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ORVILLE FREEMAN ORAL HISTORY, INTERVIEW II
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ORVILLE L. FREEMAN

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Jane C. Freeman — April 17, 2005

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INTERVIEWEE: ORVILLE FREEMAN (TAPE #2)

INTERVIEWER: T. H. BAKER

DATE: March 12, 1969

B: This is a continuation, the second interview, with Orville Freeman.

Sir, if you can, could you begin with your appointment as Secretary of Agriculture and trace the process of how you go about developing an agricultural policy and getting it into legislation?

F: Well, that's quite a process. Initially, I had some pretty clear ideas as to what I felt needed to be done, mainly that we had very substantial over-production capacity and that we had to do something about it; that it was fallacious to follow the course that had been followed during the '50's of having relatively high price supports and then no kind of serious efforts to control production. So, I had this clearly in mind, but I also had clearly in mind that this was extremely difficult politically. First, the concept itself which involves some government involvement is strongly resented on a basis almost of principle to some people--anti-government activity is almost a theocracy. So you run into that--just the kind of opposition that the Farm Bureau, that the Chamber of Commerce, that the anti-government activity people will put up, which, as I say, is philosophical perhaps and held very strongly just as a matter of principle.

But equally complicated is the kind of programs as they relate to the commodities in question, and the various facets--the various interest groups that will be involved, even within a given commodity. For example, in cotton--what you might do would be looked at very differently by the Delta in Mississippi, for example; by the Southeast with its long involvement

in cotton, and by the irrigated Far West. The same is true in other commodities. What you do would be different in the kinds of wheat from the hard winter wheat to the soft wheat, both red and white, grown in different parts of the country. So it's clear that this is about as complicated, as well as sometimes emotional, as anything that you can take on.

When I reflected on this, one of the first things that I concluded was that you ought to try and get as much decision-making on these details in the executive branch and away from Congress as possible, because to the extent that Congress becomes involved in it you're getting into a lot of detail, a lot of overtones, a lot of politics, a lot of areas where the legislative body is at its worst rather than at its best. And so after a lot of thought on this, we concluded, and I so recommended to President Kennedy, that rather than to recommend a farm program as such we should recommend really a system--a means of writing a farm program in which the Congressional participation would be sharply lessened. And I took as the prototype of this the system followed in making administrative reorganizations and the administrative act which provides that the recommendation will be sent by the executive branch of the government and then they will stand unless they're turned down by the Congress. And we worked that into a pattern where there would be elected farmers as participants in developing a farm program for the various commodities, this on a commodity by commodity basis. They would be elected by the farmers who are producers of that commodity. They would then meet with the Secretary of Agriculture and develop a program for that commodity. That program would then go to Congress and if Congress did not vote it down, it would become the law and go into effect. We had a great deal of

discussion about this as to whether it was practical and whether it was feasible.

B: This was discussion with the White House, you mean?

F: This was discussion with the White House--this was a discussion with President Kennedy. We had a discussion about it first in New York from early in December of 1960. And it was considered for quite some time. On the one hand it was properly foreseen that it would be difficult to get Congress to go along with this because it would lessen their power. On the other hand, it was recognized that if you were ever going to do something like this, you'd have to do it early in an Administration. On the other hand, the relations with Congress were very good early in 1961 and there was a hesitancy to alter that and to make any recommendations that Congress would resent.

B: Did you directly or indirectly talk to leading Congressmen in the agriculture field?

F: Yes. I talked to the chairman and some of the leading members of each of the committees, and they were luke warm to this proposal, to say the most. But they were reasonably cooperative; it was a new Administration, and they didn't adamantly oppose it. As I say, they weren't really very excited about it. But after a long deliberation, it was determined that this was the course we would follow and a message was prepared and was sent to Congress. Recommendations were made, bills were drafted, they were introduced. My recollection is they were introduced by request rather than as the bill of the respective chairman of the committees, by Cooley in the House and Ellender in the Senate.

Hearings were held. As usual, the Senate preferred to sit back and let the House act first. Hearings were held; they were not very

friendly, but the Democrats were staying in line fairly well. And it seemed that there was a possibility that this could be done, but there just weren't enough votes to quite move it and hadn't brought it to a head in the House.

Then one day I talked to the then-Vice President Lyndon Johnson about it, and he suggested that I talk to the Speaker and said he would talk to the Speaker about it and he was sure that the Speaker would help. And so I made an appointment to see the Speaker, and took Cooley and Poage, as I recall, along with me. I expected that the Speaker would be friendly and he, as it turned out, was not. He came down adamantly opposed to this concept, said that it wouldn't have a prayer if it did get out of the committee and that we might as well forget it. This came as a real shock. He had been involved in some administrative procedures--recommendations that had not turned out well--I've forgotten what they were, which some people thought was the reason why he was as critical as he was. But there was just no question but what he looked on this proposal, to say the least, dimly. What I left his office, it was in a crisis state--where do you go from here, and how can you possible hope to take it forward when the Speaker, as influential as he was, had taken a firm anti-position.

B: Did you think of going back to Mr. Johnson to see if he could use any influence with Mr. Rayburn?

F: No. I really didn't at that point because it was pretty clear to me that he hadn't used any influence up to that point.

B: That was my next question. Apparently, the implication is he had just sort of tossed off this suggestion to see Mr. Rayburn without really

preparing any groundwork for it.

F: Yes. I think that's what happened. And I don't think he was really very interested in the proposal, and he was just being polite where I had thought that he really had done some groundwork in connection with it. So I backed off for a day or two and then realized there was nothing more that we could do but make proposals and return to the arduous and painful commodity by commodity legislation route which we had hoped to avoid

B: What was the standing of the various farm groups your original proposal--the one based on the reorganization plan?

F: It was the usual standing that the Farmers Union strongly supported it. The NFO was not then really much of a factor; I don't recall having any great discussions with them about it. The Grange was in support of it--the NFO, I guess, was too. The Farm Bureau, of course, was strongly opposed and the commodity groups weren't saying very much. They were kind of generally opposed--the cotton and tobacco people that had the traditional programs; this represented rather sharp changes and they weren't too receptive to it. So that took care of that.

B: One more question, sir. One of the issues involved here was the large existing surplus of the time, and one of your arguments, it seems to me, was that eventually this plan might save money in the sense of reducing surplus. Did that have any effect on--?

F: No. It didn't have any effect at all because this was, of course, implicit in any farm program. And this real issue was not about whether there should be a farm program, not about the specific details of a given commodity and its position, but rather this was a system, you see. This was a system through which farm programs would in the future have

been designed and brought into being and carried forward.

B: Then the issue really came down to the power of the Congressional committees versus the power of the Administration?

F: It really came down to whether Congress would tolerate and permit a system which limited its part--which limited the extent of its participation. There was, I thought, a reasonable chance that they might because agriculture was in serious trouble, and they all recognized the extreme difficulty of passing commodity programs for reasons I've already given. If there had been a little more support, conceivably if Rayburn had been approached as I thought he had on it, it could have been different. But he took such an adamant and clear and determined and unequivocal position that it just meant that there was no further to go.

B: Did you think about reviving the idea after Rayburn's death at all?

F: No. Because by then we were clearly on another course, and the Congressional leadership by and large was such at that time--they were kind of relieved really that this was killed. They had not ever been very excited about it and in my judgment there was no chance for implementing it, certainly not after the early honeymoon period. The time when you pass legislation and get new and novel things into practice is early, early in an Administration. By Rayburn's death, that time had gone by.

But in the meantime, of course, we were very active to meet the immediate problem which was to pass an emergency program on a commodity basis, in this instance directed to feed grains which was the big surplus and to do it immediately because the predictions were and the estimates were that there would be five hundred million bushels of grain laying on the ground by August of 1961 if something wasn't done. And so I called

in a group, an advisory committee of leaders in the feed grain area, and wheat too and grain in general, very shortly after I took office on January 20. I think they were in January or very early in February. And we worked on a program, something that could be done immediately. Congress was not very sanguine about that either. The chairman of both committees said you couldn't possibly pass legislation through Congress in a quick enough time to get it operative to meet the crop that was then largely in the ground, or almost ready to go in the ground--some places it was. Well, my response to that was, "There just isn't any alternative; we have to do something. We just have to do something."

In any event, this committee came in and they worked very hard and in a week or ten days, we had a bill drafted--the emergency feed grain program, and the chairmen of both committees cooperated by holding hearings very promptly. I went up on the Hill with it, had long hearings. The Republicans opposed it, as I recall, in committee to the man. This was in the House. But we got it out; I've forgotten exactly what the vote was. And in the Senate, the same. On the House it squeaked by at the most with a half-a-dozen votes. My recollection is that it didn't get a Republican vote, although there might have been one or two, but not many.

A very interesting sidelight was we had in the meantime called a meeting bringing together farm leaders, I believe it was in Kansas City, and I was concerned that the bill should be passed and signed into law by the time that we went to that meeting. So when the Senate finally did act, we literally almost forced our way into a caucus the Texas delegation was holding which the Vice President attended, got his signature,

got them to adjourn that meeting so the Speaker could go to his office where it's apparently required that he should sign bills in his office physically there, and then tore across town and through a rainstorm and got President Kennedy to sign it immediately. It didn't even have the usual Budget Bureau clearance; it usually takes four or five days for a bill to go all around. This one was signed within minutes after it had the signature of the Speaker and the Vice President. Then I was off to Kansas City where we held this meeting.

Well, to make a long story short, we did sign up a million farmers in that program that spring, and it resulted something in the neighborhood, I'm recalling, twenty-five million acres of land was kept out of production. And for the first time in a decade, there was a sharp cutback in production of feed grains, and the surplus was substantially cut. That was the emergency program. The interesting thing about this is that that emergency program with some modifications became the farm program because going into 1962 then, I sought to develop a long-term, basic farm program. I can remember very well working on it when I was in India and thinking about it a good bit on a trip that I had taken around the world at that time. People were working it out and staffing it out commodity by commodity. It was not only the farm program as such, it also involved food and food use and food distribution. It involved conservation; it involved world development, as well as the commodity programs. It ended up being called the ABCD program and there's a pamphlet kicking around that sets it out in great detail. And it was sent by President Kennedy to the Congress as the ABCD Farm Program; it stood for abundance, balance, conservation, and development.

B: Let me make this clear. In the planning stage, you are taking into consideration not just the food and fiber policies, but all of these other aspects that are ultimately related to them?

F: That's right. All the areas involving conservation and involving rural development. It's quite clear that it isn't enough to have a farm program if there are going to be fewer people on the farms, as technology means a family or a man can farm a lot more land. Query: What happens to the people that leave the farm and what happens to the rural community in which they used to live? And obviously something must be done. This was quite clear. And so this side of it we emphasized strongly. As a matter of fact in the fall of '61, I started a series of land and people conferences--I think it was '61 or early '62, and they were held for the next year all over the country, bringing together people to discuss this very problem. That subsequently led into what today is called "rural urban balance" which is an area in which I spoke broadly. A Cabinet symposium was held a year ago in December and considerable attention has been focused, although not enough. That's just a part of it. So it's all tied intimately together. But in any event, this was the plan and as a part of that plan, we had reverted now to a commodity by commodity program which would be submitted to Congress and had just recognized that we were just going to have to go through this arduous process of passing for each commodity a special piece of legislation.

B: Did you think at this time about adding additional commodities under the farm support plan?

F: Well, at this particular time, the only two commodities really that were in trouble were wheat and feed grains. At that particular time there was

no reason for modifying tobacco or cotton. They were in fairly good shape. Subsequently, they got into some trouble. So this was primarily a grain program on the commodity side.

So that's what was taken to Congress and then related legislation in the development area which had a good deal to do with the Farm Home Administration, with credit, with provisions that were tucked in the farm bill on conservation and land use, such as resource conservation and development, multi-county program. I personally wrote in that bill a proviso that counties could come together and if they did and had built a program for a multi-county area, that they would get certain assistance, certain credit, and certain help. Well, there are some fifty or more such resource conservation development districts throughout the country now, and this has been very successful. A provision for rural renewal, which was also multi-county, only on the side of people rather than resources, which was just a difference of emphasis really, where multi-county groups could get together and develop a program of public facilities and education and health, economic development, job producing. This was not as successful for a number of reasons. It had problems because state laws were limiting, and of course it was easier to go forward when you were dealing with physical resources that people are more accustomed to and where the purpose was understood and where conservation had as broad a base of support as it did.

B: To what extent were the White House and the other departments involved in this planning?

F: Well, they weren't involved in its inception. The White House and the Bureau of the Budget and other departments are involved as a program or

proposal goes forward. The proposals themselves came out of the Department of Agriculture. They originated directly with me, with me personally, as I had viewed this and discussed it and thought about it and had committees working on it. As soon as we lost in 1961, I went to work to try and create something; we had to have a program--we had problems to meet. And this involved discussions with farm groups; it involved these land and people meetings that I referred to. I can recall having a long discussion on this with Mr. Ken Galbraith who was then Ambassador to India when I was in India. In the Department of Agriculture, Charlie Murphy then the Under Secretary had task forces working on this internally; and John Baker was very intimately involved in the overall rural development side as the Assistant Secretary in Conservation and Rural Development, although at that time he, I think, had a little different title before he was Assistant Secretary. I think he was in charge of credit.

So this went on. And the program development in the department took place under my direct and immediate attention. Then when we got it on paper, it went over to the White House. And as this went forward, I had discussions about it with Ted Sorensen and with Mike Feldman who were President Kennedy's staff people in the agriculture and resource area, to some extent with Lee White. And then the same in the Bureau of the Budget. We talked with them. And the same in the Council of Economic Advisors. And to the extent that it overlapped a bit in Interior or other places in the government because these things circulate and everybody gets a crack at them. But it was developed and carried forward by the department. So that was the story in 1962.

The bill was introduced and hèarings were held, and we lost in the

House after a long and bitter battle on feed grain program. These were now the so-called mandatory programs, which meant that if farmers voted two-thirds in a referendum that the program would have the force and the effect of law. I went around personally and talked to almost every member of the House, Democrat and Republican alike, and just pounded the halls and spent endless hours working on this trying to bring every possible influence to bear in order to accomplish passage and we thought we had the votes. We thought they were counted. And I can remember a long, long day pacing the floor in the Department as the bill moved to final passage; and Ken Birkhead who was my legislative representative telling me about eight o'clock in the evening that we had another headcount and that we had the votes and calling me about an hour later and saying we lost. And we lost, I think, by about two votes.

B: Did you also call in Larry O'Brien's personal liaison operation?

F: Yes. We worked very closely on this with the White House and with O'Brien's legislative operation, and they did everything that they could. And President Kennedy helped, and he called a number of these people at various times when he was asked to. It was an Administration proposal and the Administration went for it very solidly and with all its resources. That was a very crushing blow. I didn't know what to do. I can remember calling President Kennedy late at night and he was quite reassuring about it and said, "Well, don't worry about it," some such words--I've forgotten exactly. But I was really crushed in connection with it. We went back to the office and sat most of the night.

Early the next morning I went to see Cooley and we discussed it, and so we went ahead and I introduced a bill and I appeared before the

committee at four o'clock the next afternoon; and he put in another bill which was just kind of a shadow. It had virtually nothing in it in the feed grain areas; it retained the mandatory programs where wheat was concerned. And in the meantime, I went to the Senate and the Senate went ahead and acted and passed the bill that the Administration had introduced--passed it by an overwhelming vote; Ellender passed it out of Committee.

Then we took this bill that had not very much substance in it and did pass it out of the committee. Incidentally, before we had passed the other bill out of the committee, we had had a horrendous struggle to get it out of committee. We were one vote short. And over Christmas--or was it Easter--I guess it must have been Easter, a Congressman from Louisiana by the name of--subsequently defeated, I don't remember his name now--who had been, as a swing voted, indicated that he would vote for this despite strong opposition from the Farm Bureau in his own area. Harold McSween?

B: I don't know, sir, I can check it.

F: He was from Louisiana on the House Agricultural Committee in '61. Even when we had those votes, it was so close that Harold Cooley had four meetings and we thought everybody was going to come and they didn't come, and he had to adjourn each meeting and not bring it to a vote. It was that close. In any event, that was lost, as I related a moment ago, and we passed a bill that was more form than substance in the House, and then went through a lot of parliamentary hocus-pocus in putting the two together, and ended up in 1962 with a continuation of the feed grain program--the emergency program continued, and with the wheat program in the bill with one important modification that came out of conference that was quite crucial.

The feed grain program was getting increasingly difficult to sustain because it worked through heavy sales by the Commodity Credit Corporation, which sales forced prices down. Prices were intentionally forced down in the neighborhood of a dollar a bushel, while the loan rate was about, as I recall $1.20 or $1.25. This was a device by which farmers in effect were almost forced to participate in the program, because if they didn't come in they would get only one dollar in the market. If they did come in, they could get a loan and they would be protected. This resulted obviously in some unhappiness. And the trade didn't like it because the Department was so actively involved in the market.

So what happened in conference, and ironically it was done by a Republican Congressman from my state--Quie, Al Quie, at the instance of the grain trade. They moved it to a production payment program where price would find its own level in the marketplace, where the government would not sell grain, and where the loan rate would be tuned to the market price and with a payment in addition as the incentive for acreage diversion. This made a much more sensible program, but it's one that I could never have passed, and I could never have passed through committee, and would never come about; but it came about in committee by a Republican Congressman who today hesitates to acknowledge it, and was very basic. It was almost a freak, and I didn't even know he was going to do it, and I never dreamed it could be done. But because the grain trade worked on him and it did make good sense, and because he was quite influential, because the conference committee was ready to report out a bill, out came that bill with the production payment feature, which was basic.

So we ended up in 1962, although we had gotten our brains beat out

on the feed grain proposal which was crucial--the fact that I was just determined we had to pass legislation, it was a matter of life or death--there just wasn't any other way out of it. You just had to get some legislation. So we just refused to quit, and we just kept trying and trying and trying one thing and another thing and another thing. We ended up in 1962 with a pretty good bill. The extension of the feed grain program is modified now into a production payment program and a wheat program, following the mandatory principle.

Then we set our sights for the referendum, the wheat referendum, the following spring, in which we campaigned long and hard--a very touchy business as to how far the Secretary of Agriculture should get involved in a referendum. Unfortunately, I got involved enough that the Farm Bureau was able to make me the main target and big government the target, not the merits of the program. In retrospect, perhaps I shouldn't have gotten involved that much, but there was very little real leadership from the supporting farm organizations. This was now the Farmers Union, including the Grain Terminal Association; it also included now the NFO and the Grange and the Missouri Farmers Association.

B: In that kind of thing in what amounts to a campaign for the referendum, do you feel that you can ethically use the huge Agriculture Department apparatus out in the areas?

F: Well, yes. Use it with some reservation. You would be telling the story of the program and what it would mean to farmers. You had to because there was no other way in which that information could be made available. ASCS was active in this, with restraints; they were not out campaigning--they were out making information available to farmers. That's a difficult

dividing line, of course, to draw. Most of the ASCS people were very partial to the program as such and sometimes they got more deeply involved than perhaps they should have, although, as I say, it's a difficult line to draw. The rest of the department--Extension for example, presented it very, very carefully in terms of, "Here is the alternatives," but there was a bit of flack in connection with it. I took the posture very clearly that, "Here is the alternatives," but as I presented the alternatives there wasn't much doubt what I thought should be done.

Well, as you all know, we lost that referendum; we not only lost it, we lost it badly. It was, of course, really lost by the small fifteen-acre wheat farmer who didn't have any stake in it and who the Farm Bureau reached. And from the standpoint of tactics, the Farm Bureau ran a campaign against the Department, against the federal government. But it was also clear that there was a good deal of antagonism among farmers at the programs themselves; that they were a little better off now, prices had improved. We had turned the corner on surplus accumulations, the feed grain program had been working, the wheat program--we'd applied it to the wheat program as well and that surplus was decreasing. The farmers just were susceptible to the approach, "Well, you don't need a program," and the Farm Bureau was making in strongly. And I would guess this was the time when I was at the low point in all the time I was Secretary of Agriculture, because I really wondered whether the farmers really wanted programs or whether they'd sit still for them, or whether I should resign and where this thing goes from here.

B: Did you talk to President Kennedy about this?

F: I talked to President Kennedy about it, and we had a number of very long

talks about it because the strategy on this now was very ticklish. What do you do? On the one hand, the President had said and the members of Congress had said--the President had said in a press conference just before the referendum that this is a farm program now; that if the farmers do not take this, why they won't get anything else; that you can't have price supports and unlimited production; that the farmers just have to be responsible about this. This was said by the Speaker, this was said by the Majority Leader, this was said by the chairmen of both committees, this was said by a great many farm leaders around the country. Despite all this, we lost the referendum rather badly, getting, as I recall, well under sixty percent of the vote.

But I had foreseen this possibility and had had a number of long discussions with President Kennedy as to just how we should proceed--what the political strategy should be. Because once this happened, if he said and if I said, "There won't be any farm program now; you guys have made your bed--you'll have to sleep in it," that's not a very popular position, particularly when 1964 was just around the corner and a presidential year coming up. Yet you couldn't turn around with a program right away when you said there wouldn't be one, you didn't want that--you didn't know exactly what to do, but there were people trying to push you, people in Congress trying to push you and of course the wheat people and others. So we had a lot of discussions about this. And his recommendation finally when it was over was that--well, he just took a qualified position; he just said that, "We're deeply concerned about the farmers and this problem, and we're going to observe very carefully to see what can and should be done in line of all of these developments," something of that kind which

didn't slam the door, but which didn't leave it open very far.

B: Did President Kennedy really understand the complexities of the farm program?

F: Yes, he understood the farm program really quite well. As a matter of fact, he understood them--I don't like to draw comparisons, and I don't do this in any unfriendly way, but he understood the farm program better than President Johnson and President Johnson is a farmer and rancher. But Kennedy had to learn the hard way because Johnson had always been for these programs, and so he understood them of course in general, but he never gave them a great deal of time or attention in terms of how they really worked. Kennedy, on the other hand, had gone from a so-called flexible low price support position which he shared with Senator Clinton Anderson to the opposite--to a fixed high price support supply management position, which was a hundred percent reversal. And he did this because, as he studied this problem more, he came to the conclusion that was the right position where Johnson never had to go through that. Kennedy understood these programs; he understood their complexities; he understood the economics of it very well. He didn't bother with them very much--neither President did. They pretty much left me alone. President Kennedy used to say, "You're doing a fine job except you cost too much." We'd have our problems at budget time and program time, but almost without exception my recommendations were followed, and sometimes there were some very difficult decisions in regard to price support levels, acreage allotments and other things.

In any event, he suggested what I ought to do was just get in the car and go around the country and find out what farmers were thinking. I

I didn't do that exactly, but what I did do was set up a series of meetings which I called "Look and Listen." And they came to be called "Freeman's Shirtsleeve Sessions" after awhile. I went out that year at least a dozen different places. I did this in different trips, sometimes twice a day, and invited any farmers in the area who wished to come. I would speak to them very briefly and then I would answer any questions, or listen to any statements that they wanted to make.

B: I'm not looking for Machiavellian tactics here, but is this partly an effort to sort of sidestep the organized farm agencies like the Farm Bureau?

F: No, it was not at all. As a matter of fact in some cases, they sponsored these meetings--not the Farm Bureau, they wanted no part of it. They felt that it was just a public relations device, which it wasn't. It had some of that effect, but what it did do was it gave me an opportunity to have a face-to-face meeting with farmers. I think it gave them some encouragement in some respect for what we were trying to do--the fact that I was willing to go out and meet with them. And the other farm organizations approved this; they had no objection.

The only place where there was any problem with them is when ASCS, the community payment system, established an organization of their own and got active in the farm matters. This was considered by the farm organizations generally as kind of competitive with them. But otherwise, I had no problems of that kind. The Farm Bureau position always has been that the Secretary of Agriculture shouldn't do anything; that it should be up to the farm organizations and Congress--that the Secretary should just then proceed to carry forward what those policy people have decided. Well, of course, I didn't believe in that at all. I feel that the Secretary

as the chief executive officer under the President's direction has got a responsibility to seek to develop programs and to use the resources that are at his disposal of expertise and know-how to develop what he feels to be the best way to meet the problems and to improve the situation, serve the country.

B: Related to that, did you ever get the impression that some of the opposition you were getting in Congress in these early years was designed as much as anything to put you in your place? That is, to head off what possibly might be an aggressive Secretary of Agriculture?

F: No, I don't think so. I think really even on the Republican side that my relations with Congress were always pretty good. I can't think of anybody, anybody of any significance--I can think of one or two Congressmen that I had some unpleasantries with, they were Republican Congressmen, one Democrat. And they were mostly personal. They were just kind of nasty people, at least I thought they were. But otherwise--no, I think this was based upon the issue itself, plus the politics. The Republicans automatically voted against all of these things with a very few exceptions, and the Democrats--we'd have to get Democratic votes, and we couldn't get all the Democratic votes. We couldn't get all the city votes. This was where the real contest went on. You couldn't get some of the Republican farm votes where the Farm Bureau would have many of them in strong Republican areas. So every single one of these was a very tough, miserable struggle in order to pass.

So, anyway, I went out in '63. We'd gotten clobbered on the wheat program and after I made these meetings, I came back reassured in the sense that I concluded that farmers did want programs, did need programs,

and understood that. But they didn't know what they wanted. What they wanted was high price supports and no kind of control; what they wanted was high prices and, "Leave us alone." And this is what the Farm Bureau kept telling them they could have. They'd had a decade of farm programs and they were kind of resentful of them. To the extent that their position improved, they were tired of having someone tell them how much they could plant and couldn't plant. And there were problems of administration; there were problems of acreage allotments and bases, and to what one was entitled to as opposed to another. So the mandatory programs had just run their course, and I just came to that conclusion. They had just run their course. They were no longer politically feasible, and we'd had to learn that the hard way by losing the feed grain program in Congress and by losing the referendum.

Later on that year George McGovern introduced a bill which subsequently became the wheat program, which was a voluntary program. And in many respects it was superior to the mandatory program, again a little more costly.

B: Did Senator McGovern originate that, or did it come from your office?

F: It was both. We had it in our office, he knew about it--I think some people had communicated with him. He had been working on it. He introduced this and it immediately got a good deal of support, and we began to move towards it--not too actively or not too noisily because to be perfectly frank about it, we were reversing our position. We'd said if that didn't pass there wouldn't be any program, and we had really meant it. That was not done as a matter of guile or deception. But when we were confronted with a very difficult decision then--should you tell these

farmers no program and not try and have a program when it would mean great hardship for those who did vote for a program, which among the larger wheat farmers distinguished from these little fifteen acre farmers where wheat was just a small sideline, there had been a very substantial vote. I think they would have carried the referendum if it hadn't been for the small ones. And in their interest as well as in the national interest, something should be done. What do you do then? Do you stubbornly adhere to a position which you had taken in good faith, or do you begin to try to reshape that position in the direction that you think is the right thing to do? Well, we did the latter.

So, by the spring of 1964, this would have been now--of course, President Kennedy then was gone, he was killed in November of 1963--the wheat program came to the front. I just don't remember exactly all the give-and-take that took place that year, but we ended up with a cotton program because by now cotton had gotten into trouble; and we passed a wheat-cotton program in 1964. The cotton part of it was not very satisfactory--

B: This was the debate over the one-price versus two-price--?

F: Yes, this was the big debate over the one-price versus the two-price system. Finally, the one-price system prevailed.

B: Was most of the debate in the committee?

F: Yes, all the debate was in the committee. In dealing in cotton, you were dealing with something much different than when you're dealing with the grain problem, which was a national problem. Cotton was more a localized problem in certain areas around the country. And of course the cotton industry as a whole was so much more highly organized that you now were

dealing with a group that were very sophisticated professionals in the matter of government and affecting government and affecting legislation. You had the cotton council, and then, of course, you had the textile people who wanted a one-price system. As such, they were able to prevent any action. This was a long, complicated year of maneuver. I would really have to go back through my notes if someone ever wanted to really make a story of that. I've got it in detail, but I've kind of forgotten it. We took the position that there was some merit in their case; that we sold cotton abroad at a lower price than at home and they were subjected to unfair competition. But we felt that there should be rather than one-price cotton, that the cost of shipping it over and shipping it back should be taken into consideration. And rather than their getting a full repayment of that amount, the difference between the world price and the support price, that they should get only about half of it. And that was the basic Administration position. They would not sit still for that at all and insisted on a one-price system. They tried in many ways to push me; for example, they tried to get me to lower the loan rate. I can remember going to President Kennedy in connection with that and holding the loan rate. In any event, I don't believe that was resolved in 1963. They were then beginning the "agitation week" and continued the program then, but in '64 it was. And it was provisal for this program that then refunded to our textile mills that eight cents a pound--the difference between the support price and the world price.

B: May I ask here, sir, do I infer that the change of Administration because of President Kennedy's death really didn't make any difference in specific agricultural policy?

F: No, it didn't.

B: You were doing it, and it continues on--?

F: It continued on pretty much although for quite some time President Johnson kind of held back. I didn't really know where he stood. He did not have a firm position or indicate one. He was not as clearly committed to the program direction which I had marked out.

B: You mentioned aspects of this in the first interview. For example, the message on agriculture in January of '64 was in essence your message?

F: Yes, and again, as I recall, it was not a very strong message.

B: Also related to that was the meeting of farm leaders that Mr. Johnson had in December of '63, just another of those series of meetings he was having as a part of the transition?

F: Yes. It was a relatively aimless meeting that didn't accomplish much. As a matter of fact, recalling now, what we pretty well decided in '64, or was it '63, is that we would not push Congress; that we had pushed them hard in '61, we had pushed them hard in '62, that we would kind of wait now and see what they would come up with.

B: You mentioned in the first tape an episode in which to answer a certain Congressional criticism about "let us make a farm policy," you once had a meeting at your house and suggested they did--was that about this time?

F: I really don't remember for sure whether that was '63 or '64. Again, I'd have to go back and check. But there was this period, perhaps I've already mentioned it, where we tried to sit back and say, "All right, now, you do it." And of course they didn't

B: The phrase, "calling a bluff," comes to mind.

F: Yes. Of course, you don't do it quite that cooly, and you can't deal with

them quite that specifically because you've just got to get along with them. You've got to realize that when you're dealing with something where you've got to have legislation to meet a problem, somehow or other you've got to get those fellows to move. In any event, in '64 it was a wheat and a cotton bill; and the wheat thing went along fairly smoothly out of committee and as long as we had the cotton thing tied in it. And finally in order to get it, we had to go along with the propoasl for the payment to the textile mills. Well, that was an impossible situation, and it was clear that that big payment and the payment to the textile mills, that that program which was by now just abortive had to change. And of course that led now in 1965--we then sent up a new complete farm program which included now wheat and the feed grains and the cotton as well. That was the big bill that was a four-year bill.

B: Actually, you wanted it to be more permanent even than that, didn't you?

F: Yes, I think--. No, it was later on--. I think that then we asked for a four-year bill. Interestingly enough, President Johnson said no; that the most he wanted was a two-year bill. He evidenced all along and evidence just before he left office some reservations about farm programs and about the payments and about the limitation of payments and the rest of it. But he went along, and I took that big bill up there, but he had said only two years. Congress wanted four years, Poage wanted four years, and I was having an awful time trying to hold it to two years. All of a sudden one day out of a clear blue sky, he called me and said, "Let's make it four years." What resulted in changing his mind, I don't know.

B: Is there any possibility that he and Congressman Poage of Texas were talking about it together?

F: There's a possibility. I wouldn't be at all surprised if this might have had something to do with some other things that Congressman Poage might have been involved in, and that that came about on that basis because I went then to Poage to tell him that we had changed our position, and that I was now for a four-year bill. And he said, "I know you are, because the President has already told me." So he knew about it before I did. They apparently had been on an airplane to and from Texas.

But the real tough one in 1965 then with the big bill was the cotton thing. And there was strong resistance in terms of a lot of very tough cotton leadership against the payment system, and the prediction made that these levels of payments would not be maintained and that there would be agitation to limit the payments. Of course, this was an active danger, and we are now seeing that come to pass and we don't know where it will lead. But there wasn't any alternative. You just couldn't continue this system of direct subsidy to these textile people and then have a price support and then have a heavy export subsidy both, so you're paying on both sides; that was just impossible.

B: Are the lobbyists in this kind of thing--I guess lobbyists is a correct enough term--are they also in direct contact with the President?

F: Oh, yes. The textile people in particular were. And the cotton people. They knew their way around and they were able, because of that fact, to get to the President quite frequently on that.

B: It appears that the textile people are quite influential in Congress too, the North Carolina delegation, for example.

F: The textile people, the cotton people, the rice people, tobacco people are very effective in a way that generally speaking the grain people are

not, because these are commodities that have had a long history of organization. They have people that are sophisticated in the legislative process, they are involved in politics, they do know the members of the Congress. And of course in the states where those commodities are grown, they do have senior members of Congress in crucial positions.

B: From your standpoint, you have Ken Birkhead continuing as your Congressional liaison man, but there's also--well, I don't guess it has come yet. I was going to say there has been a shift here from Larry O'Brien to Barefoot Sanders, but that would be after the '65 bill had gone through Congress. O'Brien was still handling Congressional liaison?

F: Yes, I think he was in '65. And we didn't have--once we could get--the key in '65 was to try and get a bill out of the committee. To get a bill out of the committee you had to have something that was satisfactory to Harold Cooley on cotton. And then you had to have something that was satisfactory to Allen Ellender. So we got it both ways. And cotton was the big struggle. But this time the principle of the production payment acreage diversion in wheat and feed grains was pretty well established.

B: Was Senator Eastland also a major figure in this?

F: Well, he was in the cotton business, yes. Incidentally, even Senator Ellender finally came to accept the feed grain program and the payment principle which he had reluctantly gone along with in the first place and had reluctantly permitted to pass year by year by year. He didn't like it, he felt it was too costly; it was much too advantageous to the Midwest--to the corn people who he felt were not making a requisite sacrifice. He felt that the voluntary program principle was not sound, that mandatory was better and that if these people were unwilling to vote for a program

to control production, they weren't entitled to any price supports.

But by 1965, he was pretty well resigned to it, so we found by then that this principle of the voluntary program with acreage diversion and payments with the commodities moving into the market at world price was pretty well established. And so now you see the historical development of this which was an emergency thing. It was modified almost by accident, becoming clearly the program. I had had apprehensions about it all along because I felt that we would not be able to really control production adequately and it would cost too much. And now I think that it can and should be a permanent program. Time will tell. I think that used properly that it can at a reasonable cost keep production in line even though there will be an increasing production per acre per unit.

B: Did you ever have any lingering thought of returning to the idea of the supply management system?

F: Well, this was the supply management system, of course--you mean to return to the mandatory program. Yes, but never any serious ones because it was clear it was politically impossible. It would have been, and I so stated in my final report to the President, that it would cost less if you assumed that it could be done and would be politically possible, a program which limited production based on pounds, bales, and bushels and required a producer to share in that program makes the most sense of all.

B: Based on quantity rather than acreage?

F: Yes. Based on quantity. Because then, you see, you get to the heart of your problem which is quantity. Acreage is merely a means to reach it, and when you're having increased yields per acre, you've got problems. And, of course, that's what we did in tobacco. Now, tobacco is another

example of how you get a bill passed and this we did in the department, and it was primarily the work of Horace Godfrey who was the Administrator of ASCS, who knew tobacco thoroughly, knew the program, knew the people. Tobacco is highly organized and by getting together and getting the tobacco people to support a program, and then going and getting the Congressional leaders for that commodity in line, we were able to pass a very major change in program in tobacco and get it through Congress with hardly any fuss or furor.

B: Mr. Godfrey was apparently pretty close to Congressman Cooley too?

F: Yes, he was close to Cooley and he did a very, very skillful job on this, because we do now have an acreage poundage. Basically, we've got a quantity program in tobacco. And it was quite controversial. In the referendum the State of Georgia voted overwhelmingly against it, but after one year in operation they turned around and voted overwhelmingly for it.

B: Sir, the hour is up. Are you about at a stopping place?

F: Yes, I think so.

B: That '65 program then continued through your tenure?

F: Just this. It was a bitter struggle. Another part of this--I would make a mention of something with Allan Ellender. We finally got it through the committee in the House, and once it got through the committee in the House, it passed the House fairly easily because that was the period of the big majority in the House and the President's programs generally were going along pretty well. This one did pass the House fairly good vote, the only one in the whole period, once we got it out of the committee, which was just agony.

But then in the Senate, Ellender was violently opposed to the new

cotton proposal. It was very uncomfortable for me because opposing your chairman is not a good position to be in. And he was very decent about it. I guess you might say we agreed to disagree, and he in the committee prevailed. And by a vote of eight to seven, the cotton proposal he had which wasn't a very sound one was reported out. And here I was again now. I had finally gotten it out of the House, finally passed the House--over all of these years I had had support and it worked well in the Senate. Here now I had lost the cotton section in committee, and you couldn't pass the bill without the cotton. We were at the end of the road. It was another one of those just desperate positions. So, what could I do? Well, there was only one thing I could do, and I hated doing that, was to take it to the floor. So over a long, long weekend I conferred with a number of people, particularly with Talmadge--Herman Talmadge. Talmadge was highly respected and I figured if he would on the floor file a minority report and seek to reverse the chairman, why we might prevail.

B: Did you have to get Mr. Johnson and the White House in on this too?

F: Not very much to my recollection. You see, the program was the President's program, he already had signed off on it and sent it to Congress, and it was my baby. I don't recall really at that point any discussions with him. The Vice President was very helpful and did talk to Talmadge about it.

Well, to make a long story short, we spent a very hectic weekend and Talmadge finally agreed to go. And he did and he made the proposal and he prevailed, and the chairman was--oh, I think it was almost three to one. So it did pass the Senate.

But then there was a conference, and it was a tough conference. It went on and on because Poage and Ellender got locked in. Well, Senator

Ellender, if he had wished, could have sabotaged that whole thing, that whole 1965 program would never have become law. And it only did become law because he earnestly and honestly and effectively worked in the conference committee in order to get out a conference bill. I went to his apartment before the conference opened, had a long talk with him--he was in the process of moving. This was on a Saturday. And we had a long talk and I helped him move some of his furniture and move from one apartment to the other. And he was hurt and I felt terribly badly. That was one of the few times, perhaps the only time that he had ever been reversed. But he was a big enough man that when the Senate had passed this, and when the Administration was for it, when his proposal had lost, he was a big enough man to not become bitter or anti, and to really seek to resolve the problems at conference. I've forgotten exactly what those problems were, but they were very petty little details as to payment rates in different parts of the country. It was a classic example. Here was Poage with the cotton people in Texas, and they had certain things that they wanted. And here was Ellender, and he had these ideas and so did the Southeast and there was the Far West. And to try to put these things together in that conference committee--Eastland was a member of the committee, Holland was a member of the committee, then of course Poage and Cooley. So it was--how we ever got it out of there was just almost a miracle, but we did and it passed. In my judgment, it has worked magnificently.

Even then, President Johnson was lukewarm. I remember finally after it had passed and I went and took four or five days and went down to the Virgin Islands, and it had been on his desk and he was down at the ranch. I had written a statement that I had hoped he would issue when

he signed it. He waited and he didn't sign it until the last minute. I think he signed it at almost twelve o'clock midnight on the last day when it would have been vetoed if he hadn't signed it. And as I recall, he didn't put out any statements, and he wasn't just very enthusiastic about it. But as it went forward and we began to improve and strengthen farm income, I think he came to feel more and more that it was a good program, except in the last months he had some reservations and almost didn't sign the one-year extension which took place last fall. He was concerned then about the limitation of payment question, but he finally did.

B: You mentioned earlier in the first interview the difficulty in getting any clear answer from him. Did you ever try to get any real reasons why he would seem to be lukewarm toward this?

F: No. And he never asked for them. And I never confronted him and said, "Why aren't you more for this," because it just wasn't in that context. He ended up being for it. I would present it, he would listen, he would accept it, and he would ask a few questions. And he just didn't provide much basis on which you could get any real dialogue on it.

B: It must be frustrating for you not to be precisely sure where you stood?

F: Well, it was very frustrating. It was very frustrating in the early days in 1964 when he was first in, because I just didn't know. I didn't know what he was going to put in the State of the Union message; I didn't know what kind of a message he would send up; I didn't know what he would be for; and I never did get any real statement of his own policy and conviction in connection with it. But he did go along with in the last analysis the things that I recommended, and he did help, although not very much. I went to him Christmas in 1965 at the White House. It was the day I

remember when he was supposed to have a party for all the members of Congress--or was that '64? It would have to have been '65. And it was a time when Congress then sat into the night at his insistence. I think Mrs. Johnson's Highway Beautification Bill was up, you remember, and they didn't adjourn to come to the party that he had arranged for them. I talked to him then and thanked him for helping to pass this, and he looked at me and said, "You didn't get much help from me. You passed that bill yourself," which was basically true and I was rather pleased he said it, and somewhat surprised that he said it because I was never sure whether he recognized himself that he was not exactly giving this a very high priority.

B: Did he ever make a public statement in a State of the Union message or any other form about agricultural policy without checking with you first?

F: No. This was cleared and coordinated. I don't recall anything that he ever said that was embarrassing. The difficulty was the doubts as to where he was and what he really wanted when the whole picture was as difficult as it was.