The original documents are located in Box 24, "3/5/76 - Remarks at a Meeting of Agricultural Leaders in Springfield, Illinois" of the President's Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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FARM LEADERSHIP LUNCHEON,

SPRINGFIELD, ILLINOIS

MARCH 5, 1976

- THANKYOU, PAUL (CONGRESSMAN FINIEY INTRODUCES YOU)
- SECRETARY BUTZ
- CONGRESSMAN MICHEL
- CONGRESSMAN RAILSBACK
- CONGRESSMAN MADIGAN
- ◆ FORMER GOVERNOR OGILIVIE
- MEMBERS OF ILLINOIS FARM ORGANIZATIONS
- LADIES AND GENTLEMEN

I AM PLEASED TO BE HERE IN ILLINOIS -- IN

THE LAND OF LINCOLN -- TO MEET WITH YOU, AS OUTSTANDING

REPRESENTATIVES OF THE AGRICULTURE OF THIS GREAT STATE.

LET'S TALK TODAY ABOUT WHERE THIS GREAT CORN

BELT HEARTLAND OF AMERICA IS HEADED.

WE HAVE MADE SOME SOLID GAINS IN AGRICULTURE

IN THE LAST FEW YEARS.

THE LAST THREE YEARS HAVE BEEN THE THREE

HIGHEST NET FARM INCOME YEARS IN HISTORY. THAT'S

THE WAY IT SHOULD BE. IT TOOK HARD WORK ON YOUR PART.

IT TOOK THE RIGHT KIND OF FARM POLICIES. I WANT

TO KEEP THAT GOOD CLIMATE. I THINK YOU DO, TOO.

YOU, AND ALL OF OUR FARMERS MUST HAVE A FAIR

RETURN FOR YOUR HARD WORK. And you will

THERE IS ANOTHER AREA WE SHOULD EXAMINE.

I REFER TO FARM SURPLUSES AND THE RESTRICTIVE FARM

PROGRAMS THAT WENT WITH THEM. WE NO LONGER HAVE

HEAVY FARM SURPLUSES HANGING OVER THE MARKET.

I WANT TO KEEP IT THAT WAY. I THINK YOU DO, TOO.

WE MUST SELL GRAIN, NOT PILE IT UP IN STORAGE.

THAT IS THE PROGRAM OF MY ADMINISTRATION.

WE DON'T HAVE AN ADMINISTRATION IN WASHINGTON

DUMPING SURPLUSES TO FORCE DOWN THE FARM PRICE AND FORCE

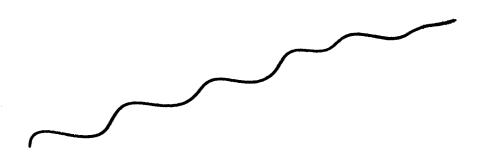
YOU TO SIGN UP IN GOVERNMENT-CONTROLLED FARM PROGRAMS.

AND WE DON'T WANT ONE!

THE NATION'S GRAIN RESERVES ARE NOW IN YOUR

OWN HANDS. TODAY, YOU WHO RAISE THE GRAIN CAN

DECIDE THE BEST TIME TO SELL -- AND YOU ARE.



I THINK YOU OUGHT TO KNOW WHAT I'M FOR AND

WHAT I'M AGAINST ON SOME OTHER MATTERS:

I AM FIRMLY OPPOSED TO THE GOVERNMENT HOLDING

YOUR RESERVES IN A GOVERNMENT BIN OR WAREHOUSE.

I'M AGAINST POLICIES THAT WOULD HAVE FARMERS PRODUCING

AGAIN FOR A GOVERNMENT STORAGE BIN AND A GOVERNMENT

CHECK.

I AM FIRMLY OPPOSED TO A GOVERNMENT BOARD

SELLING YOUR EXPORTS • I WANT OUR EXPORT TRADE TO

STAY IN PRIVATE HANDS.

I AM FIRMLY OPPOSED TO ANY INTERNATIONAL

RESERVE THAT WOULD PUT YOUR FARM PRODUCTS UNDER THE

CONTROL OF AN INTERNATIONAL BODY WHERE THIS COUNTRY COULD

BE OUTVOTED BY FIFTY TO ONE

TO ONE.

I AM FIRMLY OPPOSED TO SUBSIDIZED IMPORTS.

I DON'T WANT AMERICAN FARMERS COMPETING AGAINST THE

TREASURIES OF FOREIGN GOVERNMENTS.

LET'S TALK ABOUT AGRICULTURAL EXPORTS AND

THE RECORD OF THIS ADMINISTRATION. WE EXPORTED A

RECORD TWENTY-ONE BILLION, SIX HUNDRED MILLION DOLLARS

IN AGRICULTURAL PRODUCTS LAST YEAR.

NEARLY TWO BILLION

OF THAT CAME FROM ILLINOIS. THAT DIDN'T JUST HAPPEN.

WE WORKED AT IT.

YOU KNOW WHAT THOSE EXPORTS MEAN TO YOUR

FARMS, TO YOUR ABILITY TO PLANT AND PRODUCE, TO YOUR

INCOME AND TO YOUR FAMILY'S WELL-BEING. IT'S GOOD

FOR YOU. IT'S GOOD FOR ILLINOIS.

LET'S LOOK AT ANOTHER ACCOMPLISHMENT.

WE ARE SELLING THE SOVIET UNION TWO BILLION DOLLARS OR

MORE IN FARM PRODUCTS FROM THE 1975 CROP. THAT'S

A RECORD -- A RECORD COMPILED DURING THIS ADMINISTRATION!

AND IT'S ONLY THE BEGINNING OF CONTINUED EXPORTS TO THE

SOVIET UNION.

WE WANT OUR AGRICULTURAL PRODUCTION TO PROMOTE

TRADE AND HELP KEEP THE PEACE. WE WANT TO KEEP YOUR BOYS

ON THE FARMS AND SEND YOUR BUSHELS OVERSEAS

AND AT GOOD TERMS OF TRADE. I OPPOSE POLICIES

WHICH WOULD KEEP YOUR BUSHELS AT HOME AND SEND YOUR BOYS

OVERSEAS •

LAST FALL, AS YOU KNOW, WE EXERCISED A

TEMPORARY RESTRAINT ON GRAIN SALES TO RUSSIA. TODAY,

I WANT TO REVIEW THAT SITUATION. AT THAT TIME,

HAD ALREADY SOLD THE RUSSIANS ABOUT TEN MILLION TONS OF

GRAIN.

CAPABILITY TO HANDLE INCOMING SHIPMENTS WERE ALREADY

COMMITTED AT CAPACITY FOR MONTHS TO COME. IF WE

HAD SOLD THE RUSSIANS ONE MORE BUSHEL OF CORN OR WHEAT

AT THAT TIME, IT COULDN'T HAVE MOVED FOR MONTHS.

WE WERE THEN IN THE MIDST OF NEGOTIATIONS

WITH THE SOVIET GOVERNMENT ON LONG-TERM SALES OF OUR

WHEAT AND CORN. ALTHOUGH WE WELCOME THE RUSSIANS

AS CUSTOMERS, I DON'T THINK THEY SHOULD COME INTO OUR

MARKET ONLY WHEN IT SUITS THEM. I INSISTED ON A

LONG-TERM GRAIN SALES AGREEMENT WITH THE SOVIET UNION.

THAT'S WHY THERE WAS A TEMPORARY HALT IN SALES WHILE WE PUT THE FINISHING TOUCHES ON THAT AGREEMENT.

AS SOON AS WE GOT THE AGREEMENT WE WANTED, I ORDERED

THE TEMPORARY HALT LIFTED.

SINCE THEN, THE RUSSIANS HAVE COME TO US

FOR ANOTHER THREE MILLION TONS. AS WE HAVE SAID BEFORE,

WE REMAIN READY TO SELL THEM MORE THIS YEAR IF THEY

WANT IT. THAT'S WHERE WE STAND ON FAR'M EXPORTS.

BUT BETTER YET, BECAUSE OF THE AGREEMENT

WE CONCLUDED, YOU ARE GOING TO HAVE A REGULAR MARKET

IN RUSSIA FOR NO LESS THAN SIX MILLION TONS OF CORN AND

WHEAT EACH YEAR
AND MAYBE MUCH MORE

THROUGH 1980. THAT IS A GOOD DEAL FOR THE AMERICAN

FARMER, AND FOR THE NATION.

LET ME EMPHASIZE: THIS IS ONLY A PART OF

OUR POLICY OF STRENGTHENING OUR AGRICULTURAL EXPORT

TRADE. FARM EXPORTS THUS FAR IN THE 1970'S WILL TOTAL

TWO AND A HALF TIMES MORE THAN IN THE SAME PERIOD IN THE

1960'S.

IN ADDITION TO THE TWO BILLION DOLLARS IN SALES TO THE

SOVIET UNION THIS FISCAL YEAR, WE EXPECT TO SELL SIX

BILLION, EIGHT HUNDRED MILLION DOLLARS TO WESTERN

EUROPE NATIONS, THREE BILLION, TWO HUNDRED MILLION DOLLARS

TO JAPAN ALONE AND ONE BILLION, TWO HUNDRED MILLION DOLLARS

TO EASTERN EUROPE. WE CAN BE PROUD OF THAT RECORD.

I AM PROUD, TOO, OF OUR SECRETARY OF

AGRICULTURE, EARL BUTZ. I AM TODAY ASKING THE

SECRETARY TO ASSUME A NEW AND VITAL ROLE IN STRENGTHENING

AMERICA'S AGRICULTURAL POLICY-MAKING WITHIN THE EXECUTIVE

BRANCH•

THE SECRETARY WILL BE THE CHAIRMAN OF

A NEW CABINET- LEVEL AGRICULTURAL POLICY COMMITTEE THAT

I HAVE CREATED. THIS COMMITTEE WILL CONSOLIDATE ALL

AGRICULTURAL POLICY-MAKING FUNCTIONS OF EXISTING

EXECUTIVE BRANCH COMMITTEES. IT WILL HAVE THE CENTRAL

ROLE IN THE DEVELOPMENT AND DIRECTION OF OUR NATION'S

FOOD POLICIES.

THIS NEW COMMITTEE - AND ITS LEADERSHIP -

REASSERTS THE IMPORTANCE I ATTACH TO SECRETARY BUTZ

AS MY CHIEF AGRICULTURAL POLICY ADVISER AND SPOKESMAN.

I AM CONFIDENT THAT THIS BOLSTERING OF AGRICULTURAL POLICY

WITHIN THE EXECUTIVE BRANCH WILL BENEFIT THE FARMERS OF

ILLINOIS AND ALL AMERICANS.

JUST AS WE ARE MORE EFFECTIVELY UTILIZING

THE ENERGY OF EARL BUTZ, WE LOOK TO THE AVAILABILITY OF

ENERGY IN GENERAL AS THE KEY TO MODERN FARMING.

IN AMERICAN AGRICULTURE, MACHINES GREATLY

MULTIPLY THE EFFORTS OF MEN. YOU NEED PLENTIFUL SUPPLIES

OF PETROLEUM AND NATURAL GAS.

U.S. PRODUCTION OF NATURAL GAS PEAKED

DURING 1973 AND HAS BEEN DECLINING EVER SINCE. THIS HAS

SERIOUS IMPLICATIONS FOR AGRICULTURE. AS FARMERS.

YOU NEED NATURAL GAS FOR DRYING YOUR CROPS. YOU NEED

IT AS THE PRIMARY SOURCE FOR THE NITROGEN FERTILIZERS

THAT PUT DOLLARS IN YOUR POCKETS AND FOOD ON EVERYONE'S

TABLE.

YET TODAY THAT CRUCIAL SUPPLY OF NATURAL GAS

IS BEING CHOKED-OFF BY OUT-MODED PRICE REGULATIONS AND

RESTRICTIONS ON THE INTERSTATE SHIPMENT OF NATURAL GAS.

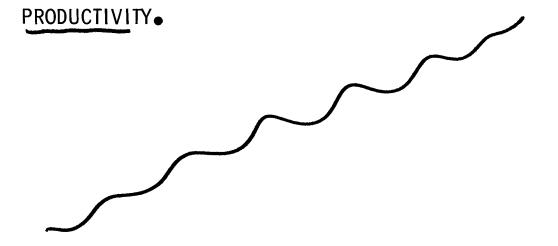
AS PRESIDENT I AM DETERMINED TO RECTIFY

THIS SITUATION. BUT I NEED THE HELP OF THE CONGRESS

TO CHANGE THE RESTRICTIVE LAWS. I ASK YOUR SUPPORT

AS FARMERS, AND AS MEMBERS OF FARM ORGANIZATIONS,

IN HELPING ME TO REMOVE THIS OBSTACLE TO AMERICAN



IN RURAL AREAS, THAT MORE YOUNG PEOPLE ARE COMING INTO

AGRICULTURE, AND THAT THE ENROLLMENTS IN OUR AGRICULTURAL

COLLEGES ARE RUNNING AT AN ALL-TIME HIGH.

ALL CITIZENS ARE CONCERNED ABOUT ESTATE TAXES.

BUT THIS IS A PARTICULAR PROBLEM FOR FARMERS WHOSE SAVINGS

ARE TIED UP IN FARM LAND. THE VALUE OF AN AVERAGE FARM

IS NOW ABOUT TWO HUNDRED THOUSAND DOLLARS.

TO PREVENT THE FORCED SALE OF FAMILY FARMS TO MEET

INHERITANCE TAXES, I PREVIOUSLY PROPOSED A PLAN TO DEFER

ESTATE TAX PAYMENTS, AT GREATLY REDUCED INTEREST RATES,

OVER A TWENTY-FIVE YEAR PERIOD. IF ADOPTED, THIS

PROPOSAL WOULD PROVIDE SUBSTANTIAL RELIEF.

BUT AN ADDITIONAL PROBLEM MUST BE SOLVED.

WHILE THE VALUE OF THE DOLLAR HAS ERODED, OUR SYSTEM OF ESTATE TAXATION HAS CHANGED LITTLE SINCE THE 1930'S.

TO EASE THE BURDEN OF ESTATE TAXES ON THE MANY AMERICANS WITH MODEST ESTATES, I AM PROPOSING AN INCREASE OF THE PRESENT 60 THOUSAND DOLLAR ESTATE-TAX EXEMPTION TO

150 THOUSAND DOLLARS.

THE TREASURY DEPARTMENT WILL PRESENT THE FULL DETAILS

OF MY PROPOSAL TO THE CONGRESS LATER THIS MONTH.

ALONG WITH MY TAX DEFERRAL PROPOSAL,

THIS EXEMPTION INCREASE SHOULD HELP OWNERS OF FAMILY FARMS

AND BUSINESSES TO HAND THEM DOWN FROM GENERATION TO

GENERATION WITHOUT THE FORCED LIQUIDATION WHICH IS NOW

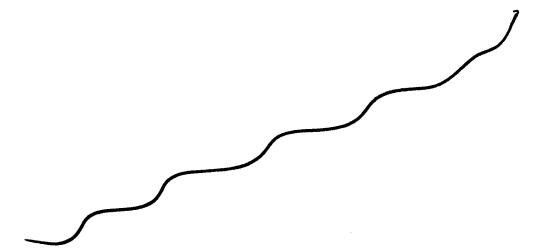
TOO FREQUENT.

I WANT TO MAINTAIN THE CONTINUITY OF OUR

FAMILY FARMS. TOO MUCH LABOR AND LOVE GO INTO THE

DEVELOPMENT OF A PAYING FARM TO DISMANTLE IT WITH

EVERY NEW GENERATION.



LET US NEVER FORGET THAT AMERICA'S FARMERS

BE ENOUGH INCOME FOR YOU TO REPLACE MACHINERY, TO CONSERVE

AND ENRICH THE SOIL, TO ADOPT NEW TECHNIQUES, AND TO BUY

ESSENTIAL SUPPLIES. THAT'S WHAT KEEPS THE AMERICAN

ECONOMY GOING.

SOME NATIONS WITH OTHER ECONOMIC AND

POLITICAL PHILOSOPHIES HAVE VIRTUALLY THE SAME TRACTORS

AND COMBINES THAT YOU USE. BUT THOSE NATIONS DO

NOT HAVE THE GREATEST PIECE OF FARM MACHINERY EVER BUILT --

THE FREE ENTERPRISE SYSTEM.

WE HAVE TURNED THINGS AROUND IN RURAL

AMERICA - AND WE MUST KEEP IT THAT WAY.

WE HAVE MORE TO DO AND I WANT TO WORK

WITH YOU TO GET IT DONE.

I HAVE FOUGHT HARD TO CUT GOVERNMENT

SPENDING, TO CURB INFLATION, AND TO MAINTAIN A SOUND

ECONOMY. THIS FIGHT CAN ONLY SUCCEED IF OUR FARMING

ECONOMY SUCCEEDS.

AMERICA'S HERITAGE WAS CREATED BY OUR FARMERS.

THE TIME HAS COME FOR ALL AMERICANS TO JOIN YOU, THE FARMERS, IN RECULTIVATING AMERICA'S OLD AND CHERISHED VALUES, INCLUDING OUR REDEDICATION TO THE HIGHEST MORAL AND SPIRITUAL VALUES.

YOU, THE FARMERS OF AMERICA, TOOK THE CHALLENGE SOME

200 YEARS AGO. IN THE WORDS OF RALPH WALDO EMERSON,

DESCRIBING THE HEROIC STAND AT CONCORD BRIDGE IN 1775,

"THE EMBATTLED FARMERS STOOD, AND FIRED THE SHOT HEARD

ROUND THE WORLD."

TODAY, THE FARMER IS STILL EMBATTLED.

TODAY'S TELLING SHOTS ARE NOT FROM GUNS, BUT FROM GRAIN,

NOT FROM PISTOLS, BUT FROM PRODUCTIVITY.

THE MINUTEMAN OF 1976 IS THE MAN WHO DRIVES THE TRACTORS

IN YOUR FIELDS.

TWO HUNDRED YEARS HAVE PASSED, BUT YOU REMAIN CENTRAL

TO AMERICA'S FUTURE AND AMERICA'S FREEDOM.

THANK YOU VERY MUCH.

END OF REMARKS