SOME ASPECTS OF THE POLITICS OF AGRICULTURAL EXPORT SURPLUS DISPOSAL THROUGH PUBLIC LAW 480

by

Robert George Crouch

A Thesis Submitted to the Faculty of the DEPARTMENT OF AGRICULTURAL ECONOMICS In Partial Fulfillment of the Requirements For the Degree of MASTER OF SCIENCE In the Graduate College UNIVERSITY OF ARIZONA

1963
STATEMENT BY AUTHOR

This thesis has been submitted in partial fulfillment of requirements for an advanced degree at The University of Arizona and is deposited in The University Library to be made available to borrowers under rules of the Library.

Brief quotations from this thesis are allowable without special permission, provided that accurate acknowledgment of source is made. Requests for permission for extended quotation from or reproduction of this manuscript in whole or in part may be granted by the head of the major department or the Dean of the Graduate College when in their judgment the proposed use of the material is in the interests of scholarship. In all other instances, however, permission must be obtained from the author.

SIGNED: Robert George Crook

APPROVAL BY THESIS DIRECTOR

This thesis has been approved on the date shown below:

Elmer L. Menzie
ELMER L. MENZIE
Assistant Professor in Agricultural Economics

May 6, 1963
ACKNOWLEDGMENTS

The author wishes to express his appreciation to Dr. Elmer L. Menzie for his many hours of valuable guidance and assistance throughout this thesis program.

Special appreciation goes to Dr. Jimmye S. Hillman, Head of the Department of Agricultural Economics, for his constant encouragement during the author's graduate studies, as well as for his advice and guidance in developing this thesis.

To Drs. M. M. Kelso and R. A. Gomez, the author also wishes to acknowledge his debt for their critical evaluation of the manuscript.

Mrs. Helen Dely also deserves credit for editing and typing the final thesis draft.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>The Problem Situation</td>
<td>1</td>
</tr>
<tr>
<td>The Growth of Agricultural Surplus</td>
<td>1</td>
</tr>
<tr>
<td>Provisions of PL 480</td>
<td>7</td>
</tr>
<tr>
<td>The Objectives</td>
<td>8</td>
</tr>
<tr>
<td>The Method</td>
<td>9</td>
</tr>
<tr>
<td>Legislative Subsystem</td>
<td>9</td>
</tr>
<tr>
<td>Evidence</td>
<td>10</td>
</tr>
<tr>
<td>Discussion</td>
<td>11</td>
</tr>
<tr>
<td>II HISTORICAL ABSTRACT</td>
<td>13</td>
</tr>
<tr>
<td>Precipitating Events</td>
<td>13</td>
</tr>
<tr>
<td>The Original Act</td>
<td>15</td>
</tr>
<tr>
<td>Amending Legislation</td>
<td>19</td>
</tr>
<tr>
<td>III DOMESTIC ISSUES</td>
<td>26</td>
</tr>
<tr>
<td>Goals and Means Conflict</td>
<td>26</td>
</tr>
<tr>
<td>Agricultural Interests</td>
<td>26</td>
</tr>
<tr>
<td>Opposing Approaches to the &quot;Farm Problem&quot;</td>
<td>28</td>
</tr>
<tr>
<td>Free Market Philosophy</td>
<td>29</td>
</tr>
<tr>
<td>Government Assistance Philosophy</td>
<td>30</td>
</tr>
<tr>
<td>Historic Export Market</td>
<td>32</td>
</tr>
<tr>
<td>Permanent or Temporary?</td>
<td>33</td>
</tr>
<tr>
<td>Magnitude of Disposal</td>
<td>37</td>
</tr>
<tr>
<td>Surplus--Asset or Burden?</td>
<td>39</td>
</tr>
<tr>
<td>Public Image</td>
<td>41</td>
</tr>
<tr>
<td>Reduction of Surplus?</td>
<td>44</td>
</tr>
<tr>
<td>Effects on Other Economic Sectors</td>
<td>46</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS (Continued)

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barter Program</td>
<td>49</td>
</tr>
<tr>
<td>Administration Opposition</td>
<td>49</td>
</tr>
<tr>
<td>Congressional Support</td>
<td>50</td>
</tr>
<tr>
<td>Nongovernment Reaction</td>
<td>52</td>
</tr>
<tr>
<td>Summary</td>
<td>55</td>
</tr>
<tr>
<td>IV</td>
<td>FOREIGN ISSUES</td>
</tr>
<tr>
<td>Food Aid and Assistance</td>
<td>57</td>
</tr>
<tr>
<td>Favorable Arguments</td>
<td>57</td>
</tr>
<tr>
<td>Opposition Arguments</td>
<td>61</td>
</tr>
<tr>
<td>Foreign Currency Utilization</td>
<td>64</td>
</tr>
<tr>
<td>Propaganda Value</td>
<td>66</td>
</tr>
<tr>
<td>Summary</td>
<td>68</td>
</tr>
<tr>
<td>V</td>
<td>PARTICIPANTS, ROLES, AND INTERACTION...</td>
</tr>
<tr>
<td>Legislators</td>
<td>70</td>
</tr>
<tr>
<td>Administrator-Legislator Interaction</td>
<td>72</td>
</tr>
<tr>
<td>Opposition Parties</td>
<td>72</td>
</tr>
<tr>
<td>Antibureaucrat Sentiment</td>
<td>73</td>
</tr>
<tr>
<td>Department of Agriculture</td>
<td>74</td>
</tr>
<tr>
<td>Department of State</td>
<td>77</td>
</tr>
<tr>
<td>Interest Group-Legislator Interaction</td>
<td>79</td>
</tr>
<tr>
<td>Divergent Goals</td>
<td>80</td>
</tr>
<tr>
<td>Degree of Influence</td>
<td>80</td>
</tr>
<tr>
<td>Summary</td>
<td>82</td>
</tr>
<tr>
<td>VI</td>
<td>OBSERVATIONS</td>
</tr>
<tr>
<td>The Issues</td>
<td>84</td>
</tr>
<tr>
<td>Role Within the &quot;Farm Problem&quot;</td>
<td>84</td>
</tr>
<tr>
<td>Side Effects</td>
<td>85</td>
</tr>
<tr>
<td>CHAPTER</td>
<td>Page</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>The &quot;Morality&quot; of the Program</td>
<td>86</td>
</tr>
<tr>
<td>The Foreign Aid</td>
<td>87</td>
</tr>
<tr>
<td>The Participants</td>
<td>88</td>
</tr>
<tr>
<td>Legislators</td>
<td>88</td>
</tr>
<tr>
<td>Administrators</td>
<td>90</td>
</tr>
<tr>
<td>Others</td>
<td>92</td>
</tr>
<tr>
<td>Trends</td>
<td>95</td>
</tr>
<tr>
<td>The Future</td>
<td>97</td>
</tr>
<tr>
<td>BIBLIOGRAPHY</td>
<td>100</td>
</tr>
<tr>
<td>APPENDICES</td>
<td>106</td>
</tr>
</tbody>
</table>
LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Exports of U. S. Farm Products under Public Law 480, Fiscal Years 1955-1962</td>
<td>96</td>
</tr>
</tbody>
</table>

LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Price support inventories at end of fiscal year 1951 through 1961</td>
<td>2</td>
</tr>
<tr>
<td>2. Theoretical supply-demand relationship in agriculture</td>
<td>4</td>
</tr>
<tr>
<td>3. Trade model under price support and subsidy program</td>
<td>6</td>
</tr>
</tbody>
</table>
CHAPTER I

INTRODUCTION.

The Problem Situation

The Growth of Agricultural Surplus

By 1953 an alarming rise in the quantity of surplus agricultural commodities in government inventories was becoming increasingly evident. As indicated in Figure 1, price support inventories of the Commodity Credit Corporation reached a value of over two billion dollars at the end of fiscal 1953. It appeared that existing methods of governing surplus accumulation either through production control or disposal activities were inadequate. In order to provide an additional means of relieving the social and economic costs associated with government ministration of excess commodities, Congress enacted Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. Figure 1 also indicates the subsequent levels of surplus accumulation through 1961. Concomitantly, the PL 480 program has been continued and appreciably expanded throughout these years in order to meet the growing surplus problem.

Figure 1. Price support inventories at end of fiscal year 1951 through 1961.
In agriculture a combination of conditions exists which has brought about the pattern of surplus production. Technological development in recent times has tended to increase the productivity and thus the supply of agricultural products at a greater rate than the increase in demand for those products. Additionally, the domestic demand schedule is relatively inelastic for both price and income; that is, the domestic demand for food is relatively unaffected by price or income changes. The resultant effect of these conditions has been a declining market price for agricultural commodities. This is illustrated in Figure 2, where \( E \) represents the initial equilibrium price determined by the supply schedule, \( SS \), and demand schedule, \( DD \), at some earlier period, and \( E' \) is the new equilibrium resultant in shifts in the supply and demand schedules, \( S'S' \) and \( D'D' \), respectively, at a subsequent time.

In order to relieve the financial pressure and hardship on farmers brought about by the declining price trend, higher prices have been guaranteed to the farmer through government legislation. This legislated price has in turn resulted in marketing difficulties and accumulation of surpluses in government stockpiles.

The seemingly uncontrollable increase in accumulation of this surplus in government hands stimulated the search for more effective approaches to the problem. Since the export market has traditionally
Figure 2. Theoretical supply-demand relationship in agriculture.
taken a large share of selected U. S. agricultural products, it was to this market that economic policy makers turned for relief.\(^1\)

The role of the export market in reducing surpluses under a domestic price support program may be illustrated by Figure 3, where SS and DD are the supply and demand schedules for some commodity in the U. S. and where S'S' and D'D' are similar schedules for the same commodity in "other countries." Considering the domestic market alone, the equilibrium point is P; however, establishment of support price \(K\) results in surplus EF with prices too high to allow for exports. If a government subsidy equal to KA is applied, an amount BC = B'C' will be exported assuming no tariffs or transportation costs, and the "world" price would equilibrate at some level A. The surplus product EF could thus be reduced by that quantity BC = B'C' or EF leaving only quantity JF surplus at support price K.

In order to sell additional surpluses to countries short of foreign exchange, PL 480 provides for foreign currency sales, gifts, and exchanges. This law provides for transactions in surpluses above those which flow with the subsidy alone.

Figure 3. Trade model under price support and subsidy program.
Provisions of PL 480

Since inception of the original law in 1954, the objectives and scope of PL 480 have expanded until it is now concerned with foreign policy, humanitarian assistance, and economic development, as well as an outlet for current and future U.S. agricultural products. Today, the effective legislation consists of a complex of programs within four specific titles.¹

Under Title I the U.S. government, in effect, supplies quantities of surplus commodities to foreign nations for payment in their own currencies. This is particularly directed toward countries suffering from a dollar shortage or lack of convertibility of their own currencies. These currencies have limited uses such as payment of U.S. obligations and diplomatic expenses and agricultural market development activities. Many are also used to finance economic development as well as scientific and educational projects within the recipient country.

Title II provides for donations of emergency food supplies to people in disaster areas. This is a government-to-government type of program for temporary relief in instances of floods, crop failures,

earthquakes, and other natural disasters. Food assistance has also been used under this title to supplement children's diets and to provide food-wages in economic development programs.

Under one program of Title III, donations of food are made to welfare organizations which administer distribution through summer camps, refugee centers, school lunches, family feeding, and other programs. These distributions are made to both domestic and foreign consumers. A second program under Title III allows the Commodity Credit Corporation to barter surplus commodities for strategic materials, goods or equipment required for our national stockpile.

The provisions of Title IV authorize the export of farm products in exchange for long-term, low interest notes. Under this title the U. S. government may enter into agreements with governments of other nations for delivery of surplus agricultural commodities for periods up to 10 years and for credit periods of up to 20 years. The payment is ultimately made in U. S. dollars.

The Objectives

This study is an attempt to discover the goals of Public Law 480 and the forces behind its formulation. A presentation will be made of the political, social, and economic issues which were considered by the various legislators, administrators, and other interest groups.
This discussion will be made in light of the inherent conflicts of interest among those concerned with this legislation.

In some instances tentative observations will be made as to the effect of various issues, as well as the effectiveness of their proponent groups, in influencing policy formation. Also, some inference will be made concerning the manner in which the American political system affected the ultimate content of the PL 480 legislation. Suggestions will also be made where further research might be beneficial to legislators in areas where there appears to be a lack of information or evidence of confusion or conflict of goals.

The Method

The Legislative Subsystem

The particular focus of this investigation is centered upon a "legislative subsystem." It is drawn from formal legislative procedure as well as the informally involved roles of policy determining participants and influences. The Federal Constitution of the United States duly specifies the means whereby Congress enacts the laws of the nation. This formally-proclaimed structure and procedure has been supplemented by the continued evolution of an informal assemblage of procedures.

Due to the increasing magnitude and complexity of legislative demands, Congress has established a committee system. The standing
committees have been delegated much of the responsibility of formulating the finished statements of law in view of the long deliberations on many specialized considerations which are essential to competent policy formation.

The interest or interest groups impinging upon the subsystem might be seen as including nongovernmental influence as well as that of the administration, the political parties and the committee members, themselves. Much political activity on any particular policy issue certainly occurs outside the official world. However, a great bulk of observable evidence is exhibited during committee hearings and congressional floor debates. It is with this evidence that this investigation is primarily concerned. ¹

Evidence

An extensive survey of public hearings of House and Senate committees and subcommittees concerned with agricultural legislation has been made covering the 83rd through the 87th Congresses. House and

Senate Committee reports and the Congressional record during this period also provided information.

Discussion

The presentation and discussion of evidence concerning the political evolution of Public Law 480 has been carried out in context of three individual foci—the historical sequence, the issues, and the participants. First, a brief legislative history of the entire program through 1962 has been presented, including some of the events which lead to its initial enactment. This has been followed by a discussion of the various issues and considerations which arose during the public debate and hearings on PL 480. The third focus centers upon the legislators and other interested parties and their interaction in the policy-making process. The three individual discussions were then drawn upon for general observations concerning the determination of Public Law 480 and its role in the larger "farm problem"

Attempts at analyzing and drawing conclusions from phenomena in social sciences research must inevitably be tentative. However, this must be done if the effort is to be of value. David E. Butler wrote that the approach of a person engaged in this type of research

...must be one of looking and guessing, of describing and explaining, of making observations and applying common sense, not with
any particular pretense of scientific precision or logical rigour but with a cautious dependence upon his own honesty and judgement.¹

CHAPTER II

HISTORICAL ABSTRACT

Precipitating Events

Since the early years of World War II the concept of marrying programs intended to stimulate agricultural exports to programs of foreign economic aid has become increasingly prominent.¹ The war, itself, provided a ready-made increase in food and fiber demand and such programs as Lend-Lease insured a means of purchase for foreign buyers. In postwar years food shortages, combined with the Marshall Plan and other aid programs, continued to provide an outlet for America's increasing agricultural productivity.

By 1949 world production had recovered enough to appreciably cut into American markets, and a surplus was rapidly accumulating. The Korean War temporarily alleviated the effects of the surplus problem, but by 1953 agricultural productivity was again rapidly outdistancing the demands placed upon it.

Indications of the discomfort to politicians of mounting inventories of surplus commodities were becoming increasingly evident. President Eisenhower stated in a message to Congress:

Our large wheat reserves have created a grave storage problem, demanding unusual and sometimes costly storage measures.¹

During 1953 a request for aid from the government of Pakistan was received as a result of a serious drought and famine in that country. The response was a program which provided for donations of Commodity Credit Corporation wheat to people in Pakistan who were unable to pay for it as well as sales for Pakistani currency. This currency was, then, to be used within the country for further aid programs.

The duality of purpose contained in this program was simply stated by Senator Milton Young of North Dakota:

It is a step in the right direction to dispose of some of our burdensome surpluses, and at the same time help foreign countries that are in need of food.²

Two general programs were also enacted in 1953 embodying this same duality--The Mutual Security Act of 1953 and Public Law 216, An Act to Make Agricultural Commodities Available to Friendly Countries to Assist in Famine or Other Urgent Relief.

The evolution of the multigoal, multichannel program found its culmination in Public Law 480.

The Original Act

Pinpointing the exact time and place of conception of the PL 480 idea can only be a matter of conjecture. The incidents which surrounded its initial formulation are somewhat obscure as no public hearings were held by the Senate subcommittee which drafted the original bill. On 22 July, 1953, the Senate Committee on Agriculture and Forestry met in executive session and announced that it had appointed a subcommittee to draft a bill for the disposal of surplus agricultural commodities.¹

Only two days later Senator Andrew F. Schoeppel of Kansas, Chairman of the appointed subcommittee, introduced before the Senate a bill, S. 2475, "...to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes."² A clue to this somewhat abrupt introduction might

be found in the public proceedings of the Senate Agriculture and Forestry Committee on 16 July, just six days prior to the subcommittee's appointment. At this time hearings were called to consider S. 2249 which was the previously mentioned bill to give the President emergency famine assistance authority. The early part of these hearings was devoted to discussion of specific provisions of that bill; however, with the testimony of Senator Hubert Humphrey, the hearings took a new tack. He made a strong plea for a greatly expanded program of surplus utilization stating:

The first point I would like to make is that we have got to look upon America's food abundance, not as a liability, which many people are apparently trying to do, but as a real asset.¹

In his filed statement he wrote,

...the President needs a wide array of tools and means of getting the job done. It is not wise to impose handicaps and restraint upon the President's authority to utilize the tremendous commodity known as American food abundance.²

Senator Humphrey outlined a multifaceted program which included donations, sales at world market prices, sales at concessional prices, long-term loans, sales for native currencies and trade of

¹ U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearing on S. 2249, Emergency Famine Assistance Authority, 83rd Cong., 1st Sess., 1953, p. 28.
² Ibid., p. 28.
commodities for strategic stockpile materials. He also recommended the utilization of voluntary relief organizations wherever possible.¹

Mention was made of the "Many constructive proposals... advanced by other Senators that would serve the same purpose..." However,

Rather than attempting a piecemeal solution of achieving the twin aims of strengthening our foreign policy through use of American farm products and also stabilizing our farm economy through developing new world outlets, I respectfully suggest that this committee undertake a study of all these constructive suggestions with a view toward combining them into an over-all single package, a comprehensive new program for increased utilization of American farm products throughout the world.²

Probably no individual aspect of this idea was original with Senator Humphrey.³ Many bills had been introduced into both Houses of Congress in the past which described various methods of surplus utilization. Most of these former proposals, however, were concerned with only one or two channels of distribution with far less complex and limited goals.

Initial debate in both the House and Senate on what was to become PL 480 covered a broad scope of considerations. The final policy

¹ Ibid., pp. 26, 27.
² Ibid., p. 27.
³ Letter to author from Senator Hubert H. Humphrey, January 14, 1963.
statement which evolved reflected this breadth and declared as goals of the law:

...to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor. It is further the policy to use foreign currencies which accrue to the United States under this Act to expand international trade, to encourage economic development, to purchase strategic materials, to pay United States obligations abroad, and to promote collective strength or further in other ways the foreign policy of the United States.\(^1\)

To carry out these goals the initial act provided the basic essentials of Titles I, II, and III described in Chapter I. It also set limitations of $700 million and $300 million for Titles I and II, respectively, to be appropriated for reimbursing the Commodity Credit Corporation for commodities transferred through June of 1957. No funding limitations were placed on Title III programs.\(^2\)

\(^1\) 68 Stat. 454.

\(^2\) Ibid.
On 30 June the Conference Committee's report was agreed to by both chambers of the legislature and on 10 July, 1954, the President signed PL 480 into law.

Amending Legislation

In 1955 there appeared to be a general impatience on the part of the legislators with the administration's cautious implementation of the law. A ceiling of $453 million on foreign currency sales transactions had been set by the administration for the fiscal year. Of this, Senator Eastland stated:

If it had not been for that ceiling, we would have twice the exports of wheat and dairy products and cotton as we now have.¹

The State Department was selected for particular criticism. It was accused of subordinating farming interests to others to the point of reducing the disposal program to ineffectiveness.²

The resulting amendment to PL 480 which was signed into law on 12 August, 1955, added authorization to expend $800 million more for the Title I program through June of 1957. It additionally stated that

¹ U. S. Congress, Senate, Subcommittee of the Committee on Agriculture and Forestry, Hearings on Administration of the Agricultural Trade Development and Assistance Act of 1954..., 84th Cong., 1st Sess., 1955, p. 34.

² Ibid., pp. 48-49.
this amount "...be considered as an objective as well as a limitation."\(^1\)

In May of 1956, section 208 of the Agricultural Act of 1956 provided for an additional $200 million authority for Title II programs.\(^2\) Later that year, Public Law 962 provided for another $1.5 billion for Title I, bringing the total expenditures authorized for that title to $3 billion up to the end of fiscal 1957.\(^3\)

PL 962 also exempted shipments of fruit and fruit products under Title I from the cargo preference laws. Under these laws at least 50 percent of commodities shipped were required to do so in American-owned vessels.

The most fervently debated amendment to PL 480 in 1956 was a provision to allow barter agreements to be negotiated with Communist satellite nations. It was, however, defeated.\(^4\)

In 1957 the expenditure of an additional $1 billion for Title I and $300 million for Title II programs was authorized. The time was also extended to 30 June, 1958. The principal issue of that year was

\(^1\) 69 Stat. 721.

\(^2\) 70 Stat. 201.

\(^3\) 70 Stat. 988.

the barter program of Title III. The legislators generally felt that the administration was hampering the disposal of potentially large quantities of commodities via this program. The administration's viewpoint was that barter transactions were supplanting rather than supplementing regular dollar sales.

Also during 1957 the Senate Agriculture and Forestry Committee held public hearings for the frank purpose of overcoming the "... failure of the public to be fully informed about the beneficial effects... of this program to the departments of our government other than the Department of Agriculture. Here, the desired objective was to illustrate the great benefits to the entire world arising out of abundance of American agriculture.

---


2 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, p. 4.
In addition to the financial and time extensions, legislation that year opened barter to the satellite nations and extended the uses of Title I foreign currency "counterpart" reserves.\(^1\) The new provision allowed funds to be loaned to American businesses for private trade development and expansion not in competition with American agricultural products.

Deliberations on the barter program were the focal point of PL 480 politics in 1958.\(^2\) Legislation that year included a mild directive that the Secretary of Agriculture "shall" barter under various conditions set forth in PL 85-831. This amendment also extended Title I sales authorization for one and one-half years and increased its financial limitation by $2.25 billion. The allowable uses of the fast accumulating foreign currency proceeds of Title I sales were again supplemented.\(^3\)

A general expansion of programs under PL 480 occurred in 1959. An entirely new Title IV provided for dollar credit sales of surplus commodities for long-term, low-interest notes. Under this Title the concept of long-term planning and programming was recognized in that deliveries for dollar credit could be scheduled over periods of up

---

1 71 Stat. 345.


3 72 Stat. 1790.
Another addition was the inclusion of a food stamp plan to further implement domestic donations to the needy under Title III. Several new uses of foreign currency counterpart funds were authorized including provision for donation of up to the equivalent of $5 million for emergency and disaster relief. Title I sales authorization was extended to 31 December, 1961, and increased by $1.5 billion per year through that time. Authorization for Title II donations was $300 million each for 1960 and 1961.2

No extensions of PL 480 were necessary in 1960; however, three laws involved extension of program time and financial authorization during 1961. Early in the year, the Kennedy Administration asked for a $2 billion increase in Title I funds for the remainder of the calendar year.3 Public Law 87-28 was signed on May 4th providing the increase. On 20 July, Public Law 87-92 was enacted providing for an extension of authority to use Title II funds for economic development projects.4 Later, within the Agriculture Act of 1961, PL 87-128, program authorizations were made through the calendar year 1964 for Titles I and II. Additionally, Title I was granted $4.5 billion and Title

1 73 Stat. 606.
2 Ibid.
3 75 Stat. 64.
4 75 Stat. 211.
II $900 million for this time period. Several additional uses for foreign currency accumulations were also authorized.¹

During 1962 political consideration of the surplus disposal program was greatly overshadowed by debate over other provisions of the Administration's omnibus farm bill. When the Food and Agriculture Act of 1962 finally became law there were only a few minor refinements to the existing PL 480 program. Among them were provisions expanding Title II school lunch donations and authorizing the Secretary of Agriculture to enter into agreements with other supplying countries in considering Title IV sales.²

This brief historical resume by no means exhausts all legislation which affects the programs carried out under the original PL 480. A complete catalog of all affecting laws is beyond the intent and scope of this study. It would include statutes governing the operation of the Commodity Credit Corporation, the Mutual Security Acts, Maritime Acts, the Military Construction Act, and many others.³

¹ 75 Stat. 316.
² 76 Stat. 605.
The historical outline presented in this chapter is intended to serve as a framework within which to view the particular considerations in the political evolution of this program.
CHAPTER III

DOMESTIC ISSUES

Goals and Means Conflict

Public Law 480 is strongly characterized by a basic pluralism—both in its many goals and in its increasing number of means. Section 2 of the Act declares certain goals as the nominal policy of the Congress. Additionally, as will be seen, many other objectives—both stated and implied—have been attributed to the program. The policy makers have been far from agreement on the nature and extent of objectives. Moreover, the over-all complexity is intensified by the fact that the goals are often in conflict with each other. Similarly, the means of attaining the goals, while not necessarily in conflict, do, at times, compete with one another.

Agricultural Interests

One of the most basic considerations underlying many points of contention has been the frame of reference of the participants. At times issues appeared to boil down to benefits of the agricultural sector as opposed to benefits to the entire nation or simply the nonagricultural
sector. A statement of this conflict arose during a session on the floor of the House where a strong opposition to the over-all surplus program was evident.

Rep. Mason, Illinois: It is a fact, is it not, that the Committee on Agriculture voted unanimously in support of this bill?

Rep. O'Neill, Massachusetts: That is true.

Mason: And it is also a fact that the Committee on Agriculture has as its main objective the benefit of the American farmers in getting rid of these surpluses; is that not a fact?

O'Neill: That is true.

Mason: In view of those two facts, the Committee on Agriculture cannot be expected to have in mind the economic welfare or the general well-being of the people of this nation. They can only keep in mind the welfare of the farmers...1

The lines, however, were seldom defined this sharply and a somewhat broader attitude was usually found such as indicated by Rep. Reuss of Wisconsin:

...we are not just the Committee on Agriculture, we are a committee that has to consider our total national interests.2

---


At times a more subtle evaluation occurred in the recognition of agriculture as being one of many so-called "basic" industries which may be looked at as a part of or apart from--the total economy:

Rep. Jennings, Virginia: Do you agree with my theory, at least, that agriculture is the basis of our economy, Mr. Secretary?

Secretary Benson: Well, I certainly think it is a very basic industry. Of course, it is important. It is not the whole economy, but an important segment of it.

The mining industry thinks theirs is basic, et cetera. It is very important.¹

Opposing Approaches to the "Farm Problem"

Also underlying many of the specific issues was a schism in the general approach to solving the problems of U. S. agriculture. Broadly, two philosophies were evident--one called basically for a return to the so-called "free market," the other advocated that some degree of government assistance and regulation is permanently necessary in agriculture. The particular philosophical approach to the problem appeared in turn to be reflected in the attitude toward the accumulated surpluses and the acceptable approach to their disposal.

¹ U. S. Congress, House, Committee on Agriculture, Hearings, H. R. 12, A Bill to Amend the Agricultural Act of 1949, as Amended, With Respect to Price Supports for Basic Commodities, 84th Cong., 1st Sess., 1955, p. 86.
Free Market Philosophy

Republicans and individuals representing more successful farming areas or farm related industries tended to advocate a return to the "free market" and a reduction of government activity.

This group saw the large accumulation of surplus commodities to be a "...consequence of other legislation [price support] which has loaded the government with surpluses which nobody knows what to do with."¹ They believed that a gradual removal of government controls and supports would allow a natural price level to occur which would be above the support price.² This natural market clearing would also eliminate the accumulation of government owned stocks.

Charles B. Schuman of the Farm Bureau Federation strongly stated:

There are political and social problems in agriculture, but these which are the greatest problems in agriculture are economic problems. Our conviction is that no matter how many conferences we have, no matter how many sessions of Congress deal with it, that no political action can solve economic problems, they can only complicate it.³


² U. S. Congress, House, Committee on Agriculture, Hearings on H. R. 12, A Bill to Amend the Agriculture Act of 1949, as Amended, With Respect to Price Supports for Basic Commodities, 84th Cong., 1st Sess., 1955, p. 345.

Public Law 480, then, was viewed by the "free market" advocates as a temporary program to aid in the transition. Assistant Secretary Paarlberg said:

Although we favor extension of Public Law 480 to permit us to use our surpluses in a constructive manner, this disposal program needs to be part of a farm program that will effectively bring the supply of farm products into better balance with market demand. The program should not be allowed to become a device to postpone needed price support and production adjustments.¹

Government Assistance Philosophy

Generally, Democratic Congressmen and representatives of lower income farmers tended to make up the group who believed that some degree of government assistance was necessary in order for farmers to maintain an income commensurate with that earned by their urban counterpart. Exponents of this viewpoint were often quite adamant in their advocacy of government programs. Cyrus S. Kauffman of C. S. Kauffman and Associates, a Washington, D. C. marketing concern said:

I think it is the job right now of the government to siphon off the surpluses that are produced and that the only place they can be siphoned off is by government.

I do not think for one minute that you can drop the price support.

You can talk all you want about the price support and free markets and all that, but I do not think it is possible—politically or economically possible to drop price supports. They must siphon off that surplus.  

Representative Harold Cooley, the opponent of the so-called freedom in agriculture at one time termed it "freedom for bankruptcy."  

Many supporters of government assistance argued for supply management to bring about an orderly and controlled reduction of commodity production as well as programs such as PL 480 to help reduce the surpluses accumulated. However, indications are that it was considered by some to be desirable to maintain government subsidized disposal operations and not appreciably reduce production. For example, during 1955 cotton quota hearings, W. R. Poage of Texas stated:

My whole idea in this increase is to try to take care of the small farmers. This is not an economic thing.

We are proposing to give just enough cotton to try to keep a lot of people on the farms who otherwise will have to move to the towns.

---


I think that if we increase the tendency to even larger farms...we are but emulating the example of the late lamented Mr. Malenkov of Russia...

I am convinced that, even though it costs us more to produce our farm products, that our nation is stronger when we have a lot of people producing those farm products than when we have a relatively small number, because I think that the great bulwark of democracy the world over --and it has always been true--is landowning farmers.¹

Elements of this type of agricultural fundamentalistic thinking, largely evidenced by those advocating government assistance, can be observed in several issues as will be discussed further. Similarly, arguments of the faction philosophically opposing government programs will be seen.

**Historic Export Market**

As mentioned in Chapter I, the historical export market for American agricultural commodities had an important effect upon the approach to solving the surplus problem. The concept was widely held that American producers were entitled to a "historic" share of the world market by virtue of the fact that in the past this market had provided a major outlet for U. S. production. A representative of a cotton

producers group in Mississippi, G. C. Cortright, Jr., reported:

The surplus of today is largely the result of the decline in exports...The answer lies in an export plan geared to regain a fair share of the world market.\footnote{U.S. Congress, House, Subcommittee on Cotton on the Committee on Agriculture, Hearings, HR 8658, 8659, 8322, and 8703, A Bill to Amend the Agricultural Act of 1949, as Amended, and the Agricultural Adjustment Act of 1938, as Amended, 84th Cong., 2nd Sess., 1956, p. 24.}

Since World War II, technological advances in foreign agricultural production, their increased emphasis upon self-sufficiency, and the requisite protective trade regulations along with American support pricing policies have appreciably reduced markets in which American farmers could compete without some form of subsidization. Nevertheless, many producers and exporters in the U.S. looked to the previous era to establish a market share.

**Permanent or Temporary?**

The temporal characteristic of PL 480 has been an issue of considerable importance since its inception. Under Secretary Benson the official policy of the Department of Agriculture was that PL 480 was temporary as was the soil bank, and to be used primarily to ease adjustment to free market clearing.\footnote{U.S. Congress, House, Committee on Agriculture, Hearing, General Farm Program, 85th Cong., 1st Sess., 1957, p. 8.} The Republican Administration's
opposition to the Title IV program of long-term supply contracts particularly illustrated this temporary philosophy. They feared that the addition of Title IV would reinforce the impression that the special disposal programs were permanent and would be needed indefinitely.\(^1\) True D. Morse of the Department of Agriculture felt that Title IV would have programming difficulties, disrupt world prices and trade, and encourage further surpluses.\(^2\)

There was some indication that Soviet aid in the form of low interest loans may have stimulated Congressional interest in Title IV.\(^3\) However, proponents generally considered it to be an additional tool to move surpluses and still receive repayment in dollars. It also allowed buying nations to schedule receipt of shipments over a period of time, and it was considered to be of benefit in development planning and in more efficiently using the commodities.\(^4\)

Many agricultural leaders in both the House and the Senate believed in applying a long-term philosophy to all PL 480 programs. Senator Humphrey characterized the year-by-year extension of funding


\(^2\) Ibid., p. 2.

\(^3\) Ibid., p. 17.

\(^4\) Ibid., p. 58.
as timid and lacking in foresight. The long-term view of the program was expressed by Brooks Hays of Arkansas:

...we must clearly realize, that neither farmers, nor the government can avoid the production of these surpluses; that, therefore, the problem will be with us for years to come,...and that the problem demands and requires a long-time approach and not primarily an emergency action.

Senator Aiken, the Republican farm leader from Vermont also admitted the value of longer range planning. He felt that more favorable trade agreements were possible when longer agreement periods were available. The State Department, as well, agreed to a longer range approach for disposal programming.

The American Farm Bureau Federation feared that the program would become permanent and their representative at one time stated:

---

1 U.S. Congress, Senate, Committee on Agriculture and Forestry, Hearings, S. 3039 and 3223, Bills to Amend the Agricultural Trade Development and Assistance Act of 1954, as Amended, 85th Cong., 2nd Sess., 1958, p. 22.


There is evidence that American agriculture is becoming overdependent on Public Law 480 and similar export programs.\(^1\)

They opposed Title IV on the basis that long-term credit sales would merely decrease regular commercial trade.\(^2\) In 1958 the Farm Bureau even requested that Congress declare that PL 480 was temporary.\(^3\)

On the other hand the National Farmers Union adamantly maintained a view of government disposal operations as a necessary and permanent policy. They promoted PL 480 as a means to maintain a higher level of farm production.\(^4\) They also were of the opinion that it was a long-term part of our foreign policy.\(^5\)

This issue of whether PL 480 should be a temporary or permanent program particularly illustrates the influence of the two opposing philosophies of the role of government assistance in agriculture.

---

Magnitude of Disposal

Another general issue of concern has been the over-all magnitude of the disposal operation. Conflict over this point arose between Congressional agriculture leaders and the State Department. The State Department, being responsible for the maintenance of favorable relations with other nations, conducted negotiations for all disposal agreements. They often effected a reduction of the quantity in a commodity agreement under that which was requested by the recipient nation. This was done usually in view of pressure from a friendly competitor nation. These reductions, however, often antagonized the agriculture group.  

Representative Paul Brown of Georgia reported:

Much of the blame for failure to export more cotton and other agricultural products lies at the door of the Department of State. It looks to me as if the Department of State is afraid of offending some foreign countries and therefore has not permitted the Department of Agriculture to fully carry out the intent of Congress to dispose of this surplus.

---

1 U. S. Congress, House, Subcommittee on Cotton of the Committee on Agriculture, Hearings, H.R. 8658, 8659, 8322, and 8703, A Bill to Amend the Agricultural Act of 1949, as Amended...84th Cong., 2nd Sess., 1956, p. 20.

Thomas C. Mann, State Department Undersecretary, expressed the Department's viewpoint:

...you cannot without disrupting world trade dump the whole total of our excess onto the world market.

Our judgment is that we are putting our surplus on the market now at just about as great a clip as we can without injuring the economies of our country and other countries.\(^1\)

The Farmers Union, impatient with the magnitude of disposal operations, reported:

The small authorizations provided for in the Act are but a drop in the bucket to what this nation ought to be doing along this line.\(^2\)

The Farm Bureau, on the other hand, usually presented the "go slow" attitude and expressed concern over the possibility of supplanting dollar sales.\(^3\)

---

\(^1\) U. S. Congress, House, Committee on Agriculture, Hearings, Extension of Public Law 480, 86th Cong., 1st Sess., 1959, p. 207.


Lines of opposition concerning the magnitude of the disposal operation were quite similar to those on the question of program duration. They similarly illustrated the influence of the underlying difference in approach to the "farm problem."

**Surplus--Asset or Burden?**

A quasi-moral issue was frequently discussed over whether the agricultural "abundance" was a great asset and benefit to the country and world or whether the agricultural "surplus" was actually a great burden. What was probably a minority viewpoint was expressed by Representative Thomas P. O'Neill during debate over an additional one billion dollar authorization:

> We are losing on this thing steadily, steadily, and steadily. We are not getting any return.¹

A positive view was more often heard, however:

> In my opinion we have been blessed and not cursed with some surpluses. We are in the position of a nation with agricultural surpluses, when many other nations are starving.²


R. L. Patterson of the Kansas Wheat Commission quoted the Bible to illustrate that a stored surplus was an "evil surplus" but if distributed to the needy it was a "blessed supply." Representative Clark Thompson of Texas believed that:

There are lots of people in the world who need the food and fiber we have in abundance and in surplus. As long as that conditions exists, our problem is one of distribution rather than curtailment.

This line of thought, however, was not subscribed to by all. Of maintaining higher production for foreign aid, Representative Thomas Abernathy stated:

...if we adopt that policy, then we must at the same time adopt a policy to gear all of the American industry to the highest potential production so as to raise the standards of living of peoples of the earth, not just in feeding them, but in clothing and housing, and so forth.

Thus, Representative Abernathy illustrated that observing the tremendous production and "abundance" of agricultural commodities as some sort of a "windfall gain" to the world is merely a rationalization for

---


continued subsidized overproduction which would probably not be tolerated in other industries.

Public Image

Participants in disposal legislation were greatly concerned by the public image of the over-all program. Public knowledge of the benefits of the agricultural abundance was greatly desired; however, many wanted to shift the costs to other government departments or agencies rather than show them in the agriculture appropriations.

In introducing ten days of Senate Agriculture and Forestry Committee hearings in 1957, Senator Humphrey hinted that the goal was education of the public as to the many benefits of the PL 480 program:

When the Committee on Agriculture and Forestry undertook consideration of a one-year extension of Public Law 480, with the additional funds necessary, concern was expressed over the failure of the public to be fully informed about the beneficial effects, or let's put it this way, the effect of this program to the departments of our government other than the Department of Agriculture.\footnote{U. S. Congress, Senate, Committee on Agriculture and Forestry, \textit{Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy}, 85th Cong., 1st Sess., 1957, p. 4.}

Concern was also shown over how to let the public know that the differential between acquisition costs and receipts paid for aid projects, U. S. military housing, education, and many other foreign
relation benefits. The feeling was that attendant benefits were not widely recognized with the result that all program costs were charged to agriculture and perhaps considered a waste from the taxpayers viewpoint. This concern was emphasized by Senator Young:

Well, we on this committee, and on the Appropriations Committee, have been trying to work out some method whereby the cost of all this program would not be charged as a subsidy to the farmers. The cost of this appears in the total budget to the Department of Agriculture and the average person, reading that, thinks the farmers are actually getting a check for it.  

As part of the effort to clarify the public image re PL 480, there was considerable agitation to have some portion of the disposal efforts charged to a foreign aid appropriation rather than agriculture. The International Cooperation Administration was at one time suggested as an agency to be charged. Some even advocated putting the entire

---

1 U.S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on S. 671, 1127, 1314, Bills to Extend the Agricultural Trade Development and Assistance Act of 1954 and for Other Purposes, 85th Cong., 1st Sess., 1957.


PL 480 program under the Secretary of State. In fact, the issue of whom to charge for the cost of the program dates back to the first floor debate in the House of Representatives in 1954:

Harold Cooley: But I do not think foreign aid should be saddled on the back of agriculture.

Walter Judd: No; neither should agricultural losses be saddled on the back of foreign aid.

The two major farm organizations were even in agreement on this issue. The Farmers Union and the Farm Bureau consistently maintained that PL 480 was a part of our foreign policy and should be charged to foreign aid rather than agriculture.

---

1 U.S. Congress, House, Committee on Agriculture, Hearings, General Farm Legislation, 86th Cong., 2nd Sess., 1960, p. 179.


Although costs are still borne by agricultural appropriations some measure of shift in the public image may have been accomplished through associating the disposal activities with such program names as "Food for Peace," and organizations such as the AID, Agency for International Development.

**Reduction of Surplus?**

Some evidence indicated doubt as to the long-run effectiveness of disposal operations in reducing the accumulation of surplus commodities. Dr. Max Myers, Administrator of the Foreign Agricultural Service, reported that:

> Despite increased agricultural exports during the past few years, mainly as a result of special programs, the surplus situation remains serious.¹

Clarence L. Miller of the Commodity Stabilization Service indicated that increased disposal under the barter title gave the impression of an outlet for future production.² The Department of Agriculture was opposed to enactment of Title IV long-term dollar sales on the basis

---


that it would disrupt world prices and trade and encourage further surpluses.¹

There was, however, some evidence to indicate a desire existed to use PL 480 to expand markets and provide outlets for further increases in production. In several acreage allotment hearings the arguments appeared to be that if the Administration would only expedite disposal operations, allotments would not have to be so small.² A particular instance which embodied this theme occurred in 1961 when Senator Young of North Dakota questioned an Agriculture Department spokesman. Senator Young mentioned that Durum wheat had only recently been declared surplus and eligible for export subsidy. He then continued:

This is a product the production of which we could expand, particularly in my area. I would like to know what potential export market


we would have for this if our production was expanded... 1

It appears here that, at least in some instances, the declaration of a commodity as surplus was a signal to consider production expansion in order to take the greatest advantage of PL 480 export concessions.

Effects on Other Economic Sectors

Various sectors of the domestic economy are affected by PL 480 programs in particular ways. Many concerned groups and individuals express their viewpoints through Congressional representatives. Some write or telegraph directly to the Committee Chairman, and those who can have their own representatives testify before the Committee. To the many businesses which are somewhat reliant upon agriculture, such as processors, transporters, exporters, and agricultural suppliers, much emphasis is put upon aggressive market development and expansion. 2 Several commodity groups and trade organizations maintained


promotional activities in some recipient countries. At one time investigation was directed at determining if the sales force and sales techniques of the Commodity Credit Corporation were adequate. The fervor with which some people pursued the idea of market expansion reached a peak when Representative Hill of Colorado was confronted with a statement of the difficulty of making people eat wheat who were culturally accustomed to other foods. His reply was, "It's time we taught them".

Another segment of the economy which was particularly affected by PL 480 was the domestic cotton textile industry. The sale of raw cotton to Japan for yen, at or near the world price, under Title I provided Japanese textile firms raw materials at an advantage over U. S. mills who paid the higher support price. Lester Martin of the Bates Manufacturing Company stated:

Today the textile industry is staggering under the impact of Japanese competition.

1 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, pp. 657-726.


New England, however, still has many thousands of textiles jobs and these can be saved if the Government gets out of the cotton business and if the Government permits us to recapture some of the export business we have lost at the hand of our American subsidized foreign competition.¹

Merchant marine interests were also concerned in PL 480 legislation. The use of the so-called cargo preference laws which required that 50 percent of all commodities shipped by the U. S. government be transported by American-owned ship lines were not unanimously approved.² On one hand, it was argued that this was necessary to maintain a strong merchant marine as a military consideration.³ But another view saw the provision as an attempt to "...make the farmers of America pay the bill for the merchant marine."⁴ When agricultural interests appeared to be in conflict with those of other commercial enterprises, the primacy of agricultural interests seemed largely unchallenged.


Barter Program

Administration Opposition

The barter program, section 303 of Title III, has been the center of a controversy since 1957. At the end of April of that year all transactions, whereby U.S. agricultural commodities were traded in kind for strategic and other materials, were temporarily suspended by the Department of Agriculture. Then, on May 28th the U.S.D.A. announced a revised barter program. The new conditions and terms were considerably less favorable and more restrictive. Among them was the provision that a potential barter contractor had to satisfy the Commodity Credit Corporation that the proposed transaction would mean a net increase in exports of the commodity involved. Also, all ferro alloys were disallowed, and no foreign materials acquired could be processed in the United States. The revised terms were believed to have, in effect, killed the program.

The ensuing controversy which developed strongly suggested that legislators feared the administration had changed the intent of the

---

1 U.S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, p. 313.

2 Ibid.

3 Ibid., p. 312.
law. The Department of Agriculture maintained that the barter transactions, mostly with Northern European countries, only supplanted rather than supplemented dollar sales and disrupted the normal and more desirable marketing channels. The belief was also expressed that an unlimited barter program gave the impression of being a favorable outlet for future commodities; thus, stimulating production. Later, in 1959, Thomas Mann of the State Department testified that the stockpile objectives of nearly all bartered materials had been met and some as much as ten to fifteen times the established requirements.

**Congressional Support**

Congressional agriculture leaders were highly critical of the Administration's policies on carrying out the barter program. The legislators largely favored increasing the volume of disposal through

---


4 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, p. 13; U. S. Congress, House, Subcommittee on Foreign Agricultural Operation of the Committee on Agriculture, Hearings, Program Operations (cont'd)
all channels of PL 480, and the Administration's criteria for barter transactions had cut them to a trickle. Representative Poage felt that it was far better to have an investment in ores and other materials which would not deteriorate than in the perishable agricultural commodities.¹ The strong appeal of the barter channel of disposal to the agricultural committees' members may lie in the fact that the CCC is credited in dollars for the traded materials which go into the strategic stock piles.² This had a decided effect on the apparent net cost of the farm program.

In 1958 the feeling was so strong against the Administration's barter policy that the House of Representatives adopted provisions which were considered to "require" the Secretary of Agriculture to enter into barter agreements.³ The legislation finally enacted was somewhat

---


² Ibid., p. 15.

³ Ibid., p. 19.
modified; but a Congressional Report emphasized the intent of their policy:

...it relieves the Secretary of the responsibility of making a finding that barter transactions would protect the funds and assets of the Commodity Credit Corporation. Instead, the Congress has made the policy decision that barter is in the best interest of the country as a whole and intends and directs that the barter program be carried out substantially as it was prior to May 1957.1

Nongovernment Reaction

The Farm Bureau was generally in agreement with the Administration's barter policies. They favored the May, 1957, suspension "...in order to take a look at it."2 They also testified that in reviewing past barter transactions they found some "...which have apparently disrupted commercial markets."3 The National Grange position was middle-of-the-road; they favored a "regulated barter."4


There was criticism of the barter program from several trade or commodity organizations. The National Cotton Council reported that the barter system shifted business from the small to a few large cotton merchants. They felt that the transactions were so complicated that the small staff, low capital firms were unable to participate. They also believed that dollar sales of cotton were slowed down due to buyers hoping for lower prices through a barter deal.

After opposition was expressed on behalf of the small cotton shippers, a large exporter was called in to testify. Otto Goedecke, the second largest cotton merchant in 1958, said that the barter program was necessary to enable U.S. cotton to compete in the world market. He said there were "...no sales of U.S. cotton of any consequence for free dollars." And, without the barter advantage, even more of the market would go to foreign competitors. Another large export concern actually felt that the barter program "...enhanced the dollar sales;" although they admitted it could not be proved.

3 Ibid., pp. 544, 545.
4 U.S. Congress, Senate, Committee on Agriculture and Forestry, Hearings, on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, p. 301.
Even more concerned with a barter program expansion was the domestic mining industry. As a result of further attempts to liberalize barter regulations in 1959, Representative Aspinall stated:

If the amendment which is in the bill as reported out of committee should happen to prevail, I am sure it would be the death blow to the domestic mining industry.¹

The Emergency Lead-Zinc Committee, a trade organization, reported that the barter program had stimulated production of foreign mines and "...practically wrecked our domestic industry."² To further intensify the effects, concern began to be voiced that the strategic stock piles of metals already accumulated were excessive.³

The barter program controversy provided a setting for illustration of several of the continuing issues which surrounded PL 480 legislation. The Democratic Agriculture Committeemen who pushed for increased barter programming typically opposed the more conservative Republican Administration. An important argument against barter was that it encouraged further overproduction. And advocates of the program assigned little importance to interests which appeared to have suffered as a result of the barter.

² Ibid., p. 16414.
³ Ibid., p. 16413.
Summary

The general ethos or attitude toward the role of government in providing programs of assistance and regulation to the agricultural economy appear to have provided a considerable influence in determining the argument of interested parties concerning many specific domestic issues. Opponents of government interposition generally viewed PL 480 as a necessary, but temporary instrument to be used in eliminating the burdensome surplus so that a return to "free market" clearing could be made. They most often were concerned that only the quantity of surplus which would not interfere with normal commercial trade should be disposed of through the government program. At the same time, people of this orientation were more concerned with the possibility that PL 480 might, in effect, allow a continued state of overproduction or even stimulate it further.

Those who believed in the necessity of governmental regulation and assistance in the agricultural economy more often looked to PL 480 as an essential element of a program to maintain the American system of family farming and its associated social values. The attitude of these people was characteristically that of utilizing the program to its utmost--emphasizing both the beneficial results to the farmers and the wider potential benefits to the nation and world which accrue as a result of the great agricultural "abundance" so created. Attempts were made by this group to build the public image of PL 480 about a theme focusing
on philanthropic and foreign policy merits. On the other hand, the same people frequently called for shifting the costs of disposal activities to nonagricultural appropriations.

At times particular issues arose out of problems encountered by specific commodity groups, producers in certain geographical areas or nonagricultural enterprises. However, it appeared that considerably more emphasis was placed upon the aforementioned philosophical difference in approach to the over-all agricultural problem.
CHAPTER IV

FOREIGN ISSUES

Food Aid and Assistance

The controversial issues surrounding foreign aid and assistance have generally been concerned with the question of whether or not the aid advances the interests of the United States. They have primarily focused upon the foreign policy objectives of increasing the number and strength of alliances with the nations of the world through economic aid and cooperation and through propaganda. However, other objectives such as the broadening of market opportunities for American producers and respect for existent markets of friendly, competing producers were also considered.

Favorable Arguments

Efforts at evaluating the effects of particular agricultural aid programs have been numerous. In 1955 a pilot study was conducted in India by the Food and Agriculture Organization of the United Nations.
to attempt to analyze the role of food aid in economic growth and development.\textsuperscript{1} Some studies have concentrated on administrative, political, and cultural problems which arise out of the various agricultural aid techniques.\textsuperscript{2}

Although much valuable information was available to the policy makers, references to various studies and analyses were rarely made in public discourse. Instead, there appeared to be a general but not unanimous acceptance that the assistance programs do advance the economic and political stability of recipient nations in some indefinite manner. The theory on which most discussion appeared to be based was that governments making better provision for the economic needs of the people were best able to withstand the assault of Communism. Both the trade and aid programs of PL 480 were directed toward this goal.

In the newer and less economically developed nations, and particularly those with acute food shortages, the various donation schemes were thought to be a deterrent to public unrest and possible political upheaval.

\textsuperscript{1} United Nations, Food and Agriculture Organization, \textit{Uses of Agricultural Surpluses to Finance Economic Development in Underdeveloped Countries: A Pilot Study in India}, Commodity Policy Studies, No. 6, Rome, 1955.

In some of the more advanced countries, the Title I local currency sales programs with their associated development projects were particularly thought to be of benefit in longer term economic growth.

Another important result was seen in assisting countries such as Japan which depends upon imports for nearly one-fourth of its food requirements. By providing the foreign currency sales and barter plans, it was believed Japan was enabled to use more U. S. commodities rather than trade with the Communist bloc.¹

At one time, an additional benefit was believed to accrue from the use of the surplus commodities in foreign aid. Representative Poage felt there was a savings in the cost of carrying out the foreign assistance policies by using agricultural commodities "in lieu of tax dollars."² The Farmers Union appeared to favor all means of using farm products in economic aid projects. They particularly advocated programs of vocational training and free education to be paid for by the

---


accumulated Title I foreign currencies.\footnote{U.S. Congress, Senate, Committee on Agriculture and Forestry, \textit{Hearings, S. 3039 and 3223, Bills to Amend the Agricultural Trade Development and Assistance Act of 1954, as Amended, 85th Cong., 2nd Sess., 1958, pp. 44-46; U. S. Congress, Senate Subcommittee on the Committee on Agriculture and Forestry, \textit{Hearings on Administration of the Agricultural Trade Development and Assistance Act of 1954, 84th Cong., 1st Sess., 1955, p. 161.}} At one instance a Farmers Union representative stated:

Properly used, the abundant cotton production of which America's family farms are efficiently capable of producing, could help generate an economic, social, and political revolution that would lead to such a vast upsurge in economic development and growth that poverty would become obsolete in the free world and war highly unlikely.\footnote{Ibid., p. 159.}

And at another time Robert W. Downs, their representative reported:

It is a matter of conviction with us that it is morally wrong to permit starvation and malnutrition to exist anywhere in the world if there is productive capacity to fill the need.\footnote{U.S. Congress, House, Committee on Agriculture, \textit{Hearings, Extend Public Law 480, Agricultural Trade Development and Assistance Act of 1954, 85th Cong., 2nd Sess., 1958, p. 97.}}

When pressed as to whether he meant utilizing the full productive capability of American agriculture, if necessary, to feed the people of the world, the representative reported, "I do."\footnote{Ibid., p. 97.}
The voluntary, nonsectarian, and religious service organizations also made known their approval of the PL 480 programs. They particularly fostered the Title III donations method which operated through their own organizations.¹

A certain amount of unapologetic self-interest was characteristic of some arguments for the disposal program. Business organizations such as farm implement manufacturers favored using foreign currency accounts to foster market development and American commercial investment.² The Farm Bureau generally favored similar uses of the counterpart funds. They emphasized using both food and technical aid to increase the purchasing power of people in underdeveloped countries and in creating a favorable climate within those countries toward American business activities.³

Opposition Arguments

Outright opposition to the foreign aid activities of PL 480 came from several directions but was generally sporadic and directed toward

¹ U.S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, pp. 228-231.
² Ibid., p. 397.
specific recipients such as the 1961 attack on aid to India which followed Prime Minister Nehru's criticism of the United States' Cuban policy.¹ The Farm Bureau, at one time, expressed its opposition to the donation programs:

We believe that economic aid on a grant basis seldom accomplishes its intended purpose, but instead tends to weaken our economy as well as that of the recipient and often diminishes United States prestige abroad.²

The complaint which appeared to affect PL 480 to the greatest extent was that expressed by friendly nations whose agricultural commodities were in competition with those of the U. S. in the export markets. It was maintained that American subsidized exports under the Title I sales and Title III barter agreements greatly upset the "normal" patterns and balance of trade in the various agricultural commodities. The barter transactions were particularly disruptive because they supplanted what would ordinarily be cash sales. The greatest objection


² U. S. Congress, Senate, Subcommittee of the Committee on Agriculture and Forestry, Hearings on Administration of the Agriculture Trade Development and Assistance Act of 1954..., 84th Cong., 1st Sess., 1955, p. 158.
came from Canada. Other objections were expressed by Australia, New Zealand, Denmark, Mexico, and Uruguay.

Several international organizations have issued policy declarations directed at avoiding practices which tend to disrupt world markets. Among them have been the Food and Agriculture Organization of the United Nations, the General Agreements on Trade and Tariff (GATT), the Wheat Utilization Committee, and the International Wheat Council. A principal emphasis of these organizations has been in advocating consultation among the interested parties including competing nations prior to the establishment of surplus disposal agreements.

The Administration attempted to prevent ill will being generated in competing countries by having the State Department negotiate all PL 480 trade agreements and determine the quantities to be exported on the basis of over-all foreign policy considerations. A statement by

---


4 Ibid., p. 64.
C. W. Nichols of the State Department appeared to sum up the views of many, outside of the agriculturally-centered group:

...we are convinced on balance that the Public Law 480 program has a net of pluses and advantages in the foreign relations side without forgetting for a moment the need to continue to administer it very carefully so that it does not harm the dollar export trade of the United States of the commercial trade on which some of our allies are very dependent.  

**Foreign Currency Utilization**

The Title I commodity sales for foreign currencies provided an increasing accumulation of local currencies in several countries. The politician's approach to attain the greatest benefit from this situation was to develop an increasing number of uses for these accumulations. With few exceptions there was little opposition to extensions of currency utilization. In fact, the issue elicited relatively little interest and passage became almost automatic. In addition to the eight subsections of section 104, Title I, which described different currency uses in the original legislation, eleven subsections and various amendments to existing uses were subsequently added.  

---


2. For a compilation of legislation relating to Title I foreign currency uses, see Appendix I.
Some criticism developed over the use of local currencies to pay for expenses and housing of agricultural attaches stationed in certain countries to aid in the stimulation of demand for American commodities. There was an intimation that regular State Department officers might live in substandard quarters while "...they could purchase one of the Roman palaces for the agricultural attache with the proceeds of this unhampered fund."¹ In regard to this use of funds Representative Taber said:

If we continue to educate these bureaucrats with the idea they can spend money without paying any attention to us, it would not be long before we would be out of business as a Congress.²

Representative Poage further criticized the agricultural attaches on the basis that, rather than developing markets and promoting American products, they were acting as "foreign county agents" and assisting in the production of crops competitive to those of the U.S.³ These relatively few specific criticisms, however, had little dampening effect upon the over-all trend of expansion of the foreign currency uses.

² Ibid.
Propaganda Value

The propaganda value of PL 480 was seldom overlooked. Most of the participants in the legislative subsystem showed considerable concern over this issue and placed a definite value upon it. During the floor debate in the House in 1954, Representative Gathings stated:

One of the main propaganda weapons the Communists are using against us today is that we are permitting our food to lay up here in storehouses and rot before giving it to the needy and hungry people throughout the world.¹

One of the strongest forces behind the eventual creation of Title IV appeared to be fear of a Russian propaganda victory in entering the aid field with low-interest rate, long-term loans.² In support of Title IV which enabled nations to buy our commodities with long-term, low-interest, dollar credit, Representative Poage said:

I think one of our weaknesses in the world today has been that Russia is offering and is giving aid at a much lower interest rate than the United States.³

Proper recognition to the U. S. for donations was considered a requirement. Voluntary relief organizations sometimes came under attack on this point. In one instance, it was claimed that credit for food distributed through Catholic organizations was given to the Holy Father or the American Bishops. In another, it was alleged that markings on the container used looked like the Russian sign of friendship.\(^1\)

More recently, concern has been indicated over the image of general economic strength of the U. S. in view of Premier Khrushchev's statements of intent to bury us. Representative Dixon said Mr. Khrushchev meant to "do it with commodities."\(^2\)

A special propaganda situation developed in 1956 and 1957 during which time PL 480 sales for foreign currencies or barter transactions could not be negotiated with countries behind the "iron curtain." Legislation was introduced to allow such transactions with the satellite nations in order to aid in their disengagement from the Russian sphere of influence.\(^3\) Poland in particular was showing signs of some independence from Moscow and effort was being made to take advantage of the situation.

---


A considerable amount of opposition, however, was forthcoming. The argument was raised that it was a moral issue not to allow the products of a free agricultural system to be bartered for the "products of the slave labor camps of the tyrannical Communist regime." Also the argument was advanced that the satellite peoples should not be aided. Then the increasing hunger and poverty brought on by their system would cause the people to revolt and overthrow their communist masters. It was revealed, however, that State Department strategy was to offer the food to be bartered to Poland with the knowledge that an arrangement of this sort would be unacceptable to the Soviet Union. This would place the Communist regime in the position of turning down an offer to trade for much needed food from the U.S.

Summary

Agricultural policy leaders saw in the combination of the excess productive capacity in American agriculture and the almost unlimited need of food in the world an excellent opportunity to alleviate some of

---


2 Ibid., 13384.

3 Ibid., pp. 13380-89.
the problems of each. The large amount of professional literature available concerning the effectiveness of food aid projects appears to have been largely unheeded by the legislators. A general acceptance of these programs' value seems evident, however. This is partially evidenced by the continuous increase in the number of programs authorized for use of foreign currency accumulations.

Possibly the most significant adverse criticism of the aid program from a foreign policy standpoint was that concerning its effects in friendly agricultural competitors. Several countries protested that they were injured by indiscriminate "dumping" and various international groups considered this problem. The Administration was largely responsible for any efforts which attempted to alleviate or prevent distressing trade disruptions to other countries.

The propaganda value of the aid activities appears to have been of great importance to the policy makers. This was demonstrated in the variety of plans which were considered in response to various assistance activities of the Soviet Union. Also, the Congressmen were particularly concerned with insuring that all food donations were correctly attributed to the people of the United States.
CHAPTER V

PARTICIPANTS, ROLES, AND INTERACTION

The evolution of legislation appears to be largely a function of attitudes and actions of particular individuals and groups. Operating within the limitations of the social, institutional, and economic environment in a democratic society, they determine the ultimate course of action taken. In order to obtain a better understanding of the legislative process in the development of PL 480, this section involves a study of the influence of the various participants involved.

Legislators

Biographical information reveals that both agriculture committees were composed largely of farmers and lawyers representing rural farming areas. A pattern can also be seen in the geographic areas of representation in both committees. In the 83rd Congress, the one in which PL 480 originated, the senior Republican committee members were predominantly Midwestern. The top four in seniority in the Senate

1 For a listing of members of the agriculture committees for the 83rd through 87th Congresses, see Appendix II.
Committee were from Vermont, North Dakota, Minnesota, and Iowa. Their counterparts in the House Committee were from Kansas, Minnesota, Colorado, and Iowa.

The Democratic membership of the two agricultural committees showed a parallel representation from the South. The senior four on the Senate Committee were from Louisiana, North Carolina, South Carolina, and Florida. In the House Committee were representatives from North Carolina, Texas, Alabama, and Arkansas, in order of seniority. This characteristic was generally maintained throughout the period of this study.

During the 83rd Congress (1953 and 1954) when PL 480 was initially enacted, the Congress and therefore both committees were under Republican leadership. George Aiken of Vermont was Chairman of the Senate Committee on Agriculture and Forestry and Clifford Hope of Kansas was Chairman of the House Committee on Agriculture. With the return of Democratic control in the 84th Congress, Allen Ellender of Louisiana took over leadership in the Senate and Harold Cooley of North Carolina became the House Agriculture Committee Chairman. This same leadership remained during the 84th through the 88th Congresses.
Administrator--Legislator Interaction

Opposition Parties

Relations and rapport between the legislators and the various agencies of the Administration appeared characteristically strained throughout the period under study. Although a Republican Congress and Executive enacted PL 480, only five months later the Democratic party took over Congressional leadership. From 1955 through 1960 there was a Democratically-controlled Congress with a Republican-dominated Executive. Then in 1961 and 1962, both Congress and the Administration had Democratic leadership. This particular political situation, of course, explains some of the friction in executive-legislative relations; however, party lines were often crossed on particular issues.

Congressional antagonism toward the various Administrative agencies generally focused on their timidity in carrying out its programs. Democratic leaders thought more forceful action should be taken. Several agencies were accused of "dragging of the feet." In one instance a Republican State Department Representative was questioned as to the reason for reducing the limit of Title I sales below that authorized by Congress. He answered:

There were many reasons given by other agencies of the Government, including the State Department.
Budget is fearful that we might be banging up against the debt ceiling. Treasury has that same fear. Commerce has the feeling that possibly, if we get too energetic, we might interfere with some of the industrial trade or that we might supplant some of our dollar transactions with Public Law 480 transactions.\(^1\)

**Antibureaucrat Sentiment**

A general "antibureaucrat" feeling on the part of Congressmen was observed at various times. An example of this was shown in the opposition of Republican Representative Tabor to educating the "... bureaucrats with the idea they can spend money without paying any attention to us..."\(^2\) During one hearing, Agricultural Committee Chairman Cooley recalled Clarence O. Palmby, Vice President of the Commodity Credit Corporation, who had previously presented a strong case against barter operations.\(^3\) Upon being introduced to the Committee, Palmby said, "Mr. Chairman, I have with me the same companions that I had the last time I appeared before this Committee." Cooley

---


replied, "You call them companions rather than bureaucrats, do you?" Subtle comments such as these appeared throughout the committee hearings and seemed to indicate a somewhat strained over-all relationship between the law makers and administrators.

**Department of Agriculture**

Considerable hostility toward the Eisenhower-Benson programs and philosophy was evident among House agricultural leaders. Mr. Benson's ideas concerning flexible price supports as a means of attaining eventual "freedom" in agriculture were strongly attacked by Chairman of the House Agriculture Committee Cooley and the second ranking Democrat, W. R. Poage. Victor Anfuso decried the ability of one man, Benson, to change the will of Congress.

At one time when Representatives Cooley and Abernathy were particularly critical of Secretary Benson's testimony, Republican Page Belcher strongly chastised the Committee for trying to blame the farm

---


problem on the Republican Administration. Belcher continued:

    And--just a minute, in regard to your statement, Mr. Cooley--the Secretary of Agriculture doesn't dare to come down here with a statement stating his views without getting torn apart by first one, and then the other.¹

Belcher complained of partisan politics and attempts on the part of Representatives to "make a record." Mr. Cooley calmly replied, "Mr. Benson, I am very sorry that you had to sit here and witness that."²

At almost every hearing through 1960, Representatives of the various Department of Agriculture agencies testified to somewhat hostile Congressional Committees. In the suspension and curtailment of the barter program, the Department of Agriculture was charged with directly obstructing the policy of the Congress.³ The feeling was so strong on this point that it eventually led to the introduction of legislation requiring the Secretary of Agriculture to carry out barter transactions.⁴ Cooley expressed that no offense should be taken at this, as

¹ U. S. Congress, House, Committee on Agriculture, Hearing, General Farm Program, 85th Cong., 1st Sess., 1957, p. 87.
² Ibid.
it only took the responsibility off the Secretary and allowed the Congress to bear any possible unfavorable results.\(^1\) Democrats were not alone in taking issue with the Administration’s attitude on the use of PL 480. Republicans Hoeven in the House and Schoeppel in the Senate expressed discontent.\(^2\). Senator Schoeppel said:

\[\ldots\text{I may say that the Senator from Minnesota [Humphrey] has put his finger on a very important matter, when he draws to the attention of the Senate the shortcomings of the executive departments in the administration of the Act...}\]\(^3\)

During a hearing of the House Subcommittee on Foreign Agricultural Operations which was particularly critical of the Department of Agriculture, Marvin McLain, an Assistant Secretary, indicated some of the difficulty of the role of the Department:

While Mr. Thompson and Mr. Gathings have particular interest in rice, Mr. Cooley has an interest in tobacco, and Mr. Poage has an interest in cotton and wheat, we have to look at this on the basis of what is fair and equitable to all commodities.\(^4\)

\(^1\) Ibid., p. 20.


At other times there was a divergence of viewpoints from within the Executive branch, also. For example, William G. Lodwick of the Foreign Agriculture Service reported:

The attitude of the State Department, as expressed in various papers toward Public Law 480 differs considerably from that of Agriculture.¹

Thus, it can be seen that a lack of agreement among the administrative agencies compounded by the difficulty of meeting the multiplicity of Congressional interests may further confuse policy decision-making.

Department of State

A definite lack of rapport appeared between agricultural Congressional leaders and the operations of the State Department as they affected the agriculture sector. In the broad context it was generally felt that farm interests were simply not represented within the State Department. Senator Young told the Assistant Secretary for Economic Affairs, Samuel Waugh,

I think you ought to make a start over there sometime in getting agriculture represented. All of us would look much more friendly toward reciprocal trade agreements and other problems of the State Department if we had someone over there that we could look to as a real friend of the farmers.²

¹ U. S. Congress, Senate, Subcommittee of the Committee on Agriculture and Forestry, Hearings on Administration of the Agricultural Trade Development and Assistance Act of 1954, ..., 84th Cong., 1st Sess., 1955, p. 34.
² Ibid., p. 49.
At times Congressmen failed to understand or even believe that the State Department had a legitimate role to play in administering PL 480. Senator Ellender told Don Paarlberg of the Department of Agriculture:

There should be no others concerned than the Department of Agriculture. You are interfered with a lot by the State Department, so the story goes, and that is what I want to try to bring out if I can.1

Representative Paul Brown during a committee hearing strongly indicted the State Department:

Much of the blame for failure to export more cotton and other agricultural products lies at the door of the Department of State. It looks to me as if the Department of State is afraid of offending some foreign countries and therefore has not permitted the Department of Agriculture to fully carry out the intent of the Congress to dispose of this surplus.2

A further flare of anti-State Department sentiment was evidenced during the rice quota hearings in 1955. Representative Gathings of Arkansas read to Mr. Turnage of the State Department a news article

---

1 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings, S. 3039 and 3223, Bills to Amend the Agricultural Trade Development and Assistance Act of 1954, as Amended, 85th Cong., 2nd Sess., 1958, p. 33.

which purported that the State Department was against all rice exports to Asiatic countries. The interrogation of Turnage by Gathings became heated and at one time Gathings asked Turnage:

   Do you not realize that you are drawing your pay from the taxpayers of the United States?

Finally, Subcommittee Chairman Thompson interposed:

   I am afraid what we are getting into here is something that we will have to get the Secretary of State to come and answer.

Mr. Gathings then retorted, "I wish we had him here now."¹

The establishment of a Democratic Administration accomplished little to soothe State Department relations with the Congressional farm leaders. In 1961 when asked if the State Department had kept the House Committee on Agriculture informed, Chairman Cooley replied, "Certainly not. I do not know that they are keeping anyone informed."²

**Interest Group--Legislator Interaction**

Numerous commodity groups; farm organizations; agricultural marketing, exporting, processing, and transporting organizations;

---
shipping, mining, and textile interests; and hundreds of individuals testified, telegraphed, or presented written statements on behalf of particular issues in which they were involved.

Divergent Goals

A significant characteristic of the agriculture-oriented organizations is their divergence of philosophies, interests, and goals. Groups oriented toward particular commodities or marketing functions promoted interests of special advantage to themselves. These interests were often in conflict. The three major farm organizations, The American Farm Bureau Federation, The Grange, and The American Farmers Union promoted widely differing farm policies. Of particular significance were the almost diametrically opposed positions of the Farm Bureau and the Farmers Union as evidenced throughout the deliberations on PL 480. This division was prominent enough to have Representatives Cooley and Hoeven attempt to arrange a conference of farm leaders through the President.¹

Degree of Influence

Some evidence suggested the questionability of interest group influence on the legislators. In advocating a two-year extension of

¹ U.S. Congress, House, Committee on Agriculture, Hearings, General Farm Legislation, 86th Cong., 1st Sess., 1959, p. 89.
PL 480 in 1958, Senator Humphrey submitted that the major farm organizations favored the two-year extension, "Whether that is persuasive or not, at least it should be a matter of record." In general, attendance of committee members at hearings was good; however, occasionally on days set aside for testimony of various interest groups, attendance would dwindle. For example, on June 27, 1957, only two Senators were present to hear the farm group statements during hearings on the administration of PL 480. Also during committee hearings in 1957 mention was made of the Farm Bureau's indecision in connection with concessional sales of cotton. Chairman Ellender said:

Then you have the Farm Bureau opposing it, too, and they talk one way and they act the other. I know all about that. [Laughter.]

Representatives Poage and Cooley were particularly hostile toward the policies advocated by the Farm Bureau. At one time

---


2 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agriculture Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957, p. 427.

3 U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on S. 671, 1127, 1314, Bills to Extend the Agricultural Trade Development and Assistance Act of 1954 and for Other Purposes, 85th Cong., 1st Sess., 1957, p. 33.

Poage expressed to John Lynn of the Farm Bureau:

We are getting nowhere with this sort of thing. I am seriously trying to find out what you are advocating here, but as usual when your organization speaks, our great problem is ever getting a clear-cut statement of your position.¹

On the other hand, Chairman Cooley praised the testimony and proposals of the Farmers Union as being "competent and constructive."²

In 1962 the Committee for Economic Development took a major stand on general agricultural policy issues of which the export disposal program is an integral part. During its first encounter with the House Committee on Agriculture, the CED ran headlong into Messrs. Cooley, Poage, and Co. These Democratic agricultural leaders immediately set the stage for future clashes. Their tactic was to impeach the qualifications of the CED members, largely successful financial and industrial leaders, to advise American agriculture in solving its problems.³

Summary

Although the whole Congress is charged with the responsibility of national policy determination, much of that concerned with agricul-

² Ibid., p. 510.
ture is substantively resolved by the leaders of the two Congressional agriculture committees. The composition of these committees indicates that general patterns existed concerning the political parties, geographic representation and occupations of the members. Although much difference of opinion among the lawmakers was evident which contributed to the confusion of goals and issues, the accord which emanated from committee representation patterns did appear to be significant.

The relationship between the Administration and the Congress seemed to be conditioned by particular factors. Of these, the most important was probably the situation wherein for six years a Democratic Congress had to contend with a Republican Administration and vice versa. However, beyond the party differences, there appeared a more general lack of rapport between the two branches of government. The Department of State seemed particularly villainous to the agricultural leaders in Congress.

The effective influence of the various nongovernmental parties concerned with agricultural policy was greatly hampered by their own lack of goal uniformity and cohesion. Individually, their pleas appeared to be effective inasmuch as they agreed with the preconceived viewpoints of the committee members. This generalization would appear somewhat valid in evaluating the effectiveness of any outside influence on the policy makers.
CHAPTER VI

OBSERVATIONS

The Issues

Role Within "Farm Problem"

Two opposing philosophies of attacking the so-called "farm problem" provided a constant setting for much of the consideration given to Public Law 480 over the period studied. Broadly stated, one ideology advocated bringing agricultural production into adjustment to its demand by natural "free market" clearing. Various temporary programs such as soil bank payments, flexible declining price supports, and direct subsidy payments were methods to be employed to ease the burden of adjustment. It was believed that ultimately the remaining efficient production units would obtain a satisfactory economic return from the market. In this way government assistance programs could be largely eliminated.

Opposing that concept was one which proclaimed that due to the economic characteristics of agriculture, government assistance was a permanent and necessary part of providing American farmers an adequate income. Public Law 480 is an integral part of this government
assistance program. As a consequence of this disagreement, almost all debate and discussion concerning the disposal program, at one time or another, focused upon production adjustment and control. This issue was often more hotly debated than the actual disposal operations and results. Essentially, there was little indication that the disposal activities of PL 480 were considered apart from the entire government price support-subsidy-disposal program. Under this line of thinking it was generally concluded that the farmers were the major beneficiaries of the disposal legislation. Many were unaware that the farmer was directly aided only insomuch as the disposal operations reduced stockpile accumulations. This eased pressure for reduction of support prices and permitted subsequent increased production.

Side Effects

The direct increase in business activity of certain exporters, transporters, and other commercial interests associated with disposal programs, was generally recognized. However, this point was rarely used in justifying continuation of the programs. Only in the case of the merchant marine cargo preference laws was any real antagonism evidenced toward a nonfarm segment of the domestic economy benefitting unduly.

Two domestic industries appeared to be injured by PL 480 operations. It was claimed that subsidized sales of cotton to Japan under
Title II of PL 480 and other programs, coupled with lower labor costs, gave the Japanese a considerable price advantage over American textile producers. Sympathy was expressed, but the primacy of agricultural interests appeared to preclude any diminution of the cotton program.

Certain domestic mining operations, which were adversely affected by the barter program, faired somewhat better as a result of the Benson administration's curtailment of that means of disposal.

The "Morality" of the Program

An issue developed over the pseudo-moral question of whether the accumulated commodities were, in an over-all picture, "good"--a blessed abundance, or "bad"--an unwieldy burden. The former viewpoint generally referred to the value of the various successful aid, assistance, and development programs abroad. The agriculturists were pleased with this important contribution to foreign policy and many public discussions and testimonies were devoted to this aspect. That this was a rationalization on the part of some to allow maintenance of continued higher production levels and price supports appears to be borne out by the evidence. Simultaneously, some of the same people desired funding for the various aid programs to come from State Department appropriations rather than be charged to agriculture.
Pure altruism, although frequently presented as a motive by various aid and assistance advocates, did not particularly appear to be in evidence. The advocates were usually beneficiaries, in some way, to increased disposal activities. Increasing foreign market potential for American goods and eliminating troublesome surpluses was the primary goal of economic development schemes to many.

Foreign Aid

Because of the various motives for backing foreign aid, opposition was not strong. Sporadic adverse criticism appeared to be largely ignored in policy determination. This is supported by the constant increase in different uses of the foreign currency counterpart funds authorized by Congress. The fact that few of these currencies accumulated in Title I sales are ever converted to dollars appeared to have little deterrent effect on popularity of the program.

The propaganda value of foreign assistance programs was taken seriously. Contributions to U. S. efforts in foreign relations and the "Cold War" appeared to be regarded as significantly beneficial. In considering the effects of disposal on friendly competing agricultural commodity producers, an important difference of opinion was evident. It appears that Congressional agriculture leaders would most probably have preferred a volume of commodity exports considerably larger than that believed by the State Department to be prudent.
The Participants

Legislators

The central actors of the legislative drama were the senior members of the Senate Committee on Agriculture and Forestry and the House of Representatives Committee on Agriculture. They characteristically were from agricultural districts and definitely represented agricultural interests. These individuals effectively controlled public hearings on agricultural issues and the introduction of agricultural legislation. Within the parent body of each legislative chamber the same individuals appeared to occupy a majority of the time for debate. Additionally, these same personalities were continually found on the conference committees which resolved House-Senate differences for final legislation. Throughout eight of the ten years studied, the Democratic party filled the chairmanships and had voting control of the two agricultural committees. They generally adhered to a larger degree of agricultural fundamentalism and tended to believe that government programs of assistance were inherently needed in agriculture. 1

1 J. Leiper Freeman, The Political Process, Executive Bureau-Legislative Committee Relations, Doubleday and Co., Inc., Garden City, New York, 1955, p. 66, feels the Congressional committees tend to attract like-minded people with similar social and cultural values, and ibid., p. 14, that due to the similar values and seniority, the senior committee members are part of an "in-group" which largely makes the decisions; and Charles M. Hardin, "Congressional Farm Politics and Economic Foreign Policy," The Annals of the (cont'd on next page)
The dangers of attempting to evaluate the influences of particular personalities must be fully recognized. However, three Congressmen appear to have had more than normal effect upon PL 480 legislation. In the House, Representatives Cooley from South Carolina and Poage from Texas, the chairman and vice-chairman, respectively, of the Committee on Agriculture seemed to have a continuing and extensive influence in shaping price support and commodity disposal legislation. Both have shared a deep conviction of the necessity of maintaining the family farm system. Each appears to be an accomplished politician and rhetorician and has been continually able to turn criticism into support for his own philosophy. Possibly as a result of their influence, issues within the House of Representatives often appeared to focus upon the plight of the small farmer to a large degree as opposed to the burdens and utilization of surplus.

Within the upper chamber, Senator Hubert Humphrey of Minnesota, a philosophical liberal, often seemed to lead deliberations. He has been a ranking Democratic member of the Committee on Agriculture and Forestry as well as the Committee on Foreign Relations. This suggests his emphasis on the utilization of agricultural productivity in advancing U. S. foreign policy through aid and development programs.

Much of the presentation in hearings and floor debates was quite obviously "for the record."\textsuperscript{1} Senior and experienced leaders tended to maneuver witnesses into reaffirming preheld ideas rather than gaining new information or insight. Committee members however generally appeared well informed on the issues under consideration. This was particularly evident in comparing committee discussion to that on the Congressional floor. There also appeared to be a very serious and sincere desire to do what was "right" in the mind of each individual. Of course, this "rightness" varied greatly among the participants and according to their vested interests.

In general, the legislators appeared to view the achievements of PL 480 in foreign relations, aid, and development with satisfaction and some pride. On the other hand, there is evidenced a sense of failure in appreciably alleviating the farm income disparity or in reducing the level of commodity accumulation. This failure to reduce the surplus is not voiced too loudly, however.

\textbf{Administrators}

Congressional relations with administrative agencies were not characteristically smooth. For obvious reasons the situation was inten-  

\footnotesize{\textsuperscript{1} David B. Truman, \textit{The Governmental Process}, Alfred A. Knopf, New York, 1951, pp. 372, 373, states that a prime function of the committee hearing is to provide a propaganda channel to the public.}
sified during the years 1955 through 1960 when opposing parties controlled the legislative and executive branches. However, there were indications of a generalized antibureaucratic feeling among legislators which transcended party affiliation. The lawmakers exhibited a strong jealousy of their policy formulation role and were particularly incensed at administrative attempts to modify or incorrectly interpret their intent. There appeared, at times, indications that the legislators attributed whatever failures the program incurred to the administration or misadministration of the laws.¹

Relations of legislators with the Department of Agriculture through 1959 were particularly determined by the Republican Administration-Benson philosophy. Ezra Taft Benson's Department reluctantly advocated Public Law 480 only as a temporary measure to aid in eliminating the then current surplus accumulations. This position was largely maintained throughout the Republican regime. However, the Democratic forces successfully prevented planned price support reductions and a high commodity accumulation rate prevailed.

Reflecting the Benson philosophy, the USDA was continually dragging its feet with respect to PL 480 administration in the eyes of

¹ Freeman, op. cit., p. 58, states committee members' receptivity to administration views are conditioned by the legislators' feeling of closeness to the "local" social setting. They therefore tend to champion the citizen against "the bureaucracy." He also sees a desire to protect the status of legislators vis à vis bureaucrats.
Congressional farm leaders. The Democratic leaders in Congress successfully overcame much of Benson's opposition to the long-term dollar credit sales, expanded foreign currency use, and to a lesser degree the barter program. With the advent of a Democratic Executive branch in 1960, a more liberal administration of the total program appeared evident.

The State Department represented an even greater threat to the effectiveness of PL 480 in the eyes of the Congressional farm leaders. Opposition came not from political philosophical differences but from the subordination of domestic farm interests to external interests. Even though PL 480 contributed an important instrument to foreign policy activities, its overuse presented the possibility of negative effects. To insure consideration of this aspect of all transactions, the State Department was held responsible for evaluation of each export agreement on the basis of its effects upon competing allies and world trade in general. The frequent reduction of the quantity of commodities shipped below that quantity requested by foreign governments resulted from State Department recommendations. Some legislators viewed this as undue meddling into agricultural affairs.

Others

Due to the large volume of lobbying activities of various interest groups which are unknown and unrecorded, an appraisal of the influence
of these interests upon the legislative decisions is difficult. However, certain evidence has provided some insight. The lack of unity in viewpoint of the major farm organizations was quite evident to the legislators. The predispositions of the Congressional agriculture leaders appeared to markedly affect reception of the lobbyists viewpoint.¹

The American Farm Bureau Federation advocated much the same line of legislation as the Eisenhower Administration. Their position agreed that government activities in agriculture should be phased out and the "free market" forces should be returned. They were particularly concerned with developing markets for expansion of American commercial interests. They consistently advocated a much smaller and more limited program of government disposal than that which was largely desired by many Congressmen.

The National Farmers Union favored the use of PL 480 as an unlimited outlet for the agricultural product of American farms operated at full capacity. In order to permit this vast production, they often proposed that the American government feed, clothe, and educate those in need throughout the world. This seemed to be accepted by some lawmakers with tongue-in-cheek.

¹ Murray S. Stedman, Jr., "Pressure Groups and the American Tradition," The Annals of the American Academy of Political and Social Science, Vol. 319, Sept., 1958, Thorsten Sellen, Editor, Philadelphia, 1958, p. 123, wrote: "To be successful, an interest group must rally to its cause formerly uncommitted persons who are latently predisposed toward the group's values."
The Grange proposed a moderate, middle-of-the-road policy, but they testified only at infrequent intervals.\footnote{Lauren K. Soth, "Farm Policy, Foreign Policy, and Farm Opinion," The Annals of the American Academy of Political and Social Science, Vol. 331, Sept., 1960, Thorsten Sellen, Editor, Philadelphia, 1960, pp. 107-108, believes the Farm Bureau to be in doctrinaire opposition to further expansion of government programs, the Farmers Union strongly favors them and the Grange takes a position in between.}

Commodity groups were periodically represented in Committee hearings. Their position, of course, depended upon their particular role in disposal activities. It did appear, however, that they were generally more sympathetically received by the legislators than the larger farm organizations. This may be partially accounted for by the fact that they often represented special local interests of the various legislators rather than large, policy-promoting organizations.

Some nonfarm industries which were affected by disposal operations presented testimonies during the study period. These were most often agricultural product handlers, processors, transporters, and other middlemen. They generally spoke in favor of PL 480.

As previously mentioned, the two industries which were adversely affected—mining and cotton textile firms—on several occasions presented their cases in committee hearings. However, the ears of Agriculture Committee members appeared characteristically deaf. Occasionally debate on this issue would be initiated on the floor by a
representative of a mining or textile area, but this too appeared largely ineffective.

The voluntary relief organizations and other philanthropic interests were always full of praise for PL 480. At times this was taken advantage of by agricultural Congressmen to propagandize the great humanitarian role of "our blessed abundance."

**Trends**

Considering the creation of PL 480 and modifications over the subsequent ten years, no radical changes in its objectives were evident. The program has expanded in magnitude since it was first enacted in 1954 as indicated by Table 1. There has also been an increase in the various means of commodity export and utilization as discussed in Chapter II. Of some significance has been an increased emphasis on long-term development contracts and programs. Also, the Eisenhower Administration did, somewhat effectively, diminish the barter program. However, the goals of PL 480 (and confusion surrounding them) largely remain as stated in the initial Act. A different viewpoint with respect to PL 480 most generally reflects a different viewer, not a different time.
Table 1. Exports of U. S. Farm Products under Public Law 480, Fiscal Years 1955-1962.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Law 480:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title I</td>
<td>73</td>
<td>439</td>
<td>909</td>
<td>660</td>
<td>727</td>
<td>825</td>
<td>934</td>
<td>1,015</td>
</tr>
<tr>
<td>Title II</td>
<td>83</td>
<td>91</td>
<td>88</td>
<td>92</td>
<td>56</td>
<td>65</td>
<td>146</td>
<td>176</td>
</tr>
<tr>
<td>Title III</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barter</td>
<td>125</td>
<td>298</td>
<td>401</td>
<td>100</td>
<td>132</td>
<td>149</td>
<td>147</td>
<td>184</td>
</tr>
<tr>
<td>Donations</td>
<td>135</td>
<td>184</td>
<td>165</td>
<td>173</td>
<td>132</td>
<td>104</td>
<td>144</td>
<td>177</td>
</tr>
<tr>
<td>Title IV</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>416</td>
<td>1,012</td>
<td>1,563</td>
<td>1,025</td>
<td>1,047</td>
<td>1,145</td>
<td>1,371</td>
<td>1,572</td>
</tr>
</tbody>
</table>

The Future

An overview of this investigation seems to indicate that Public Law 480 is an integral part of the existing total program of agricultural subsidization and regulation; it must be considered within this context. In an ideal sense the important questions do not concern the benefits or efficiency or effectiveness of PL 480, but whether a basic adjustment is needed in agricultural production and distribution, and, if so, the "best" way to bring this adjustment about. In this light, the arguments for the disposal programs are, for the most part, rationalizations of a situation which exists where the occurrence of a large surplus in U. S. agricultural production is coincident with the need for food in many areas of the world. Furthermore, the distribution of U. S. surplus to needy countries fortunately fulfills certain foreign policy objectives.

On the other hand, considering the political stalemate in agricultural policy philosophy--and, viewing the situation in statu quo, PL 480 must be directed toward optimizing its benefit to the nation as an aggregate. First, the heterogeneity of the multitude of considerations and problems should be realized. No single policy or group of plans can hope to satisfy the goals and motives of all the interest groups. Many are irreconcilable and some are in direct opposition to others.

Two courses of activity would appear to aid in minimizing the social and economic waste. First, educational efforts directed toward
the general public and policy makers to broaden their scope of knowledge and improve their bases for judgment appear to be needed. This, essentially, only restates the well-known axiom that in a democracy, a better informed populace engenders better government.

More immediately, there appears to be a lack of information or some degree of unresolved goal conflict concerning such questions as:

1. To what degree do subsidized disposal activities supplement rather than complement dollar sales?

2. What level of U.S. subsidized agricultural exports injures the normal trade of competing allies?

3. What is the role of U.S. technological assistance programs abroad in reducing American markets?

4. Is aid to Communist satellite nations truly in the best interest of the United States?

5. How can domestic industries such as cotton textile producers be protected from injurious effects of subsidized commodity exports?

6. Should foreign policy rather than agriculture appropriations be charged for foreign aid programs?

7. Do the long-run effects of PL 480 actually stimulate further surpluses?
8. How can PL 480 programs be best combined with other aid activities to attain foreign assistance and development objectives?

9. To what extent do food assistance programs help in accomplishing U. S. "cold war" objectives?

Further research into these questions might provide some assistance in the effective evaluation and future direction of Public Law 480 programs.
BIBLIOGRAPHY


U. S. Congress, House, Committee on Agriculture, Hearings, H.R. 12, A Bill to Amend the Agricultural Act of 1949, as Amended, With Respect to Price Supports for Basic Commodities, 84th Cong., 1st Sess., 1955.

U. S. Congress, House, Subcommittee on Rice of the Committee on Agriculture, Hearings on H.R. 2620, 2839, 3230, Bills to Amend the Agriculture Adjustment Act of 1938, as Amended, 84th Cong., 1st Sess., 1955.

U. S. Congress, House, Subcommittee on Rice of the Committee on Agriculture, Hearings, H. R. 7367, A Bill to Amend the Agricultural Adjustment Act of 1938, as Amended, 84th Cong., 1st Sess., 1955.


U. S. Congress, House, Subcommittee on Cotton of the Committee on Agriculture, Hearings, H.R. 8658, 8659, 8322, and 8703, A Bill to Amend the Agricultural Act of 1949, as Amended, and the Agricultural Adjustment Act of 1938, as Amended, 84th Cong., 2nd Sess., 1956.

U. S. Congress, House, Subcommittee on Foreign Agricultural Operations of the Committee on Agriculture, Hearings on House


U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearing, on S. 2249, Emergency Famine Assistance Authority, 83rd Cong., 1st Sess., 1953.

U. S. Congress, Senate, Subcommittee of the Committee on Agriculture and Forestry, Hearings on Administration of the Agricultural Trade Development and Assistance Act of 1954, ..., 84th Cong., 1st Sess., 1955.

U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on S. 671, 1127, 1314, Bills to Extend the Agricultural Trade Development and Assistance Act of 1954, and for Other Purposes, 85th Cong., 1st Sess., 1957.

U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings on the Operation and Administration of the Agricultural Trade Development and Assistance Act of 1954, and Its Relationship to Foreign Policy, 85th Cong., 1st Sess., 1957.

U. S. Congress, Senate, Committee on Agriculture and Forestry, Hearings, S. 3039 and 3223, Bills to Amend the Agricultural Trade Development and Assistance Act of 1954, as Amended, 85th Cong., 2nd Sess., 1958.


U. S. Statutes at Large, Vol. 69.

U. S. Statutes at Large, Vol. 70.

U. S. Statutes at Large, Vol. 71

U. S. Statutes at Large, Vol. 72, Part 1.

U. S. Statutes at Large, Vol. 73.

U. S. Statutes at Large, Vol. 75.

U. S. Statutes at Large, Vol. 76.
APPENDICES
APPENDIX I

USE OF TITLE I FOREIGN CURRENCY ACCUMULATIONS*

Sec. 104:

(a) Agricultural Market Development
(b) Supplemental Stockpile
(c) Common Defense
(d) Purchase of Goods for Other Countries
(e) Grants for Economic Development
(f) Payment of U. S. Obligations
(g) Loans to Foreign Governments
(h) International Educational Exchange
(i) Translation of Books and Periodicals
(j) American-sponsored Schools and Centers
(k) Scientific, Medical, Cultural, and Educational Activities
(l) Buildings for U. S. Government Use
(m) Trade Fairs
(n) Acquisition, Indexing, and Dissemination of Foreign Publications
(o) American Educational Institutions
(p) Workshops and Chairs in American Studies
(q) Purchase of Nonfood Items for Emergency Uses
(r) Audiovisual Materials
(s) Sales for Dollars to U. S. Tourists

* Items (a) through (h) included in original act. Item (i) was added June 18th, 1956, (j) on August 3rd, 1956, (k) on June 30th, 1958, (l) through (o) on September 6th, (p) through (r) on September 21st, 1959, (s) on August 8th, 1961.

### APPENDIX II

**CONGRESSIONAL AGRICULTURE COMMITTEE MEMBERS**

**83rd THROUGH 87th CONGRESSES***

**House of Representatives, Committee on Agriculture**

**Democrats**

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Harold D. Cooley</strong></td>
<td>Nashville, North Carolina</td>
<td>Law</td>
</tr>
<tr>
<td><strong>W. R. Poage</strong></td>
<td>Waco, Texas</td>
<td>Law</td>
</tr>
<tr>
<td><strong>George M. Grant</strong></td>
<td>Troy, Alabama</td>
<td>Law</td>
</tr>
<tr>
<td><strong>E. C. Gathings</strong></td>
<td>West Memphis, Arkansas</td>
<td>Law</td>
</tr>
<tr>
<td><strong>John L. McMullan</strong></td>
<td>Florence, S. Carolina</td>
<td>---</td>
</tr>
<tr>
<td><strong>Thomas G. Abernathy</strong></td>
<td>Okolona, Mississippi</td>
<td>Law</td>
</tr>
<tr>
<td>Carl Albert</td>
<td>McAlester, Oklahoma</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Watkins M. Abbitt</strong></td>
<td>Appomattox, Virginia</td>
<td>Law</td>
</tr>
<tr>
<td>James G. Polk</td>
<td>Highland, Ohio</td>
<td>Farming</td>
</tr>
<tr>
<td>Pat Sutton</td>
<td>Lawrenceburg, Tennessee</td>
<td>---</td>
</tr>
<tr>
<td>W. M. Don Wheeler</td>
<td>Alma, Georgia</td>
<td>Farming, Education</td>
</tr>
<tr>
<td>Clark W. Thompson</td>
<td>Galveston, Texas</td>
<td>Business</td>
</tr>
<tr>
<td><strong>Paul C. Jones</strong></td>
<td>Kennett, Missouri</td>
<td>Various (Politician)</td>
</tr>
<tr>
<td>A. S. Herlong, Jr.</td>
<td>Leesburg, Florida</td>
<td>Law</td>
</tr>
<tr>
<td>E. L. Bartlett</td>
<td>Juneau, Alaska</td>
<td>Gold mining</td>
</tr>
<tr>
<td>A. Fernos-Isern</td>
<td>Santuonce, P. R.</td>
<td>Medicine</td>
</tr>
<tr>
<td>John C. Watts</td>
<td>Jessamine Co., Kentucky</td>
<td>Law, farming</td>
</tr>
<tr>
<td><strong>Harlan Hagen</strong></td>
<td>Hanford, California</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Lester R. Johnson</strong></td>
<td>Black River Falls, Wis.</td>
<td>Law</td>
</tr>
<tr>
<td>Victor L. Anfuso</td>
<td>Brooklyn, New York</td>
<td>Postmaster</td>
</tr>
<tr>
<td><strong>Ross Bass</strong></td>
<td>Pulaski, Tennessee</td>
<td>Education,</td>
</tr>
<tr>
<td>Coya Knutson</td>
<td>Oklee, Minnesota</td>
<td>4-H leader</td>
</tr>
<tr>
<td><strong>W. Pat Jennings</strong></td>
<td>Marion, Virginia</td>
<td>Farming,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business</td>
</tr>
<tr>
<td>Name</td>
<td>Residence</td>
<td>Occupation</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>--------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>** D. R. (Billy) Mathews</td>
<td>Gainesville, Florida</td>
<td>Education</td>
</tr>
<tr>
<td>John A. Burns</td>
<td>Kailua City, Hawaii</td>
<td>Business</td>
</tr>
<tr>
<td>George McGovern</td>
<td>Mitchell, S. Dakota</td>
<td>Education</td>
</tr>
<tr>
<td>** Merwin Coad</td>
<td>Boone, Iowa</td>
<td>Ministry</td>
</tr>
<tr>
<td>** J. Floyd Breeding</td>
<td>Rolla, Kansas</td>
<td>Ranching</td>
</tr>
<tr>
<td>** Frank A. Stubblefield</td>
<td>Murray, Kentucky</td>
<td>Business</td>
</tr>
<tr>
<td>** Harold B. McSween</td>
<td>Alexandria, Louisiana</td>
<td>Law</td>
</tr>
<tr>
<td>Earl Hogan</td>
<td>Hope, Indiana</td>
<td>Farming</td>
</tr>
<tr>
<td>** Daniel K. Inouye</td>
<td>Honolulu, Hawaii</td>
<td>Law</td>
</tr>
<tr>
<td>** Ralph R. Harding</td>
<td>Blackfoot, Idaho</td>
<td>Business</td>
</tr>
<tr>
<td>** G. Elliot Hagan</td>
<td>Sylvania, Georgia</td>
<td>Farming, law</td>
</tr>
<tr>
<td>** Graham Purcell</td>
<td>Wichita Falls, Texas</td>
<td>Law</td>
</tr>
</tbody>
</table>

Republicans

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clifford R. Hope</td>
<td>Garden City, Kansas</td>
<td>Law</td>
</tr>
<tr>
<td>August H. Andersen</td>
<td>Red Wing, Minnesota</td>
<td>Law</td>
</tr>
<tr>
<td>William S. Hill</td>
<td>Fort Collins, Colorado</td>
<td>Farming</td>
</tr>
<tr>
<td>** Charles B. Hoeven</td>
<td>Alton, Iowa</td>
<td>Law</td>
</tr>
<tr>
<td>Sid Simpson</td>
<td>Carrollton, Illinois</td>
<td>Business</td>
</tr>
<tr>
<td>Ernest K. Bramlett</td>
<td>Pacific Grove, California</td>
<td>---</td>
</tr>
<tr>
<td>** Paul E. Dague</td>
<td>Downingtown, Pa.</td>
<td>Various</td>
</tr>
<tr>
<td>Ralph Harvey</td>
<td>Henry County, Indiana</td>
<td>Agr. Education</td>
</tr>
<tr>
<td>Harold O. Lovre</td>
<td>Watertown, S. Dakota</td>
<td>Law</td>
</tr>
<tr>
<td>** Page Belcher</td>
<td>Enid, Oklahoma</td>
<td>Law</td>
</tr>
<tr>
<td>** Clifford G. McIntire</td>
<td>Perham, Maine</td>
<td>Farming</td>
</tr>
<tr>
<td>James S. Golden</td>
<td>Pineville, Kentucky</td>
<td>Law</td>
</tr>
<tr>
<td>William R. Williams</td>
<td>Cassville, New York</td>
<td>Farming</td>
</tr>
<tr>
<td>Karl C. King</td>
<td>Morrisville, Pa.</td>
<td>Farming</td>
</tr>
<tr>
<td>Robert D. Harrison</td>
<td>Norfolk, Nebraska</td>
<td>Education, farming</td>
</tr>
<tr>
<td>William C. Wampler</td>
<td>Bristol, Virginia</td>
<td>Law</td>
</tr>
<tr>
<td>Joseph R. Farrington</td>
<td>Honolulu, Hawaii</td>
<td>Publishing</td>
</tr>
<tr>
<td>Melvin R. Laird</td>
<td>Marshfield, Wisconsin</td>
<td>Lumber bus.</td>
</tr>
<tr>
<td>Henry Aldous Dixon</td>
<td>Logan, Utah</td>
<td>Education</td>
</tr>
<tr>
<td>Mrs. Jos. R. Farrington</td>
<td>Honolulu, Hawaii</td>
<td>Journalism</td>
</tr>
<tr>
<td>W. Smith</td>
<td>Mankato, Kansas</td>
<td>Law</td>
</tr>
<tr>
<td>Otto Krueger</td>
<td>Fessenden, N. Dakota</td>
<td>Various</td>
</tr>
<tr>
<td>** Charles M. Teague</td>
<td>Ojai, California</td>
<td>Law</td>
</tr>
<tr>
<td>Donald E. Tewes</td>
<td>Waukesha, Wisconsin</td>
<td>Law, business</td>
</tr>
<tr>
<td>Name</td>
<td>Residence</td>
<td>Occupation</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td><strong>Albert H. Quie</strong></td>
<td>Dennison, Minnesota</td>
<td>Farming</td>
</tr>
<tr>
<td><strong>Don L. Short</strong></td>
<td>Medora, N. Dakota</td>
<td>Farming, ranching</td>
</tr>
<tr>
<td><strong>Catherine May</strong></td>
<td>Yakima, Washington</td>
<td>Education</td>
</tr>
<tr>
<td>Alexander Pirue</td>
<td>Utica, New York</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Delbert L. Latta</strong></td>
<td>Bowling Green, Ohio</td>
<td>Agr. education</td>
</tr>
<tr>
<td><strong>Ralph Harvey</strong></td>
<td>Henry County, Indiana</td>
<td>Publishing</td>
</tr>
<tr>
<td><strong>Paul Findley</strong></td>
<td>Pittsfield, Illinois</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Robert Dole</strong></td>
<td>Russell, Kansas</td>
<td>Farming, ranching</td>
</tr>
<tr>
<td><strong>Ralph Beermann</strong></td>
<td>Dakota City, Nebraska</td>
<td>Public Adm.</td>
</tr>
<tr>
<td><strong>Ben Reifel</strong></td>
<td>Aberdeen, S. Dakota</td>
<td></td>
</tr>
</tbody>
</table>

Senate, Committee on Agriculture

Democrats

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allen J. Ellender, Sr.</strong></td>
<td>Houma, Louisiana</td>
<td>Law, farming</td>
</tr>
<tr>
<td>Clyde R. Hoey</td>
<td>Shelby, N. Carolina</td>
<td>Law, publishing</td>
</tr>
<tr>
<td><strong>Olin D. Johnston</strong></td>
<td>Spartanburg, S. Carolina</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Spessard L. Holland</strong></td>
<td>Bartow, Florida</td>
<td>Law</td>
</tr>
<tr>
<td>Clinton P. Anderson</td>
<td>Albuquerque, New Mexico</td>
<td>Farming, (ex-Sec. of Agr.)</td>
</tr>
<tr>
<td><strong>James O. Eastland</strong></td>
<td>Doddsville, Mississippi</td>
<td>Law</td>
</tr>
<tr>
<td>Earle C. Clements</td>
<td>Morganfield, Kentucky</td>
<td>Farming</td>
</tr>
<tr>
<td>Hubert H. Humphrey</td>
<td>Minneapolis, Minnesota</td>
<td>Law</td>
</tr>
<tr>
<td>W. Kerr Scott</td>
<td>Haw River, N. Carolina</td>
<td>Farming</td>
</tr>
<tr>
<td>Stuart Symington</td>
<td>Creve Coeur, Missouri</td>
<td>Business</td>
</tr>
<tr>
<td><strong>Herman E. Talmadge</strong></td>
<td>Lovejoy, Georgia</td>
<td>Law, farming</td>
</tr>
<tr>
<td><strong>William Proxmire</strong></td>
<td>Madison, Wisconsin</td>
<td>Business</td>
</tr>
<tr>
<td><strong>B. Everett Jordan</strong></td>
<td>Saxapahaw, N. Carolina</td>
<td>Textil business</td>
</tr>
<tr>
<td><strong>Stephen M. Young</strong></td>
<td>Cleveland, Ohio</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Philip H. Hart</strong></td>
<td>Lansing, Michigan</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Eugene J. McCarthy</strong></td>
<td>St. Paul, Minnesota</td>
<td>Education</td>
</tr>
<tr>
<td><strong>Maurine B. Neuberger</strong></td>
<td>Portland, Oregon</td>
<td>Education, writer</td>
</tr>
</tbody>
</table>
## Republicans

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>George D. Aiken</strong></td>
<td>Putney, Vermont</td>
<td>Farming</td>
</tr>
<tr>
<td><strong>Milton R. Young</strong></td>
<td>La Monre, N. Dakota</td>
<td>Farming</td>
</tr>
<tr>
<td>Edward J. Thye</td>
<td>Northfield, Minnesota</td>
<td>Farming, law</td>
</tr>
<tr>
<td><strong>Bourke B. Hickenlooper</strong></td>
<td>Cedar Rapids, Iowa</td>
<td>Law</td>
</tr>
<tr>
<td><strong>Karl E. Mundt</strong></td>
<td>Madison, S. Dakota</td>
<td>Education, farming</td>
</tr>
<tr>
<td>John J. Williams</td>
<td>Millsboro, Delaware</td>
<td>Grain business</td>
</tr>
<tr>
<td>Andrew F. Schoeppel</td>
<td>Wichita, Kansas</td>
<td>Law</td>
</tr>
<tr>
<td>Herman Welker</td>
<td>Payette, Idaho</td>
<td>Law</td>
</tr>
<tr>
<td><strong>John Sherman Cooper</strong></td>
<td>Somerset, Kentucky</td>
<td>Law</td>
</tr>
<tr>
<td><strong>J. Caleb Boggs</strong></td>
<td>Wilmington, Delaware</td>
<td>Law</td>
</tr>
</tbody>
</table>

* Members listed in order of seniority within each committee and party beginning in 1954.

** Members remaining on committees in 1962.