

UNITED STATES



OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 89th CONGRESS
FIRST SESSION

VOLUME 111—PART 17

AUGUST 31, 1965, TO SEPTEMBER 13, 1965

(PAGES 22279 TO 23626)

ing to restore equal treatment to synthetics. Experience prior to the Treasury ruling demonstrates that even with American selling price applied to synthetics the Japanese would still have about 30 percent of our market.

The proposal for converting American selling price to ad valorem rates was not made by the industry but the administration. I am advised that this proposal resulted from a meeting of all interested agencies, including the State Department, the Treasury Department, Governor Herter's office, the Commerce Department, the Labor Department, and the Tariff Commission. It was adopted by these agencies without dissent and was urged by the administration upon Senator Ribicoff and myself as a substitute for the American selling price amendment we had proposed. The administration then succeeded in persuading the industry to drop its fight for the reapplication of American selling price to synthetics and to accept, instead, the administration's proposal of converted rates. Having won that battle, the administration pulled the rug out from under the domestic industry and withdrew its support of its own proposal.

The Post alleges that the converted rates would provide absolute protection to an already prosperous domestic industry. These assertions are made of whole cloth. The total market for these products has been declining over recent years and what remains has been going in steadily increasing amounts to Japanese producers.

The results can be determined only after some experience under the converted rates, and the Trade Extension Act requires that these rates would have to satisfy rather rigid tests or else be offered for a cut up to 50 percent during the present GATT negotiations.

The Post alleges that the tariff would be increased from 12½ to 60 percent. Evidently the editorial writer was furnished incorrect and incomplete facts. Under the proposed schedule, much of what now comes in at 12½ percent would continue to do so. Some would come in at a rate of 25 percent, and only those items whose natural rubber equivalents carry an average duty of 60 percent would be converted to that rate.

In short, Mr. President, there are two issues involved in this rubber footwear question, both of which should concern Congress. The first is the question of whether a domestic industry can rely on the word of the executive branch of our Government. The second issue goes to the merits of the Government's proposal. As to this, it is abundantly clear that the rates originally proposed by the administration and adopted by the Senate are the minimum which can be adopted without creating a further gross inequity to an already beleaguered industry, that these rates will still leave the Japanese with about 30 percent of the American market, and that these rates may yet be cut in half during the Kennedy round.

It is high time, Mr. President, that the Congress of the United States express its concern for the activities of importer and foreign lobbies which are designed

to frustrate the ability of industries such as rubber footwear to compete according to fair rules of the game.

THE COMING WAR ON HUNGER

Mr. MONDALE. Mr. President, to those of us who have been working for reorganization and expansion of our food-for-peace program, it is most heartening to see newspapers and magazines all over the country giving increased attention to the world food crisis. We face a problem of great complexity, yet its essential elements are simple enough. Underdeveloped countries are increasingly unable to feed their growing hungry populations, while we in the United States have a vast, still untapped potential to increase our food output.

On Sunday, August 29, the Empire magazine of the Denver Post published one of the finest articles I have yet seen on this major world problem. I ask unanimous consent that this article by Bill Hosokawa, "The Coming War on Hunger," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Empire magazine of the Denver Post, Aug. 29, 1965]

THE COMING WAR ON HUNGER

(By Bill Hosokawa)

(NOTE.—Although fragmentary reports have been published on the changing picture of American food surpluses, this is believed to be the first comprehensive story to appear. Bill Hosokawa, editorial director of Empire and associate editor of the Denver Post, dug out the details in Washington, D.C., a few weeks ago.)

You were so busy yesterday that you skipped lunch and settled for a candy bar. Last night you went to bed feeling just a bit self-righteous for having missed a meal; you hoped it might help trim a little of the fat off your middle.

You probably did not realize that more than half the people on earth—nearly 2 billion men, women, and children—also went to bed hungry. But not out of choice. In this land of superabundance, it is difficult to imagine that hunger is a chronic experience for the majority of humans today, and every day, some 10,000 people will die of starvation or of the side effects of malnutrition.

It is knowledge of this hunger, and the consequences that hunger anywhere in the world holds for all of us, that causes lights to burn late in Washington these days. The grim companions of hunger are misery and death, political chaos, the end of morality. For, no more than a nation can remain half slave and half free, half the world cannot be surfeited and half starving, and long survive.

What troubles the food experts in Washington is that the enormous U.S. surpluses that helped feed the famished for a decade are now largely gone. Remember those pictures showing great mountains of wheat piled along railroad sidings of the West? You haven't seen any lately, partly because of the success of Federal restrictions on farm production, and partly because of massive shipments of food sent overseas.

The question now is not how to curtail output, but how to make American farms produce more to help fill empty stomachs in India and South America and Africa and other undernourished areas of the world. Congress is likely to be hearing a great deal about this problem before long.

It was only a few years ago that widespread food shortages seemed to be a distant

specter that only a few visionaries worried about. Suddenly that specter is upon us and its threat is ominous.

Listen to the warning of Thomas M. Ware, a hardheaded industrialist and Chairman of the Freedom From Hunger Foundation: "There is a global food catastrophe building up on the horizon which threatens to engulf the free world and the Communist world alike."

Within 15 years, Ware predicted in a recent speech, Red China may have an H-bomb arsenal, the capacity to deliver it, and a population of 1 billion. Then he asked some chilling questions:

"With these pressures at work, will the Red Chinese feel compelled to reach outside to gain the land and food-producing potentials now in the hands of India or even the United States?"

"Will they be deterred from launching nuclear attacks on the United States because they fear retaliation? Or might they welcome such an exchange as a means of destroying American power while they simultaneously reduce their own population to manageable levels?"

THE EFFECTS OF MALNUTRITION

What is true of China's food problem is true of many other lands, but there is another aspect of hunger that is less well known. It is malnutrition, quite apart from undernutrition. A great many people who, somehow, are able to fill their bellies reasonably often are not getting the proper food. Their diets are heavy on starches and seriously lacking in proteins, vitamins and minerals.

Among children thus deprived, the United Nations Food and Agricultural Organization (FAO) reports, as many as 25 percent of those who survive suffer nonreversible mental and physical retardation.

Herbert J. Waters of the State Department's Agency for International Development (AID) calls malnutrition "the silent but most lethal enemy of mankind." Looking forward to the time when a large part of the world's population may be crippled mentally and physically from faulty diets, Waters warns that the ultimate result of malnutrition "is stagnation and death to the civilization that contains it."

The United States, the United Nations, and some of the food-surplus nations have tried to attack the hunger problem in a variety of ways, sharing of both their bounty and technical knowledge. So far, it is a losing battle. The latest report of the FAO shows that each year, because of the population explosion, the world is producing less food per person than it did the previous year.

America's current effort to ease the world's hunger dates back to 1954 when Congress enacted what is known as Public Law 480, the Agricultural Trade Development and Assistance Act.

Frankly, however, in addition to its humanitarian aims, Public Law 480 was an effort to get rid of the farm surpluses that were clogging the economy. American farmers had learned to coax far more food and fiber from the good earth than the Nation could possibly use or sell. We were in danger of being buried under mountains of food. So we began to limit production under various agricultural acts, and Public Law 480 enabled us to send the unwanted surpluses overseas.

It turned out to be a mighty effort without precedent in history. We have sent abroad more than 120 million tons of American farm products—valued at \$13 billion and enough to fill 3 million average railroad boxcars. In each of the last 3 years we have shipped more than a billion and a half dollars worth of agricultural commodities.

At this point it might be well to correct a popular misconception that this is entirely

a food "giveaway" program. Only about one-fourth of it is.

"The people most in need of food cannot afford to buy it," says Richard W. Reuter, special assistant to the President and Director of the food-for-peace program. "Our contributions are programed into school lunch, preschool child feeding, food-for-wages projects of economic and community development, CCC-type youth training camps, feed grain projects to stimulate chicken and pig cooperative projects, and family feeding.

"Our great voluntary agencies—Catholic Relief Services, Church World Service, Lutheran World Relief, CROP and CARE—have made particularly important contributions toward proper food use programing. More than 800 trained Americans—paid by these agencies from voluntary American contributions—work to see this food is properly used."

But we realize a material return on three-fourths of the food we send overseas. In at least 18 countries our food surpluses are sold for dollars. Some food is bartered for strategic goods that we need. The balance, almost a billion dollars a year, is sold for local currency.

Some of this local currency is used by Government agencies, the U.S. Embassy for example, to pay bills in that country. Some is loaned to American businesses to expand trade. About half the local currency we receive in payment for American agricultural surpluses has been loaned back to the purchasing countries for mutually agreed on development projects such as irrigation systems, roads, powerplants and other efforts that will help national development.

And now we are beginning to scrape the bottom of the surplus barrel.

There is no reason for America to panic. Our bins hold more than enough to meet this Nation's own requirements. But for overseas donation programs, the stock of rice, beans and butter is virtually gone. Nonfat dried milk, used to supplement the diets of 70 million children around the world, is in short supply; in the last decade we shipped out 5.5 billion pounds of this commodity.

Wheat, of paramount interest to the Rocky Mountain empire, deserves a closer look. In 10 years the food-for-peace program has used up well over 3 billion bushels. This spring, before the new harvest, our stocks were down to less than 1 billion bushels. If we set aside 600 million bushels—1 year's domestic requirements—as a strategic reserve, our surplus amounted to roughly a 6-month supply for American consumers. Today only one-third of our grain storage capacity is being used and, as Reuter points out, storage space rather than grain is our new surplus. In Colorado, wheat stocks in storage on July 1 were the lowest in 13 years and 53 percent under the figure for July 1, 1964.

(Overall, Commodity Credit Corporation inventories are still valued at more than \$7 billion, but 40 percent of these stores are nonedible products such as tobacco and cotton.)

AN UNTHINKABLE ALTERNATIVE

But even with food surpluses gone, the idea of leaving the less developed nations to fend for themselves while we retreat behind our walls of plenty is an unthinkable alternative for most Americans. The Nation's course was set a quarter century ago when, in Presidential Adviser McGeorge Bundy's words, the United States accepted a "commitment of concern" for the needs and aspirations of other nations. Hunger is foremost of these concerns, and there are two ways to attack it: Grow more food; reduce the demand.

Neither is easy.

Unfortunately for the immediate need, population control is a long-range solution. The hungry ones are already born and the

experts point out that aggressive family planning programs must be underway for a decade or more before there will be a noticeable change in food demands. Nonetheless, population control plays a key part in the overall assault on hunger, especially in the overpopulated, underdeveloped nations.

The need is now, and in pursuit of our commitment, a number of things are being done to increase both the supply of food and its dietary quality.

In addition to food itself, the United States is exporting quality seed, fertilizer, pesticides, farm machinery, and most important, the know-how to enable peasant farmers to increase their production.

"It is not enough simply to feed people," says Martin Abel of the Department of Agriculture's Economic Research Service. "We must help the less developed nations to produce more to keep them from having to depend on us forever. The problem is not hopeless, even in India, which must import 7 million tons of grain a year. India could produce enough food for itself by developing irrigation systems, using more fertilizer, better seeds and better farming methods. This will take time, but it can be done."

Abel reports that under ideal field conditions, Indian farmers instructed by Americans have harvested as much as 100 bushels of corn per acre. (The U.S. average is about 65 bushels.) In another experiment in India this year, 175 acres of land planted with rice seed developed by Nationalist Chinese of Taiwan yielded nearly three times the Indian average—7,000 pounds per acre compared to 2,500.

With present types of fertilizer, farmers can get back in increased yields from 2 to 10 times as much as they spend, and more effective fertilizers for specific types of soil and crops are being developed.

Meanwhile, the problem of malnutrition is being attacked by a program of enriching available foods.

For example, vitamins are being added to nonfat dried milk used in school lunch programs. Because milk is in short supply, a nutritious beverage based on soy flour, developed by the Soybean Council of America, soon will be distributed in many parts of the world. In Rio de Janeiro, a flour mill is packaging without cost an enriched breakfast cereal called Eubra. It combines food for peace milk powder, Bulgur wheat, and butter oil. Packed in plastic bags on which cooking instructions are printed, this cereal is distributed to the poor. Another somewhat similar enriched food, Incaparina, is supplementing the diets of the poverty-stricken in other parts of Latin America. Research is continuing into development of inexpensive protein sources, such as fish meal from species not now being used as food.

Before Congress now is a bill cosponsored by 13 Senators authorizing the Commodity Credit Corporation to spend up to \$50 million annually for high protein foods, and protein and vitamin fortification of other foods sent abroad for school lunch and child feeding programs. The bill is described as insurance against suddenly terminating child feeding programs because of exhaustion of surplus stocks.

To gear this Nation for the food-supplying tasks ahead, Senator George S. McGovern, Democrat, of South Dakota, introduced last June 17 a bill designated as S. 2157. Its purpose is "to provide for U.S. participation and leadership in an international effort to end malnutrition and human want * * *." It would do this by utilizing "the excess production and capacity of American agriculture and food industries" and by assisting "underdeveloped nations in increasing their own production of food."

McGovern's bill calls for appropriation of \$500 million in fiscal 1966. Each year until 1970, the appropriation would be increased

by \$500 million. Thus, in 1970, the appropriation would be \$2.5 billion, and this level would be continued through 1975. While some of this money would be used in technical aid projects, the bulk would go to buy domestic agricultural products for resale, barter, or outright donation to needy countries.

McGovern's bill has been referred to the Committee on Foreign Relations and it is not known at this time when hearings will be held. Senator McGovern, incidentally, was named by President Kennedy as first director of the White House food for peace office. He resigned to run for the Senate, and was succeeded by Reuter.

Washington observers are less than sanguine about the chances of the McGovern bill passing in its original form. However, many of the benefits and principles encompassed in S. 2157 are considered likely to be part of the legislation that ultimately is passed.

THE MEANING FOR U.S. FARMS

The implications of such a program on the American economy are tremendous, keeping in mind the fact that most of our surplus food is gone. In effect, such a program would be a green light to American farmers to grow all they can, with their produce to be used overseas because it is needed rather than because it is surplus.

Just what would a change in U.S. agricultural policy from limitation to full production mean?

Senator McGovern in introducing his bill told his colleagues: "A recent study by the Agriculture Department * * * projects a food gap in the free world at about \$2.5 billion worth of foodstuffs at the end of the decade. What would it mean in the United States to try to close this gap? Roughly, agricultural economists estimate that American farmers would have to produce one-third more wheat, increase milk output by 50 percent, raise 25 percent more soybeans, and step up production of vegetable oils by a third.

"American farmers could fill this order by putting land and resources now idle into productive use again. Only about 75 percent of our agricultural capacity is being used today. This compares with steel production at about 85 percent of capacity, and overall industrial output of 87 percent of capacity, as measured by the Federal Reserve Board."

Martin Abel at the Department of Agriculture bears out Senator McGovern's basic contention—that we can increase farm output vastly without taxing our resources or going back to tilling marginal land. Each year we have been producing more food on less land, he points out. In feed grains, for example, the acreage harvested has fallen steadily from 130 million acres in 1959 to 100 million acres in 1964. During the same period production rose from 1.15 tons per acre to 1.37 tons, so that total production in 1964 was not substantially lower than 5 years earlier.

The record for wheat production is even more impressive, as the following Department of Agriculture table shows:

Year of harvest	Acreage harvested	Yield, bushels per acre	Total bushels produced
1950	61,607,000	16.5	1,019,344,000
1951	61,873,000	16.0	988,161,000
1952	71,130,000	18.4	1,306,440,000
1953	67,840,000	17.3	1,173,071,000
1954	54,356,000	18.1	983,900,000
1955	47,290,000	19.8	937,094,000
1956	49,768,000	20.2	1,005,397,000
1957	43,754,000	21.8	955,740,000
1958	53,047,000	27.5	1,457,435,000
1959	51,781,000	21.7	1,121,118,000
1960	51,896,000	26.2	1,357,272,000
1961	51,551,000	24.0	1,234,743,000
1962	43,541,000	25.1	1,093,667,000
1963	45,256,000	25.1	1,137,641,000
1964	49,041,000	26.0	1,275,304,000

"American farmers," says Abel, "could increase their wheat production by 400 million bushels a year, and feed grains by 100 million tons a year, with very little trouble. It's just a matter of using our agricultural plant more efficiently. Our resources are such that the problem is less of production than of transportation, storage, and distribution.

"And remember, give-away food isn't all give-away. It costs us money not to produce food because of various farm aid programs. The soil bank is one example. We have the alternative of investing dollars in food aid for hungry nations, or using the same dollars to keep production capacity idle."

For America's farmers, the McGovern bill or some similar project would be, in effect, a billion dollar annual contract to produce the material for worldwide war on hunger. And just as a new contract for rockets at the Martin plant in Denver spurs the local economy, new activity in food-growing areas would stimulate business generally. Says Senator McGovern:

"The money such a program would put into the hands of farmers would be plowed back almost immediately into business and consumer spending. Farmers would need as much as a million additional tons of fertilizer and more machinery, equipment, gasoline, oil, and other supplies. Employment on farms and in factories would increase."

There would be new jobs handling the grain, and in processing it for food. Then a second round of spending would follow as a result of increased income—expanding the domestic demand for cars and trucks, dresses and household appliances, houses and vacation trips, and even for food itself.

BUILDING NEW MARKETS

These are the incidental but important side benefits of a project whose primary purpose is to alleviate suffering.

If the idea of a global war on hunger has the distasteful aroma of a worldwide welfare state financed by the United States, Food for Peace officials answer that the ultimate aim is to make each nation as nearly self-sufficient as possible, as soon as possible.

Can it be done? Has it been done?

Yes, indeed, replies Richard Reuter: "Japan shows what can be done. This country was given substantial amounts of American food to help it regain its feet after the war. Now it is our No. 1 customer for farm goods. During 1964 we sold Japan \$700 million worth of agricultural commodities. The Japanese now buy 11 per cent of our total soybean crop, and by 1970 it is estimated Japan will buy half of our present total production of soy.

(Japan is the leading overseas buyer of Colorado wheat.)

"Italy, Greece and Spain are further examples of countries that moved from recipients of our food under Public Law 480 to cash customers.

"A study by the Department of Agriculture indicates that when per capita income in the less developed countries increases 10 percent, dollar sales of U.S. farm products go up 21 percent. In other words, as income goes up, imports of U.S. farm products increase twice as fast.

"Last year we exported \$6.3 billion worth of agricultural commodities, of which more than \$4.5 billion were straight commercial dollar sales. This is a record, and more than double what our agricultural exports were a decade ago when we started Public Law 480.

"As economies strengthen, markets expand. As living standards rise, dietary preferences change from cereals to high protein foods such as meats. And this opens up new markets for American feed grains to supply developing livestock industries."

Reuter's offices, not far from the White House itself, are equipped with numerous charts and displays illustrating how food grown on American farms is being used globally to help create a better world. But

the most impressive is a small sign, probably quoting someone impatient with bureaucratic delay, that says simply:

"Dammit, these are hungry kids we're talking about."

Mr. NELSON. Mr. President, as the Senator from Minnesota has stated, the Denver Post on Sunday, August 29, carried an unusually fine article in its Empire magazine section entitled "The Coming War on Hunger."

In an editorial on the same day, it recommended the article, by the Post's associate editor, Bill Hosokawa, to its readers as putting into startling perspective three facts, one old and two new.

The old fact was that 2 billion of the world's 3 billion people have inadequate food, and that 10,000 daily die of hunger and malnutrition.

The two new facts are, first, that U.S. surpluses are nearly gone and, second, that reversing the trend of farm legislation from strict control of crops to expansion of production to meet world food needs is under serious consideration.

The article deals at some length with the proposal in which I have joined with our distinguished colleague, the junior Senator from South Dakota [Mr. McGovern] to end the world food gap. It deals with the fact that increased agricultural production in this Nation would mean a strengthened domestic economy.

I commend the article to the attention of all my colleagues in Congress. I ask unanimous consent to put the Post's editorial in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post, Aug. 29, 1965]

A WHOLE NEW FARM "PROBLEM"

An article in this Sunday's Empire magazine, "The Coming War on Hunger," puts in startling perspective three facts—one old and two new—about America's farm production and the world's hungry people.

The article by Bill Hosokawa, Denver Post associate editor, will—and should—make us all take a new and thoughtful look at the whole issue.

The old fact—and problem—is that nearly 2 of the 3 billion human beings on earth go to bed hungry every night of every year they live. And every day, 10,000 of them die of that hunger—either of outright starvation or of the side effects of malnutrition.

The first new fact Hosokawa's survey reveals is that the vast American farm surpluses, which since World War II have been used to keep millions of people all over the globe from starving, are nearly gone—that "we are beginning to scrape the bottom of the surplus barrel."

This will come as news to those, on and off the farm, who have been worrying for 20 years about how to cut our farm production to somewhere near the needs of the domestic market. But from this fact of dwindling surpluses springs the second new fact Hosokawa discusses:

People in Congress and in the executive branch of Government are beginning to talk about reversing the whole recent trend of agricultural resources management to encourage more food production for the hungry billions overseas.

Food and population experts have been saying that a situation like this would be coming, but no one to our knowledge had forecast its arrival in this decade.

Although, as Hosokawa points out, the United States has shipped abroad since 1954 more than 120 million tons of American farm

products, valued at \$13 billion, we have tended to regard that more as a matter of disposing of surpluses, rather than producing for others' needs—real though these needs were and are.

If American farmers are now to be called upon to produce consciously for the world's hungry billions, this will mean the start of an entirely new ball game in American agriculture. There likely will have to be adjustments in farm legislation, in the distribution system, and in methods of payment from foreign consumers.

In short, there is much food for thought in "The Coming War on Hunger." And the time for thought is evidently upon us, whether we be producers, distributors, or simply taxpayers. We seriously commend this article to the attention of all our readers.

THE UNITED STATES BREAKS THE U.N. DEADLOCK

Mr. CHURCH. Mr. President, all Americans, I am sure, share my pleasure about the vigorous and decisive manner in which Arthur Goldberg has assumed his new job as U.S. Ambassador to the United Nations. Ambassador Goldberg's own incisiveness is bolstered by the fact that he has the full support of President Johnson in his efforts to enhance the opportunities for world peace. After Ambassador Goldberg's recent speech on the article 19 controversy, several thoughtful editorials on this subject came to my attention. One editorial appeared in the Lewiston, Idaho, Morning Tribune, written by Bill Hall; a second in the Pocatello, Idaho, State Journal by Lee Ester; another in the Christian Science Monitor, and a final editorial from the Salt Lake Tribune.

I ask unanimous consent to have these well-written editorials printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Lewiston (Idaho) Morning Tribune, Aug. 17, 1965]

THE U.S. BREAKS THE U.N. DEADLOCK

The United States demonstrated once again yesterday that it considers the United Nations a vital instrument for international peace that must be preserved, even at the cost of giving the Soviet Union and France an unpalatable procedural advantage.

U.S. Ambassador Arthur J. Goldberg informed a U.N. committee the United States will no longer insist that the Soviet Union, France and 11 other nations pay 2 years in back assessments or lose their votes in the General Assembly. It means the end of a year-long stalemate that has rendered the organization largely ineffective.

The heart of the dispute has been article 19 of the U.N. Charter, which specifies members 2 years behind in assessments will lose their vote. The article still exists, but the Goldberg statement means the United States will stop insisting on its enforcement.

It is decidedly an erosion of that one article and, perhaps, a weakening of the charter as a whole. And there is some loss of face for the United States in backing down. Apparently, however, it was that or a serious threat to the existence of the one organization that has produced some stability in a potentially explosive international community.

The United States could have maintained its rigid posture, but that would have produced no more than a continuation of the deadlock which has rendered the organization almost inoperable and of limited use.