August 2, 1982

Well, for heavens sakes. Hello, and welcome. Is there an echo in here? [The President was reacting to incidents of both greeting and heckling from members of the audience.]

You know, I was glad that Governor Ray told you about Nancy coming here. In the old days of vaudeville, the real feature act was always preceded by a lesser act--usually it was a trained animal act. So, here I am. [Laughter] But I do thank you very much.

Governor Ray and Senators Jepsen and Grassley, Congressmen Leach and Evans, President Mullins, distinguished members and guests:

It is a real pleasure to be here today. A little earlier I was talking with Senator Jepsen about the plight of the American farmer. Roger Jepsen knows and understands the needs and the problems of the farmer, and I can assure you that when Senator Jepsen hears, something from the farm community, I hear about it. His counsel has been most helpful to me.

It does my spirit good to be among thousands of Americans from our heartland, people with faith in God, the United States, and themselves. And despite the doomcriers that are abroad in the land, I believe that most of America shares your faith. But there hasn't been enough recognition of the part that you play in the lives of all of us. Not too long ago a new, young Congressman from the heart of our biggest city was placed on the agricultural committee of the House--not exactly a case of a round peg in a round hole. And his first contribution to the committee was a pronouncement that government should confiscate all food and divide it equally among all the people, because food was a natural resource belonging to everyone.
I was reminded of this when a group of Future Farmers of America visited me at the White House last week. They were a wonderful group of young people, as you well know. And I told them an old story along that line that maybe you know, but I'm going to tell it again, because life not only begins at 40, so does lumbago and the tendency to repeat yourself. [Laughter]

There was an old fellow that had taken over some land down in a creek bottom. It was covered with rocks and brush and was just pretty scrabbly, but he went to work on it. And he worked and he worked, and he cleared away the rocks and the scrub. And he cultivated, and he fertilized, and finally he had a garden that was his pride and joy. And one morning after Sunday services he asked the minister if he wouldn't like to come out that afternoon and see what he had done--this garden.

Well, the reverend arrived, and he was impressed. He looked at the melons, and he said, "I've never seen anything so big. The Lord has certainly blessed this land." And then he came to the corn, and he said, "It's the tallest corn I've ever seen." He said, "Bless the Lord." And he went on that way about everything he saw: tomatoes, squash, beans, everything. He was high in his praise of the Lord. And the old boy was getting pretty restive, standing there listening to all of this. And, finally, he said, "Reverend, I wish you could have seen this when the Lord was doing it by Himself." [Laughter]

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 onefifth 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
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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 risktaker than Evel Knievel. Yet, the only request that the farmer has is to have the opportunity to compete on a fair and evenhanded 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.

This administration is dedicated to bringing you relief. We believe the unbearable interest rates, the suffocating inflation, the recession that has gripped our land for too many months was brought about by government leaders who for too long were afraid to trust the American people. They were caused by 40 years of taxing and spending, by disintegrating faith caused by abandoned promises, and by a reckless course of fiscal insanity that had us careening toward catastrophe. But our goal is to be able to say, "Those days are over."

I am proud to report to you, the American people, that the government will no longer forget its fundamental purpose: to be the servant of the people, not your master.

You're in charge now. It's your money that is being taxed. It's your property being assessed, your resources that
have been raided by Washington. You have demanded a reduction in the size of government. Well, we have cut its rate of growth nearly in half. And we're just beginning. You've demanded that government live within its means. We're pushing hard for an amendment to the Constitution to balance the budget.

You've called for a reduction in repressive tax rates. We passed and are fighting to keep the largest tax cut in American history, but a tax cut that only barely offsets the tax increases already built into the system.

A great American philosopher has written that "a timid man listening to alarmists in Congress and in the newspapers might easily believe that he and his country have seen their best days. And he hardens himself the best he can against the coming ruin. But after this has been foretold," he said, "with equal confidence 50 times, he discovers enormous elements of strength which are here in play." He said, "We think our civilization near its meridian, but we are yet only at the cock-crowing and the morning star." Well, those words by that philosopher, those were words by Ralph Waldo Emerson, and they're as true today as when he wrote them more than a hundred years ago.

You know, shortly after World War II, I found myself in England. It was during the Christmas season, but I was there to make a picture. It was my first time abroad, and on weekends, wanting to see something of the land, I'd hire a car and driver, and I'd go sightseeing out in the English countryside. And I told the driver I wanted to see some of the old historic places that I'd heard about and been told about--pubs and inns that were centuries old, just the same as they had been for all those centuries.

Toward the end of one such day we stopped at a pub; it was getting twilight. The driver apologized because this one was only 400 years old--he called it one of the younger ones. The proprietors and the only two people working in the place were an elderly couple, very tiny. And the rather motherly looking lady who was serving us after a while said--perhaps overhearing us talk--said, "You're American, aren't you?" Well, I allowed as how I was, and she said, "Oh, there were a lot of your chaps saged jus down the road here during the war."

She said, "They used to come in here all the time in the evenings and have songfests." She said, "They called me Mom, and they called the old man Pop." And as she went on her voice was softening, and she wasn't looking at me anymore; she was looking kind of beyond into her memories. Her eyes were beginning to fill. And then she said, "It was Christmas Eve. The old man and me were here all alone. And all of a sudden the door burst open, and in they came with presents for the both of us." And the tears now had overflowed and were on her cheeks. And she said, "Big strappin' lads they was from a place called Ioway." By this time my eyes were a little filled also.

Maybe some of those big strappin' lads she remembered are in this room. Well, neither those big strappin' lads nor their children nor their children's children ever needed government to tell them how to bring food for a hungry world from the blue-black soil of this heartland. Here in the land where the West begins and the State
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where the tall corn grows are the seeds of our national renewal. Within our people is the strength, the vision, and the faith that will return prosperity to America. We need only to believe in our own ability to make it happen.

On behalf of all Americans I thank you for keeping up the struggle. We have a long way to go before we set this country to rights, but God has blessed us with a strong spirit and a rich land. With His help and with yours, I know we can do it.

Thank you very much.

NOTE: The President spoke at 2:15 p.m. in the Veterans Memorial Auditorium.

Date
08/02/1982