STATEMENT BY SENATOR STROM THURMOND (D-SC) ON SENATE FLOOR, MARCH 11, 1958.

MR. PRESIDENT,

Included in the supplemental appropriation bill, now being considered, is an appropriation of 250 million dollars for the cotton soil bank program for 1958. At this time, I would like to discuss briefly the necessity for this expenditure.

My remarks shall not include anything on the merits or the demerits of the Soil Bank Plan, or any of the other devices that have been set up for the well-being of our farmers. To do so would only becloud the point of my remarks. The point, very simply, is that the federal government has made a moral commitment to the farmers, and, therefore, has a clear duty to pay 100 cents on the dollar to clear its Soil Bank obligation.

The Department of Agriculture evidently overlooked the fact that 1957 was a disastrous year for cotton growers in most parts of the Southeastern States, and greatly under-estimated the demand for Soil Bank funds for 1958. These growers -- small farmers for the most part -- were pushed to the wall by the losses resulting from the poor growing season of 1957.

For some growers, no doubt, this dark cloud had a silver lining. With the cotton surplus reduced, as a result of the poor crop, they saw a chance for a better market for the 1958 crop, and prepared to plant their full acreage allotments.
Such was not the case, however, for the small cotton farmer. His debt position would not permit him to take even the normal farming risks. He required a year of operating under minimum-risk conditions to get back on something approaching an even keel.

The plain fact, which the Department of Agriculture has consistently failed to recognize, is that the low price supports favored by the present Administration, do not offer enough hope for profitable operation for the small cotton farmer. His best chance for getting a return for his year's work lies in renting substantial acreage to the government under the Soil Bank Plan.

Faced with this situation, our cotton farmers voted in the cotton referendum of December 10, 1957, to continue the Soil Bank program through the 1958 crop year. The results of this referendum, in the eyes of the farmers, constituted a clear contract between them and the United States government.

During the winter, cotton growers made their plans accordingly. They made no arrangements for hiring hands to work the acreage that was intended to go into the Soil Bank. In numerous cases, tractors and other farm equipment used to work the fields were sold. In many cases, tenant farmers moved off the land and sought work elsewhere. Worn-out farm equipment was not replaced.

In announcing its plans for administering the Soil Bank Plan in 1958, the Department of Agriculture announced that the
period for farmers to contract for participation would be from January 13 through March 7. In many of the counties in South Carolina -- and, I am sure, in other states as well -- the local authorities advised farmers not to rush to sign up. In this way, they hoped to spread out the clerical work involved and insure that the work would be done in an orderly and efficient manner.

Nevertheless, there was quite an early rush. In some counties the rush to sign was of such a magnitude as to make this comparatively simple procedure quite a chore.

Let me quote here from a sampling of letters I have received from constituents, which will give some idea of the picture at sign-up time.

Here is a report from a gentleman who had the foresight on January 13, not to put any trust in the information that the Department of Agriculture had put out, and, therefore, was among the first in line:

"On the morning of January 13, I arose at 4:30 a.m. and drove twenty miles to the A.S.C. office, then stood in the cold and rain for two hours waiting for the office to open."

This grower feels that, having had the foresight to be among the earliest applicants, and having undergone the rigors involved in getting a place toward the front of the line, he should receive the full Soil Bank allotment for which he contracted.

However, this is not expressing a unanimous opinion, by any means. Here is a portion of a letter from another South Carolina
citizen, who also was ready to sign up the first morning that agreements were being accepted:

"I went to the office of the ASC County Committee on the morning of the first day of the "sign-up" for the Cotton Acreage Reserve program. There were so many waiting that I left to attend to some other important business. I returned in the afternoon and was assigned a number. The following day I went back and signed a contract to put my entire cotton allotment, 43 acres, in the Reserve program.

"Now I am informed that because I did not fight my way in ahead of the crowd that was waiting, and get in among the first few, that there are no funds and that the contract I signed with the government, in good faith, will not be carried out by the government. How can the Government of the United States of America expect loyalty from her citizens when she repudiates a contract made between her and her citizens?"

I have received a letter from a 61-year-old widow, who states that her small farm provides her with her only income. She could not sign up until after the allotment for her county was exhausted. She had only four acres to put in the Soil Bank, but her name is on the waiting list, because, as she expresses it, "widow women can't go at 4 o'clock in the morning and stand in a mob several hours."

I could go on in this vein for some time, but I think these letters illustrate the point.

In some counties, the farmers were warned that the allotment would be on a "first-come first-served" basis, and these counties, in general, were the ones where the sign-up line began forming before daylight on the morning of January 13.

In other counties, local committeemen relied on the U. S. Department of Agriculture's Notice SB-106, dated December 27, 1957, which said, in part:
"It is believed that... national funds will be adequate to cover all offered acreage for spring wheat, corn, cotton, rice, and certain kinds of tobacco, for the first several weeks of the sign-up campaign. Therefore, until further notice, State and county fund allocations... will be considered as automatically equaling the amount obligated on signed agreements at the county level."

These were the counties where, in general, standing in line was discouraged.

Mr. President, the cotton growers of South Carolina are as mad as hornets about this badly bungled mess.

The Department of Agriculture earmarked the sum of $13,000,000 for the payment of Soil Bank funds to the cotton farmers of South Carolina. Within four days, farmers had applied for payments totalling $19,000,000. At the last report, the total applications had risen to over 23.5 million dollars.

If these payments are made on a pro rata basis -- giving each farmer a portion of the money due him -- the individual farmer would receive less than 60 per cent of the money the government had represented he would receive.

In recent months, we have experienced a distinct downturn in business activity. Economists disagree as to the seriousness of the business recession. In my mind, nothing is more discouraging in the general economic outlook than the continued failure of our farmers to gain their proper financial status. They have not shared fully in the general prosperity of the last several years, and they are always among the first affected when business activity turns downward.

It appears to me that there could be no better starting point than for the government to stand behind the obligations it has contracted to pay, and put some cash money in the hands of the hard-stricken farmers.
We are spending billions of dollars annually for foreign aid. It is difficult for the farmers of our country to understand how the government can justify an expenditure of this kind, while refusing to pay in full the moral debt it has contracted with a number of its individual citizens.

The reports I am receiving from South Carolina cotton farmers are the reports of disillusioned people. It is not now possible at this late time to plan and enact a complete remedy for our numerous agriculture problems to be effective in 1958. But we can and should do what is plainly indicated, and that is to supply the Agriculture Department with the appropriation needed for it to carry out its commitments.

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