

Remarks to the Community in Humboldt, South Dakota September 2, 1992

Please be seated. And let me just say how very pleased I am to be back in this State. Today I want to give a rather serious speech. I'm glad you all have seats, don't have to stand through this epic. But first of all, I want to thank George Mickelson, the Governor. You've got a great Governor. He's a great friend of agriculture and a great friend of George and Barbara Bush.

And I hope you'll excuse us for being a little tardy in getting here because Sue and Jeff Kapperman have just introduced us to one of the largest and nicest families I believe I've ever met back there. There's a representative group of them standing up against that fence; I cannot guarantee it's all of them.

But in any event, we're just very pleased to be here. I want to say that it's fun seeing the kids and visiting the farm here and coming to Montrose and Humboldt. It's special because with us on the plane today, Air Force One, coming out was Larry Pressler, who's here someplace. Went right by his own home farm, I believe. We salute him and thank him for his support there in Washington. And I can get a little feel, coming back here, for what Money magazine was talking about when they named Sioux Falls the best place to live in America. That's pretty high praise.

I also want to salute another public servant and one who has been at my side for a long time, the Lieutenant Governor, Walt Miller. I think he's here with us, Walter Miller; anyway, an old friend. And Mayor White greeted us. I thank him for that. Senator Shanard is here, Don Jarrett of the South Dakota Wheat Commission, and two people that I plan on seeing in Washington. I've known Charlene Haar. She's a good woman and a good, active campaigner. And I salute her, for the United States Senate, and also John Timmer, running for the congressional seat here. I'd back him. We've got to make a change in this gridlocked Congress. And of course, I'd be remiss if I didn't single out another guy that's been at my side in politics, your former Gov-

ernor, Bill Janklow. I thank him and also Don Peterson, out there helping with the Republican election effort this year, so many people doing so much for what I think is good, sound government.

I'm told that Jeff is a Democrat. But looking around at this setting, even I can't hold that against him. [*Laughter*] And I must say that I am very, very grateful to him and to his family for letting this mob, including you guys out here, hit this beautiful place of his. It's something very special about talking about agriculture in a setting that's so down-to-earth and so wonderfully family oriented. Jeff and Sue, as family farmers, represent something very important about this State and, I would say, also very important about this country. Agricultural families represent the heart of South Dakota's economy.

So I came out here today to rural America to talk with you about how I have been fighting and will continue to fight for the economic security of American farmers through a program that is based on opening markets abroad and then helping you export and grow more, keeping the Government off your back as best we can, and being there to help you get back on your feet when disaster strikes.

I plan to speak mainly today about wheat and about disaster assistance, but let me just say to America's corn growers—I noticed the cornfields as we came in—that I am a strong supporter of ethanol. We have worked hard to see ethanol demand go to new heights through everything from tax credits to research and new programs for clean fuels. And we're working now on a very difficult legal problem facing the White House: to make sure that ethanol plays a leading role in America's drive for cleaner air and America's drive for greater markets, diverse markets for the corn growers of this country. And we're going to whip that problem.

We now enjoy an unparalleled reign of free markets and free people around the globe, an unprecedented opportunity for

growth. When I think of my Presidency, I must say I look at these kids, and I think we are very lucky that in the last 3 years we've been able to reduce the threat of nuclear war that has scared every family half to death in this country.

Today, when I talk to Boris Yeltsin, the Russian President—and I talked to him just last week—we don't talk about nuclear weapons. We talk about how much grain we can provide to Russian consumers and how we can solidify his democracy, his freedom, his reforms. We also talk about the biggest swords-into-plowshares agreement ever, one that will return that Russian bomb-grade material, uranium, into fuel for the peaceful generation of electric power right here in America.

The American people are universally respected as the most generous and innovative on Earth. American products, whether it is a pair of blue jeans spun from Texas cotton or a bushel of wheat from here in South Dakota, are in demand everywhere. The challenge before us, then, is to seize this moment. Our challenge now is to win the economic competition, literally to win the peace. In the 1990's, we must be a military superpower, an economic superpower, and an export superpower.

In 2 months, you're going to be asked to choose between two completely different versions of how to win this global economic competition. One vision is to turn inward, to try to protect what we have, to put up walls around America. Mine is to look forward, to open new markets to American exports, to prepare our work force to compete, to keep the social fabric of this country strong, and to save and invest in those things that will help us win.

The best example that I can cite of our forward-looking approach is the work we've done to open new markets for American agriculture. In the last 4 years, we have signed 11 bilateral agreements with 10 countries to open up new markets for American farm exports. We signed agreements to increase beef exports to Japan and Korea, now the third largest market for U.S. beef. We've made inroads throughout Asia, which now accounts for 38 percent of American agricultural exports, 38 percent going to Asia. And just last month, we con-

cluded the North American free trade agreement, which will boost our \$3 billion worth of agricultural exports to Mexico.

One in every three acres planted in this country produces crops for export. That may be hard for some to realize, but that's a lot of export. One in every three goes to exports. U.S. agricultural exports support over a million jobs. And just since 1989, our agricultural trade has reduced our overall trade deficit by almost \$69 billion. You are doing the Lord's work.

Make no mistake, if the other side puts up walls around America, whether they're high tariff walls or high tax walls, the first loser is going to be the American farmer. Now, let me drive this point home. Seventy-six percent of South Dakota's wheat is exported, 76 percent of it. Agriculture contributes \$13.2 billion to South Dakota's economy, 3 times more than any other industry. We were talking about it with the Governor coming in here. And if Governor Clinton gets infected with that antitrade strain from the protectionist crowd he's running around with, it will be the American farmer that catches pneumonia, and South Dakota is going to get mighty sick.

Where does the Governor stand on free trade, on our historic free trade agreement with Mexico? He won't say, says nothing about all of that right now, is studying it, taking another look. The newspapers reported in Washington this morning—I don't like to read those papers very much, but I do from time to time—and they reported this morning that one of the most powerful labor bosses in the country, Lane Kirkland, said that they decided to, the unions decided to let Governor Clinton off the hook on this one until after the election. They'll let him be on both sides of this free trade agreement now.

Big labor made it clear that they are vehemently opposed to this free trade agreement, mind you. And one labor source said, and this is a quote: "There have been private conversations with the candidate, and he remains receptive to us." I have found as President you cannot be on both sides of every issue. You've got to take a position and say what you think is right, whether some people like it or some people don't.

This was in the paper today. Here's another quote from them: "Labor does not plan to push Clinton for specific public commitments that might prove politically embarrassing to his candidacy." I think you're entitled to know, not just as voters but as people that are doing the Lord's work out in the field, you're entitled to know where a person stands on something as fundamental as a free trade agreement that's going to open up more markets for your products.

You cannot be on every side of every issue. He's stuck riding the fence so hard he's got saddle sores. I might say "straddle sores". [Laughter] But don't kid yourselves. The money, the manpower, and the support for his campaign comes from the opponents of free trade. And after the election, they'll call in that anti-free-trade IOU, and then you'd better watch out. American agricultural exports and job-creating exports of every kind will be the victims.

I don't believe that this double-speak means one thing except double-trouble. The Congress is going to take this vacillation as weakness, and the vital national economic interest will lose out to congressional log-rolling, back-scratching, and business-as-usual.

Over 7.5 million jobs, American jobs, are tied to merchandise exports. We can create hundreds of thousands of additional new jobs with a free trade agreement. And we cannot afford a President who will put these jobs at risk. That's why I fought very hard to reach a new agreement under the GATT, the General Agreement on Tariffs and Trade. USDA, Ag Department, estimates that a successful GATT agreement will add over a billion dollars a year to farm income, a billion dollars a year. And it will do something else. It will force our competitors, especially in the European Community, to reduce their excessive export subsidies in agriculture. We want free trade, but we must insist on fair trade. To help us reach good agreements, I've been using a strategy that won us military security: peace through strength, no unilateral disarmament.

Our export enhancement program—you all refer to it as EEP—have enabled us to help farmers fight for market share against the EC's subsidized exports. Since 1989, we have doubled the number of EEP

initiatives. We've nearly tripled the value of EEP bonuses. Just since the beginning of this year, we've awarded \$914 million worth of EEP bonuses, leading to sales of over \$3 billion under the EEP program: wheat to Algeria, Egypt, the Philippines; veg oil to Morocco and Turkey; a pork EEP to the former Soviet Union. In total, our EEP's have helped us fight back against European subsidies and sell almost \$10 billion worth of commodities to 93 countries during these past 4 years.

But now we need to do more. The fact is that the prices farmers are receiving are too low today. To get the prices up, we must expand demand, and that means an aggressive export policy. Today I am announcing a broadside of EEP initiatives to sell over one billion bushels or 30 million metric tons of U.S. wheat, with a market value of over \$3 billion, to 28 countries around the world. This is the largest quantity of wheat ever made available under the EEP program at one time.

There is no question that in a world of open trade, the U.S. would be the premier supplier of wheat to world markets. That's why we are committed to reducing subsidies worldwide. But my announcement today should leave no doubt. With heavy EC subsidies continuing, this EEP program is vital, and we will use it as necessary. I am putting foreign governments on notice to that effect right here today in South Dakota.

That's why I am also taking a second step today to show that we're in this competition for the long haul. Two years ago, I worked with Congress to include two so-called GATT triggers in our law. They were a warning to other nations that we would counter their subsidized exports if they would not agree to negotiated cuts. The date of the first trigger has passed. So today we are acting to protect the American farmer. We will increase programs to promote agricultural exports by \$1 billion. The law said we would do this in 1994 and 1995. I am announcing that we will increase these programs beginning now. And my support for wheat is the first step.

Let me make this comment to those

friends of ours overseas also. Let me be clear: This action is aimed at those who subsidize, not at those, such as Australia and others, who do not subsidize.

Today's wheat EEP initiatives will give farmers, exporters, and buyers more certainty about market opportunities. We want to help growers plan, and we want to strengthen America's reputation as a reliable supplier. The other side's approach to trade is to create barriers here, right here in this country, that increase prices, dull our competitive edge, and hurt our growth. The usual strategy is to propose production controls. My approach is to help our farmers take the battle to the competition; offense, not defense. My strategy is to outproduce our competition and beat their socks off in the marketplace.

But as every farmer here knows, to win in the marketplace we must also take steps today that will make us more competitive tomorrow. So another part of my agricultural program is to help farmers keep pace by developing new techniques through our national research initiative for fighting pests and disease, for understanding human nutrition, for growing more. We're increasing research in biotechnology and into new uses of ag products from cleaner fuels to printer's ink to biodegradable plastics. The initiatives that we are pushing will help strengthen prices, boost farm income, and create jobs. That's why farm income over the past 3 years has averaged a higher level than at any time in American history. And more of that income is coming from the market, instead of from the Government, than at any time in decades.

But even so, 1992 has been a difficult year in parts for rural America. Last fall's drought, followed by a freeze in late May, severely weakened the winter wheat crop in Kansas and right here in South Dakota and elsewhere. Weather has hit farmers from Nebraska to New York, California to the Cotton Belt. And now this Louisiana sugarcane has been damaged by the winds of Hurricane Andrew. Barbara and I saw some of that devastation yesterday there in Jeanerette, Louisiana.

For some farmers, these disasters come on the heels of losses in 1990 and 1991. Late last year, I signed a bill to provide

about \$1 billion in disaster assistance for the 1990 and 1991 crops. Today I would like to announce the next step. I am releasing an additional \$755 million in disaster assistance funds. A minimum of \$100 million is set aside for crops planted in 1991 for harvest in 1992, such as winter wheat. American farmers need help. With this action, this disaster relief action, you will get it.

Now, I know that this \$755 million is not going to solve every problem. We will begin signups for winter wheat next Tuesday, other crops shortly thereafter. We can't prevent an early freeze, and I know that this amount may not be enough to pay the full amount of every loss. But these funds will help keep farmers on their feet so that bankers will work with you and next season's crop can be planted.

We've worked hard over the past several years to reduce farm debt. Debt is way down; equity is up; balance sheets are stronger. Today's announcement will help secure those gains to advance the economic security of the American farmer. If additional disaster funds is needed, we will go to bat with the Congress to secure them.

You see, an economic strategy based on competition is not an abandonment of governmental responsibility. Sometimes when disaster strikes, the Federal Government is uniquely equipped to help. We've seen that this week in Florida and Louisiana in the aftermath of the hurricane. That's one reason I went down to Florida and Louisiana again yesterday, to see the progress and the problems with my own eyes. And we're going to stay with the people of Florida and Louisiana until we get that job done.

Now getting the job done in agriculture means Government should get out of the way of the producers when intervention will hurt our competitiveness. Take the subject of regulation. My opponents want to take the world's safest food supply, tie it up with more regulation, and make it more expensive for the consumer. We want to work to make our food supply safe and affordable without this extremism, without this hysteria.

Take the subject of taxation. My opponent says that Government takes too much of your money in taxes. But they want to

take more of it, \$150 billion already proposed in new taxes, new taxes on small business to pay for Government health and mandatory training. I want to cut the taxes, cut them across the board, reduce the burden particularly on small business. Small business is overregulated and overtaxed.

Take the subject of spending, which is absolutely critical, Federal spending. They want to use those no taxes to add \$220 billion in new spending. And Newsweek magazine pointed out this week that Governor Clinton failed even to put a price tag on his four biggest programs. The real cost of his spending binge, said Newsweek, "is arguably at least three times higher than that." That's the quote from Newsweek.

And remember, we tried this recipe of higher taxes and higher spending before. We went down the path of foreign policy inexperience. We tried the combination of a Democratic-controlled Congress and a Democratic President, and you remember the results. We had back-to-back years of double-digit inflation. And farmers were devastated. We had interest rates at 21.5 percent. And farmers were devastated. We had grain embargoes—nobody here forgets that—we had grain embargoes and food as a foreign policy weapon. And farmers were devastated.

In this political year it is easy to be fooled. The new kid on the block shows up with a new set of lyrics, but it is the same old song. Wouldn't it be ironic if now, at the exact moment of America's triumph around the world, we were to turn backwards, to turn inward?

Not far from here, on the way into Hum-

boldt, there's a sign that calls this a small town with a big heart. Well, now that the entire world is turning our way, toward open markets, less bureaucracy, less regulation, more freedom, more competition, we Americans must not and cannot lose heart.

We've learned this: Freedom works. Opportunity awaits those who dare to reach for it. Competition brings out the best in our people, especially those here working in the soil, those farmers that know how to really get out there and do the hard work. If we remember these home truths, there is no telling what we can accomplish, for America's finest hour is yet to come.

The opposition tells you that we're not respected abroad. They tell you that we're in decline. We are not a declining nation. We've had enormously difficult economic problems; so has the entire world, caught up in a global recession. But we are the United States of America. And if we follow these policies, we can outcompete, out hustle, outwork anybody on the face of the Earth.

I wish I were this guy's age over here. It's going to be an exciting time ahead. And the American farmer is going to lead the way. Thank you all very, very much. And may God bless our great country. Thank you.

Note: The President spoke at 10:05 a.m. at the Kapperman farm. In his remarks, he referred to George Shanard, South Dakota State Senate majority leader, and Don Peterson, South Dakota Republican Party chairman.

Remarks to Shallowater Co-op Gin Company Employees in Shallowater, Texas

September 2, 1992

The President. Thank you all very much. Hey, let me tell you something. In case you don't know it, we finally have a first-class, great secretary of agriculture in Texas that understands the farmer in Rick Perry. And I was very, very proud of him at that Houston convention when he got up there

and told it as it is, making all Texans proud, making people across the country understand that we know about agriculture and we know about the American spirit. Rick, thank you very much for that introduction.

And let me salute the Future Farmers that are with us today. Also, you know I'm