

10/25/80 [1]

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Staff Secretary --

Original was sent back
to Madeline Albright
in NSC -- (another "fire drill")
however attached should provide
sequence of events

Thanks-- Susan Clough

THE WHITE HOUSE

WASHINGTON

October 25, 1980

Dear Senator Jackson:

You wrote to ask my views about section 402 of the Trade Act of 1974, the Jackson-Vanik amendment.

From the beginning of my Presidency I emphasized our commitment as a nation to human rights as a fundamental tenet on which our foreign policy would be based. That commitment of mine is as deep and as important to me today as it was then.

You have always been a pioneer in the area of human rights and your leadership and support have been instrumental in our success. I am sure that the record will show that American words and actions in the last period have left their mark on the rest of the world. Because of our leadership the defense of human rights has its rightful place on the world agenda for everyone to see.

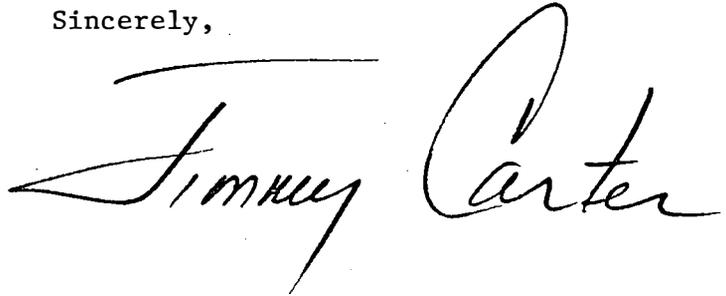
The Jackson-Vanik amendment, which you authored, represents an important statement of our nation's commitment to the free emigration of Soviet Jewry. As you well know, I, along with you, have been specifically concerned about Jewish emigration from the Soviet Union. The year before I became President, Jewish emigration was about 14,000. Last year it was up to 50,000 -- the highest level in more than 10 years. The lower rate this year in the wake of the Soviet invasion of Afghanistan is of great concern. We will continue to register our strong concern about this low level of emigration at the Review Conference on Security and Cooperation which will meet in Madrid next month. The Soviet Union has an obligation to honor its Helsinki commitment.

After the Afghanistan invasion, I took a number of steps, including the suspension of grain sales and the restriction of high-technology exports to the Soviet Union, to make quite clear to the Soviets that we cannot conduct business-as-usual with them while their troops are occupying another country.

With the Soviet troops still in Afghanistan and with unacceptable denials of free emigration, it is totally inappropriate to consider any changes to section 402 of the Trade Act of 1974, and I have no intention of doing so. Furthermore, I can assure you that the U.S. delegation under the leadership of Ambassadors Griffin Bell and Max Kampelman at the CSCE Conference in Madrid will take every opportunity to make clear to the Soviet Union that their record of emigration is a violation of the Helsinki accords.

I value your views on this subject and I look forward to working closely with you on these very vital issues.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

The Honorable Henry Jackson
United States Senate
Washington, D.C. 20510

CAMP DAVID

October 25, 1980

TO Madeline Albright
for Zbigniew Brzezinski

INFO COPY TO Warren Christopher
State Department

FROM Susan Clough

Attached is the copy of President Carter's signed letter to Senator Jackson regarding section 402 of the Trade Act of 1974. The original letter will be sent to the Situation Room with the next courier from Camp David.

As we discussed, it would be best to contact Frank Moore or someone appropriate on his staff regarding the delivery of the original letter, or delegation of authority to do same.

I will talk with Jody Powell about the question of releasing the text of the letter and will be back in touch.

(Please note, I have just discovered upon putting all of this together that the 2nd page is a different size than the first! (Just goes to show that my day has been consistent at least!) You may want to consider trimming 2nd page with a papercutter, if you have someone with a nice, steady hand!)

Madeline, Jody says you should/may go on and release text at any time & under any circumstances you deem appropriate; however please notify Ray Jenkins when doing so & also give him a copy of all.
M

October 25, 1980

NOTE FOR: SURAN CLOUGH
FROM: MADELEINE ALBRIGHT

1. PLEASE CALL ME AS SOON AS THE PRESIDENT HAS SIGNED THE LETTER SO WE CAN READ IT WITH CHANGES HE HAS MADE TO RICHARD PERLE (SCOOP'S ASSISTANT).
2. PLEASE SEND ORIGINAL BACK TO SITUATION ROOM ASAP SO WE CAN DELIVER TO "SCOOP."
3. IF YOU CAN'T REACH ME, CALL BERNIE ARONSON THRU THE WHITE HOUSE SWITCH.

This:
 approve only
 if Chris or Ed
 have ok'd.
 Check back to me
 if they have
 problem
 F

THE WHITE HOUSE

WASHINGTON

Dear Senator Jackson:

You wrote to ask my views about section 402 of the Trade Act of 1974, the Jackson-Vanik amendment.

From the beginning of my Presidency I emphasized our commitment as a nation to human rights as a fundamental tenet on which our foreign policy would be based. That commitment of mine is as deep and as important to me today as it was then.

You have always been a pioneer in the area of human rights and your leadership and support have been instrumental in our success. I am sure that the record will show that American words and actions in the last period have left their mark on the rest of the world. Because of our leadership the defense of human rights has its rightful place on the world agenda for everyone to see.

The Jackson-Vanik amendment, which you authored, represents an important statement of our nation's commitment to the free emigration of Soviet Jewry. As you well know, I, along with you, have been specifically concerned about Jewish emigration from the Soviet Union. The year before I became President, Jewish emigration was about 14,000. Last year it was up to 50,000, the highest level in more than 10 years. The lower rate this year in the wake of the Soviet invasion of Afghanistan is of great concern. We will continue to register our strong concern about this low level of emigration at the Review Conference on Security and Cooperation which will meet in Madrid next month. The Soviet Union has an obligation to honor its Helsinki commitment.

After the Afghanistan invasion, I took a number of steps, including the suspension of grain sales and the restriction of high-technology exports to the Soviet Union, to make

quite clear to the Soviets that we cannot conduct business-as-usual with them while their troops are occupying another country.

With the Soviet troops still in Afghanistan and with unacceptable denials of free emigration, it is totally inappropriate to consider any changes to section 402 of the Trade Act of 1974. ~~I want to assure you that I have no intention of seeking any modifications to that provision now or in the foreseeable future.~~ *doing so.* Furthermore, I can assure you that the U.S. delegation under the leadership of Ambassadors Griffin Bell and Max Kampelman at the CSCE Conference in Madrid will take every opportunity to make clear to the Soviet Union that their record of emigration is a violation of the Helsinki accords.

I value your views on this subject and I look forward to working closely with you on these very vital issues.

Sincerely,



The Honorable Henry Jackson
U.S. Senate
Washington, D.C. 20510

**Electrostatic Copy Made
for Preservation Purposes**

October 25, 1980

NOTE FOR: SUSAN CLOUGH

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 25, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: Response to Senator Jackson

David A. ...

Scoop Jackson wrote to you asking you to commit yourself to not amending Sec. 402 of the Trade Act, the Jackson - Vanik amendment (Tab B).

the scoop also wrote to and the governor

We have learned that Gov. Reagan has completed his response and will release it publicly very soon. *Since Reagan plans to release his response, we should do the same at the earliest date.* Stu spoke to Sen. Jackson about it and feels strongly that we need a positive response.

RECOMMENDATION

That you sign the letter at Tab A.

_____ Approve _____ Disapprove

*Public release
of the letter.*

HENRY M. JACKSON
WASHINGTON

ROOM 137
RUSSELL SENATE OFFICE BUILDING
WASHINGTON, D.C. 20510

United States Senate

WASHINGTON, D.C. 20510

October 2, 1980

Ack FM/NSC
CONGRESSIONAL
LIAISON

The President
The White House
Washington, D.C. 20500

OCT 7 1980

004313 CL

My dear Mr. President:

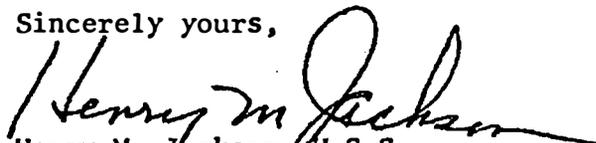
As you know, current law prohibits the extension of most-favored-nation treatment and government credits to non-market countries that deny their citizens the fundamental human right to emigrate. This provision of the Trade Act of 1974 has long been the principal hope of thousands of Soviet Jews and others who have struggled to obtain visas so that they might emigrate to Israel, the United States, or other countries where they are free to live and worship according to their faith -- a freedom denied them in the Soviet Union.

There have been a number of proposals since 1975 aimed at revising the Trade Act to remove or weaken the credit and MFN restrictions in order to facilitate trade concessions for the Soviets without a significant agreed movement toward freer emigration from the Soviet Union. Last year, for example, there were proposals that the credit/MFN restrictions could be waived without an explicit understanding with the Soviets on future emigration practices, an approach that would violate the freedom of emigration provisions of law embodied in the 1974 Trade Act.

I very much hope that you share my view that there must be no weakening of the existing law either by amendment or interpretation.

I know that many brave men and women who have suffered reprisals as a result of having insisted on the right to emigrate would be heartened to know that, if elected to a second term, you will continue to support Section 402 of the Trade Act. A reaffirmation of your support for Section 402, and your insistence on a clear Soviet commitment to freer emigration as a condition of any waiver of the Act's restriction on MFN and credits, would be especially welcome in the current mood of uncertainty.

Sincerely yours,


Henry M. Jackson, U.S.S.

5405

DON & CAROLINE SCHALLER

YOU HAVE AN IMPORTANT CHOICE YOU MAKE ON NOVEMBER 4TH --
NOT JUST BETWEEN 2 CANDIDATES, OR 2 PARTIES.
THE CHOICE WILL BE BETWEEN 2 DIFFERENT FUTURES --
FOR YOU, YOUR CHILDREN, & FOR OUR COUNTRY. /

NOWHERE IS THAT CHOICE MORE CLEAR THAN IN THE FUTURE OF OUR NATION'S AGRICULTURE
{ THE FARM PROGRAMS OF THE LAST 5 DECADES
{ CAME FROM FRANKLIN ROOSEVELT & THE NEW DEAL.
{ DEMOCRATIC PRESIDENTS, & DEMOCRATS IN CONGRESS,
{ HAVE SUPPORTED & IMPROVED THESE PROGRAMS. /

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• FOR 8 YEARS UNTIL I TOOK OFFICE,
REPUBLICAN PRESIDENTS MISMANAGED THE AFFAIRS OF AMERICAN FARMERS;
THEY REPEATEDLY VETOED NEEDED PRICE-SUPPORT LEGISLATION. //

• 4 TIMES -- IN 1973, 1974, & 1975 --
THE 2 REPUBLICAN PRESIDENTS EMBARGOED FARM EXPORTS,
INCLUDING THOSE TO SOME OF OUR MOST IMPORTANT INTERNATIONAL FRIENDS --
NOT TO PROTECT OUR NATIONAL SECURITY INTERESTS,
BUT FOR THE EXPRESS PURPOSE OF DRIVING AMERICAN FARM PRICES DOWN. //

- { THERE WAS NO REAL EFFORT TO DEVELOP NEW FOREIGN MARKETS,
SUCH AS IN MEXICO & CHINA. /
- { THE REPUBLICANS IMPOSED PRICE CONTROLS ON FOOD
& CUT OFF FOOD AID TO HUNGRY NATIONS
WHILE PRODUCTION COSTS SOARED. /
- { POORLY-MANAGED GRAIN INSPECTION
ALLOWED SUB-STANDARD SHIPMENTS OVERSEAS TO TARNISH THE REPUTATION,
OF AMERICAN FARMERS. /

- DOMESTIC MARKETS WERE FLOODED WITH IMPORTED MEAT
AT THE WORST TIME FOR OUR FARMERS & RANCHERS. /
- IMPORT QUOTAS FOR DAIRY PRODUCTS WENT UP 5 TIMES IN 1 YEAR ALONE. //
- BY THE TIME I TOOK OFFICE, GRAIN PRICES WERE IN A TAILSPIN. /
- CATTLE PRODUCERS WERE LIQUIDATING HERDS AFTER 4 YEARS OF HEAVY LOSSES. /
- FARM INCOME WAS DROPPING FAST. /
- CONSUMERS & PRODUCERS WERE IN OPEN CONFRONTATION. /
- AND OUR NATION'S REPUTATION AS A RELIABLE EXPORTER OF FARM PRODUCTS
HAD BEEN DAMAGED. /

IN SHORT, THE FARM POLICY ^I ~~IN~~ INHERITED WAS AN UNHOLY MESS. //

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I CAME INTO OFFICE WITH A LIFETIME OF EXPERIENCE IN FARMING.

AS A BOY, I GOT UP AT 4 A.M. TO CATCH THE MULES & BE IN THE FIELD,
WAITING FOR IT TO BE LIGHT ENOUGH

TO KNOW WHERE THE ROWS OF CORN & COTTON & PEANUTS RAN

SO I WOULD NOT PLOW UP THE CROPS ALONG WITH THE BERMUDA GRASS.

WE GOT BACK TO THE HOUSE AFTER SUNDOWN. /

I GREW UP LEARNING THE HARD WAY
ABOUT THE HARD WORK & THE COMPLEX ECONOMICS OF FARMING,
AND HOW VULNERABLE FARM FAMILIES ARE TO DISTANT ECONOMIC EVENTS.

I LEARNED THE VALUE OF LISTENING TO OTHER FARMERS.

THAT IS WHY I APPOINTED BOB BERGLAND -- A FARMER --
AS MY SECRETARY OF AGRICULTURE.

THAT WAS A RADICAL DEPARTURE
FROM THE REPUBLICAN POLICY
OF RECRUITING { FROM THE BOARDROOMS OF LARGE AGRIBUSINESS CORPORATIONS,
 { FROM LARGE BANKS, & COMMODITY EXCHANGES.

THAT MAY EXPLAIN THE REPUBLICAN INDIFFERENCE TO THE ORDINARY FARMER.

BUT I CHANGED THAT -- & THIS IS HOW.

1st, WE SET OUT TO REDUCE GOVT. INTERFERENCE

& TO RETURN PRODUCTION & MARKETING DECISIONS TO FARMERS.

{ THE CORNERSTONE OF THIS POLICY IS THE FARMER-OWNED GRAIN RESERVE,
WHICH HAS TAKEN GOVT. OUT OF THE GRAIN BUSINESS. /

{ THE GRAIN RESERVE
HAS BECOME ONE OF THE MOST EFFECTIVE FARM MARKETING TOOLS EVER DEvised.
JUST LOOK AT THE RESULTS:

- IN THE PAST 4 YEARS, WE HAVE HAD SEVERAL RECORD LARGE CROPS.
- IN WEHAT & CORN, THERE HAVE BEEN BACK-TO-BACK RECORD YEARS.
- IN 1979 WE SAW RECORD YIELDS IN 6 MAJOR CROPS.

YET THE BOTTOM DID NOT FALL OUT OF THE MARKET -- THANKS TO THE GRAIN RESERVE.

{ WHEN PRICES BEGAN TO WEAKEN,
ENOUGH FARMERS PUT THEIR GRAIN INTO THE RESERVE TO CUSHION THE IMPACT.
THEY WERE ABLE TO HOLD OFF SELLING WHEN PRICES DIPPED.
WHEN PRICES ROSE, OUR FARMERS CASHED IN. /

- AT THE SAME TIME WE BEGAN THE RESERVE,
WE INCREASED AID FOR BUILDING ON-FARM STORAGE.
SINCE 1976, FARMERS BUILT 1.8 BILLION MORE
BUSHELS OF ON-THE-FARM GRAIN STORAGE CAPACITY.
AND LAST MONTH I APPROVED LEGISLATION TO HELP BUILD MORE. /
- WE DID AWAY WITH THE OUTDATED & RIGID ACREAGE ALLOTMENT SYSTEM.
FARMERS WERE FREED TO MAKE PLANTING DECISIONS BASED ON MARKET CONDITIONS,
RATHER THAN FEDERAL BUREAUCRATIC CONDITIONS. /

THERE WERE OTHER ACCOMPLISHMENTS, TOO. /

• BEGINNING WITH THE FOOD & AGRICULTURE ACT OF 1977,
I ACTED TO BRING PRICE SUPPORTS & LOAN RATES BACK IN LINE
WITH PRODUCTION COSTS.

• I SOUGHT PRICE LEVELS TO KEEP PACE WITH RAPIDLY-RISING PRODUCTION COSTS,
& ADJUSTED THEM HIGHER AGAIN WITHIN THE PAST 3 MONTHS.

• WE ADOPTED A FORMULA FOR TARGET PRICES
BASED ON THE COST OF PRODUCTION FOR EACH CROP.

• WHEN THAT FORMULA FAILED TO ADJUST RAPIDLY ENOUGH,
WE CORRECTED IT WITH NEW LEGISLATION. /

- IN CONTRAST TO REPUBLICAN VETOES,
I MOVED QUICKLY TO RESTORE HEALTH TO THE DAIRY INDUSTRY.
• WITHIN WEEKS OF TAKING OFFICE, I INCREASED THE SUPPORT LEVEL.
• THEN WE WORKED WITH CONGRESS TO ENACT AN 80%-OF-PARITY MINIMUM.
• LAST YEAR WE EXTENDED THIS AUTHORITY. /
- I MOVED QUICKLY TO IMPROVE OUR INADEQUATE PROMOTION OF AGRICULTURAL EXPORTS.
WE LOWERED OVERSEAS BARRIERS TO OUR FARM EXPORTS
WITH THE NEW TRADE TREATY CONCLUDED LAST YEAR.
WE OPENED TRADE OFFICES IN KEY IMPORTING COUNTRIES.
WE GREATLY INCREASED EXPORT CREDITS,
& HAVE WORKED HAND-IN-HAND WITH THE PRIVATE SECTOR THRU THE COOPERATOR PROGRAM.
PERHAPS MOST IMPORTANT --
WE CAREFULLY LAID THE FOUNDATION FOR OPENING IMPORTANT NEW MARKETS LIKE CHINA. /

- MY ADMINISTRATION HAS ALSO SUPPORTED FARMER COOPERATIVES.
WE DEFENDED THE "CAPPER-VOLSTEAD ACT" AGAINST THOSE WHO WANTED TO GUT IT.
{ WE KEPT THE ADMINISTRATION OF THIS VITAL AUTHORITY
IN THE HANDS OF THE SECY. OF AGRICULTURE -- WHERE IT BELONGS.
{ WE SUPPORTED EXPORT VENTURES BY FARM COOPERATIVES,
& GOT RID OF REGULATIONS.
THAT KEPT COOPERATIVES FROM PARTICIPATING FULLY IN COMMODITY LOAN PROGRAMS. /
- WE ALSO EXPANDED & MODERNIZED FARM CREDIT PROGRAMS,
{ INCLUDING A SPECIAL PROGRAM FOR BEGINNING FARMERS.
{ OF ALL THE FUNDS LOANED BY THE FARMERS HOME ADMINISTRATION IN ITS 45 YEARS,
{ NEARLY HALF HAVE BEEN LOANED BY THIS ADMINISTRATION. /

● MY ADMINISTRATION HAS BEEN ESPECIALLY SENSITIVE
BOTH TO AGRICULTURE'S UNIQUE ENERGY NEEDS
& TO THE OPPORTUNITY FOR FARMERS TO BECOME PRODUCERS OF ENERGY.
I ASSIGNED THE HIGHEST PRIORITY ALLOCATION DURING ENERGY SHORTAGES
TO AGRICULTURE. /

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WE PASSED THE WINDFALL PROFITS TAX OVER REPUBLICAN OPPOSITION,
& I ESTABLISHED A PROGRAM TO PROVIDE OVER \$10 BILLION DURING THIS DECADE
TO PRODUCE GASOHOL FROM THE CROPS OF AMERICAN FARMS.

WHEN I TOOK OFFICE, PRODUCTION OF GASOHOL WAS BARELY MEASURABLE.

I SET A PRODUCTION CAPACITY TARGET

OF 500-MILLION-GALLONS-OF-ALCOHOL BY THE END OF NEXT YEAR --

ENOUGH SO THAT GASOHOL WILL AMOUNT TO 10%

OF ALL UNLEADED GASOLINE SOLD IN AMERICA.

SECY. BERGLAND HAS JUST APPROVED GUARANTEES FOR 15 NEW PLANTS

TO PRODUCE 246 MILLION GALLONS OF ALCOHOL. /

THE RESULTS OF ALL THIS SPEAK FOR THEMSELVES. /

● IN THE 4 YEARS OF MY ADMINISTRATION, TOTAL GROSS FARM INCOME,
TOTAL NET FARM INCOME,
TOTAL PRODUCTION,
TOTAL CONSUMPTION,
& TOTAL FARM EXPORTS --
TOPPED ANY PREVIOUS 4-YEAR PERIOD IN HISTORY. /

● FARM EXPORTS -- IN DOLLARS & VOLUME -- IN DOLLARS & VOLUME --
HAVE SET NEW RECORDS IN EVERY SINGLE YEAR OF MY ADMINISTRATION.
WE WILL SET ANOTHER RECORD WITH AN \$8 BILLION INCREASE THIS YEAR,
FOR A TOTAL \$40 BILLION -- THE BIGGEST ANNUAL GAIN IN HISTORY. /

WE HAVE BROADENED & DIVERSIFIED OUR EXPORTS.

WE HAVE MORE THAN TRIPLED SALES TO MEXICO.

WE HAVE INCREASED OUR FEEDGRAIN EXPORTS TO JAPAN & ITALY.

WE ARE NOW SELLING ALMOST 7 TIMES AS MUCH TO CHINA & TAIWAN ✓

AS WE DID IN 1976.

IN FACT, CHINA IS NOW { THE WORLD'S LARGEST SINGLE BUYER OF OUR COTTON
& ONE OF THE LARGEST BUYERS OF OUR GRAIN. /

- THE SHARP DROP IN FARM PRICES THAT WE INHERITED IN 1977 HAS REVERSED. DESPITE RECORD PRODUCTION, PRICES HAVE RISEN STEADILY IN THE PAST 4 YEARS. /
- CORN HAS GONE FROM \$1.60-IN-1977, TO OVER \$3.00. /
- WHEAT HAS GONE FROM \$2.00, TO OVER \$4.00. /
- CATTLE PRICES HAVE DOUBLED -- FROM \$32-TO-\$64. /
- MILK THAT SOLD FOR LESS THAN \$10, NOW SELLS FOR OVER \$13. //

I'M NOT COMPLETELY SATISFIED WITH THAT RECORD.

THE COST SQUEEZE ON FARMERS HAS BEEN SEVERE

& HAS LIMITED NET FARM INCOME TOO LONG.

BUT WE'VE MADE GOOD PROGRESS -- WITH MORE PROGRESS TO COME. //

{ IN CONTR ST TO THIS,
MY REPUBLICAN OPPONENT DOES NOT UNDERSTAND
THE COMPLEX REALITY OF OUR FARM ECONOMY.

JUST A FEW MONTHS AGO, HE SAID HE WAS NOT FAMILIAR WITH PARITY.

HE SAID FARM PRICE SUPPORTS "SUBSIDIZE THE INEFFICIENT".

HE SAID "DAIRY SUBSIDIES ARE SUBSIDIZING THOSE WHO COULD NOT COMPETE".

TO BE FAIR, MY OPPONENT RECENTLY DROPPED A LIFETIME OF OPPOSITION

TO GOVERNMENT FARM PROGRAMS.

HE NOW SAYS HE WOULD KEEP THE BASIC ELEMENTS OF MY PROGRAMS IN PLACE.

AND WHY NOT?

THE FARM PROGRAMS OF THIS ADMINISTRATION WORK.

{ AMERICAN FARMERS WILL HAVE TO DECIDE HOW CONFIDENT THEY ARE
OF MR. REAGAN'S ELECTION-YEAR CONVERSION.

FOR THE NEXT 4 YEARS, I WILL PROPOSE EVEN MORE FORWARD-LOOKING FARM PROGRAMS.

● WE WILL USE THE EXPERIENCE OF THE PAST 4 YEARS

{ TO DRAFT A 1981 FARM BILL THAT RESPONDS TO VARIED FARM NEEDS --

{ BUT MOST OF ALL, TO THE FAMILY FARM. /

● AS BEFORE, WE WILL WORK WITH FARMERS & YOUR ORGANIZATIONS

{ IN DEVELOPING THE NEW PROPOSALS WHICH WILL SHAPE YOUR ECONOMIC LIVES. /

● WE ARE GOING TO CONTINUE TO REDUCE GOVT. REGULATION IN OUR ECONOMY, /

INCLUDING AGRICULTURE. /

● WE WILL PUSH AHEAD ON FUEL CONSERVATION,

{ GASOHOL,

{ & SOLAR INNOVATIONS. /

● WE NEED TO IMPROVE TRANSPORTATION SYSTEMS FOR GETTING FARM PRODUCTS TO MARKET.

{ TO THAT END, I HAVE AUTHORIZED AN EFFORT

{ TO CREATE FARMER-RUN TRANSPORTATION CO-OPS MUCH LIKE RURAL ELECTRIC CO-OPS. /

• WE ARE GOING TO HELP FARMERS EXPORT EVEN MORE --

• IMPROVING THE LINKS ✓

BETWEEN MARKET DEVELOPMENT & ASSISTANCE TO DEVELOPING NATIONS,

• AND INCREASING PROMOTION OF "VALUE ADDED" PRODUCTS LIKE MEAT,

POULTRY,

BREEDING ANIMALS,

& SOY PRODUCTS. ✓

• WE WILL CONTINUE TO PROTECT OUR FARMLAND

& THE PRODUCTIVITY OF ITS SOIL.

WE WILL CONTINUE OUR EFFORTS TO EXPAND RESEARCH & EDUCATION. ✓

BEFORE CLOSING,

I WANT TO SAY A FEW WORDS ABOUT THE MOST CONTROVERSIAL FARM ISSUE OF THE YEAR --
THE SUSPENSION OF GRAIN SALES TO THE SOVIET UNION.

IN 1976, I PROMISED AMERICA'S FARMERS

I WOULD RESORT TO AN EMBARGO

ONLY IF OUR NATIONAL SECURITY OR FOREIGN POLICY INTERESTS WERE THREATENED --

AND NEVER JUST TO KEEP PRICES DOWN.

I KEPT MY WORD. /

WHEN THE SOVIETS INVADED AFGHANISTAN LAST YEAR, I SAW THIS FOR WHAT IT WAS:

{ BRUTAL AGGRESSION

{ WITH OMINOUS IMPLICATIONS FOR THE SECURITY OF THAT REGION ✓

& -- INDEED -- THE WORLD. /

AS YOUR PRESIDENT, I TOOK IMMEDIATE ACTION.

• I CURTAILED RUSSIAN FISHING IN OUR WATERS.

• I STOPPED THE SALE OF MANY HIGH TECHNOLOGY PRODUCTS THE SOVIETS NEEDED.

• I STOPPED PHOSPHATE SALES.

• { AND I SUSPENDED THE SHIPMENT OF GRAIN

{ BEYOND THAT INCLUDED UNDER OUR OFFICIAL GOVT. AGREEMENT WITH THE SOVIETS. /

WHEN I ANNOUNCED THIS,

I TOLD THE AMERICAN TAXPAYERS

WE ALL WOULD BEAR THE COSTS -- NOT JUST FARMERS.

WE USED TAX DOLLARS TO REMOVE FROM THE MARKET

MORE GRAIN THAN WAS ORIGINALLY-SCHEDULED TO BE SOLD TO THE SOVIETS.

THE NET BUDGET COST WAS LESS THAN \$600 MILLION. /

I IMPOSED RESTRICTIONS ON TRADE WITH THE SOVIET UNION FOR ONE SIMPLE REASON.

{ THEIR INVASION OF AFGHANISTAN WAS BRUTAL AGGRESSION

WHICH THREATENED THE INTERESTS OF THE UNITED STATES & THE FREE WORLD.

THOSE RESTRICTIONS HAVE HURT THE SOVIETS,

{ AND THEY ARE GOING TO CONTINUE TO HURT

SO LONG AS THEY ARE FIGHTING & KILLING THE PEOPLE OF AFGHANISTAN. /

{ THE PEOPLE OF THE SOVIET UNION

ARE EATING EVEN LESS MEAT THAN THEY DID 5 YEARS AGO.

THEY HAVE LESS MEAT TO EAT THAN ANY NATION IN ALL OF EUROPE.

{ EVEN THEIR SATELLITES ARE BETTER OFF --

& THEIR SITUATION IS GETTING WORSE.

THIS CROP YEAR THEY FACE A SHORTAGE OF UP TO 60-MILLION-TONS OF GRAIN,

{ AND THEY WILL NOT COME CLOSE TO MAKING THAT UP
SO LONG AS THE UNITED STATES STANDS FIRM.

{ AND SO LONG AS SOVIET AGGRESSION CONTINUES & THE SECURITY THREAT EXISTS,
WE WILL STAND FIRM.

WE WILL CONTINUE TO FIND MORE PERMANENT & DEPENDABLE CUSTOMERS FOR FARM EXPORTS.

MY REPUBLICAN OPPONENT HAS TRIED TO MAKE POLITICAL HAY OUT OF THIS DECISION.
HE CLAIMS TO BE OPPOSED TO THE EMBARGO.

I THINK IT IS ABOUT TIME TO LOOK AT THE FACTS.

{ THE FACT OF THE MATTER IS THAT MR. REAGAN
PUBLICLY & DIRECTLY OPPOSED SELLING ANY GRAIN WHATSOEVER TO THE SOVIET UNION
UNTIL HE SAW A CHANCE TO BENEFIT POLITICALLY FROM THE DECISION I MADE. /

IN 1975 HE SUGGESTED USING A GRAIN EMBARGO TO FORCE THE SOVIETS OUT OF ANGOLA.

IN 1979 HE THREATENED A SIMILAR GRAIN EMBARGO AGAINST NIGERIA.

{ THREE MONTHS BEFORE THE INVASION OF AFGHANISTAN,

HE SAID, "IF THE RUSSIANS WANT TO BUY WHEAT FROM US,

{ I WOULD NOT SELL IT TO THEM." /

('L.A. TIMES' 9/30/80)

{ THE TRUTH IS THAT HE NEVER ONCE RAISED HIS VOICE IN OPPOSITION
TO THE EMBARGOES IMPOSED BY MR. NIXON & MR. FORD.

AND THOSE EMBARGOES WERE NOT IMPOSED TO PROTECT OUR NATIONAL INTERESTS.
THEY WERE NOT DIRECTED AGAINST AN AGGRESSOR NATION.

{ THEY WERE DESIGNED TO DO ONE THING, & ONE THING ONLY:

FORCE DOWN THE PRICES AMERICAN FARMERS GET FOR THEIR CROPS. /

{ AMERICAN FARMERS CAN DECIDE HOW MUCH CREDIT MR. REAGAN SHOULD GET
FOR REVERSING 5 YEARS OF PUBLIC, UNQUALIFIED SUPPORT FOR FOOD EMBARGOES
JUST IN TIME FOR THE ELECTION. /

AS I SAID AT THE BEGINNING OF THIS TALK,
THE DIFFERENCES BETWEEN ME & MY OPPONENT ARE GREAT.
THEY ARE NOT JUST DIFFERENCES IN DEGREE -- THEY ARE DEEP. /
THEY POSE TO YOU AN IMPORTANT QUESTION:

DO YOU WANT TO PLACE THE CRITICAL QUESTIONS FACING AMERICAN AGRICULTURE --

- ENERGY MATTERS,
- PRICE SUPPORTS,
- EXPORT DEVELOPMENT,
- SOIL CONSERVATION,
- COOPERATIVES,
- & SCIENCE & EDUCATION. ↗

IN THE HANDS OF A MAN
WHO HAS NOT SHOWN A BASIC GRASP OF OUR FARM ECONOMY? /

OR DO YOU CHOOSE ANOTHER FUTURE,
GUIDED BY THE STEADY & EXPERIENCED LEADERSHIP
OF SOMEONE -- LIKE YOU A FARMER --
WORKING WITH BOB BERGLAND -- A FARMER --
WHO UNDERSTANDS THE PROBLEMS & OPPORTUNITIES BEFORE OTHER AMERICAN FARMERS.

I WANT TO STRENGTHEN OUR FARM ECONOMY --
FOR YOUR SAKE, & FOR THE SAKE OF THE AMERICAN PEOPLE.
I AM ASKING FOR ANOTHER 4 YEARS AS YOUR PRESIDENT TO ACCOMPLISH THAT.
I NEED YOUR HELP ON NOVEMBER 4.

THANK YOU -- & GOD BLESS YOU.
###

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BOB RACKLEFF
DRAFT A-2; 10/23/80
SCHEDULED DELIVERY:
THU, OCT 23, 8 AM

Susan
ok
J

FARM POLICY SPEECH

^{You HAVE}
[I WANT TO TALK WITH YOU ABOUT] AN IMPORTANT CHOICE YOU
[WILL] MAKE ON NOVEMBER 4TH -- [YOU WILL CHOOSE] NOT JUST BETWEEN
TWO CANDIDATES, OR TWO PARTIES; THE CHOICE WILL BE BETWEEN
TWO DIFFERENT FUTURES -- FOR YOU, YOUR CHILDREN, AND ^{FOR} OUR
[NATION] ^{country}

NOWHERE IS THAT CHOICE MORE CLEAR THAN IN THE FUTURE OF
OUR NATION'S AGRICULTURE. THE FARM PROGRAMS OF THE LAST
FIVE DECADES CAME FROM FRANKLIN ROOSEVELT AND THE NEW DEAL.
DEMOCRATIC PRESIDENTS, AND DEMOCRATS IN CONGRESS, HAVE ^{improved} IMPROVED
THESE PROGRAMS. ²

[YET] FOR EIGHT YEARS UNTIL I TOOK OFFICE, [THE] REPUBLICAN ^{President}
[PARTY] MISMANAGED THE AFFAIRS OF AMERICAN FARMERS.

¶ THEY REPEATEDLY VETOED NEEDED PRICE SUPPORT LEGISLATION.

¶ FOUR TIMES, IN 1973, 1974, AND 1975, THE TWO REPUBLICAN

PRESIDENTS

EMBARGOED FARM EXPORTS, INCLUDING THOSE TO SOME OF

OUR MOST IMPORTANT INTERNATIONAL FRIENDS... NOT ONLY

~~DID THE REPUBLICANS NOT COMPENSATE FARMERS FOR THEIR~~
^{SECURITY} PROTECT OUR NATIONAL INTERESTS BUT FOR

~~THE LOSSES, THE EMBARGOES WERE EXPRESSLY USED TO DRIVE~~
^{PURPOSE}

DOWN AMERICAN FARM PRICES.

3

¶ THERE WAS NO REAL EFFORT TO DEVELOP NEW FOREIGN
IN MEXICO AND
MARKETS, SUCH AS CHINA.

ON FOOD
¶ THE REPUBLICANS IMPOSED PRICE CONTROLS AND CUT OFF
FOOD AID TO HUNGRY NATIONS WHILE PRODUCTION COSTS
SOARED.

¶ POORLY-MANAGED GRAIN INSPECTION ALLOWED SUB-STANDARD
SHIPMENTS OVERSEAS TO TARNISH THE REPUTATION OF
AMERICAN FARMERS.

4

¶ DOMESTIC MARKETS WERE FLOODED WITH IMPORTED MEAT AT
THE WORST TIME FOR OUR FARMERS AND RANCHERS.

?

¶ IMPORT QUOTAS FOR DAIRY PRODUCTS WENT UP, TIMES IN
ONE YEAR ALONE.

BY THE TIME I TOOK OFFICE, GRAIN PRICES WERE IN A TAILSPIN,
P CATTLE PRODUCERS WERE LIQUIDATING HERDS AFTER FOUR YEARS OF
HEAVY LOSSES, FARM INCOME WAS DROPPING FAST, CONSUMERS AND
PRODUCERS WERE IN OPEN CONFRONTATION, AND OUR NATION'S REPUTATION
AS A RELIABLE EXPORTER OF FARM PRODUCTS HAD BEEN DAMAGED.

IN SHORT, THE FARM POLICY I INHERITED WAS AN UNHOLY MESS.

I CAME INTO OFFICE WITH A LIFETIME OF EXPERIENCE IN
FARMING. AS A BOY, I GOT UP AT 4 A.M. TO CATCH THE MULES AND
BE IN THE FIELD, WAITING FOR IT TO BE LIGHT ENOUGH TO KNOW
WHERE THE ROWS OF CORN AND COTTON AND PEANUTS RAN SO I WOULD NOT
PLOW UP THE CROPS ~~[AS I CULTIVATED THEM]~~ *ALONG WITH THE STEADY PACE. MULES GOT BACK* WE ~~[DID NOT COME IN~~
~~FROM THE FIELDS]~~ UNTIL AFTER SUNDOWN. *THE MULES*

LEARNING THE HARD WAY ABOUT THE HARD WORK AND
I GREW UP ~~[UNDERSTANDING]~~ THE COMPLEX ECONOMICS OF FARMING,

AND HOW VULNERABLE FARM FAMILIES ARE TO DISTANT ECONOMIC EVENTS.

I LEARNED THE VALUE OF LISTENING TO OTHER FARMERS. THAT IS WHY,

~~WHEN I BECAME PRESIDENT~~ I APPOINTED BOB BERGLAND, A FARMER,
AS MY SECRETARY OF AGRICULTURE.

THAT WAS A RADICAL DEPARTURE FROM THE REPUBLICAN POLICY
OF RECRUITING FROM THE BOARDROOMS OF LARGE AGRIBUSINESS
CORPORATIONS, FROM LARGE BANKS, AND COMMODITY EXCHANGES.

THAT MAY EXPLAIN ~~MUCH OF~~ THE REPUBLICAN INDIFFERENCE TO THE
ORDINARY FARMER.

BUT I CHANGED THAT, AND THIS IS HOW.

FIRST, WE SET OUT TO REDUCE GOVERNMENT INTERFERENCE AND
TO RETURN PRODUCTION AND MARKETING DECISIONS TO FARMERS. THE
CORNERSTONE OF THIS POLICY IS THE FARMER-OWNED GRAIN RESERVE,
WHICH HAS TAKEN GOVERNMENT OUT OF THE GRAIN BUSINESS.

THE GRAIN RESERVE HAS BECOME ONE OF THE MOST EFFECTIVE

FARM MARKETING TOOLS EVER DEvised. ** JUST LOOK AT THE RESULTS:

IN THE PAST FOUR YEARS, WE HAVE HAD SEVERAL RECORD
LARGE CROPS. IN WHEAT AND CORN, THERE HAVE BEEN BACK-TO-BACK
RECORD YEARS. ~~IN FACT~~ IN 1979 WE SAW RECORD YIELDS IN SIX
MAJOR CROPS. YET THE BOTTOM DID NOT FALL OUT OF THE MARKET,
THANKS TO THE GRAIN RESERVE. WHEN PRICES BEGAN TO WEAKEN,
ENOUGH FARMERS PUT THEIR GRAIN INTO THE RESERVE TO CUSHION
were able to hold
THE IMPACT. THEY ~~HELD~~ OFF SELLING WHEN PRICES DIPPED. WHEN
OUR FARMERS
PRICES ROSE, THEY, CASHED IN. *510*

AT THE SAME TIME WE BEGAN THE RESERVE, WE INCREASED AID
FOR BUILDING ON-FARM STORAGE. SINCE 1976, ~~THIS HELPED~~ FARMERS
on the farm
BUILD 1.8 BILLION MORE BUSHELS OF GRAIN STORAGE CAPACITY. AND,
LAST
~~IN THE PAST~~ MONTH, I ~~HAVE~~ APPROVED LEGISLATION TO HELP BUILD
MORE ~~STORAGE CAPACITY.~~

WE ~~ALSO~~ DID AWAY WITH THE OUTDATED AND RIGID ACREAGE
also freed
ALLOTMENT SYSTEM. ~~THIS FREED~~ FARMERS TO MAKE PLANTING DECISIONS

BASED ON MARKET CONDITIONS, RATHER THAN ^{FEDERAL} BUREAUCRATIC CONDITIONS. 14

THERE WERE OTHER ACCOMPLISHMENTS, TOO.

BEGINNING WITH THE FOOD AND AGRICULTURE ACT OF 1977, I

ACTED TO BRING PRICE SUPPORTS AND LOAN RATES BACK IN LINE WITH

production

COSTS. ~~[ALTHOUGH COSTS HAVE RISEN RAPIDLY]~~ I ~~[HAVE]~~ SOUGHT ^{PRICE} LEVELS ^{TO} ~~THAT~~ KEEP PACE AND ~~[HAVE]~~ ADJUSTED THEM HIGHER AGAIN WITHIN THE

w/ rapidly rising production costs

PAST 3 MONTHS. ~~[IN THE CASE OF TARGET PRICES]~~ WE ADOPTED A

for target prices *the*

FORMULA ~~BASED ON EACH COMMODITY'S~~ COST OF PRODUCTION WHEN

forecasting

THAT FORMULA FAILED TO ADJUST RAPIDLY ENOUGH, WE ~~ENACTED NEW~~

~~LEGISLATION TO~~ CORRECT IT *all with new legislation.*

JR

IN CONTRAST TO REPUBLICAN VETOES, I MOVED QUICKLY TO

RESTORE HEALTH TO THE DAIRY INDUSTRY. WITHIN WEEKS OF TAKING

OFFICE, I INCREASED THE SUPPORT LEVEL. ~~[FOLLOWING THIS]~~ WE

Then

WORKED WITH CONGRESS TO ENACT AN 80 PERCENT OF PARITY MINIMUM.

LAST YEAR WE EXTENDED THIS AUTHORITY.

*Work in progress
Hoffman*

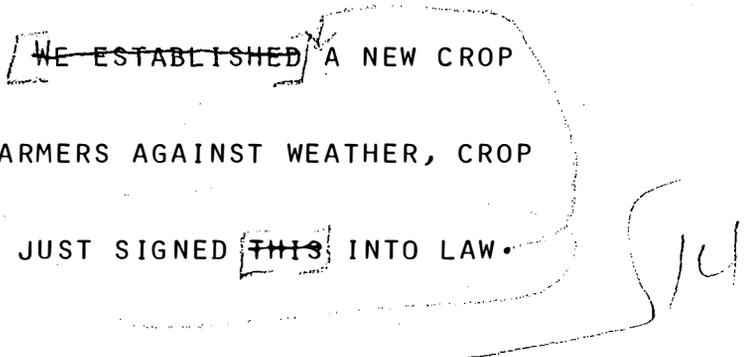
I MOVED QUICKLY TO IMPROVE OUR INADEQUATE PROMOTION OF AGRICULTURAL EXPORTS. WE LOWERED OVERSEAS BARRIERS TO OUR FARM EXPORTS WITH THE NEW TRADE TREATY CONCLUDED LAST YEAR. WE OPENED TRADE OFFICES IN KEY IMPORTING COUNTRIES. WE GREATLY INCREASED EXPORT CREDITS, AND HAVE WORKED HAND-IN-HAND WITH THE PRIVATE SECTOR THROUGH THE COOPERATOR PROGRAM. WE STRENGTHENED THE GRAIN INSPECTION PROGRAM. PERHAPS MOST IMPORTANT, WE CAREFULLY LAID THE FOUNDATION FOR OPENING IMPORTANT NEW MARKETS LIKE CHINA.

SB

~~[AT THE SAME TIME, IT IS INCREASINGLY OBVIOUS THAT WE WILL NEED EVEN GREATER PRODUCTIVITY TO MEET RISING DEMAND EVERYWHERE]~~

TO PROTECT AND PRESERVE OUR BASIC SOIL AND WATER RESOURCES, I SIGNED INTO LAW THE LANDMARK SOIL AND WATER RESOURCES CONSERVATION ACT. ~~[IN CONTRAST TO]~~ ^{*The*} REPUBLICANS ATTEMPTED TO WEAKEN THE AGRICULTURAL CONSERVATION PROGRAM, I STRENGTHENED IT. I INCREASED SUPPORT FOR AGRICULTURAL RESEARCH BY NEARLY ^{*50%*} HALF.

I ALSO MOVED QUICKLY WITH SPECIAL HELP TO FARMERS WHO
SUFFERED FROM NATURAL DISASTERS LIKE THIS SUMMER'S HEAT AND
DROUGHT. WE EXPANDED TO \$6 BILLION THE ECONOMIC EMERGENCY
LOAN PROGRAM WE BEGAN IN 1978. ~~WE ESTABLISHED~~ A NEW CROP
INSURANCE PROGRAM TO PROTECT FARMERS AGAINST WEATHER, CROP
DISEASE, AND INSECT LOSSES. I JUST SIGNED ~~THIS~~ INTO LAW.



MY ADMINISTRATION HAS ALSO SUPPORTED FARMER COOPERATIVES.
WE DEFENDED THE CAPPER-VOLSTEAD ACT AGAINST THOSE WHO WANTED
TO GUT IT. WE KEPT THE ADMINISTRATION OF THIS VITAL AUTHORITY
IN THE HANDS OF THE SECRETARY OF AGRICULTURE, WHERE IT BELONGS.
WE SUPPORTED EXPORT VENTURES BY FARM COOPERATIVES, AND GOT RID
OF REGULATIONS THAT KEPT COOPERATIVES FROM PARTICIPATING FULLY
IN COMMODITY LOAN PROGRAMS.

WE ALSO EXPANDED AND MODERNIZED FARM CREDIT PROGRAMS,
INCLUDING A SPECIAL PROGRAM FOR BEGINNING FARMERS. OF ALL
THE FUNDS LOANED BY THE FARMERS HOME ADMINISTRATION IN ITS

45 YEARS, NEARLY HALF HAVE BEEN LOANED BY THIS ADMINISTRATION.

15

MY ADMINISTRATION HAS BEEN ESPECIALLY SENSITIVE TO BOTH
AGRICULTURE'S UNIQUE ENERGY NEEDS AND ^{TO} THE OPPORTUNITY FOR
FARMERS TO BECOME PRODUCERS OF ENERGY. I ASSIGNED TO
AGRICULTURE THE HIGHEST PRIORITY ALLOCATION DURING ENERGY
SHORTAGES.

516

We passed the windfall profits tax over Republican opposition.

~~I~~ HAVE ESTABLISHED A PROGRAM TO PROVIDE OVER \$10 BILLION
DURING THIS DECADE TO PRODUCE GASOHOL FROM THE CROPS OF
AMERICAN FARMS. WHEN I TOOK OFFICE, PRODUCTION OF GASOHOL
WAS BARELY MEASURABLE. I SET A PRODUCTION CAPACITY TARGET
OF 500 MILLION GALLONS OF ALCOHOL BY THE END OF NEXT YEAR --
ENOUGH SO THAT GASOHOL WILL AMOUNT TO 10 PERCENT OF ALL
UNLEADED GASOLINE SOLD IN AMERICA. SECRETARY BERGLAND HAS
JUST APPROVED GUARANTEES FOR 15 NEW PLANTS TO PRODUCE 246
MILLION GALLONS OF ALCOHOL.

THE RESULTS OF ALL THIS SPEAK FOR THEMSELVES.

517

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IN THE FOUR YEARS OF MY ADMINISTRATION, TOTAL GROSS FARM INCOME, TOTAL NET FARM INCOME, TOTAL PRODUCTION, TOTAL CONSUMPTION, AND TOTAL FARM EXPORTS TOPPED ANY PREVIOUS FOUR-YEAR PERIOD IN HISTORY.

FARM EXPORTS, IN DOLLARS AND VOLUME, HAVE SET ^{NEW} RECORDS IN EACH YEAR OF MY ADMINISTRATION. WE WILL SET ANOTHER RECORD WITH AN \$8 BILLION INCREASE THIS YEAR, FOR A TOTAL \$40 BILLION -- THE BIGGEST ANNUAL GAIN IN HISTORY.

WE HAVE BROADENED AND DIVERSIFIED OUR EXPORTS. WE HAVE MORE THAN TRIPLED SALES TO MEXICO. WE HAVE INCREASED OUR FEEDGRAIN EXPORTS TO JAPAN AND ITALY. WE ARE NOW SELLING ALMOST SEVEN TIMES AS MUCH TO CHINA AND TAIWAN AS WE DID IN 1976. IN FACT, CHINA IS NOW THE WORLD'S LARGEST SINGLE BUYER OF OUR COTTON AND ONE OF THE LARGEST BUYERS OF OUR GRAIN.

THE SHARP DROP IN FARM PRICES THAT WE INHERITED IN 1977 HAS REVERSED. DESPITE RECORD PRODUCTION, PRICES HAVE RISEN

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STEADILY IN THE PAST FOUR YEARS.

CORN HAS GONE FROM \$1.60 IN 1977 TO OVER \$3.00;

WHEAT HAS GONE FROM \$2.00 TO OVER \$4.00;

CATTLE PRICES HAVE DOUBLED, FROM \$32 TO \$64;

MILK THAT SOLD FOR LESS THAN \$10 NOW SELLS FOR OVER \$13.

I'M NOT COMPLETELY SATISFIED WITH THAT RECORD. THE
COST SQUEEZE ON FARMERS HAS BEEN SEVERE AND HAS, ^{LIMITED} ~~KEPT~~ NET
FARM INCOME TOO LONG. BUT WE'VE MADE GOOD PROGRESS, WITH
MORE PROGRESS TO COME.

520

DOES NOT

IN CONTRAST TO THIS, MY REPUBLICAN OPPONENT MISUNDERSTANDS
THE COMPLEX REALITY OF OUR FARM ECONOMY. ^{JUST A FEW MONTHS AGO} ~~[EARLIER THIS YEAR]~~
HE SAID HE WAS NOT FAMILIAR WITH PARITY. HE ~~[ONCE]~~ SAID ~~[ABOUT]~~
FARM PRICE SUPPORTS, "YOU SUBSIDIZE THE INEFFICIENT, WHEN YOU
PUT A FLOOR UNDER THE PRICE." ~~[ABOUT DAIRY FARMERS]~~ HE SAID,
~~[MY VIEW ON]~~ DAIRY SUBSIDIES ~~[IS THAT WE]~~ ARE SUBSIDIZING THOSE
WHO COULD NOT COMPETE, ~~[AT THE EXPENSE OF THOSE WHO COULD]~~

~~POSSIBLY BRING THE PRICE DOWN IN THE MARKET PLACE."~~

TO BE FAIR, MY OPPONENT RECENTLY DROPPED A LIFETIME OF
OPPOSITION TO GOVERNMENT FARM PROGRAMS. HE NOW SAYS HE WOULD
KEEP ~~THESE SUPPORT~~ ^{THE BASIC ELEMENTS OF MY} PROGRAMS IN PLACE. HE EVEN SEEMS TO
~~SUPPORT THE 1977 FARM BILL AND THE FARMER OWNED RESERVE.~~

AND WHY NOT? THE FARM PROGRAMS OF THIS ADMINISTRATION WORK. *SPK*

THEY ARE *AM. FARMERS WILL HAVE TO DELIBER HOW CONGRUENT*
OF MR. REAGAN'S ELECTION YEAR CONVICTIONS. *521*
FOR THE NEXT FOUR YEARS, I WILL PROPOSE EVEN MORE FORWARD-

LOOKING FARM PROGRAMS. WE WILL USE THE EXPERIENCE OF THE
PAST FOUR YEARS TO DRAFT A 1981 FARM BILL THAT RESPONDS TO
VARIED FARM NEEDS, BUT MOST OF ALL, TO THE FAMILY FARM.

AS BEFORE, WE WILL WORK WITH FARMERS AND YOUR
ORGANIZATIONS IN DEVELOPING THE NEW PROPOSALS WHICH WILL SHAPE
WE ARE GOING TO CONTINUE TO REDUCE GOVERNMENT REGULATION *YOUR ECONOMIC*
LIVES.

IN OUR ECONOMY, INCLUDING AGRICULTURE.

WE WILL PUSH AHEAD ON FUEL CONSERVATION, GASOHOL AND
TRANSPORTATION SYSTEMS FOR
SOLAR INNOVATIONS. WE NEED TO IMPROVE ^AGETTING FARM PRODUCTS
TO MARKET. TO THAT END, I HAVE AUTHORIZED AN EFFORT TO

CREATE FARMER-RUN TRANSPORTATION CO-OPS MUCH LIKE RURAL
ELECTRIC CO-OPS.

522

WE ARE GOING TO HELP FARMERS EXPORT EVEN MORE -- IMPROVING
THE LINKS BETWEEN MARKET DEVELOPMENT AND ASSISTANCE TO
DEVELOPING NATIONS, AND INCREASING PROMOTION OF "VALUE ADDED"
PRODUCTS LIKE MEAT, POULTRY, BREEDING ANIMALS, AND SOY PRODUCTS.

WE WILL CONTINUE TO PROTECT OUR FARMLAND AND THE
PRODUCTIVITY OF ITS SOIL. WE WILL CONTINUE OUR EFFORTS TO
EXPAND RESEARCH AND EDUCATION.

523

BEFORE CLOSING, I WANT TO SAY A FEW WORDS ABOUT THE MOST
CONTROVERSIAL FARM ISSUE OF THE YEAR -- THE SUSPENSION OF
GRAIN SALES TO THE SOVIET UNION.

IN 1976, I PROMISED AMERICA'S FARMERS I WOULD RESORT TO
AN EMBARGO ONLY IF OUR NATIONAL SECURITY OR FOREIGN POLICY
INTERESTS WERE THREATENED, AND NEVER JUST TO KEEP PRICES DOWN.

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I KEPT MY WORD.

WHEN THE SOVIETS INVADED AFGHANISTAN LAST YEAR, I SAW
THIS FOR WHAT IT WAS: BRUTAL AGGRESSION WITH OMINOUS
IMPLICATIONS FOR THE SECURITY OF THAT REGION AND, INDEED,
THE WORLD.

AS YOUR PRESIDENT, I TOOK IMMEDIATE ACTION. I CURTAILED
RUSSIAN FISHING IN OUR WATERS. I STOPPED THE SALE OF MANY
HIGH TECHNOLOGY PRODUCTS THE SOVIETS NEEDED. I STOPPED
PHOSPHATE SALES. AND I SUSPENDED THE SHIPMENT OF GRAIN
BEYOND THAT INCLUDED UNDER OUR ^{OFFICIAL} AGREEMENT WITH THE SOVIETS.

GOVERNMENT

WHEN I ANNOUNCED THIS, I TOLD THE AMERICAN TAXPAYERS
WE ALL WOULD BEAR THE COSTS -- NOT JUST FARMERS. WE USED
TAX DOLLARS TO REMOVE FROM THE MARKET MORE GRAIN THAN WAS
ORIGINALLY SCHEDULED TO BE SOLD TO THE SOVIETS. THE NET
BUDGET COST WAS LESS THAN \$600 MILLION.

INSERT

27
I IMPOSED RESTRICTIONS ON TRADE WITH THE SOVIET UNION
FOR ONE SIMPLE REASON. THEIR INVASION OF AFGHANISTAN WAS BRUTAL
AGGRESSION WHICH THREATENED THE INTERESTS OF THE UNITED STATES
AND THE FREE WORLD. THOSE RESTRICTIONS HAVE HURT THE SOVIETS,
AND THEY ARE GOING TO CONTINUE TO HURT SO LONG AS THEY ARE FIGHTING
AND KILLING THE PEOPLE OF AFGHANISTAN.

THE PEOPLE OF THE SOVIET UNION ARE EATING EVEN LESS MEAT
THAN THEY DID FIVE YEARS AGO. THEY HAVE LESS MEAT TO EAT THAN
ANY NATION IN ALL OF EUROPE. EVEN THEIR SATELLITES ARE BETTER
OFF -- AND THEIR SITUATION IS GETTING WORSE. THIS CROP YEAR
THEY FACE A SHORTAGE OF UP TO 60 MILLION TONS OF GRAIN, AND THEY
WILL NOT ~~[BE ABLE TO EVEN]~~ COME CLOSE TO MAKING THAT UP SO LONG

AS THE UNITED STATES STANDS FIRM. AND SO LONG ~~[AS I AM PRESIDENT]~~ *SOVIET AGGRESSION CONTINUES*
AND THE SECURITY THREAT EXISTS.
WE WILL ~~DO JUST THAT~~ STAND FIRM. *WE WILL CONTINUE TO FIND*
MORE PERMANENT AND DEPENDABLE CUSTOMERS FOR FARM EXPORTS.

MY REPUBLICAN OPPONENT HAS TRIED TO MAKE POLITICAL HAY
OUT OF THIS DECISION. HE CLAIMS TO BE OPPOSED TO THE EMBARGO.
I THINK IT IS ABOUT TIME TO LOOK AT THE FACTS. THE FACT OF THE

INSERT - 2

MATTER IS THAT MR. REAGAN PUBLICLY AND DIRECTLY OPPOSED SELLING
ANY GRAIN WHATSOEVER TO THE SOVIET UNION UNTIL HE SAW A CHANCE
TO BENEFIT POLITICALLY FROM THE DECISION I MADE.

(A) → ~~THE FACT OF THE MATTER IS THAT GOVERNOR REAGAN PUBLICLY~~

~~530~~
~~CALLLED FOR EMBARGOES IN 1979 AND IN 1975.~~ THE TRUTH IS THAT HE
NEVER ONCE RAISED HIS VOICE IN OPPOSITION TO THE EMBARGOES IMPOSED
BY MR. NIXON AND MR. FORD. AND THOSE EMBARGOES WERE NOT IMPOSED
TO PROTECT OUR NATIONAL INTERESTS. THEY WERE NOT DIRECTED AGAINST
AN AGGRESSOR NATION. THEY WERE DESIGNED TO DO ONE THING AND ONE
THING ONLY: FORCE DOWN THE PRICES AMERICAN FARMERS GET FOR THEIR
CROPS.

AMERICAN FARMERS CAN DECIDE ~~FOR THEMSELVES~~ HOW MUCH CREDIT
~~THEY THINK~~ MR. REAGAN SHOULD GET FOR REVERSING FIVE YEARS OF PUBLIC,
UNQUALIFIED SUPPORT FOR FOOD EMBARGOES JUST IN TIME FOR THE ELECTION.

END INSERT

*Refer to
insert (A)*

[THE RESULTS ARE NOW CLEAR. SOVIET FEED GRAIN IMPORTS ARE OFF BY 8 TO 10 MILLION TONS. MEAT PRODUCTION IS DOWN SHARPLY. FOOD SHORTAGES THERE HAVE LED TO UNPRECEDENTED WORKER PROTESTS. AND THE HARVEST THE SOVIETS HOPED WOULD BAIL THEM OUT THIS FALL HAS FALLEN SHORT.

IN OTHER WORDS, THE GRAIN EMBARGO WORKED. THE SOVIET RULERS HAVE PAID A HEAVY PRICE OF DOMESTIC FAILURE FOR THEIR AGGRESSION, AND THEY WILL CONTINUE TO PAY A HEAVY PRICE.

FACED WITH THE SAME CHALLENGE, WHAT WOULD MY REPUBLICAN OPPONENT HAVE DONE? THAT IS HARD TO TELL.

*Insert
(A)*

IN 1975, HE SUGGESTED USING A GRAIN EMBARGO TO FORCE THE SOVIETS OUT OF ANGOLA. IN 1979, HE THREATENED A SIMILAR GRAIN EMBARGO AGAINST NIGERIA. THREE MONTHS BEFORE THE INVASION OF AFGHANISTAN, HE SAID, "IF THE RUSSIANS WANT TO BUY WHEAT FROM US... I WOULD NOT SELL IT TO THEM." [LOS ANGELES TIMES, SEPTEMBER 30, 1980.]

YET FACED BY THE FARM VOTERS OF IOWA IN FEBRUARY, HE DROPPED FIVE YEARS OF OPEN, UNQUALIFIED ADVOCACY OF FARM EXPORT EMBARGOES -- EVEN IN THE FACE OF THE FIRST SOVIET INVASION OF ANOTHER INDEPENDENT COUNTRY SINCE WORLD WAR II. HE DECIDED THAT HE OPOSED THE EMBARCO.

WHAT WOULD HE DO INSTEAD? HE SAID WE SHOULD BLOCKADE CUBA -- HALF A WORLD AWAY FROM AFGHANISTAN. MY OPPONENT NOT ONLY NEEDS A LESSON IN FARMING, HE NEEDS GEOGRAPHY, TOO.

AND HE NEEDS A LESSON ABOUT CHOOSING THE RIGHT RESPONSE TO AN OVERSEAS CHALLENGE. IF HE HAD HIS WAY THIS YEAR -- IF HE GAVE IN TO EVERY DOMESTIC PRESSURE AGAINST SOMETHING CONTROVERSIAL -- THE ONLY RESPONSE STILL OPEN WOULD HAVE BEEN MILITARY -- AND THE COST TO US WOULD HAVE BEEN THE LIVES OF OUR SONS.

AS I SAID AT THE BEGINNING OF THIS TALK, THE DIFFERENCES BETWEEN ME AND MY OPPONENT ARE GREAT. THEY ARE NOT JUST

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DIFFERENCES IN DEGREE; THEY ARE DEEP.

THEY POSE TO YOU AN IMPORTANT QUESTION: DO YOU WANT TO
PLACE THE CRITICAL QUESTIONS FACING AMERICAN AGRICULTURE --
ENERGY MATTERS, PRICE SUPPORTS, EXPORT DEVELOPMENT, SOIL
CONSERVATION, COOPERATIVES, AND SCIENCE AND EDUCATION -- IN
THE HANDS OF A ^{MAN} ~~REPUBLICAN~~ WHO HAS NOT SHOWN A BASIC GRASP
OF OUR FARM ECONOMY?

OR DO YOU CHOOSE ANOTHER FUTURE, GUIDED BY THE STEADY
AND EXPERIENCED LEADERSHIP OF SOMEONE ^{LIKE} LIKE YOU, A FARMER --
WORKING WITH BOB BERGLAND, A FARMER --
¹ WHO UNDERSTANDS THE PROBLEMS AND OPPORTUNITIES BEFORE *OTHER*
AMERICANS FARMERS?

I WANT TO STRENGTHEN OUR FARM ECONOMY -- FOR YOUR SAKE,
FOR THE SAKE OF THE AMERICAN PEOPLE. I AM ASKING FOR ANOTHER
FOUR YEARS AS YOUR PRESIDENT TO ACCOMPLISH THAT. I NEED
YOUR HELP ON NOVEMBER 4. THANK YOU, AND GOD BLESS YOU.

#

from trip
10/24/80 - 10/25/80

Reagan, in Direct Attack, Assails Ford on Defense

By JON NORDHEIMER

Special to The New York Times

ORLANDO, Fla., March 4 — Ronald Reagan charged today in his most direct attack on President Ford, that the President had failed to provide the United States with "vision and leadership" and that under his tenure the nation had fallen militarily behind the Soviet Union.

Expressing a "deep concern" over national security that went "beyond politics," the former Governor of California said that the President and Secretary of State Henry A. Kissinger "must be held accountable to history" for permitting the United States to slip behind the Russians in military power.

The explicit attack on the President marked a departure from Mr. Reagan's often-stated position that the Republican primary was an opportunity for the discussion of issues, but not personalities.

The remarks, made in a prepared statement given out at a news conference held on Mr. Reagan's return to Florida to make a final four-day push for votes in Tuesday's primary, indicated that the hawks among

the challenger's advisers, who have argued for sharper references to the President, had won out.

In Washington, President Ford, through two aides, dismissed Mr. Reagan's attack.

"There's nothing fundamentally new in it," Howard H. Callaway, the chairman of the President Ford Committee, said.

Ron Nessen, the Presidential press secretary, said that the Ford's record was so well known that "I really don't think any response is necessary."

Under questioning in Orlando, Mr. Reagan said that he was only discussing issues and had not attacked Mr. Ford personally.

His choice of words, however, seemed to refute that.

"Despite Mr. Ford's evident decency, honor and patriotism, he has shown neither the vision nor the leadership necessary to halt and reverse the diplomatic and military decline of the United States," Mr. Reagan

Continued on Page 10, Column 3

Reagan Assails Ford on Defense Policies

Continued From Page 1, Col. 3

asserted. "That is the truth, and even those of us who like Gerald Ford as a person know it is the truth. I believe in the peace of which Mr. Ford speaks, as much as any man. But in places such as Angola, Cambodia and Vietnam, the peace they have come to know is the peace of the grave.

"All I can see is what other nations the world over see: collapse of the American will and the retreat of American power. There is little doubt in my mind that the Soviet Union will not stop taking advantage of detente until it sees that the American people have elected a new President and appointed a new Secretary of State."

Concessions Decried

He said that the framework of detente, as pursued by the Administration, was one of "making pre-emptive concessions" while the Soviet Union was engaged in military and diplomatic adventures around the world.

"Last year and this, the Soviet Union using Castro mercenaries, intervened decisively in the Angola civil war and invited the Chinese 'forces,'" he said. "Yes, Messrs. Ford and Kissinger continue to tell us that we must not let this interfere with detente."

The time has come, he said, for the President to tell the country what benefits are derived from detente.

"We have given the Soviets our trade and our technology. He went on: "At Kissinger's insistence, Mr. Ford snubbed Alexander Solzhenitsyn, one of the great moral heroes of our time.

"What has the United States gotten in return, other than

Soviet belligerence in the Middle East, Soviet duplicity in Southeast Asia and Soviet imperialism in South Central Africa?

"Mr. Ford and Dr. Kissinger ask us to trust their leadership, which I confess I find that more difficult to do. Henry Kissinger's stewardship of the United States foreign policy has coincided precisely with the loss of United States military supremacy."

He indicated that his own policy, if he was elected President, would be to deal with the Soviet Union from a position of power.

"The truth is that this nation must, just less in the pre-emptive concessions we are granting the Soviet Union and more in the re-establishment of American military superiority," he said.

The candidate, who has lost three primaries to the President — New Hampshire, Massachusetts and Vermont — said that his campaign had reached the point where he thought it was now necessary to "draw a line of fundamental differences" with Mr. Ford. His aides said that the response was needed because Mr. Ford's political lieutenants had attempted to obscure the differences between the two candidates.

However, the change of tactics from Mr. Reagan's previously embraced 11th commandment — "Thou shall not speak of a fellow Republican" — appeared more closely connected with evidence that Mr.

Reagan's early lead in Florida withered in recent weeks.

The challenger, therefore, now seems convinced that the danger he faces in a possible loss of Florida next week exceeds the danger inherent in attacking the President frontally and inviting a backlash from those in the Republican Party who feel that such a tactic is divisive and uncalled for in a party primary.

Ford's Reaction

Special to The New York Times

WASHINGTON, March 4 — President Ford and his campaign chairman, Howard H. Callaway, dismissed today as unfit for reply Mr. Reagan's sharp attack on the President's foreign policy.

"There's nothing fundamentally new in it," Mr. Callaway said of Mr. Reagan's criticisms of detente with the Soviet Union.

"It's the kind of thing you could read in every right-wing magazine in the last five years," he added.

Ron Nessen, the President's spokesman, indicated indifference to the blunt attack by Mr. Ford's rival for the Republican nomination.

"The President's record and leadership in keeping the national defense second to none is so well known that I really don't think any response is necessary," he said. Mr. Nessen added that the President had made a similar remark after being advised of Mr. Reagan's statements in Orlando, Fla.

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Reagan Charges U.S. Has Lost Military Supremacy, Blames Ford and Kissinger

BY RICHARD BERGHOLZ
Times Political Writer

ORLANDO, Fla.—President Ford has shown "neither the vision nor the leadership necessary to halt and reverse the diplomatic and military decline" of the United States, Ronald Reagan said Thursday.

And Secretary of State Henry A. Kissinger's stewardship of U.S. foreign policy has "coincided precisely with the loss of U.S. military supremacy," the Republican presidential candidate said.

"It is the truth," Reagan said, "and even those of us who love Gerald Ford as a person know it is the truth."

Reagan denied to newsmen that his references to the President and Kissinger violated his self-imposed "11th commandment"—"Thou shall speak no evil of another Republican"—because, he said, he was simply "reciting the record" and there is nothing wrong with that.

Under heavy pressure from his campaign advisers to toughen up his verbal attack on Ford before next Tuesday's GOP primary in this state, Reagan settled on the foreign policy issue as the most vulnerable spot in Ford's armor.

"Mr. Ford and Dr. Kissinger ask us to trust their leadership," he said. "I confess I find that more and more difficult to do."

"I fear for my country when I see White House indifference to the decline in our military position, when election year rhetoric is used as substitute for strength."

"I worry when I see Henry Kissinger rushing to Moscow to bargain away our technological breakthrough in the cruise missile, a weapon system which may help restore strategic equality."

Reagan said the rest of the world saw what he saw—collapse of the American will and the retreat of American power.

And the Russians will not back off, he said, until they see "that the American people have elected a new President and appointed a new secretary of state."

Reagan said that as President, he would build up the armed might of the United States because "all our smiles and concessions have not brought genuine peace any closer."

Ford has said he no longer wants to use the word "détente" in the campaign and Reagan said Thursday. "I don't think that just not using the name anymore is going to change the fact that the game remains the same—and the game is what's wrong."

"The reason détente is unpopular with the people is because the program of détente is a failure."

No matter what Ford says, détente remains very much of a campaign issue, Reagan said. "I don't care what he calls it—our foreign policy has no cohesion."

At a news conference here carried live in Florida by all



CAMPAIGNER—Ronald Reagan at a news conference in Orlando, Fla. Left is his wife, Nancy. AP Wirephoto

three networks at Reagan's request, the former governor said that he, as President, would continue to support the

"concept" of détente as long as it served as a "two-way street" toward relaxation of tensions with the Communist world.

However, four hours later, Reagan told a rally at Rollins College that the answer was "if I didn't think I could do better, I wouldn't be here asking for your support."

Reagan refused to say what he would have done in the Angola crisis and denied that, in effect, he was raising a "soft on Communism" issue against Ford and Kissinger.

He said, however, that he was deliberately using the détente issue to show the campaign differences between himself and the President.

As he had said last Saturday, Reagan stressed that Tuesday's election in Florida would not make or break him in his bid for the nomination, adding that "there is a great, unnatural importance put on these first primaries."

He said that no one was going to sweep all of the early primaries, although Ford has won the first three, and that he was "satisfied" with the way things were going for him. "As long as I remain up there, splitting the vote with the President in these first few primaries, that is proof of a candidacy that should continue," Reagan said.

He talked about holding his vote percentage "in the forties" so he would not have to think of any course but to stay in the race.

On his way to Florida from his home in California, Reagan celebrated his 24th wedding anniversary with his wife, Nancy, by cutting a cake and sipping champagne.

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