

Statement by
Earl L. Butz, Secretary of Agriculture
Before the
Republican Platform Committee
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The fact that my appearance, Mr. Chairman, follows that of the Secretary of State is of special significance to farmers because this Administration has truly put American agriculture on an international basis. As a result, we have achieved the highest export sales of farm products in history--\$8 billion in trade in the last fiscal year. This will be the third calendar year in a row that farm exports have set a record. Agriculture added over \$2 billion to our balance of trade last year.

That's very important to the American farmer because these export sales are helping us produce the highest net farm income record ever--\$18 billion or more this year--as well as the highest net income per farm, by a substantial margin.

Now, why is an international approach to agriculture so important to the American farmer, as opposed to shrinking exports of farm commodities under the Democrats?

We are facing up to the fact in our farm policy that America's agricultural productivity is already larger than our markets--we can produce far more than we need for home use--and it keeps growing as our yields per acre and livestock production efficiency increase. So, unless we continue to find expanding markets for this expanding production--such as the new markets we're developing overseas--then farming opportunities in America will be limited.

In a nutshell, Mr. Chairman, this Administration is aiming at an expanding agriculture in order to keep America's farming a growth industry.

That was the purpose of my trip to Russia last April, as well as my meeting with Minister of Agriculture Matskevich prior to that trip.

That was one of the purposes of the President's talks with Chairman Brezhnev, President Podgorny, and Ambassador Dobrynin in Moscow in May.

And that--together with bringing peace to the World--was one of the purposes of his trip to Peking to meet with Chairman Mao.

We are already seeing the results of these efforts. The Russians have committed themselves to buy \$750 million worth of American grain and current evidence is that they will buy much more than that to meet their goal of increasing the protein in the diet of the Russian people.

Here we have Nixon farm policy and Nixon foreign policy working in unison for the benefit of the American farmer--raising his income by stimulating sales for the tremendous productive capacity of American agriculture. Now, take a look at how this translates into more money in farmer's pocketbooks:

Farm income is at an all-time record, however you measure it. Farm income during the first four Nixon years will average \$17 billion--up substantially from the \$13.8 billion average of 1961-68.

Farm prices average 23 percent above the levels of 1968, when the Democrats last occupied the White House.

We turned farm exports around, and for three years in a row they will hit an all-time high--and will probably reach an even higher level next year.

Then you can add these additional benefits:

The President has refused to penalize farmers with price controls on farm products because he knows farmers don't contribute to inflation--they help keep it down.

Under the Agricultural Act of 1970, farmers have more freedom to decide what they will plant than for many years before.

The inflation control measures of the Administration have put a halter on the galloping increase in farm costs.

As a result, farmers feel a new sense of worth and dignity, arising from their growing conviction that this Administration respects, understands, and appreciates them. Farmers have a new cause for optimism about the future. The decline in the number of farms during the Nixon Administration has slowed to 45,000 per year--down more than half from the 106,000 farms lost per year during the 1961-68 period of the previous Administration.

In addition, we have moved to eliminate the paradox of having needy people without sufficient food in a land where we produce consistently more food than we use. Carrying out the President's commitment to end poverty-related hunger and malnutrition, we have made spectacular increases in all USDA-administered food programs:

*The Food Stamp Program is reaching a record 11.5 million people--3-1/2 times as many as four years ago, and stamps and commodities together are reaching twice as many people as four years ago.

*Needy children served in the School Lunch Program have tripled--from 2.6 million to 8.3 million, and the School Lunch Program is now serving 25.2 million children, compared to 23.1 million in 1969.

Now let's take a look at the nonsense that came out of that "lettuce boycott" convention the Democrats held here:

The Democratic farm plank is a collection of warmed-over programs to put farmers back under tight controls, as well as proposals that the Democratic Party advocated--but failed to put into effect--during the entire 8-year span while they occupied the White House and controlled the Congress.

They advocate a long list of proposals that were passed over by their own Congress, such as strategic reserves and further international commodity agreements.

To top it off, they have the audacity to advocate and encourage an illegal practice that could severely damage farmers everywhere--secondary boycotts of farm products. How insensitive to the real problems of farmers can you get!

In my view, our farm plank should emphasize the positive Republican accomplishments of the past four years. We should run on our solid record of achievement--with the expectation of more to come. We should retain and strengthen the initiative which we already have--which are far superior to the shopworn proposals in the Democratic plank.

Here are my suggestions for our farm plank:

1. We should focus on hard income objectives rather than parity objectives. Farmers spend income; they can't spend parity.
2. We should be prideful rather than possessive about the Agricultural Act of 1970, which will come up for review in the coming session of the Congress. It was a bipartisan act, written with the cooperation of the Legislative and Executive Branches, as well as Republicans and Democrats. We should carry that spirit of cooperation into the new legislative session rather than trying to debate a new farm program in the heat of an election.
3. We should continue to embrace the rural nonfarm people, who outnumber farm people four to one and who identify themselves in various ways with farmers. The best way to do this is through support for the Rural Development Program to bring more of the Nation's future economic growth

into countryside areas. We have already tripled budgetary support since 1969--from \$1.3 billion to \$3.5 billion today, with even more support programmed for rural development in fiscal 1973.

4. We should speak with favor on a number of our programs that have general acceptance, on which we have made a good record: family farms big enough to support the farm family well, expanded exports, farmer cooperatives, rural electrification, rural telephones, rural housing, loans for water and sewer improvements, improved research, resource conservation, and marketing studies, to mention a few.

In the best interest of the American farmer, our platform statement on agriculture should forthrightly answer the following questions:

*Do we want an expanding agriculture--or a shrinking agriculture?

*Do we want voluntary programs--or rigid mandatory controls?

*Do we want a market-dominated agriculture--or a government-dominated agriculture?

*Do we want farmers to have leverage in the marketplace--or government to have leverage in the marketplace?

*Do we want a prosperous, expanding rural countryside with new services and new hope--or do we want boondoggling and promises and more dust in the streets?

In summary, our record is good and we should run on it. By observing the progress of the last four years, farmers have a good idea of the progress to expect over another four-year span.

We should let farmers know that we understand what they want.

They want increased incomes, more personal freedom to manage their farms as they think best, farm programs that are market oriented rather than government dominated, and healthy rural communities.

We shall not fail them.