earlier years, the government -- instead of the marketplace -- was the highest bidder for farmers' crops. In 1969 farmers received 27 percent of their realized net income from government payments. Now, they receive only about 2 percent, principally disaster and conservation program payments.

In the past few years, the American farmer has shown what he can do without government controls. He produces enough to feed more than 215 million Americans, plus millions more overseas. The government has not curbed the production of wheat or feed grains since 1973, or cotton since 1972. Sixty million acres, previously held idle, have been released, and 38 million acres have been brought back into production. Total acreage for major crops has climbed from about 291 million acres in 1969 to 335 million acres planned farmers for 1976 -- indicating an additional increase of 6 million acres going into production this year.

What we are really talking about is food security, both here and abroad. The best food security arises from a policy which encourages profits in agriculture; a policy that gives farmers the economic incentive to maintain and increase production at a lower unit cost; and a policy that permits farmers and the trade -- instead of government -- to carry food reserves.

Another trend that has been virtually halted is the decline in U.S. farm population. The mass exodus of nearly 30 million people from farms has been called the greatest migration of its kind in history. It seems to be nearly over. The business of farming has again become economically attractive.

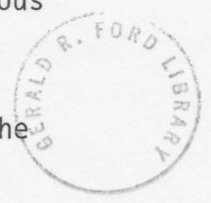
In the 1970's, under the impetus of a market oriented policy, U.S. farm exports have continued year after year to surpass all previous annual export totals. U.S. farm exports have jumped from \$6.7 billion in 1970 to over \$22 billion this fiscal year. Consumers as well as farmers benefit from these exports, which strengthen the dollar in relation to foreign currencies, making overseas purchases, including petroleum, easier to afford. The United States is in the farm export business to stay.

I want to remind those who would minimize our national strength that over one-half of the grain moving across international boundaries throughout the world is grown by you, the American farmer, and we are proud of your efforts and your results . . . It is imperative that you maintain the freedom to market crops and to find customers wherever you can. Strong agricultural exports are basic to America's farm policy and the freedom of every farmer to manage his own farm.

In short, farmers must export to keep farming profitable in America. Farmers must export if we are to keep a favorable balance of United States international trade. Farmers must export if they are to prosper and the world is to eat. This is the farm policy that is bringing new life to our rural countryside.

file # 21
1st debate

To be used anytime that there is a criticism of the present situation or a reference to how good things were in the previous Democratic Administration:



Let's compare the present situation with the record of the last Democratic Administration.

1. Farmers total net income in the last 3 years is more than twice as high as in the last 3 years of the previous Democratic Administration -- averaging \$28.5 billion a year now and \$12.9 billion then.
2. Farm prices in the last 3 years have averaged 80 percent higher than in 1967, during the previous Democratic Administration.
3. Farm exports in the last 3 years have averaged more than three times as much as in the last 3 years of the previous Democratic Administration -- averaging \$20 billion now compared with \$6.5 billion then.
4. Farmers are more optimistic about the future now. The decline in the number of farms in the last 3 years is less than a fourth as much as during the last 3 years of the previous Democratic Administration -- averaging 19,000 a year now compared with 86,000 then.
5. Farmers are getting their income from the market, and larger incomes, and are depending on the government less. Government payments were equivalent to 26 percent of farmers net income in the last 3 years of the previous Democratic Administration, compared with 4 percent in the last 3 years.

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