

## Excerpts from "Remarks at the Annual Convention of the National Corn Growers Association in Des Moines, IA," 1982

With all the miracles of modern-day electronics, there is still no greater technological revolution than modern-day American farming. Today, in the United States, one farmer produces enough food to feed himself and 77 other people--52 Americans and 26 people abroad. Our food and agricultural system is the most productive in the world and accounts for the foundation of 24 million American jobs--almost one-fifth of our nation's total work force.

I've come to tell you that there is a gratitude throughout this country for the work you do, and a sensitivity to the burdens you bear. It was Thomas Jefferson who once said that "farmers were God's chosen people." Right now, you must be asking, well, chosen for what?

As one farmer wrote to me--he said, "Things are not good down on the farm in 1982, Mr. President." He cited an advertisement in an Iowa paper for a farmhand. There were 140 responses in 2 days, some from people who had been forced to give up their own family farms. A woman wrote me about the day she watched her father-in-law try to auction his land to pay debts, but none of their neighbors could afford to buy. And as she wrote, she said, "I sat there and watched a proud, old man on the brink of tears."

Another--and this shows the spirit out here--had a note on top. It was addressed: "To the aide opening this letter." She said, "I didn't vote for you, I voted for Ronald Reagan, and I want him to read this letter." [Laughter] And I read it. And the lady said, "I'm a farm wife, 60 years old. Not too well educated, but it doesn't take too smart a person to see and feel what is going on." She said, "I know you have lots of things to do and decide, but have you ever stopped and thought about the farmer? Stop and think; can a farmer pay 75 to 100 thousand dollars for a combine? Can he pay triple for any machinery? Can he pay the price for fertilizer, seed, you name it, and sell corn, wheat, and soybeans for the price they are today?" She said, "That because farmers, just because they aren't out carrying strike signs or tearing something up, doesn't mean they're not hurting. What farmers want," she said, "is a fair price so that they can pay their bills and feed their families."

She was only wrong about one thing, that maybe I hadn't had time to think about farmers. The farmers of America are very much on my mind.

President Eisenhower once said that without a prosperous agriculture, there is no prosperity in America. He was right. A central goal of this administration is to return profitability and open new markets, especially international ones, to this country's farm sector.

Because of your efficiency and the abundance produced on America's farms, we need world markets. The harvest from 2 out of every 5 acres of cropland is sold abroad. You depend on international markets for the sale of more than 60 percent of your wheat and rice, half of your soybeans and cotton, and a third of your corn and feed grains. In 1970 we exported \$7 billion worth of agricultural products. Last year we shipped abroad more than \$43 billion worth of products. These exports account for about a quarter of all farm income.

While essential to our U.S. balance of trade, offsetting big trade deficits in other goods, the future of farming has become dependent on maintaining and expanding foreign markets for U.S. food and fiber products. During the 1980 campaign, in a speech I made not too far from here, I promised my personal support for expanding our agricultural exports. And that pledge remains a priority commitment today.

We're vigorously challenging the use of foreign government--or by foreign governments, I should say, of export subsidies in agricultural areas, such as wheat flour, poultry, sugar, and pasta. We have a united front in this effort. The Departments of Agriculture, State, Treasury, Commerce, and the U.S. Trade Representative have spoken with one voice against unfair trade practices. We will continue to speak with this united voice as we pursue every legitimate means of protecting our farmers from unfair competition.

We have moved up by 6 months the scheduled negotiations with Japan on citrus and beef. So far, we have dispatched trade teams to 23 nations in Europe, Africa and Latin America, the Middle East and the Far East. Partly because of these teams, we expect to ship more grain to Brazil and Morocco and to maintain near record grain exports to the People's Republic of China.

In these efforts we do not challenge the right of any country to exploit its agricultural assets and to provide a decent life for its farmers and rural communities. We only ask for fair competition and for adequate rules to govern trade in agricultural products.

At the GATT Ministerial Conference this fall, we will propose bringing agriculture under its liberalizing influence, an influence that has transformed trade in manufactured goods and unleashed an unparalleled period of growth and prosperity in the postwar world. I am committed to more open agricultural markets in all countries. I challenge other countries, particularly our friends in Europe and Japan, to match this commitment.

But the commitment I'm most proud to have kept has been mentioned here already by your Governor, and that was a more normal grain trading relationship with the Soviet Union, lifting the last administration's grain embargo.

The lingering effects of that grain embargo are still hanging over the markets, and our nation's farmers are still suffering from those low prices. We had 70 percent of the Soviet market when the embargo was imposed. That fell to 25 percent during the embargo. At the same time, our competitors took advantage of this market that the last administration threw away. Well, we've restored to the American farmer a fair opportunity to export grain to the U.S.S.R. on a cash basis. We have already begun that difficult road.

After lifting the embargo, we offered the Soviets an additional 15 million metric tons of grain beyond the original 8 million metric tons. Our efforts on behalf of the farmers suffered a setback, however, with the iron repression of the proud people of Poland. When martial law was declared in that country, U.S. officials were developing a negotiating position on a new long-term grain agreement with the U.S.S.R. After the Soviet Union ignored our calls to aid restoration of basic human rights in Poland, we had no choice but to impose a number of sanctions against both countries, including postponement of negotiations on a long-term trade agreement with the Soviet Union.

There is still no cause to celebrate in Poland. I am, however, somewhat encouraged by indications martial law may be relaxing. We'll continue to watch developments there in the hope that life will improve for the Poles and sanctions can be removed. In the meantime we will explore a 1-year extension of the current long-term grain agreement with the Soviet Union. I have also authorized the Secretary of Agriculture to consult with the Soviets on the subject of additional grain sales beyond the minimum purchase requirements of the current agreement.

The extension would have the sanctity of a contract, ensuring U.S. farmers access to the Soviet market. Just last week, the importance of this was brought home to me by the Governor of a great agricultural State, your neighbor Governor Charles Thone of Nebraska. As Governor Thone said [applause]. Somebody's here from Nebraska. As Governor Thone said, there must be no question about our respect for contracts. We must restore confidence in U.S. reliability as a supplier. An agreement would, also, protect Americans from possible Soviet disruption of our domestic market.

Indications are that we'll sell a record volume of grain to the Soviet Union this year. With the extension that we're now exploring, we'll be able to sell large quantities during the next year. In other words, the granary door is open, and the exchange will be cash on the barrelhead.

Last March, I outlined this administration's agricultural trade doctrine Jack Block mentioned to you. There will be no restrictions on farm products proposed because of rising farm prices. Farm exports will not be singled out as an instrument of foreign policy and can be used only as a part of a trade embargo if it is broad and supported by other nations across the board in a situation that would be so serious as to cause this action.

We believe world markets must be freed of trade barriers and unfair trade practices. At home and abroad, we're committed to assuring the American farmer a market that will reward his investment and work, and not punish him for his incomparable success.

A farmer told me once that, as a rule-of-thumb, today you risk all that you've acquired through most of a lifetime to plant a crop. The American farmer is a bigger risk taker than Evel Knievel. Yet, the only request that the farmer has is to have the opportunity to compete on a fair and even handed basis on the market.

You know, I can't resist saying something else here, that I once had the pleasure of saying in Las Vegas, Nevada, to one of those fellows who was there for the usual sport that takes place in that town. I was there because of a meeting of a farm group. And he was a little disparaging in his remarks as what did farmers have to do being around Las Vegas. And I told him--I couldn't resist; that was too good a straight line--I said, "Farmers are in a business that makes a Las Vegas crap table look like a guaranteed annual income." [Laughter]

That cornmeal on the grocery shelves, those soybean products, the steak, milk, bacon, and a myriad of other goods do not mysteriously show up in supermarkets. They were produced at the cost of your sweat and the ache in your back. Most are grown or raised right here in this rich, Midwestern soil. You are among the most industrious people anywhere. And you've been carrying an extraordinary burden for the Nation and the world.