

**REMARKS OF SECRETARY DAN GLICKMAN
DAY OF REMEMBRANCE
LINCOLN THEATRE -- APRIL 21, 1998**

'Only guard yourself and guard your soul carefully, lest you forget the things your eyes saw, and lest these things depart your heart all the days of your life. And you shall make them known to your children and to your children's children.'

Those words from Deuteronomy are inscribed in the Hall of Remembrance at the Holocaust Museum. In Judaism, we are taught to remember. We have holidays that date back to events in our history some 4,000 years that we may learn from the experiences of our ancestors.

In this great country of ours, we remember those who have fought and died for the cause of freedom and liberty; we remember the valiant struggle of our forefathers rising up against tyranny and oppression to establish a new form of government 'of, by and for the people;' we remember Dr. King and the many others who gave their lives so that all of us could enjoy basic human rights.

We teach our children about the past, so that they may better understand the nature of events happening around them and act with wisdom and compassion. Through hindsight we gain foresight. In his Day of Remembrance message, President Clinton tells us, 'Only by passing on to each new generation the stark truth of the Holocaust can we ensure that its horrors will never be repeated.'

In preparation for this event, I looked up the word 'remembrance' in the dictionary. The first definition was pretty straightforward -- 'the act of remembering.' The second definition surprised me. It was 'the power of remembering.'

I feel a lot of strength and power in this room today. By opening our hearts and minds to remembrance, we refuse to turn away from the darkest chapter of human history. Instead, we seek to comprehend the incomprehensible. We ask ourselves: Why? And, we ask ourselves: How? ... How can we in our own lives today ensure the past is not prologue?

In answer to that question, we remember the dead and their suffering. But we also must pay homage to the good ... to those who rose up and fought evil ... often paying for their bravery with their lives and those of their families.

Today, we will learn about the heroic actions of some of the men and women of Southern Europe who resisted the Nazi's and put their lives on the line to save 80% of the Jews in

Italy and its occupied territories. Where others turned away, a few brave people took action, and answered a higher moral imperative.

No matter what physically was taken away from them ... no matter if they paid the ultimate price for their heroism, through their courageous acts, through their recognition that the most powerful weapon in Hitler's arsenal was indifference, through their active resistance, they clung to what mattered most: their humanity.

Six million Jews ... 4 million gypsies, gays and lesbians, people with mental and physical disabilities, the list goes on and on. The heroes of Southern Europe could not close their eyes to evil. After all, it was the Italian poet Dante who wrote: 'The hottest places in hell are reserved for those who, in time of great moral crisis, maintain their neutrality.' The heroes we honor today knew that neutrality meant ceding their own humanity.

In the five decades since the end of World War II, our world continues to see racism, genocide, ethnic cleansing, anti-Semitism, oppression, hatred of difference -- mindless divisions all. We must remember the lessons of the Holocaust and resist indifference.

We must refuse to see the past as one major event after another, but a series of individual choices. We, too, have choices: How we treat one another. How we react to the mistreatment of others -- in our own communities or halfway around the world. How we raise our children -- what lessons, what values we teach them.

Our great country is built on basic principles of freedom, liberty and human rights. But our country is great because we as a people seek to live these principles and share them with the world. For us, freedom, equality and human dignity are values that transcend man-made boundaries. This is why we celebrate a new peace agreement in Ireland. This is why we fling open our arms to a young democratic leader from China, now taking his first breaths of freedom in 3 ½ years.

In these pursuits, America's values are human values. However remote the cries, however distant the land, resisting terror and tyranny is a fundamental duty of humanity. We must never close our eyes or plug our ears. We must always remember and resist, and we must never forget the power that rests within each of us to change the course of world events.

Robert Kennedy once said, 'It is from numberless diverse acts of courage and belief that human history is shaped. Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope; and crossing each other from a million different centers of energy and daring, those ripples build a current which can sweep down the mightiest walls of oppression and resistance.'

This century has borne witness to the darkest corners of men's souls, yet in these very moments, we also have seen glimpses of the very best in human nature -- courage, compassion, a willingness to give one's own life to improve the fate of humankind.

Without these sacrifices, what would our lives be like today? What will future generations say of our own? I hope it is that we remembered the lessons of history. That we understood that evil feeds on indifference. That we found in our own lives a way every day to be brave, to be courageous, to lift up the lot of humanity ... that is the legacy that the heroes of the Holocaust give to every future generation ... it is a legacy of hope.

Thank you.

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**REMARKS OF SECRETARY DAN GLICKMAN
WHITE HOUSE COMMUNITY EMPOWERMENT CONFERENCE
WASHINGTON, D.C. -- JULY 16, 1998**

Thank you, Irvin (*Jones*)¹. What Irvin didn't tell you is that he served in the army for 28 years before retiring to his hometown of Idabel, Oklahoma. He didn't have to go back to small town America, he chose to go back. Most of all, he didn't have to stay.

But Irvin chose to stay and make a difference, for many of the same reasons we are all here today. For Irvin and everyone in this room, we know that by coming together to make the lives of our neighbors a little better, by rejuvenating our communities, we all benefit. Thank you, Irvin, for being a shining example of what being a good neighbor and a responsible member of your community is all about.

I would like to thank USDA's Under Secretary for Rural Development, Jill Long-Thompson, who has been a tireless advocate for this nation's country communities. I'd also like to thank Victor Vasquez, Director of USDA's EZ/EC program and his staff, who have helped turn the Clinton/Gore vision of community empowerment into a reality.

You know, standing up here talking about community empowerment, I'm reminded of the story of the rookie and Michael Jordan. I don't remember the rookie's name, but that's the point. He scored one of his first professional points on the same night that Michael Jordan scored the play-off record of 69. After the game, a reporter asked the rookie what he thought of the night's events, and he said, 'I'll always remember this as the night that Michael Jordan and I combined for 70 points.' That's sort of how I feel standing up here right now. I get to talk about empowerment, but it's the people in this room and beyond who give that word its meaning.

When most folks think of empowerment zones and enterprise communities, more often than not, they think of places like Detroit or New York or Cleveland. They don't think of places like the Kentucky Highlands or the Rio Grande Valley. But I know that when President Clinton and Vice President Gore envisioned this program, they were thinking about our rural communities. Vice President Gore's from a small rural town by the name of Carthage, Tennessee, and, of course, we all know Hope, Arkansas' most famous son.

I, on the other hand, am a city boy. I grew up in Wichita, Kansas. The first time I rode a tractor was when I ran for Congress, and I came pretty close to destroying my friend's wheat field when I did it. But I always understood how important rural communities are to the fabric of our nation.

As we step into a new century as the world superpower, this Administration always keeps in its sights the goal of seeing all our communities share in our nation's success. We need to see that

¹ Leader of the Southeast Oklahoma Enterprise Community

no community is left behind as the economic engine powers forward.

Rural America is an important part of the whole. Just to shatter a few myths for you about rural America. I'll have you know that only 10% of our rural economy is devoted to agriculture. And, 40% of farmers work off the farm at least 100 days out of the year to make ends meet. In fact, I just had a meeting at the White House last night with President Clinton to come up with ways to provide farmers with greater economic security.

And, although most folks tend to think of the cities when they think of poverty, the fact is there is slightly higher poverty rates in rural areas. While things have been improving for our country communities these the past five years, they are lagging behind the rest of the country in terms of sharing in today's strong economy. Part of the reason is the unique challenges rural communities face. A prime example is safe, running water. I was at the White House with the Vice President on Monday to announce more than \$150 million in federal funds to help provide safe, reliable drinking water to rural communities.

It is hard to imagine that in 1998 there are more than two million rural Americans who don't have safe, reliable drinking water in their homes. If you don't have running water, quality health care and education systems, how can you attract businesses and spur economic development? And, because the towns in rural America are so small and dispersed, getting these basic resources to people is very expensive, and takes the help of the federal government.

But it also takes the leadership of the community. Nobody knows better than folks at the local level what works for them. Nobody is more committed to the long-term health of these communities, than the people who live in them. Empowering people to make decisions about their community and their future is what this effort is all about.

That's what the EZ/EC effort is all about -- not government telling people what we think they need, but communities coming together and deciding what works for them. That is the only true route to genuine empowerment.

And, it has never stopped impressing me the ideas that come out of our EZ/EC communities: Extended railroad tracks to attract industry; shelters for abused women and children; turning dry, brown fields into an industrial park; health care centers; renovated schools -- the list is endless, and as diverse and unique as each community we serve.

Take these examples, from our first round of EZ/ECs: Rick Viaz brought the first ambulance to a 300 square mile rural area that had none ... Wilma Isaacs, who lost her sewing job when a garment factory closed, fulfilled her dream of owning her own commercial greenhouse ... Kentucky tobacco farmers now grow alternative crops like ginseng, mums and greenhouse vegetables ... Wayne Hill, the unemployed auto mechanic, who now has his own garage.

What is most exciting about the EZ/EC story is the ripple effect it has created in these

communities. For every federal EZ/EC dollar that goes into a rural community, there are \$10 that pour in from other sources. That's an astonishing achievement. I wish this Administration could take the credit, but it's the local leaders, who with a little bit of seed money, went out and transformed their communities. In the first round, rural EZ/EC communities created thousands of jobs, retrained thousands of workers for new jobs, built or renovated schools and health care centers, got thousands of computers donated, created or restored homes, improved water facilities, the list goes on and on.

And, what statistics don't tell you about are the changed lives; they don't tell you about the communities that come out stronger, more tightly-knit, or more ready to succeed in a new world. They don't tell you how people are coming together, and challenging themselves and each other to come up with concrete solutions. What all of you are doing -- just by participating in this process of uniting your community for a common purpose -- is changing your destiny.

Just look at our Champion Communities. These are communities that didn't become EZ/ECs in the first round, but they came together and drew up plans, and didn't want to stop. They went out and raised \$212 million on their own ... some of it from USDA. They built a network within their community, and learned to raise money, and get businesses, local and state governments and non-profits involved. And, these Champion Communities will be in a strong position going into round two.

Over the past few days you've learned from each other and you've seen for yourself that empowerment is real, that communities all over the country are doing it. As you leave here with ideas on how to improve education, build safer communities, provide better health care, open doors to the new economy, link up with emerging technologies, the overriding message that I hope you carry home is that USDA is here to help, that this approach of from-the-ground-up government is vital to communities that are working hard to build up their economic future. Thank you.

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**REMARKS OF AGRICULTURE SECRETARY DAN GLICKMAN
USDA SYMPOSIUM ON CHILDHOOD OBESITY: CAUSES AND PREVENTION
JEFFERSON AUDITORIUM -- OCTOBER 27, 1998**

Thank you, Shirley. I want to thank you and all the folks at the Food, Nutrition and Consumer Services who put this conference together, particularly Dr. Rajen Anand and his staff at USDA's Center for Nutrition Policy and Promotion. For four years, this center has focused the attention of health and nutrition folks in and outside of government on the nutrition challenges of the 21st century. I want to applaud them for choosing the topic that brings us here today.

This is the first government conference on childhood obesity, and I am proud that it is happening at the Department of Agriculture. Yes, we are the department of America's farmers and ranchers. But we are also America's food and nutrition department -- fighting hunger and promoting healthy eating and healthy lives.

Over the past 20 or 30 years, thanks to the work of USDA's Human Nutrition Research Centers, leading universities and private research, we have come to understand a whole lot more about the role of nutrition in health. But our greatest challenge, as policy makers and public health advocates, remains to translate what the experts *know* into what people *do*, and nowhere is this challenge more daunting or more necessary than when it comes to our children.

Here in Washington it seems everything we do is for the children -- whether it's protecting the environment or cutting the deficit. Take any major childhood disease -- from juvenile diabetes to leukemia and the campaign to end it is massive, well-funded and highly public. Everyone wants to protect children. Yet when it comes to the sensitive issue of childhood obesity, too often we fall silent. We are here today to break the silence, and lay open for the country the hard facts and necessary choices we need to make to deal with what has become a quiet epidemic in America.

The simple fact is that more people die in the United States of too much food than of too little, and the habits that lead to this epidemic become ingrained at an early age.

Everyone here knows the statistics: Obesity and overweightness effect 10 million U.S. children. That's a record, and there's no real sign that it won't be broken again soon. In the past 20 years, the number of obese children has doubled, placing more Americans at risk of high cholesterol, blood pressure, heart disease, diabetes, arthritis and cancer -- all at an earlier age.

Obesity contributes to 300,000 deaths each year. That's close to 1,000 lives lost each day at a cost to our health care system of \$70 billion a year, or 8% of all medical bills.

And, the problem is literally growing before our eyes. Shirley met a small-town superintendent in Pittsburgh not too long ago. What was his #1 concern? Not the quality of education which is quite high in his district. It was the growing size of his kids.

We need to take this issue seriously. For at least one in five kids, overweightness is not a cute phase that will be outgrown. It's the start of a lifetime of serious health problems. It is time we elevate this issue to its rightful place near the top of the public health agenda -- alongside cancer, heart disease and other leading killers of Americans today.

As we talk at this conference about causes and prevention, we need to think about the roles that each of us can play -- government, doctors, schools, parents, communities, industry and producer groups, even the media. We all have an influence, and we all have a duty. That duty is to recognize the simple fact that it does take a village to raise a healthy child.

The solutions aren't simple, and they can't be heavy-handed. This is a complex issue because it overlaps with some very sensitive areas: personal choice, culture, economic status. So we're not here today to impound the Taco Bell Chihuahua or unplug the Coke machines or ban Happy Meals. We are here to arm America's families with the facts, and to develop effective strategies aimed at helping our children live healthy lives and have fun eating right.

Clearly, USDA -- especially in our work with the schools -- can play a key role. This Administration's built a strong record to date. In 1997, we overhauled the School Lunch Program and required that fat be reduced to less than 30 percent of calories, and that school meals meet the dietary guidelines for healthy living. We've launched major nutrition education efforts aimed at elementary and middle school, and we've made nutrition education a staple of our food assistance programs -- from food stamps to the Women, Infants and Children Program.

We are doing a better job of reaching our kids both with healthy meals and health education, and we are seeing results. Contrary to popular myth, children tend to eat more fruits and vegetables at school. Why? Because more are offered. They're readily accessible, and a conscious effort is made to push healthy food and make it appealing to kids.

Unfortunately, in addition to healthy meals, schools also have vending machines, and open-campus policies that have half the student population heading to the drive-thru for lunch. These are temptations all of us must deal with, so the long-term answer is not to dictate what folks eat, but to help schools fulfill their primary goal which is preparing children for a strong future through education.

Schools teach our children the three Rs. We also need to teach the big 'N' which is why this Administration created Team Nutrition. This program develops nutrition education materials for the schools that teach kids the healthy eating basics in a way that sinks in. We've actually had parents call the schools to complain about this effort because when they went to the grocery store, they caught their kids slipping the less healthy food back onto the shelves.

In the past, we've also had Nutrition Education and Training grants which worked hand-in-hand with Team Nutrition providing funds to teach the teachers about nutrition. Unfortunately, Congressional leaders didn't see the value of this effort. This Administration asked for \$10

million. We got not a single dollar. U.S. businesses spend an estimated \$30 billion a year promoting their food products, regardless of the role they play in a balanced diet, and we cannot get \$10 million to teach kids how to navigate all these choices and enjoy foods in healthy proportions. That tells me that we have a long ways to go to overcome the dangerous disregard for this problem that is still out there.

We at USDA are doing everything we can to make sure the health message reaches American families. Everyone here is familiar with the Food Guide Pyramid. It's one of the most recognizable icons in the country - just about as identifiable to the American people as Mark McGwire. We are now working on a kids version, so elementary students can understand and apply these principles and adopt healthy eating habits at an early age.

I'm also pleased to announce \$500,000 worth of nutrition education grants to efforts in five states to help community food banks, public health centers and farmers markets help families in low-income areas achieve healthier diets on their tight budgets. This effort is important because low-income children are nearly *three* times as likely to become obese.

We need to reach more families, and USDA will increase its efforts. In fact, we will soon begin printing the Food Guide Pyramid directly onto food stamp booklets, so it's right there when folks go to the grocery store -- an easy reference as parents make their purchases.

We continue to explore new ways to reach people. Currently, for example, there's nothing in the WIC program that says anything about physical activity even though this is the #1 reason for the rapid rise in childhood obesity. Through WIC, we encourage parents to stop smoking, to get their children immunized, to eat healthy. We also should encourage active lifestyles. I've asked Shirley and her staff to take a formal look at all our nutrition programs to see if there's a way to *link* diet and exercise and address the whole problem, instead of simply the food angle.

USDA also has an after-school program that gets healthy snacks to community centers to lure kids into a safe, supervised environment during the hours when too many get into trouble. We should encourage these programs to do more than sit kids down at board games or in front of the TV. Many do keep kids active, and I'd like to see more follow that example.

The schools can play a greater role, too. Twenty-five percent of children do not participate in any form of regular physical activity. Back when I was in grade school, kids got out and played tag and threw a ball around and had physical fun. We had a name for it, too: Recess. Today, they are rare in elementary school. Kids simply have a lunch break and sit around and eat.

USDA also is looking to expand our pilot efforts that help schools buy more fresh produce from local farmers. And, we are asking schools to offer 1% and skim milk in addition to whole milk. These efforts are important because if you look at kids' diets, they eat less fruit and drink less milk as they grow from early childhood through the teens. Less than 12% of high-school kids eat the recommended amount of fruit. Less than 12% of young women get enough milk. Although

it's encouraging to note that the percentage of kids drinking lower fat milk has doubled.

Our challenge is to keep reinforcing the health message. But with milk in particular, we need to recognize that different kids have different needs. A child from a family that has trouble putting food on the table gets a significant part of his or her daily food at school. These kids need the calories and fat in whole milk. But kids from more economically secure homes are the ones with the fast food and other high-fat snacks more readily available. So the lower fat milk is the healthier choice. That's why today in a joint letter from USDA and the Centers for Disease Control, we are urging America's schools to offer children a range of milk choices from skim to whole that support their efforts to manage their weight.

So government can play a significant role in encouraging healthy eating habits, as can teachers, doctors, nutritionists and more. But unless families get involved, this epidemic will continue.

After all, the rise in childhood obesity, however alarming, should not shock us. Why? Because we can't simply scapegoat Al Bundy. Our kids soak up the wrong lessons not just from TV, but also from the one in three adults who are overweight. The apple isn't falling far from the tree, here.

Who is one of the most recognizable father figures in America? Homer Simpson. He sits on the couch, watches TV, drinks beer, eats chips, and falls asleep. Why's he funny? Because he has no shame, but also because - despite his cartoon status - Homer Simpson is a very familiar figure. As parents, we need to take a hard look in the mirror and ask ourselves: Are we setting the Homer Simpson example? If so, maybe we need to work on this as a family.

The only way kids will succeed is if they have access to healthy foods, there are less temptations, and there are role models that set the right example both with eating habits and exercise. Success almost always hinges on changing the whole family's eating habits - which is good for everyone.

We also have to be careful not to make the problem seem insurmountable. Research has found that kids who break the challenge into small manageable pieces are most successful at managing their weight. And, since obese children lose and maintain their new weight much more effectively than obese adults, we have every incentive to reach our kids early.

Breaking the challenge down begins with separating the factors we can control from those we can't. We all know that person who can eat anything and stay a bean pole. We all want to be them, but we can't because most folks' genes don't work that way. Studies show that many obese children don't eat more than their thinner peers. They simply need less food and more activity.

But genetics alone can hardly account for our rapidly expanding waistlines. Poor diet, family lifestyle and other factors often play the deciding roles.

Take the main reason we're here -- television. Children are spending more time than ever glued

to the tube. And, they're watching not just cartoons and sit-coms, but advertisements. Eighty percent of the commercials on children's programs is for food. And, we're not talking broccoli and spinach.

This media barrage clearly contributes to kids' eating habits. Fast food restaurants are the most frequent source of food outside the home for teenage boys. They're about even with the school cafeteria for girls. Two-thirds of teenage boys drink three cans or more of soda a day. Two-thirds of girls down two.

Among the 75% of kids who say they eat at least one vegetable a day, the most popular vegetable is -- a potato ... usually in the form of a potato chip or a french fry. Next comes tomatoes. When you get to the most nutritious veggies, like the dark greens, less than 7% of kids touch them.

The truth is more kids in high school fret about the quality of oil they put into their car than the fuel they give their own bodies. They change the oil and rotate the tires and do all these things to keep that car in good condition. But they don't have that same respect for their own bodies.

Turning that trend around won't be easy. Any cook will tell you: kids eat what they like and leave what they don't. They also often are averse to new foods. And, we know that the old 'you can't leave the table until you eat your broccoli' can backfire because it teaches kids to tune out the internal voice that says, 'I'm full.'

And, when it comes to curbing bad foods. Well, any parent knows what's likely to happen when you tell a teenager not to do something. I can just see the next ad campaign: a stern father wagging his finger and saying, 'Don't you dare eat those brussel sprouts, young man.'

One trick is to get at kids early. That's why our nutrition education efforts -- that concentrate on elementary and middle school -- are so important. We can even start younger. Some studies show that kids in day care that see other kids eating veggies tend to give them a go themselves. We see this in infants, as well. What do parents do when the hanger doesn't open for the airplane? They take a bite to show just how yummy those peas are.

But my point is, we have to be innovative and creative, and recognize that our goal isn't to dictate to our kids, but to encourage them to make informed choices and adopt a healthy, active lifestyle that will dramatically enhance their quality of life.

I want to thank our many distinguished speakers who are leaders in this field, and have worked hard to elevate the issue of childhood obesity. I want to thank everyone who has joined us here today for what I hope will be the first of many gatherings. And, I encourage all of us to think of this not as a one-day academic exercise, but the beginning of a long and important mission that we can only complete together.

It is a mission to protect and improve our children's future, and if successful, our reward will be

generations of Americans who grow up to lead long, healthy, productive and enjoyable lives.

Thank you.

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**REMARKS OF SECRETARY DAN GLICKMAN
AMERICAN FARM BUREAU FEDERATION ANNUAL CONFERENCE
ALBUQUERQUE, NM - JANUARY 12, 1999**

Thank you Dean (*Kleckner*) for that introduction. It's good to be back with you again this year. I welcome the chance to be here today as an opportunity to get outside Washington and connect with the folks for whom 1998 was quite the topsy-turvy year.

In reflecting on the past year, much of the talk naturally has been of the crisis in farm country. As we prepare to close out the 20th century, I think it's also worth noting that our country is fortunate to have a booming economy. Under this Administration we have the lowest unemployment in a generation, low inflation, low interest rates, record home ownership and a balanced budget. Yet with all this prosperity around us, these remain very uncertain times in agriculture -- even taking into account the \$6 billion emergency assistance package that the President pushed for last fall.

HELP FOR HOG FARMERS

Look at the situation with declining commodity prices. Just recently we've seen the lowest prices for hogs in five decades. As you know, we've been following this situation closely taking actions on many fronts to help hog farmers through this difficult time.

On Friday, Vice President Gore announced that we will be making approximately \$50 million direct cash payments to small, family-sized hog producers hardest hit by this crisis as another way to help cushion the blow. This is some real aid at a time when it's really needed to help family hog farmers buy feed or pay living expenses to get them through this crisis. We will be making an announcement about the specifics of this effort very soon.

These are unusually difficult times for hog farmers. Unfortunately, the situation became critical too late for hog farmers to be included in last fall's \$6 billion emergency assistance package for farmers. So we are doing everything we can at the federal level to help, and I want to urge all folks -- from state and local officials to bankers to local merchants -- to pitch in and do what they can to help our fellow citizens get back on their feet.

By the way, in reading the Reuters wire I couldn't help notice comments made at your convention yesterday which could be taken as a rather personal attack on President Clinton. Those comments struck me as rather odd. I'm sure if you had seen the President discussing hog prices with a group of pork producers in the White House last week for over an hour ... if you heard his later admonition to me to help those in crisis ... if you watched him fight successfully to increase by 40% emergency disaster assistance money for hard hit farmers ... you would recognize that American farmers have a true friend in the White House. This friend and this Administration believe that American agriculture is too important, too valuable, and too politically vulnerable for us not to work *together* to solve our problems.

You know, when I became Agriculture Secretary nearly 4 years ago, no one could have predicted that in such a short period my tenure would include some of the best of times and some of the worst of times for America's farmers and ranchers. The situation for hog farmers is a perfect example, with prices diving from record highs to their lowest in five decades.

I've thought about this a lot lately and I would like to share my observations with you.

CONCENTRATION AND COMPETITION

In every sector of agriculture today -- indeed throughout our economy -- we see a trend toward fewer and larger operations. We are all asking the inevitable question: Is this good or bad?

I believe that is, and should remain, an *open* question. It's important that agriculture become more productive, more efficient and more globally competitive. But it's also important that these changes do not come at the expense of family farmers and ranchers who also deserve a fair shake in the marketplace.

Again, the situation in the hog industry is a perfect example. Since 1967 the number of hog operations has fallen by 90% with large operators of more than 2,000 hogs representing just under 6% of producers but accounting for over 63 percent of inventory. Add to that the fact that the top four slaughter houses are responsible for about half of all the hogs that are slaughtered and control of the industry falls into relatively few hands. Moreover, the very nature of the industry is changing the relationship between producer and processor. More farmers are raising more hogs under contract for fewer and fewer processors.

With rapid industrialization in the livestock industry, we need to know more about the implications of these changes, so within USDA we've stepped up monitoring and investigation of possible anti-competitive behavior. I have also asked the Department of Justice and the Federal Trade Commission to examine the current record price spread in pork.

As long as I have been in public service, I have been wary of anti-competitive practices. Competition is the key to a free enterprise system. And there can be no competition without an adequate number of competitors giving players, giving farmers in the marketplace adequate choices of action.

In the late 1800s and at the beginning of this century, large meat packing firms had excessive influence throughout the market -- in packing, railroads, retail -- and farmers were at their mercy. It was that kind of concentration of power that led to historic anti-trust legislation - the Sherman and Clayton Anti-trust acts and, in 1921 the Packers and Stockyards Act which gave USDA specific anti-trust powers. Today, the market in meat packing is heavily concentrated with the top four firms controlling approximately 80% of the market. I've been very concerned about concentration in the meat-packing industry since I first became Secretary, and I still worry about individual ranchers' ability to get a fair price in a less competitive marketplace.

And just recently I also asked the Justice Department and the Federal Trade Commission to do a thorough review of the Cargill-Continental consolidation. I do not yet know if this arrangement should be blocked or approved, but I have enough legitimate questions to warrant keeping the rubber stamp in the drawer for now.

As we embrace change and growth, lower costs and increased efficiency, we also must preserve one of America's most fundamental principles -- fair competition and opportunity for all. These issues are not just limited to agriculture -- whether it's banking, telecommunications, health or transportation -- we need to preserve healthy economic competition. But agriculture and rural America are particularly vulnerable in an economic system where survival of the fittest and strongest and biggest can become the norm. It therefore is critical for you in the Farm Bureau to continue to work with us on ways to strengthen competition in all aspects of American agriculture.

TRADE

But whatever the structure of American agriculture, the fact is that the future health of our farm economy is inextricably linked to the global economy. That's why this administration has been very aggressive in pursuing a strong trade agenda.

At the same time, there is growing suspicion among farmers and ranchers that the mantra of free trade is naive and the rhetoric doesn't resonate like it used to. Notwithstanding the fact that the U.S. exports over \$50 billion in agricultural products annually, many farmers and ranchers believe that they are being taken advantage of -- by a Canadian style state trading enterprise that some believe permits the dumping of wheat into the U.S. market -- by European intransigence in complying with WTO decisions -- by a trade imbalance with China that keeps our wheat and citrus out while we import billions of dollars of consumer goods from them each year.

The truth is that U.S. agriculture cannot survive without free access to world markets. But, the fact also remains that you can't have it both ways -- our markets have to be open as well. But the truth is more complicated than that -- trade must be free, open and reciprocal. The rules of the game must be transparent, easily understandable and universally accepted. It also depends on the acceptance of sound and objective science as an arbiter of a variety of disputes so that political science doesn't snuff out objective science in the sanitary and phytosanitary area.

Certainly the United States will have its work cut out for us as we seek to strengthen and expand global trade. Nowhere will the challenges be more complex than in agriculture -- such as in the upcoming meeting in Columbia in February on biological diversity which could have serious implications for ag exporters. This Administration understands how critical trade talks such as these are to agriculture's bottom line. That is why we have fought so hard to open more markets to more products than any other Administration in modern history, and we will continue down that road.

SCIENCE AND TECHNOLOGY

To meet the challenges posed by continued growth and new overseas markets, innovation and technology will remain the driving forces of agriculture. The private sector, land grant institutions and USDA have made major breakthroughs in technology in the past 100 years. To continue to break new ground, adequate funding is critical – more partnerships between the public and private sector are critical -- and confronting the questions of the future is critical.

How do we feed a hungry world without depleting our natural resources, without using excessive amounts of water or pesticides?

How do we increase the nutrient value of foods to feed the hungry and protect against disease?

How do we adapt our technology so that family-sized operations can have a meaningful role and so that larger agricultural interests act in a manner giving the farmer meaningful control over his farm?

How do we adapt to changing weather patterns which, if current thinking proves accurate, could dramatically affect where and how crops are grown and livestock is raised?

How do we continue to use science as a friend and aggressively support the future of biotechnology and still maintain and develop public support for the safety of foods produced through these techniques?

None of these questions are easy but they can't be dismissed. This work is too important to be left indiscriminately to the scientists or to the politicians. Government, academia and the private sector must work closely together to sort out all these issues, but we all have a responsibility to keep the public aware and informed for it is the people who will be the final arbiters.

SUSTAINABLE AGRICULTURE

But the ability of future generations to meet the demands of new markets tomorrow will depend on how we manage our natural resources today.

I'm proud to say that farmers have responded in a big way. Nobody understands better than the very people who work the land the importance of a clean and healthy environment -- not only to our bottom line, but to the ability of future generations of farmers to carry on the most important work there is – feeding our nation.

We at USDA are doing everything we can to be a helpful, supportive partner to your conservation efforts. I'm proud of the way farmers have responded to a whole host of voluntary, incentive-based programs -- from the Conservation Reserve Program, to the Environmental Quality Incentives Program, to the Wildlife Habitat Incentives Program.

On another front we are helping local communities and farmers slow urban sprawl. We are losing farmland to developers at the rate of 1.5 million acres per year. This is a very big problem. The next century is about to happen and the loss of our farmland could really come back to haunt us - not just in lost ability to produce food for a growing population but in the kinds of communities we create for the future, what Vice President Gore calls "liveability." In advocating smart growth for America, Vice President Gore is calling for a sensible approach which specifically includes protecting America's prime farmland from development.

Programs like these make it easier for farmers to carry on their work in a more sustainable way. But I know that one issue of particular concern to you is the Food Quality Protection Act. It's important to keep in mind one basic truth: safe food sells. The ultimate goal of FQPA is to make the food supply safer, to reinforce this message with consumers, and to give farmers the assurance they need that registered products are safe and affordable. FQPA was passed by Congress and enjoys strong support from both parties so we need to make it work.

Farmers are key to this process and I want to assure you that we are working hand-in-hand with the Environmental Protection Agency to ensure that these regulations are applied fairly, with due consideration to farmers' interests. As Vice President Gore said to me and EPA Administrator Carol Browner, he wants to make sure this process is carried out with, in his words, "due regard for the needs of our nation's agricultural producers."

SAFETY NET

But with all that goes into optimizing the ability of farmers who work hard and do the right thing, the fact is that, sometimes there are factors that are beyond anyone's control and no one knows that better than farmers.

Frankly speaking, last year when we got hit with both bad weather and low commodity prices we were lucky because we have the strongest economy in a generation and that has made it easier to come to the aid of farmers. But it might not work out that way every time there is a need. I don't believe we should lurch from expensive relief bill to expensive relief bill, even if the nation could afford it.

USDA's initiatives have helped to fortify the safety net. From massive grain purchases for humanitarian assistance at home and abroad to accelerating purchasing for federal food assistance programs to adjustments in our loan programs to increased export credit guarantees to name a few. But we are in an era where farmers are free to make their own planting decisions, so that puts more of the risk management responsibilities on their shoulders. The Farm Bureau has been instrumental in helping to make farmers aware of all their risk management options and I thank you for your efforts. I also congratulate you on the Revenue Assurance Program you developed which has been very well-received by farmers.

Our most immediate task *this year* will be to build a strong risk management system anchored in a strengthened crop insurance program that will help farmers protect their downside. On Friday I announced that we will be making a one-time reduction in crop insurance premiums of approximately 30%. In this the 'year of the safety net,' I believe these discounts will help to shore up the crop insurance program as we prepare to overhaul the system for 2000.

CONCLUSION

With all that I've seen during my time as agriculture Secretary, good and bad, I'm feeling very upbeat about the future of American agriculture.

You know last week we announced a historic civil rights settlement between USDA and African American farmers across the nation over complaints of past discrimination. Beyond the terms of the settlement and what it means for thousands of African American farmers, I hope every farmer understands the symbolism for all of agriculture of what we achieved with that settlement. It shows a commitment on the part of USDA to fairness for all farmers, regardless of race or sex of course -- but no matter if you're a big, medium or small farmer, or no matter what part of the country you live in, or no matter what sector of farming you work in. The bottom line is farming is a very important part of our heritage. The way we treat our farmers, all our farmers, reflects on who we are as a nation. After all, agriculture is the backbone of our nation and how agriculture goes, so goes the rest of America. Thank you.

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**REMARKS BY SECRETARY DAN GLICKMAN
1999 AGRICULTURAL OUTLOOK FORUM
ARLINGTON, VA -- FEBRUARY 22, 1999**

Thank you, Rich, for that kind introduction. But more importantly, thank you for your deep commitment to American agriculture, both as a public servant and as a farmer yourself. Thanks also to Keith Collins, USDA's Chief Economist, and his staff. They've done an outstanding job putting together this conference...just as they do every day throughout the year.

It's an honor to meet with this group for the fourth time during my tenure as Secretary of Agriculture. It's great to look out and see so many friends, partners, and constituents. This is perhaps the year's most important and most complete gathering of agricultural interests, and it's something I always look forward to. I'm grateful that one of my predecessors, Jack Block, could join us today. It's a pleasure to see him in person...and not just his portrait, which I see every day in the lobby at USDA headquarters.

I've always looked at the Agricultural Outlook Forum as my State of the Union address. However -- and you'll be glad to hear this -- my speech will be reasonably short. And neither Sammy Sosa nor Rosa Parks is seated in the gallery today. Unfortunately those aren't the only ways in which my message this morning will be different from the President's last month.

The President was able to report a national economy growing at a rate unprecedented in peacetime America. Every conceivable economic indicator is pointing in the direction it should: 16 million new jobs since 1993...the highest homeownership in history...the lowest interest rates in a generation. The deficit, a national albatross that we carried around our necks for nearly two decades, has been wiped out. For the second year in a row, the President has submitted a balanced budget...the first time that's happened since I had a full head of hair. Instead of wringing our hands about the deficit, we're having a debate about what to do with the surplus. That's an extraordinary turnaround.

But while the national economy has boomed, it has been a year of struggle and hardship in parts of rural America. There's no point in trying to put a shiny gloss on it...no point in playing games of spin and denial. The facts are the facts.

And there will be a lot of facts presented over the next two days. A lot of statistics and charts from analysts, economists, and prognosticators of every stripe. So I'm not going to bombard you with prices, productions, and exchange rates. You'll hear plenty of that. I'm here to offer some positive, constructive realism...to tell you what it all adds up to and what we're trying to do about it.

We need to understand the farm crisis on an emotional -- as well as an intellectual -- level. We need to understand that behind the numbers there are real people feeling very real pain. Families

who have been in farming for generations - men and women who know no other way of life - are finding their farms on the auction block and their lives turned upside down.

I get letters from these people every day. These are the kinds of things they tell me. One farmer writes: "For many, agriculture is a family's main income. What's going to happen when farming doesn't pay off anymore?" Another farmer sees a bleak future, pointing out that "there...is no incentive nor stability for a young person to enter this profession."

And a young farmer writes: "My grandfather was a farmer; my father is a farmer; and farming is what I was taught as well. I am willing to make sacrifices, but should I have to give up farming just because I have one bad year? It doesn't seem fair."

No, it doesn't seem fair. And this is the part that's most unfair: this crisis is largely beyond most farmers' control. The whole thing flies in the face of the American promise that the hard-working and the industrious will be rewarded with a secure livelihood. Our farmers are as skilled and diligent, as intelligent and educated as ever...but many are rendered powerless in the face of harsh weather, increased world production, and a global economic slump that has depressed consumer demand in key markets.

I wish I could say we're about to turn the corner, but the fact is we're looking at continued large surpluses and weak demand in the near-term. Later today, USDA's Economic Research Service will release its baseline projections for the next 10 years. And they don't look very good.

That's not to say that these forecasts are etched in stone. The truth is they're not even traced in sand. Markets do have a way of unexpectedly turning around. There's still a high degree of uncertainty about the future, particularly anything longer than two or three years out. Nobody -- not even our USDA economists -- has a record of perfect prediction. In fact, in the mid-90s, it was generally believed that the good times would last forever, and that was one of the premises behind the 1996 Farm Bill.

The bill did include some strong provisions on trade and conservation. But it was a bill written for a bullish farm economy...of strong prices, good weather and fertile export markets. It offered limited protection for when the going got tough.

When the bottom fell out, I'm proud to say that the response of USDA and the Clinton Administration was quick and decisive. We don't have the authority we had before the 1996 Farm Bill, but we were not going to let farmers go into free fall without some kind of cushion. When it came time to deliver emergency relief last year, Congress came through with about \$4 billion. The President drove a hard bargain, used the power of the veto pen, and was able to increase the package to \$6 billion.

Total fiscal 1999 farm assistance comes to \$18 billion, the highest it's been since 1987. We are making \$50 million in direct payments to pork producers, who began to feel the price pinch only

after last year's emergency bill. On top of that, the \$129 million of pork we bought for the school lunch and federal feeding programs was a Department record. We launched an \$80 million initiative to buy hog herds infected by pseudorabies. And we will do everything we can for other commodities in crisis as well.

To support agricultural trade, we extended export credit guarantees worth about \$4.5 billion in 1998. And we are shipping nearly 10 million metric tons of food to hungry people around the world...an act that is as humanitarian as it is pragmatic. We will not back down on our efforts to move commodities to overseas customers. We will not back down in an effort to remove trade-distorting subsidies and barriers wherever they occur.

We are committed to helping our farmers and ranchers by continuing to use our full authorities under all of the statutes we administer. But the fact is the 1996 Farm Bill took away many of the tools that were available when Jack Block was Agriculture Secretary. We no longer have the ability to control production when demand falls. In the past, I have asked for the authority to extend commodity loans, uncap those commodity loans, and seek set-aside authority in limited circumstances. I am once again calling on Congress to work with me to meet these emergency circumstances that farmers and ranchers are facing.

In the meantime, we've got to be creative about ways to help our farmers. I recognize that there are ideological differences on the means to improve the farm safety net. But as the President emphasized in his State of the Union address, we must work in a bipartisan spirit to enhance and improve the farm safety net. That means taking a more preventative, pro-active approach, so that the programs are already in place when the crisis hits.

Don't get me wrong -- last year's emergency supplemental had to be done. But lurching from one expensive ad hoc relief bill to the next is not the best or most cost-effective way to protect farmers. What we did was try to build the safety net as the trapeze artist was falling. That's not really a safety net at all. It's more like damage control.

Taking the metaphor one step further, I might argue that it's not really about a safety net per se. Rather than catching people as they fall, let's give them a little extra resin so that they don't lose their grip in the first place.

We began to do that, by earmarking \$400 million from the 1998 emergency relief package for a down payment on crop insurance reform. This step will increase participation by reducing farmers' insurance premiums by 30 percent. That's one of the key things we need to do to strengthen the safety net.

I have also put forth some specific proposals that will build on that initial step and strengthen our existing crop insurance program. We need to make crop insurance more affordable, especially at the buy-up levels. We should develop policies that cover multi-year losses as well as single-year losses. We should expand the range of insurable crops. We should expand revenue insurance as

an affordable option to more farmers. And in that context, I would also like to see a pilot revenue program for livestock – because the largest American agricultural sector should be able to stand under the crop insurance umbrella as well. And we need to bring these products to market as quickly as possible.

Crop insurance will continue to be the centerpiece of the safety net, but we can be more creative in our thinking. We are looking at all kinds of new ideas, like extending due dates on market assistance loans to ease cash-flow pressures on farmers. We should also help finance on-farm storage facilities, thus allowing farmers greater flexibility in determining when to sell their product. Given the market demand that's out there, the private sector should also be stepping up to the plate with new risk management tools. The states, many of them with large budget surpluses, also have a role in this area, and they are getting involved as well.

These are just a few thoughts. I know there are others out there. And most of them aren't emanating from inside the Beltway. Barry Flinchbaugh is with us today. He leads our 21st Century Commission on the Future of Agriculture, which we hope will make specific suggestions on what follows the current piece of legislation.

In the meantime, I'm taking this issue directly to the places where it means something in people's lives. In the coming weeks, Deputy Secretary Rominger, Under Secretary Schumacher and I will hold regional forums around the country to hear ideas from everyone who has a stake – farmers, ranchers, bankers, elected officials – about how we can strengthen the farm safety net.

There is no question that the kind of comprehensive safety net we're talking about will be expensive. But we will work with Congress to find the money. And I am confident that we will find the money, just as we have in the past. We can't afford not to.

There are a lot of other things that we're doing at USDA to lay the groundwork for a competitive farm economy in the future. We continue to work aggressively to open world markets to our agricultural goods. We are standing up to countries who try to mask protectionism in phony science. Brazil is now accepting TCK wheat. Canada is softening on its livestock import restrictions. And we will continue to be resolute in our dispute with the EU over beef, insisting that our hormone-treated cattle have stood up to scientific scrutiny and insisting that the EU honor the May 13 deadline to allow our beef into their market.

Our new science-based meat inspection system is making our food safer...and therefore more marketable. Our fiscal year 2000 budget includes the first substantial increase in research dollars since 1992. And our Farmland Protection Program is helping curb the sprawl that is throwing up cul-de-sacs and strip malls where once farmers raised corn and planted soybeans. We're not anti-development, but when you consider that we're losing 50 acres of farmland every hour of every day, I don't think it's unreasonable to put some emphasis on what Vice President Gore calls smart growth. With all due respect to our hosts here at the Marriott, I don't think we want the whole country to look like Crystal City.

Even as we deal with the immediacy of the farm crisis, we have to look further on the horizon. Radical, structural economic changes are presenting a future of challenge and uncertainty for the American farmer. I don't think we should just accept the changes we're seeing -- we have to ask the tough questions. Instead of letting change happen, we ought to be thinking about how to adapt to change...how to help farmers and ranchers adapt to change...and perhaps how to control some of its excesses.

For example, we believe that biotechnology is critical for feeding a hungry world in a responsible and sustainable fashion. But rapid innovation in biotechnology brings with it troubling questions: who owns what? Does a farmer own a seed if he buys it? What about the company that invested in the science and conducted the research that led to a successful crop? How does government respect the proprietary rights of the company without hurting the small farmer? Is there any room for common ground? What role should public research play in the ag economy of the future? Are we doing enough to preserve seed diversity and germ plasm for the public? These questions must be given much greater thought as we enter the new millennium.

We have to address the changing structure of agriculture. That's why I appointed both a Commission on Concentration and a National Commission on Small Farms, the first time USDA has brought experts together to examine these issues.

It would be simplistic to say that consolidation, on the whole, is a good thing or a bad thing. Consolidation can lead to more efficient, lower-cost production. But competition is the lifeblood of the free enterprise system, and the fewer options available in the marketplace, the less innovative the economy. What's more, we should all be concerned when the trend toward larger and fewer agricultural operations threatens to drive the small operator out of business. We can't allow a system of agricultural Darwinism to prevail, with the survival of the fittest becoming survival of the largest.

Consider the implications of consolidation in the new contract-oriented farm economy. Contracting can be a good deal for the farmer, as it helps protect him or her against fluctuating markets. But as processing and wholesaling and agricultural input become controlled by fewer and fewer players, the producer can lose the ability to shop around for the best deal and has no choice but to accept lopsided contractual terms. The large interests gradually seize the bulk of the revenue and the management control, and the worry is, as Professor Neil Harl of Iowa State University recently put it, that American farming could end up being reduced to nothing more than a generation of tractor drivers.

Partly in response to consolidation and contracting, we're seeing a rise in co-ops, with farmers banding together to give themselves more leverage in the marketplace. Should the government more actively encourage co-ops, with offers of technical and financial assistance, in order to offset the influence of larger operations? How do we protect farmers from being discriminated against when they join co-ops? The statute designed to offer such protection -- the Agricultural Fair Practices Act -- has enforcement procedures that are cumbersome and difficult to apply.

That's why we asked Congress to fix the statute last year, and we will do so again.

We also need to ensure that farmers and ranchers have access to all relevant information about price and supply conditions governing their purchase and sales practices, particularly in the livestock industry. Information is power, in agriculture as in everything else. We are currently working feverishly to find the best ways to make that information available to producers, as well as to the Congress and USDA.

We need an intellectual debate that tackles all of these questions. Too often, I think, the dialogue on agricultural issues is all trees and no forest. We're preoccupied with this regulation or that particular piece of legislation. Meanwhile, macroeconomic change whizzes by, and we don't have an appropriate response.

We need a debate about what the role of government will be in this new landscape. The question of what government can and should be doing for agriculture is wide open. From the Depression right up until the 1996 farm bill, in most cases, the government role was clearly defined. Above all, it was to shield farmers from low prices with income and price supports.

That really was a unique relationship enjoyed by no other sector of the economy. For the last 60 years, ensuring that we have a strong, diversified, production agriculture has been a matter of national interest. It wasn't always a blessing to have the government in your hair telling you what and when to plant. But it did offer protection, and it also gave us the cheapest and most abundant food supply in the world. In fact, we're one of the few countries that has never gone to war over a shortage of food.

We're trying to find a balance. We want to let farmers run their own businesses, and we will. But we can also be a constructive partner, who is there to protect their downside...who helps them cope when prices head south. How can we be helpful without being intrusive? How do we respect markets and at the same time correct their inequities? When does laissez-faire become out-and-out neglect?

I realize that I'm asking more questions than I'm answering. That's because there are no simple answers. We're going to have to work together toward some consensus. And I hope that this conference will provide the opportunity to start moving toward that consensus...to start looking beyond the minutiae of supply and demand ratios to the outlook for the fabric of the American farm and the future of farm policy. It's not too soon to start laying the groundwork for the next farm bill.

Of course, any consensus will be a long time in the making. And in the meantime, we are in the middle of a crisis that shows no signs of abating for many producers. We are losing farmers at an alarming rate. For many people, there may not be a long-term if we don't do something in the short-term.

I am here to tell you that we are not going to just stand there and watch the air run out of our farmers' parachute. We are not going to leave them to navigate this rough economic terrain completely on their own. If prices continue to plummet, if exports continue to dry up, if Mother Nature shows no mercy...we will be there. But, as you know, we can't do it without Congress, and I expect them to be there as well. We can't guarantee anyone anything. But we can ensure that a caring government will do what it can.

We've been there every time in the past. We were there in the 30s, when the Farm Credit Administration and the Commodity Credit Corporation were established, and we will be there again with the additional credit farmers need when cash flow becomes a problem. We were there when the Depression devastated American agriculture. We were there during the farm crisis of the mid-1980s. And we will be there again.

What's at stake here -- with both our short-term and our long-term challenges -- is nothing less than the future profitability of family farming. If we don't respond to contracting farm income and wildly volatile markets...if we don't build a strong safety net...if we don't address issues regarding the structure of agriculture...this is what farming could look like in the middle of the 21st century: mega-farms, on the one hand, and hobby-farming on the other -- men and women who farm on the side while earning their living doing something else. I don't think it's a good idea to let farming become stamp collecting.

The case for preserving family farming goes way beyond economics. If you let that tradition be extinguished, you cut out a piece of the American character. Franklin Roosevelt got it right when he called the American farmer "our ideal of self-reliance and spiritual balance -- the source from which the reservoirs of our nation's strength are constantly renewed."

It was another president, born 267 years ago today, who represented that ideal. George Washington was a skilled general and a natural political leader. But soldiering and statesmanship were, to him, obligations. Farming was his passion. The Father of our Country wanted nothing more than to repair to Mount Vernon after the Revolutionary War, but he assumed the presidency with what he called "the most unfeigned reluctance."

Now, I know that the world has changed. We shouldn't become lost in nostalgia because agriculture will never again be like it was in the 18th century, or even 40 or 50 years ago. We won't ever again have the proverbial 40 acres and a mule. But today, on George Washington's birthday...here in his home state...just across the river from the city that bears his name...just a few miles down the road from his farm...let's commit ourselves to preserving the best of the agrarian tradition that he represented -- a tradition older than our democracy, older than our Constitution, older than our nation itself. Thank you.

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**REMARKS OF SECRETARY DAN GLICKMAN
U.S. ACTION PLAN ON FOOD SECURITY
WASHINGTON, D.C. -- MARCH 26, 1999**

Thank you, Lee (*Hamilton*). I want to thank you and Geoff Dabelko for hosting today's event. I especially want to welcome Director-General Diouf of the United Nations Food and Agriculture Organization for joining us today for an announcement that I believe will have far-reaching implications well into the next century. Last time we were together, naked people with "gene bean" written on their bodies threw genetically modified soybeans at me. Today's audience, while no less passionate, I hope will be a little more modest.

I want to thank Under Secretary for Farm and Foreign Agricultural Service, Gus Schumacher, Mary Ann Keeffe, Deputy Administrator of FAS and National Food Security Coordinator and their staff for their leadership and diligence over the past two years putting this plan together. I also want to thank Under Secretary for Food and Nutrition Shirley Watkins and Under Secretary for Research Education and Economics, Miley Gonzalez, for their work on the Interagency Working Group on Food Security. I also want to thank Joel Berg, Kate Mehr and Rebekah Davis from USDA, and the folks at the State Department and the United States Agency for International Development for their efforts. And I want to thank the other 15 federal agencies and departments on the Interagency Working Group for their participation in what is truly a team effort.

There are some great warriors in the battle for world food security with us today. Nobel Laureate, Dr. Norman Borlaug and Dr. Timothy Reeves of the world renowned International Maize and Wheat Research Center -- CIMMYT -- in Texcoco, Mexico. A few years ago I visited these laboratories, known as the birthplace of the Green Revolution which brought about the massive technological advances of the '60s that enabled us to feed a rapidly growing world without destroying our environment. When I toured his facility, I was stunned into silence by a sign on one of the walls. It had to do with Norin 10 -- the dwarfing gene for wheat. The sign read: 'A single gene ... has saved **100 million lives.**' I am very pleased that you could be here today, but I am most impressed by your continuing work using technology to help fight hunger.

Also with us today is former Senator and current U.S. Ambassador to the United Nations Food Agencies in Rome, and one of the more distinguished statesmen of the last half century, George McGovern. Among Senator McGovern's many accomplishments are his battles to eradicate hunger -- whether he was working to expand the Food Stamp program, helping Hubert Humphrey create the Women, Infants and Children's program, or as one of the pioneers of this nation's Food for Peace program. Senator, you'll be proud to know that since its inception in 1954, Food For Peace has donated \$47 **billion** of food to hungry people around the world. Just last year we added to the Food for Peace effort with a special food aid package to Russia. This year the United States will ship over **10 million tons** -- nearly **\$3 billion** worth -- of food to people in need around the world ... that's over **7 million more tons** than last year.

We need to build on our strong food aid efforts through a program that goes beyond feeding people to helping them feed themselves. Today's announcement takes us down that path.

It is fitting that we release the U.S. Action Plan on Food Security at the memorial to President Woodrow Wilson. It was Wilson's vision of an enlightened international order, where nations worked together to overcome common obstacles and create a better world, that ultimately led to the creation of organizations like the United Nations and the Food and Agriculture Organization. Today, the Wilson Center is a symbol of the importance of public-private partnerships and the great things that can be achieved when governments, individuals, industry and volunteer organizations work together toward a common purpose. Our common purpose is ending hunger ... and that is no easy task.

U.S. ACTION PLAN ON FOOD SECURITY

With all that this world has achieved -- from space travel to organ transplants -- perhaps the greatest challenge we face, is one that has eluded us for centuries. One in 7 of the world's people suffer from hunger and undernutrition.

Two years ago, I led the U.S. delegation to the World Food Summit in Rome in 1996. 186 countries came together to try to find a way to eradicate the scourge of global hunger. We set a goal of reducing by half the number of undernourished people in the world by the year 2015. That meant helping 400 million people move from hunger to food security in less than 20 years. Each country agreed to create a national plan of action to help reach that goal.

Today I am announcing the U.S. Action Plan on Food Security, a giant step toward meeting the commitment we made in Rome. As of today, only the U.S. and Canada have announced comprehensive food security action plans and together our two countries are taking the lead in this worldwide effort.

History has taught us that it is neither affordable nor productive to simply throw food at the problem. If we are to make actual inroads against hunger, then we can't just rush from famine to famine. To beat hunger, we have to get at its root causes -- poverty, income inequality, political instability, inadequate natural resources, lack of infrastructure and more.

The action plan is a road map for ending hunger by using innovating partnerships to unite the public and private sectors. That's why there are no less than 18 federal agencies and departments involved. That's why there are countless individuals, organizations, universities, religious organizations, private companies -- you name it -- involved.

At the federal level we recognize that international food security depends largely on policy reform around the world. The plan calls for the the United States to encourage an enabling environment in foreign countries and to enhance coordination of its foreign assistance with other donor nations; promote freer trade to enhance global access to food; improve research capacity and enhance people's ability to help themselves, particularly through education of girls and

women; target more food aid to the most needy and improve the efficiency and effectiveness of food aid programs such as Food for Peace; and support the work of the Codex Alimentarius Commission in setting international food safety standards. Our Africa: Seeds of Hope effort is one example of how we are working toward these goals.

COMMUNITY FOOD SECURITY INITIATIVE

Of course, hunger and malnutrition are not problems that plague only developing countries. We haven't beaten it here in the United States. No country has ... which tells us that defeating our enemy is far more complex than simply producing enough food.

In combating undernutrition in the United States where 34 million people are food insecure we're establishing a model for other nations. Our foundation is our all-important nutritional safety net. USDA is the federal anti-hunger department in charge of ensuring the resilience of that safety net. We oversee school meals, the Women, Infants and Children program and Food Stamps among others.

Food Stamps is the main staple in the nutrition safety net ensuring that 18 million people don't go hungry. Recently our food stamp program ran into a curious problem, which was first thought to be a major success story. We've seen statistics that show food stamp rolls have declined by over 9 million people. While some of that shows genuine progress due to a robust economy and moving people from welfare to work, it all happened too fast, indicating there were other factors at work. The first hint was the *dramatic* rise in people seeking help from food pantries and other voluntary feeding efforts around the country. Then we began to see numbers that show that food stamp rolls were declining at 5 times the rate of poverty which meant that there were many eligible people out there, including children, needlessly going without food.

One problem was perception. Many of the working poor just don't know they are eligible, confusing welfare ineligibility with the government's premier food assistance program. Another problem we saw in some situations found zealous state and local officials who administer the program discouraging eligible people from applying. Without laying the blame at any particular doorstep, I am moving to remedy this situation. First, I will vigorously enforce the law that requires prompt handling of food stamp applications. Second, we will begin a national outreach campaign to inform those who are unaware of their eligibility that there is help for struggling families to get proper nourishment while they regain their economic footing. I do not want to see anyone, who can have help, not get it.

To further enhance the federal food safety net, our Initiative includes \$13 million for a pilot school breakfast program in six school districts around the country. A balanced, nutritious meal to start the day is an essential ingredient to better learning and better discipline in a child's day.

We're also asking for \$15 million in funds to stimulate gleaning and food recovery efforts. Nearly 100 billion pounds of perfectly good, nutritious food goes into the dumpster each year -- food that if properly recovered could go a long way to helping people in need.

The President's budget calls for an increase of \$200 million to enhance the Women, Infants and Children's program including funds to give WIC participants greater access to fresh fruits and vegetables at the nation's growing number of farmers markets.

But while federal programs, together with scientific research, are the front lines in our battle, everyone can and should play a role. That's why I've made developing programs at the local level a priority. Through our Community Food Security Initiative, which I unveiled earlier this year, we've designed a plan to enhance and augment everything we're doing in government. By creating partnerships that help communities help themselves, instead of only feeding people, we help communities work at the grass roots level to weed out hunger.

All over the country we are helping communities develop creative responses to hunger and malnutrition -- training people for food production jobs, teaching folks how to grow urban gardens on abandoned lots and bringing more farmers markets and their fresh affordable produce to the inner city. And not only are we finding new and innovative ways to fight hunger, we're spreading the word. Just last month, during one of our listening sessions on hunger, we heard from non-profit groups at the local level on some of the programs that are working for them ... and we're sharing that information around the country and around the world.

Over the past century we've made enormous progress in our battle against hunger and malnutrition. There's a lot to be proud of. But the bottom line is, the new century will see world population reach nearly 8 billion people in just 25 years. There will be more mouths to feed, on top of the hungry that exist today. If we've learned anything in this crusade, it's that to succeed everyone must participate. Whether it means donating food during a local food drive, or volunteering at a food bank, or working full-time in an anti-hunger organization, or farmers gleaning from their harvest, we all can play a part ... we all can make a difference.

I close with the words of Woodrow Wilson, "America is not anything if it consists of each of us. It is something only if it consists of all of us." It will take all of us to really defeat hunger and malnutrition. As the world's food superpower, if we succeed, we will set a standard for the entire community of nations, where all people have ready access to good health, nutritious food and a decent standard of living. Thank you.

Now it is my pleasure to present to you the man who brought about the World Food Summit on Hunger in Rome in 1996 and who works tirelessly on behalf of the world's undernourished people, the Director-General of the United Nations Food and Agriculture Organization, Jacques Diouf.

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**REMARKS BY
U.S. SECRETARY OF AGRICULTURE DAN GLICKMAN
PURDUE UNIVERSITY
WEST LAFAYETTE, IN -- APRIL 29, 1999**

Thank you very much, Vic, for that kind introduction. And thank you for the expertise that you're lending to USDA, as Chairman of our Advisory Board on Research, Extension, Education and Economics.

It's a great honor to be at one of the most prestigious land-grant universities. Touring your new Food Science Center and getting a glimpse of some of your biotech research just confirmed what I already knew -- that this is a school with a rich tradition of accomplishment and innovation in the field of agriculture. That's one of the reasons I'm here. The other reason is that I wanted to visit the home of the 1999 NCAA Women's Basketball Champions...even if the Boilermakers are a Big Ten rival of my alma mater, the University of Michigan.

I'm proud that USDA and Purdue have built such strong partnerships on everything from soil erosion to plant genetics to food safety. And it's good to know that we share personnel too. In fact, if you browse through the faculty directory here, it almost seems like the Department of Agriculture is some kind of farm team for Purdue University. Purdue is home to one of my predecessors, former Secretary and now professor emeritus Earl Butz...as well as Don Paarlberg, who served as a senior adviser to the Secretary of Agriculture before I was old enough to shave.

I also want to single out Jill Long-Thompson, who is with me today. Jill was a strong leader for Indiana in the House of Representatives, and now she's doing an outstanding job as USDA's Under Secretary for Rural Development.

I work closely with both of your Senators, Evan Bayh and Dick Lugar. Senator Lugar is a good friend, and he has served this state and championed this university so effectively for so many years. And as Chairman of the Senate Agriculture Committee, he is a friend to farmers -- and an advocate for their interests -- nationwide.

Those of you emerging from Purdue's agriculture program will be tomorrow's leaders in farm production, agribusiness and science. You will be the ones to steer the ship at a time of staggering change in the structure and composition of the farm economy, but also the national economy and the global economy. So this seemed an ideal place to have a forward-looking discussion about the place agriculture may occupy in American life in the 21st century. All of us involved in agriculture -- students, faculty, researchers, farmers, community leaders, and those of us in government -- must work together to deal with the monumental changes taking place in agriculture... and we must make our decisions and set our priorities accordingly.

It can be a little difficult to have this kind of objective, intellectual dialogue when we're in the middle of serious farm problems. Falling prices and natural disasters demand stopgaps, quick

fixes and emergency responses. It's hard to talk about the long-term when there are many producers staring every day at the prospect that they may not have a long-term at all...at least not in farming.

Nevertheless, we can't let our focus become all trees and no forest. Eventually, farm prices and income will rebound and exports will improve. Without minimizing or neglecting the very real hardship being experienced in farm country, we have to look toward the future. We have to ask -- and begin to answer -- the questions: What might American agriculture look like in the 21st century? And perhaps more importantly: What do we want it to look like? Because we can't just sit idly by and let change happen to us.

Role of Government

The role of government in the farm economy is changing dramatically, particularly as it relates to the operation of farm programs. We will spend \$15 billion this year in direct payments to farmers, the highest of any fiscal year on record. But notwithstanding that, with the passage of the 1996 Farm Bill, we are in the process of minimizing the government role, of stripping USDA of many of its authorities to intervene in the market on farmers' behalf and deal with issues of supply and demand. So we have to rely on different tools.

The '96 Farm Bill, however, didn't provide a clear roadmap for federal farm policy in the future. It offered no hard guidelines. In fact, the part of the bill covering farm programs is called "The Agricultural Market Transition Act." So there's got to be a transition...but to what we don't really know.

On some level, there will always be farm programs. But we have to start thinking in terms of *partnerships* rather than *supports*. We can be *catalysts*, helping farmers and ranchers compete, without artificially guaranteeing them a certain level of income. Government can no longer assume complete production and marketing risks, but we can point producers toward the tools that will help them manage those risks. We can and should find sensible ways to strengthen the farm safety net, with a strong crop insurance program and other risk management tools. But policymakers, particularly in Washington, have to get away from this focus on *micro program changes*, and instead explore ways to empower farmers to thrive in a modern world.

For example, the National Commission on Small Farms, which I appointed two years ago, has come back to me with a number of recommendations that put USDA in an *empowering* rather than an *enabling* role. It suggested a Beginning Farmer Development Program, which would establish training and assistance centers for beginning farmers; a small farm research initiative; and an entrepreneurial development initiative for small farmers.

Producing For The Market

We also have to help farmers learn to thrive in a consumer-driven environment. What we have had in the past -- although I think it's changing now -- is a kind of "if we grow it, they will come" mentality. The Big Three automakers found out what happens when you defy the consumer. They used to forcefeed cars to a closed-mouth public, and they got left in the dust by Japanese and German competitors. But they learned their lesson, and now they tailor their production to the needs and demands of their consumers.

Many farmers are doing this. But to be successful, agriculture must always stay ahead of the consumer curve. And it just so happens that, when it comes to food, we're living in a time when consumer tastes and preferences are becoming more and more sharply defined. Who would have thought forty years ago that grocery shoppers would be asking for turkey bacon, veggie burgers or tofu ice cream? Americans and people around the world are more knowledgeable about food and nutrition and more discriminating about what they put in their mouths. In addition to the traditional foods that most consumers buy, many people are now looking for leaner beef, organic foods, free-range chicken or foods that are "natural".

There is a heightened consciousness about food labeling. People want to know where their food comes from and what goes into it. They're worried about their cholesterol levels and their recommended daily allowance of folic acid. These are the kinds of consumer dynamics that farmers must learn to read and respond to...or else ignore them at their own peril. And there are even more consumer dynamics to consider when it comes to our overseas customers, who represent the greatest potential growth market for American agriculture.

Farmers and ranchers must develop market antennae. As Barry Flinchbaugh of Kansas State University and the chair of the Commission on 21st Century Production Agriculture put it: producers must learn to manage markets in the same way that they used to manage farm programs. The days of farmers simply growing crops and raising livestock without meeting specific market needs are over.

All of us have to be partners and facilitators in this process. We in government have to help farmers make the transition, instead of simply reauthorizing and refunding the same old programs year after year. And the land-grant colleges have a pivotal role as well. Just as government can't be a captive of the past, neither can you. Agriculture can't be taught the way it was in the past. You in this room and at land-grants around the country have to adapt your extension and outreach programs for this modern, market-driven farm economy. And your research priorities must reflect these new realities as well.

Concentration

It so happens that watershed changes in farm policy are happening at a time of increased concern

about structural and technological changes in agriculture. So farmers, without the kind of support they've traditionally enjoyed from their government, are preparing to compete in a world of transition and a climate of uncertainty. This is especially true of small and medium-sized operators.

One of the things that we see in agriculture – and, really, in every other sector of the economy – is a trend toward fewer and larger operations. This has been a long time in the making. In 1900, there were 5.7 million farms averaging 147 acres apiece. By 1950, it was about 5.4 million farms with an average acreage of 216. The trend has dramatically accelerated in the second half of the century. By 1998, the number of farms had been cut by more than half to 2.19 million, while the average acreage doubled to 435.

Consolidation can sometimes lead to some increased efficiency in an economic system. But now what we're seeing goes beyond just farm consolidation. Now, at every link along the food production chain, there are concentrated markets, clusters and alliances, relationships both formal and informal, that may present serious challenges to the small and medium-sized producer trying to move goods to market.

This is especially true when it comes to livestock processing. In the beef industry, four meat-packing plants now control 80% of the steer and heifer slaughter market. We're also seeing a profound restructuring of the hog industry. I know people in Indiana are well aware of that. Since 1967 the number of hog operations has fallen by 90%. Large operators of more than 2,000 hogs represent just under 6% of producers, but account for almost two-thirds of inventory. As more farmers raise more hogs under contract with fewer processors, the very nature of the industry relationships are changing.

And while contracting is often a good deal for the small farmer or rancher, concentration can force producers into accepting lopsided contractual terms, simply because there's no ability to shop around for the best deal. Most poultry production now operates under contract, and the farmers are now almost extensions of the processors – in some ways employees of those firms.

That is not the role we want farmers to play. I don't think we want to live under a system of agricultural Darwinism, with survival of the fittest becoming survival of the biggest. We don't want to get to the point where farmers lose control of their economic destiny and are reduced to serfs in a kind of feudal agricultural system.

So how do we cope with these forces?

One thing we're doing at USDA and the Justice Department is keeping a watchful eye on some of these major mergers and, within the framework of our authorities, vigilantly monitoring for anti-competitive behavior. Just a few weeks ago, USDA filed a complaint against Excel Corporation, alleging that the company violated the Packers and Stockyards Act by engaging in unfair pricing practices affecting about 1200 producers. That case is now in litigation, and it is

my belief that more cases will be filed under the Packers and Stockyards Act in the months to come.

On the grass roots level, there are things family farmers can do -- things USDA can help them do -- to stay competitive in a top-heavy farm economy.

If the larger agricultural interests can form clusters and alliances, so too can smaller producers -- in the form of cooperatives. A single small producer, up against some of the mightiest players in the economy, may stand little chance of exercising meaningful bargaining clout. But by forming cooperatives, by banding together, they give themselves more leverage in the marketplace. In addition to using co-ops to bargain for better prices, many have used them as entrepreneurial tools, to help them build their own processing and manufacturing facilities and position themselves as strong competitors in their industry.

To help co-ops, USDA offers a variety of tools, worth up to \$200 million a year, including everything from an initial feasibility study to the implementation of a business plan.

Let me give you just one example. Last year, we helped the Hermitage Tomato Cooperative Association in Arkansas with a \$3 million guaranteed loan, which gave them some working capital and allowed them to purchase land and equipment. Before the loan, the members were barely staying afloat, marketing their tomatoes at auctions and through two other firms. But with some help from USDA, last year the co-op generated nearly \$4 million in sales supplying tomatoes to the fast-food industry. They've gone from 75 to 116 employees, and they are making plans for a second processing facility that would add another 100 jobs.

I would like to see even more opportunities for cooperatives in the future. In some countries, like Ireland for example, co-ops can become publicly traded entities; by issuing stock, they can increase their capital base and enhance their ability to compete. Our laws, however, don't make it easy to do this in the United States. And our tax laws do not encourage genuine innovation in farm cooperatives.

There are also ways for producers to enhance their income in this era of rapid consolidation. Let me talk for a minute about direct marketing and farmers markets. We have been very aggressive at USDA in promoting farmers markets. They used to be just a quaint thing you'd stumble across on a country drive. Now they're everywhere. When we began collecting data on farmers markets in 1994, there were only about 1,700 of them in the country. Today, we estimate that there are nearly 3,000.

Farmers markets are a win-win. Farmers increase their income through direct access to their consumers. And consumers get access to locally-grown, farm-fresh produce. There is the added benefit that it strengthens the relationship between grower and consumer. Too often, there is a measure of cultural estrangement in this country between the people who produce our food and the people who eat it. Farmers markets bring the two together. Farmers gain a better

understanding of what their consumers like. And consumers gain an enhanced appreciation for the labor that puts food on their tables. And social benefits aside, farmers markets and other direct marketing schemes have proven to be very profitable as well.

There are also niche markets to explore, for example the rapidly growing demand for organic products, a real opportunity for farmers of all sizes but particularly the mid-sized producer. Right now, we're in the process of coming up with uniform national standards on what, exactly, constitutes an organic product. We believe the standards will improve consumer confidence in organic products and open new opportunities, both domestic and international, for our producers. This is not some goofy fringe market. It is becoming very much a part of the agricultural mainstream, and it holds out the potential for enormous profit, as it grows to an estimated \$6.6 billion market in the next year.

So there are a lot of ways we can help producers become a part of the new agricultural era. But we can't just do the same things we've done in the past. We have to constantly come up with innovative, creative solutions.

Science/Biotechnology

We can't talk about agricultural challenges for the 21st century without some discussion of science, and specifically biotechnology.

Science and technical progress are certainly to be celebrated. For hundreds of years, the physical and life sciences have helped make agriculture safer, more efficient and more productive. It has increased yields and reduced production costs. Science is everywhere in our shopping carts -- from frozen dinners to low-fat cheeses to seedless grapes. Our new science-based food inspection system at USDA, to give just one example, is improving our ability to protect consumers from deadly pathogens.

And now, nearly a half century after Watson and Crick discovered the double helix and unearthed the mystery of the structure of the DNA molecule, we are able not only to read the genetic code...we can manipulate it and reprogram it as well.

Biotechnology can be an indispensable tool as we try to serve global agricultural demand in a sustainable manner. The world is growing, and it's growing in developing nations, which have experienced the greatest food insecurity. We have more and more people to feed...more and more fiber to produce...and a limited amount of arable land to put into production...at a time when water is becoming a more and more precious and scarce commodity. Biotechnology can help us generate higher yields, while lessening the strain on our natural resources. It can also help farmers produce a new generation of specialty products, which the market may demand in the future.

I remember visiting the wheat research center in Mexico where some of the research was done on the wheat gene Norin 10, which helped developing countries like India and Pakistan increase their wheat harvests by 60 percent. At the center, there is an inscription on the wall that reads: "A single gene has saved 100 million lives."

That's a powerful notion. Nevertheless, those of us in government, the private sector, the academic community and the farm community can't be afraid to ask the difficult questions. We cannot be science's blind servant. We have to understand its ethical, safety and environmental implications. Our testing has to be rigorous. We have to be as vigilant as ever. And we have to make sure that those involved in determining the safety of genetically-engineered products are staying at arm's length from the people who stand to profit from them. At USDA, for example, we took our food safety division out from under the umbrella of our marketing programs, an important step that has avoided even the appearance of impropriety in this area.

We also can't force these new genetically engineered food products down consumers' throats. While people around the world have embraced biotechnology's twin, information technology, the fact is that they're still quite cautious about biotech. My belief is that farmers and consumers will eventually come to see the economic and health benefits of these products. But dismissing the skepticism that's out there is not only arrogant, it's also a bad business strategy. My confidence in biotech -- or industry's confidence in biotech -- is ultimately irrelevant. Only when consumers have confidence -- and when they express that confidence at the grocery-store checkout line -- will we be able to see the return on the enormous public and private investments we've made in biotechnology.

This is an important challenge for those of you in the research community. Innovations may be born in the laboratory, but they find success in the marketplace. So it's not enough to celebrate science for science's sake. Technological progress must always be accompanied by public information and consumer education efforts that address concerns and allay fears. Scientists should always remember that there's another kind of research -- market research -- without which all the patents and all the ingenuity in the world add up to very little. When it's all said and done, the public opinion poll is just as powerful a research tool as the test tube.

Just yesterday, two of the largest grocery chains in the United Kingdom said that they will work to eliminate GMO ingredients, just another sign that the biotech issue remains a highly explosive one. I think these grocery chains need a little bit of educating, but I don't think we can just sit here and berate them. We've got to work with them, so they understand -- and consumers understand -- what the benefits are.

Also, we have to be careful about ratcheting up the expectations on some of these technologies. There is no one silver bullet that will allow us to meet all of tomorrow's agricultural and food security challenges. We have a way in this country of latching on to solutions, pursuing them to the exclusion of others, and then watching them sometimes backfire.

We did it in the late 70s when we embraced nuclear power as the primary solution to our energy needs. Then, Three Mile Island happened. Now, nuclear power is still a part of our energy grid, but it's not the only part. Just in the past few years, we looked at the growth of emerging markets and decided that trade was the panacea. Before we knew it, Asian financial markets collapsed, setting off a chain reaction that has led to recession in just about half of the world.

So, yes, let's be enthusiastic about these technologies and pursue them. But let's not put all of our eggs in the biotech basket. Just as the securities industry tells us to diversify our investment portfolios, so must our agricultural science portfolio be rich and diverse.

Vibrant Rural Communities

Before I close, I want to talk for a second about the importance of rural America and its changing fabric and infrastructure.

To preserve the family farming tradition in the 21st century, the truth is that, for many, there will have to be additional avenues of economic opportunity in rural America. It's unfortunate, for some producers, that they have to pursue off-farm income. But ironically enough, that may be the only way to keep many of them on the land. If people can supplement their livelihood doing something else, then farming will at least remain viable as a part-time vocation, even for those who can't make it producing crops or livestock alone. So we need a diversified rural economy that has all the tools, the infrastructure and the technology to give people various ways to make a living.

That's why USDA has a whole agency, led by Jill Long-Thompson, devoted exclusively to rural development. We extend loans and grants that invest in rural businesses, rural utilities and rural housing. Over 50 rural areas have been targeted for tax incentives and other economic development support as part of President Clinton's Empowerment Zone/Enterprise Community initiative.

Rural areas have a lot to offer, and we're beginning to see people move to the country in search of a different kind of lifestyle. Rural counties have actually grown by about 3 million in the 1990s. I was just reading an article the other day about a woman who was raised in the suburbs, had tried the city life, but now was settling in a community of 900 people in New Hampshire. She likes the more affordable real estate, the recreational opportunities, as well as the informality and familiarity of rural life. And information technology now makes it possible for people like her to live in the country and still connect with professional and social networks that they might be leaving behind.

With apologies to the creators of *Cheers*, **rural America** really is the place where "everybody knows your name." Rural America may be a place of rugged individualism, but it's also a place of social cohesion. We don't see many barn-raising anymore, but it is that spirit of

volunteerism – of pitching in on behalf of the entire community -- that still prevails in small towns around the country. People who live in rural areas are vested in their community. They know their neighbors; they watch each other's children; they treat each other as extended family. And by living these kinds of values, rural towns send a message to – and set an example for – communities around the country.

Just watching the news over the last week, I can't help but think -- and I don't want to overgeneralize here -- that it's that sense of intimacy and cohesion that was missing at Columbine High School in Littleton, Colorado. When you have a high school of some 1800 students, it's easy to see how kids who are maladjusted or socially outcast, who are having trouble coping with adolescent pressures, simply get lost and fall through the cracks of the system. But in the close-knit environment of a rural community or small town, where everybody knows everybody else, it's easier to identify social problems before they erupt into violence.

If we're going to preserve and cultivate rural America's unique qualities, we have to keep it economically viable. First and foremost, that means keeping production agriculture as economically viable as possible. But beyond that, if we're going to attract new residents and new business investment to rural areas, the infrastructure and the economic base have to be there. No one is going to locate in a town where the sewer facilities are inadequate or the water isn't safe to drink. But still a quarter of a million rural households live without clean, safe drinking water. Another 2 million live in substandard housing.

In addition to clean water and decent housing, rural communities have to have a trained workforce, good schools, first-rate medical care, child care options, adequate telephone and electricity service and Internet connectivity -- everything that would make someone want to bring their family or business to a community. And even as we develop and diversify rural America, we also have to preserve the open spaces and natural resources that make rural life unique and draw people there in the first place.

Conclusion

Shakespeare wrote: "What's past is prologue." There is certainly some truth in that statement, but I would offer this caveat. When it comes to agriculture, our approach to the future should certainly be *shaped by* the experience of the past. But we cannot and should not approach the future by trying to *recapture* the past.

We have to start with a recognition that America is no longer a predominately agrarian society. It's naive and just plain unconstructive to wax nostalgic about some kind of pre-industrial Jeffersonian model.

In 1900, farmers represented 38% of the labor force. By 1950, the number of farms had decreased only by a few hundred thousand, but farmers dropped to only 12% of the labor force.

By 1990, there were barely 2 million farms, and farmers made up 2.6 % of the workforce. Sixty years of aggressive farm programs have not been able to reverse this trend.

But as we approach the new millennium, the family farm still remains a central building block of American society. And while it has changed in definition, size and structure, there are still enormous opportunities for family farm agriculture and farm prosperity in the year 2000 and beyond.

But seizing those opportunities is going to require a different approach from all of us.

Farmers will have to become more entrepreneurial, more market-oriented. They will have to recognize that this isn't their father's farm economy. They will have to be better educated and more technologically sophisticated than ever before.

We in government have to adjust our programs. We can't wring our hands about the authorities we once had; we must work tirelessly to forge a new farm policy paradigm, one that puts government in the role of partner.

And universities like Purdue have a critical role as well. You understand that you can't teach agriculture the way you did in 1950. The research you conduct, the courses you offer, and the skills you impart must conform to the needs of a farm economy in transition...and an American and global economy in transition.

The challenges are enormous...but so are the opportunities. I'll close with a story about a former president of a major American corporation, who went to a high school to give a commencement speech. At the end of the speech, the chief executive looked at these kids and said: "I have one piece of advice for you. And that advice is, you've got to jump when opportunity knocks."

And a kid in the front row said: "That's great for you. You're president of one of the biggest companies in the world. That's easy for you to say. But, tell me, how do you know when opportunity knocks?"

And the man said: "You don't. And that's why you have to keep jumping all the time."

If we work together -- if we all keep jumping -- we can seize those opportunities and preserve for our farmers and ranchers and our rural communities their share of the American Dream in the 21st century. Thank you very much.

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***NEW CROPS, NEW CENTURY, NEW CHALLENGES:
HOW WILL SCIENTISTS, FARMERS, AND CONSUMERS
LEARN TO LOVE BIOTECHNOLOGY -
AND WHAT HAPPENS IF THEY DON'T?***

remarks prepared for delivery
by

The Honorable Dan Glickman, Secretary
Department of Agriculture

before the

National Press Club
12:00, Tuesday, July 13, 1999
Washington, D. C.

Good afternoon. Thank you for coming.

Let's think about this hypothetical situation for a moment: Let's suppose that today's salad was made with the new carrot from Press Club Farms, Inc. Farmers grow the new carrot on fewer acres because it yields more, and it's less expensive because it does not require any fertilizers or pesticides and can be harvested totally mechanically. In addition, it has more vitamin A & C than traditional varieties and stays crisper longer and keeps its fresh taste longer.

But, because this carrot does not require as much labor, the farmers have had to lay off hundreds of employees. While it does not require any chemicals to flourish, this new carrot does affect the environment by making it difficult for other crops or plants in close proximity to survive. And though it's cheaper to begin with, it's only available from one company, which could result in a considerable premium over regular carrot seed.

And what's the secret to this hypothetical new carrot? It's the latest advance from biotechnology -- produced with a gene from kudzu, an invasive weed.

Sound far-fetched? It probably shouldn't: Remember the flavor-saver tomato? How many of you have heard of the so-called terminator gene which can keep a plant from reproducing? Today, nearly half the soybeans in the U.S. -- the stuff that is crushed and made into salad and cooking oil and that feeds most of the livestock we grow -- are produced from a variety that increases the plant's resistance to certain pesticides. Genetically-engineered corn with certain pest resistant characteristics is also rapidly displacing more traditional varieties. And, it gets even more interesting when you consider that researchers are looking at genetically-

modified mosquitoes that cannot carry malaria.

So, what do we think about this new carrot? Are we concerned about the environmental effects we still don't fully understand? What about the farm workers who are now unemployed? Should one company have a monopoly on it? And finally, are you concerned - about these issues and about how it is produced? Would you still have eaten it if you knew about the kudzu gene? Should you have been told? Would you buy it?

Folks, this is the tip of the biotechnology iceberg. There are many more questions that haven't yet been thought of, much less answered. But first of all, and if you come away with a dominant point from my remarks, it is that I want you to know that biotechnology has enormous potential.

Biotechnology is already transforming medicine as we know it. Pharmaceuticals such as human insulin for diabetes, interferon and other cancer medications, antibiotics and vaccines are all products of genetic engineering. Just yesterday I read that scientists at Virginia Polytechnic Institute will process drugs from milk from genetically altered cows. One new drug has the potential to save hemophiliacs from bleeding to death. Scientists are also looking at bananas that may one day deliver vaccines to children in developing countries.

Agricultural biotechnology has enormous potential to help combat hunger. Genetically modified plants have the potential to resist killer weeds that are, literally, starving people in Africa and other parts of the developing world.

Biotechnology can help us solve some of the most vexing environmental problems: It could reduce pesticide use, increase yields, improve nutritional content, and use less water. We're employing bioengineered fungi to remove ink from pulp in a more environmentally sensitive manner.

But, as with any new technology, the road is not always smooth. Right now, in some parts of the world there is great consumer resistance and great cynicism toward biotechnology. In Europe protesters have torn up test plots of biotechnology-derived crops and some of the major food companies in Europe have stopped using GMOs - genetically-modified organisms - in their products.

Yesterday's news was that the WTO affirmed our view that the EU is unjustifiably blocking US ranchers from selling beef produced with completely tested and safe growth hormones. Today we're seeing that the G-8 agreed to a new review of food safety issues and, having myself just come back from France a couple of weeks ago, I can assure you that trade in

GMOs is looming larger over US-EU trade relations in all areas.

Now, more than ever, with these technologies in their relative infancy, I think it's important that, as we encourage the development of these new food production systems, we cannot blindly embrace their benefits. We have to ensure public confidence in general, consumer confidence in particular, and assure farmers the knowledge that they will benefit.

The important question is not, do we accept the changes the biotechnology revolution can bring, but are we willing to heed the lessons of the past in helping us to harness this burgeoning technology. The promise and potential are enormous, but so too are the questions - many of which are completely legitimate. Today, on the threshold of this revolution, we have to grapple with and satisfy those questions so we can in fact fulfill biotechnology's awesome potential.

To that end, today I am laying out 5 principles I believe should guide us in our approach to biotechnology in the 21st century. They are:

1. **An Arm's Length Regulatory Process.** Government regulators must continue to stay an arm's length, dispassionate distance from the companies developing and promoting these products; and continue to protect public health, safety and the environment.
2. **Consumer Acceptance.** Consumer acceptance is fundamentally based on an arm's length regulatory process. There may be a role for information labeling, but fundamental questions to acceptance will depend on sound regulation.
3. **Fairness to Farmers.** Biotechnology has to result in greater, not fewer options for farmers. The industry has to develop products that show real, meaningful results for farmers, particularly small and medium size family farmers.
4. **Corporate Citizenship.** In addition to their desire for profit, biotechnology companies must also understand and respect the role of the arm's length regulator, the farmer, and the consumer.
5. **Free and Open Trade.** We cannot let others hide behind unfounded, unwarranted scientific claims to block commerce in agriculture.

Arm's Length Regulatory Process

When I was a school board member in Wichita, Kansas, one of my tasks was to study the

level of student participation in the school lunch program. I quickly learned if the food didn't taste or look good, no matter how nutritious it was, the kids wouldn't eat it.

With all that biotechnology has to offer, it is nothing if it's not accepted. This boils down to a matter of trust – trust in the science behind the process, but particularly trust in the regulatory process that ensures thorough review -- including complete and open public involvement. The process must stay at arm's length from any entity that has a vested interest in the outcome.

By and large the American people have trust and confidence in the food safety efforts of USDA, the FDA, EPA, CDC and others because these agencies are competent and independent from the industries they regulate, and are viewed as such. That kind of independence and confidence will be required as we deal with biotechnology.

The US regulatory path for testing and commercializing biotechnology products as they move from lab to field to marketplace is over a decade old. We base decisions on rigorous analysis and sound scientific principles. Three federal agencies – USDA, FDA, and EPA – each play a role in determining the use of biotechnology products in the United States: USDA evaluates products for potential risk to other plants and animals. FDA reviews biotechnology's effect on food safety. And the EPA examines any products that can be classified as pesticides.

Right now, there are about 50 genetically altered plant varieties approved by USDA. And so far, thanks to the hard work and dedication of our scientists, the system is keeping pace. But, as I said, the system is tried and tested, but not perfect and not inviolate and should be improved where and when possible.

To meet the future demand of the thousands of products in the pipeline will require even greater resources, and a more unified approach and broader coordination.

When I chaired the US delegation to the World Food Conference in Rome in 1996, I got pelted with genetically modified soybeans by naked protesters. I began to realize the level of opposition and distrust in parts of Europe to biotechnology for products currently on the market or in the pipeline.

I believe that distrust is scientifically unfounded. It comes in part from the lack of faith in the EU to assure the safety of their food. They have no independent regulatory agencies like the FDA, USDA or EPA. They've had many food scares in recent years -- mad-cow disease, and in just the last several weeks, dioxin-tainted chicken -- that have contributed to a wariness of any food that is not produced in a traditional manner notwithstanding what the science says.

Ironically they do not share that fear as it relates to genetically modified pharmaceuticals.

But, GMO foods evoke in many circles a very volatile reaction. And that has created a serious problem for the U.S. and other countries as we try to sell our commodities in international markets.

We need to make sure our regulatory system has the foresight to begin addressing issues even before they arise. So to keep pace with the accelerating growth of agricultural biotechnology, I am taking several additional steps to ensure we are fully prepared to meet the regulatory challenges of this new technology.

Today I'm announcing that I will be asking for an independent scientific review of USDA's biotech approval process. The purpose of this review will be to ensure that, as we are faced with increasingly complex issues surrounding biotechnology, our scientists have the best information and tools to ensure our regulatory capabilities continue to evolve along with advances in the new technology. And to address complex issues like pharmaceutical producing plants or genetically modified livestock we will need to consult the experts, many of whom are outside USDA.

Two of the more significant challenges we face are grower and consumer awareness, and improving monitoring on a long term basis. We do not have evidence the heavily publicized Monarch butterfly lab study appears to be happening in the field. But, the resulting attention to the reports and ensuing debate underscore the need to develop a comprehensive approach to evaluating long-term and secondary effects of biotech products.

So, USDA will propose the establishment of regional centers around the country to evaluate biotech products over a long period of time and to provide information on an ongoing basis to growers, consumers, researchers and regulators.

To strengthen biotechnology guidelines to ensure we can stay on top of any unforeseen adverse effects after initial market approval, I am requesting all developers of biotech products to report any unexpected or potentially adverse effects to the Department of Agriculture immediately upon discovery.

Finally, we need to ensure that our regulators just regulate and only regulate. A few years ago, we created a food safety agency separate and distinct from any and all marketing functions to ensure that no commercial interests have even the appearance of influence on our decisions regarding food safety. It needs to be the same with biotechnology. The scientists who evaluate and approve biotech products for the market must be free of any hint of influence from

trade support and other non-regulatory areas within USDA.

We at USDA will undertake a review to reinforce the clear line between our regulatory functions and those that promote and support trade. This reaffirms our basic principle that we will remain scrupulously rigid in maintaining an arm's length regulatory process.

Consumer Acceptance

However strong our regulatory process is, it is of no use if consumer confidence is low and if consumers cannot identify a direct benefit to them.

I have felt for some time that when biotechnology products from agriculture hit the market with attributes that, let's say, reduce cholesterol, increase disease resistance, grow hair, lower pesticide and herbicide use, and are truly recognized as products that create more specific public benefits, consumer acceptance will rise dramatically.

There's been a lot of discussion as to whether we should label GMO products. There are clearly trade and domestic implications to labeling to be considered in this regard. I know many of us in this room are sorting out these issues. At the end of the day many observers, including me, believe some type of informational labeling is likely to happen. But, I do believe that it is imperative that such labeling does not undermine trade and this promising new technology.

The concept of labeling particular products for marketing purposes is not a radical one. For example, USDA has already decided that for a product to be certified as organic under our pending organic agriculture rules, a GMO product would not qualify. And that does not mean that USDA believes organic is safer or better than non-organic - all approved foods are safe - it just means that consumers are given this informed choice.

There clearly needs to be a strong public education effort to show consumers the benefits of these products and why they are safe. Not only will this be the responsibility of private industry and government, but I think the media will play a vital role. It's important that the media treat this subject responsibly and not sensationalize or fan consumer fears. That's what we're seeing happen in the EU and the outcome is fear, doubt and outright opposition.

What we cannot do is take consumers for granted. I cannot stress that enough. A sort of if-you-grow-it-they-will-come mentality. I believe farmers and consumers will eventually come to see the economic, environmental, and health benefits of biotechnology products, particularly if the industry reaches out and becomes more consumer accessible.

But, to build consumer confidence, it is just like it is with the way we regulate our airlines, our banks and the safety of our food supply – consumers must have trust in the regulatory process. That trust is built on openness. Federal agencies have nothing to hide. We work on behalf of the public interest. Understanding that will go a long way to solving the budding controversy over labeling and ensuring that consumers will have the ability to make informed choices.

Fairness to Farmers

Like consumers, farmers need to have adequate choices made available to them. But today, American agriculture is at a crossroads. Farmers are currently facing extremely low commodity prices and are rightfully asking what will agriculture look like in the years to come and what will their roles be.

That also means they have more responsibility and more pressure. And much of the pressure they face originates from sources beyond their control. We are seeing social and economic trends that have a powerful effect on how farmers do business. We are seeing increased market concentration, a rise in contracting, rapidly evolving technologies such as information power and precision agriculture in addition to biotechnology. We are seeing different marketing techniques such as organics, direct marketing, coops and niche markets, and an expansion of non-agricultural industrial uses for plants.

One of my biggest concerns is what biotechnology has in store for family farmers. Consolidation, industrialization and proprietary research can create pitfalls for farmers. It threatens to make them servants to bigger masters, rather than masters of their own domains. In biotechnology, we're already seeing a heated argument over who owns what. Companies are suing companies over patent rights even as they merge. Farmers have been pitted against their neighbors in efforts to protect corporate intellectual property rights.

We need to ensure that biotechnology becomes a tool that results in greater -- not fewer -- options for farmers. For example, we're already hearing concerns from some farmers that to get some of the more highly desirable non-GMO traits developed over the years, they might have to buy biotechnology seeds. For some, that's like buying the car of your dreams but only if you get it in yellow. On the other hand, stress-tolerant plants are in the pipeline which could expand agricultural possibilities on marginal lands which could be a powerful benefit to poor farmers.

The ability of farmers to compete on a level playing field with adequate choices available to them and without undue influence or impediments to fair competition must be preserved. As this technology develops, we must achieve a balance between fairness to farmers and corporate

returns.

We need to examine all of our laws and policies to ensure that, in the rush to bring biotech products to market, small and medium family farmers are not simply plowed under. We will need to integrate issues like privatization of genetic resources, patent holders rights and public research to see if our approach is helping or harming the public good and family farmers.

It is not the government who harnesses the power of the airwaves, but it is the government who regulates it. That same principle might come to apply to discoveries in nature as well. And that debate is just getting started.

Corporate Citizenship

If the promises hold true, biotechnology will bring revolutionary benefits to society. But that very promise means that industry needs to be guided by a broader map and not just a compass pointing toward the bottom line.

Product development to date has enabled those who oppose this technology to claim that all the talk about feeding the world is simply cover for corporate profit-making. To succeed in the long term, industry needs to act with greater sensitivity and foresight.

In addition, private sector research should also include the public interest, with partnerships and cooperation with non-governmental organizations here and in the developing world ensuring that the fruits of this technology address the most compelling needs like hunger and food security.

Biotechnology developers must keep farmers informed of the latest trends, not just in research but in the marketplace as well. Contracts with farmers need to be fair and not result in a system that reduces farmers to mere serfs on the land or create an atmosphere of mistrust among farmers or between farmers and companies.

Companies need to continue to monitor products, after they've gone to market, for potential danger to the environment and maintain open and comprehensive disclosure of their findings.

We don't know what biotechnology has in store for us in the future, good and bad, but if we stay on top of developments, we're going to make sure that biotechnology serves society, not the other way around.

These basic principles of good corporate citizenship really just amount to good long-term business practices. As in every other sector of the economy, we expect responsible corporate citizenship and a fair return. For the American people, that is the bottom line.

Free and Open Trade

The issues I have raised have profound consequences in world trade. Right now, we are fighting the battles on ensuring access to our products on many fronts. We are not alone in these battles – Canada, Australia, Mexico, many Latin American, African and Asian nations, agree with us that sound science ought to establish whether biotech products are safe and can move in international commerce.

These are not academic problems. For 1998 crops 44% of our soybeans and 36% of our corn are produced from genetically modified seeds. While only a few varieties of GMO products have been approved for sale and use in Europe, many more have been put on hold by a de facto European moratorium on new GMO products.

Two weeks ago I went to France and met with the French Agriculture Minister at the request of the US ambassador there, Felix Rohatyn, to see if we can break this logjam which directly threatens US-EU relations at a delicate time when we are commencing the next WTO round in Seattle.

Quite frankly the food safety and regulatory regimes in Europe are so split and divided among the different countries that I am extremely concerned that failure to work out these biotech issues in a sensible way could do deep damage to our next trade round and effect both agricultural and non-agricultural issues. For that reason, the French Minister's agreement to have a short-term working group with USDA on biotech approval issues, and his willingness to come to the US in the fall to further discuss the situation, is encouraging.

To forestall a major US-EU trade conflict, both sides of the Atlantic must tone down the rhetoric, roll up our sleeves and work toward conflict resolution based on open trade, sound science and consumer involvement. I think this can be done if the will is there.

However, I should warn our friends across the Atlantic that, if these issues cannot be resolved in this manner, we will vigorously fight for our legitimate rights.

Conclusion

Finally, I've established a Secretary's Advisory Committee on Agricultural

Biotechnology -- a cross-section of 25 individuals from government, academia, production agriculture, agribusiness, ethicists, environmental and consumer groups. The committee, which will hold its first meeting in the fall, will provide me with advice on a broad range of issues relating to agricultural biotechnology and on maintaining a flexible policy that evolves as biotechnology evolves.

Public policy must lead in this area and not merely react. Industry and government cannot engage in hedging or double talking as problems develop, which no doubt they will.

At the same time, science will march forward, and especially in agriculture, that science can help to create a world where no one needs to go hungry, where developing nations can become more food self-sufficient and thereby become freer and more democratic, where the environmental challenges and clean water, clean air, global warming and climate change, must be met with sound and modern science -- and that will involve biotechnological solutions.

Notwithstanding my concerns raised here today, I would caution those who would be too cautious in pursuing the future. As President Kennedy said, "We should not let our fears hold us back from pursuing our hopes."

So let us continue to move forward thoughtfully with biotechnology in agriculture but with a measured sense of what it is and what it can be. We will then avoid relegating this promising new technology to the pile of what-might-have-beens, and instead realize its potential as one of the tools that will help us feed the growing world population in a sustainable manner. Thank you.

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**REMARKS OF SECRETARY DAN GLICKMAN
"THE U.S. APPROACH TO AGRICULTURE IN A NEW ROUND"
XIX MEETING OF THE CAIRNS GROUP
BUENOS AIRES, ARGENTINA -- AUGUST 28, 1999**

I want to commend you for your continued leadership in confronting the challenges that face our countries. Opening markets for agricultural and non-agricultural products can create wealth for all our nations. Political freedom also relates to economic opportunity. Your efforts have been critical in moving forward a strong agenda on behalf of farmers and ranchers around the world. The Cairns group is an important U.S. partner in international trade for agricultural products and our efforts will be particularly significant given the highlighted role agriculture is expected to play in the next trade round.

With me today from USDA are Tim Galvin, Administrator of the Foreign Agricultural Service, Dr. Isi Siddiqui, my Special Assistant on Foreign Agriculture, Ken Roberts our Agriculture Minister in Geneva, and Philip Shull, our Agriculture Counselor here in Buenos Aires. They do a terrific job working with our trading partners all over the world to maintain a steady flow of goods.

As we all know too well, these are very difficult times for our farmers. Nearly four straight years of record production worldwide; the Asian financial crisis; problems in Russia and elsewhere, have all dragged commodity prices, in some cases, to a 30-year lows. The anguish and doubt among farmers in the United States is as great as I have ever seen it during my time as Secretary or previously, as a Member of the U.S. Congress for 18 years. And I know that each of you is facing similar problems with your own farmers and ranchers.

As we embark on the next round of WTO talks I think it's important to keep in mind the importance of trade in the larger picture of relations among nations. Free, fair, and open trade contributes to free and open communication which leads to peace, prosperity, stability and democracy. The nations represented in this room have a lot to be proud of as we close out this century. This is a record we need to build on.

In my four years as Agriculture Secretary I have seen what trade means to agriculture's bottom line. Early in my tenure, we saw record agricultural exports in the United States reach \$60 billion in a single year. But in the last year and a half, we saw the bottom drop out -- and that has been true for farmers worldwide. As record production has met with collapsing demand, agricultural prosperity evaporated.

As we all know, the key lesson, from both the good and bad periods of the last four years, is how significant trade is to agriculture's bottom line in all of our countries. If our economies are to continue to grow and prosper, then we must look for new markets -- and that means we need an open trading system. Look at the facts: Since 1960, tariffs worldwide have fallen by 90% while global trade grew 1500%. World economic production has quadrupled while per capita income more than doubled.

We in the United States have a more immediate example to cite. In 1998, as U.S. farm exports worldwide declined by 6 percent, our exports to our partners in the North American Free Trade Area - Canada and Mexico - grew by 11 percent, to record levels, as did their exports to the United States.

In his annual State of the Union address, President Clinton called on the nations of the world to tear down barriers, open markets and expand trade. He also added that, "we must ensure that ordinary citizens in all countries actually benefit from trade."

Nowhere is this more important than in agriculture. Farmers do some of the hardest, riskiest, most important work. And, around the world today, their difficulties should remind all of us how important a robust agricultural sector is to our quality of life. Because of the volatility and unpredictability of agriculture, because we want to assure a reliable food supply, we want to do what we can to make sure that farmers have the opportunity to survive, and hopefully to prosper.

I recently traveled through several states crippled by severe drought, in some cases the driest it's been in over 100 years. Difficult times, such as those we are facing with depressed farm prices and drought in the U.S., obligate the U.S. Government to address the needs of our farmers. That is exactly what we are doing with our emergency relief efforts in the United States. We cannot ignore the human side of food production, and we must do what we can to give farmers and ranchers the tools they need to cope with the increasing volatility in world agricultural markets.

I am particularly concerned about the ability of smaller, less well-capitalized producers to stay in business during rough times and we should do everything we can to help these farmers and ranchers. To the extent we can, we will ensure that the aid has minimal impact on trade.

To their credit, the countries in Asia didn't close markets during the Asian financial crisis when 40% of the world's economies stumbled badly. Rather than a wave of protectionism, reason ruled the day and allowed for special trade and financial measures to help different sectors and countries. And that's why, in the United States, we will honor our commitment to the world trading system and remain well within our subsidy ceiling. In fact, we are doing everything possible to find the least trade-distorting mechanisms to help support farm income during this time of need.

The Uruguay Round of the WTO was a giant step forward for trade - setting the stage for a broader and deeper WTO that will include more countries and a stronger move away from isolationism and protectionism. It's time to build on that success.

So we look at these upcoming negotiations, not as an adversarial process, but as a joint venture -- where, despite our different perspectives, we can work together toward the common, mutually beneficial goal of an equitable world trading system.

To do this, countries will have to change the way they're used to doing business and accept that

some of their traditional practices and internal systems will have to adapt.

For example, the United States and others are in a great struggle with other nations over acceptance of agricultural products of biotechnology. It is my belief that this situation will be resolved when consumers come to understand the benefits biotechnology has to offer - and when they understand that the high food safety standards applied in the U.S. to other aspects of food production are applied to products of biotechnology as well.

At the same time, it is critical for the future of biotechnology that the food safety regulatory regimes contain the highest standards possible. These systems must be arms length from the industry that is developing these technologies so as to give consumers around the world the confidence they need to accept the resulting products. If consumers have no confidence in the new technologies, or the regulatory process, they will not use the products no matter how good they may seem.

I find it interesting that when it comes to pharmaceuticals, Europeans for example, have no problem with biotechnology - that's because the benefits are clear and tangible to consumers, as are the risks of inaction. Our mission then is not only to ensure that new technologies such as biotechnology adhere to the strictest scientific principles, but that we demonstrate to consumers the safety and efficacy as well as the advantages of the products of these new technologies -- products that will have tangible benefits for consumers, lower use of pesticides, less water, more sustainable agriculture that will benefit the environment, and crops with higher nutrient values.

Despite the progress made in the Uruguay Round, there is much to do. Our goals for the next round, while easily stated, will not easily be achieved.

First, we need to eliminate export subsidies. Export subsidies depress world commodity prices, are costly, and discourage production by farmers who, in the absence of subsidies, would otherwise be able to compete on a level playing field. The EU, for example, carries out an extensive export subsidy program accounting for over 80% of global export subsidy expenditures. These high subsidies are particularly onerous for developing nations who often cannot compete with subsidized prices.

Another key objective of the United States will be to rein in the trade distorting practices of agricultural state trading enterprises. We will seek more discipline and greater transparency in the monopoly activities that these government-run entities engage in. It is my feeling that we need to look at all activities that WTO members feel distort markets or otherwise circumvent the fairness that the WTO process is trying to achieve. In an effort to achieve true balance, we are asking all countries, including our own, to look at the way they are doing business and to consider change. Change is hard. We know that. But it is essential.

Another major goal is to improve access to markets. It is disturbing that agricultural tariffs worldwide still average over 50 percent while in the U.S. ag tariffs are around 8%.

Another area where we can make further advances is by ensuring that tariff rate quotas are used in a manner that increases market access rather than restricting it. In the Uruguay Round TRQs were used to begin to open markets to products previously subject to very restrictive quotas. But TRQs can also have the effect of curtailing imports and impeding trade, depending on how they are administered. Now we have the chance to ensure that TRQs are actually trade-enhancing.

By and large U.S. producers recognize that progress was made under the Uruguay Round. But for U.S. farmers and ranchers, the true test of success in the next round will be whether the playing field is in fact leveled. For them success will be measured against the additional market access that U.S. products gain in foreign markets, and the level of producer support that continues to prevail elsewhere, but especially in the European Union. That's the test. As the world's largest agricultural exporter and 2nd largest importer - behind the 15 nation EU - the United States has a responsibility to show leadership but also an obligation to ensure our producers will not be asked to go it alone. That's an obligation that I take very seriously.

Let me just say as an aside that in June the United States trade deficit hit another record reaching \$24.6 billion - annualized that's over a \$300 billion trade deficit. Our demand for imports has been a source of tremendous growth for countries around the world, especially in Asian countries that serve as key markets for many of the countries represented here today.

Looking separately at our agricultural trade with Cairns-member countries the United States actually imported \$6 billion more in agriculture than our farmers and ranchers exported in 1998.

I also think we need to forcefully address the questions surrounding emerging issues such as biotechnology which I mentioned earlier. We want to ensure that the rules governing trade will maintain legitimate health protection, but all of us must do so without unnecessarily and arbitrarily blocking free and fair trade. And all nations must guard against using sanitary and phytosanitary measures as a disguise for trade barriers. I have found that there has been a tendency in some quarters to not recognize that non-scientific use of sanitary and phytosanitary procedures can be just as significant a trade barrier as high tariffs and direct subsidies.

Finally, we must ensure that all countries fully participate and benefit from the global trading system. Our experience tells us that countries - whether developed or developing - that are open to trade and investment with the world as a whole have generally been able to create growth, competition, and prosperity. Open trade in agriculture can relieve farmers in developing countries of the burdens imposed by protectionism and export subsidies. It can reduce the number of food insecure people by offering consumers reliable supplies of food at good prices.

These are ambitious objectives that will take some time to achieve. And while other countries express trepidation over the consequences of further action on trade reform, I think all of us here know that we should be far more concerned with the consequences of inaction - rising world hunger, economic stagnation and global instability.

- The next trade round will not be a piece of cake. It will be tough and difficult.
- Agricultural issues will be the toughest, but I want to make clear that agriculture is key to getting an agreement signed.
- No country is pure when it comes to agriculture.

That being said, we look forward to having all countries at the table, ready to discuss serious negotiating proposals encompassing far-reaching reforms in agricultural trade that will enable us to build together a more stable, prosperous and food secure world in the 21st century. Thank you.

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**REMARKS BY
SECRETARY DAN GLICKMAN
"BUILDING CITIES OF GREEN"
1999 NATIONAL URBAN FOREST CONFERENCE
SEATTLE, WASHINGTON - SEPTEMBER 1, 1999**

Thank you very much, Dr. Sansolo, for that kind introduction. I want to commend you and Eddie Bauer, as well as Weyerhaeuser and the other companies involved in sponsoring this forum. It wasn't so long ago that we believed that corporations and environmental interests were inevitably at loggerheads. Thank you for breaking us out of that mindset...for proving that profit and preservation can indeed co-exist as complementary forces for progress.

This is an extraordinary gathering, one that reflects a very broad and successful partnership on forestry issues. We have the private sector; state forestry agencies and representatives from all levels of government; non-profits and environmental groups; urban experts and academic scholars; and volunteer groups, who - and I can't emphasize this enough - are the heart and soul of urban and community forestry efforts.

If I can, I'd like to acknowledge USDA's people: Jim Lyons, the Under Secretary for Natural Resources and Environment and the thousands upon thousands of people who work for NRE and the Forest Service around the country. They do an outstanding job and too often don't get the recognition they deserve.

And, of course, a special thanks to Debra Gangloff, Gary Moll, Jonathan Silver and everyone associated with American Forests. Thank you all for bringing us all together. But, more importantly, thank you for your years of advocacy and leadership on behalf of our trees and natural resources.

I'm proud of the partnership that the Department of Agriculture and the Forest Service are building with American Forests. Although I can't promise that, on my watch, USDA and American Forests will be quite as closely linked as they were a century ago. In the 1890s, the man who was Secretary of Agriculture, J. Sterling Morton, simultaneously served as the President of the American Forestry Association, the precursor to American Forests. Of course, we have ethics laws to prevent that sort of thing right now.

Secretary Morton didn't exactly grow up under the shadows of redwoods and sawtimbers. He was from Nebraska City, Nebraska. But nonetheless, he was a champion of forestry. In fact, it was his vision that led to the annual recognition of National Arbor Day. And now, I'm proud to say, both USDA and American Forests are building on his legacy.

We have the good fortune of living during a remarkable time. We are, today, enjoying growth and prosperity virtually unprecedented in our nation's history -- 19 million new jobs; unemployment below 5 percent; record homeownership; and so on.

But even as we celebrate this robust economy, it's important that we not equate *prosperity* with *quality of life*. Certainly, prosperity is one aspect of quality of life. But quality of life is about more than the bulge in our wallets or the size of our homes. Trees, parks, gardens, recreation, open space – all these factor into our quality of life as well.

The Clinton Administration has put this issue on the frontburner, with a comprehensive livability agenda and the Lands Legacy Initiative, among other efforts. We have a President and Vice President who understand the need to balance *development* and *conservation*...to create a marriage between *growth* and *sustainability*. They understand that the pursuit of prosperity does not have to come at the expense of livability.

The need to focus on "smart growth" has never been greater. Economic mobility and the arrival of the information age have changed the very character and texture of the American city. In Boston, Fenway Park will soon be gone, while a new software mecca has emerged around Route 128. Chicago's Miracle Mile still bustles, but the rapid growth is happening in the high-tech corridor out by O'Hare Airport. And Seattle is still the Emerald City, but it's been stamped on the American consciousness as the home of Microsoft.

Businesses no longer need to tie themselves to downtown because downtown no longer represents a major population center. Cities can now be planned, instead of evolving naturally around a port or waterway the way they used to, because the "stuff" of today's economy is not manufactured goods that need to be shipped...but bits and bytes that can be electronically transmitted halfway around the world in a matter of seconds.

Cities are growing, stretching their perimeters, taking in more people and swallowing up more land to accommodate those people. The impact on American agriculture and our small farm tradition is devastating. Our farmers, many of whom are coping with weak prices and the effects of a scorching drought, are also losing a staggering *50 acres of farmland every hour of every day* to sprawl and urban growth.

As American Forests has pointed out, around Puget Sound, 35 years of development has left the majority of the land with less than 20 percent tree-canopy coverage. It's the same in almost every high-growth city around the country. Atlanta may be the poster child. Its population has doubled over the last twenty years, which is startling enough. But then consider the city's *400-fold increase* in urbanized land area over the same period. Metropolitan Atlanta, which used to be a haven for the tree-lover, has lost 60 percent of its trees over the last quarter century.

Fortunately, we have many leaders around the country who understand this problem and are committed to solving it. Mayor Richard Daley has told me that his proudest achievement is the planting of hundreds of thousands of new trees in Chicago. And that's saying a lot for a very innovative mayor with a strong record on a number of important issues.

Here in this area, King County Executive Ron Sims is launching a new public-private partnership

to plant 200,000 trees by the end of the year 2000 along the Mountains to Sound Greenway.

And Governor Barnes of Georgia has taken the bold step of establishing a new anti-sprawl agency, the Georgia Regional Transportation Authority. Joel Cowan, who heads the agency, is here to speak about plans to address the deforestation problem in the state, and especially in Atlanta.

This de-greening of our cities has been something of a stealth phenomenon. I liken it to the drought we're suffering on the east coast, the mid-Atlantic, and parts of the Pacific Northwest. Drought is a slow, pernicious peril! It doesn't wipe out crops with one dramatic, headline-grabbing strike, like a tornado. Likewise, Seattle didn't lose thousands of trees overnight. It happened gradually over time, without the media attention that would come with a mass leveling.

I'm proud of the work that USDA has been doing with American Forests to help communities identify lost tree cover. Using satellite images and computer mapping technology, we're now able to better assess ecosystem damage and devise solutions to reverse that damage. American Forests has condensed this technique into an affordable software package, CITYgreen, which will allow cities and communities around the country to understand and fix this problem.

We have to make Americans take notice of the dwindling natural resource base in their cities. We need to help them understand the cost associated with lost trees. And we need to help them understand what urban forestry can mean for them and their communities.

It goes far beyond the aesthetic and the ornamental, although neither of those should be overlooked. First, there are critical environmental benefits. Trees act as buffers that keep pollutants out of our water stream. Trees act as carbon sinks, capturing greenhouse gases and emitting clean oxygen. A single mature tree, in fact, can absorb 26 pounds of carbon dioxide and release enough oxygen for a family of four to breathe for an entire year. While asphalt and buildings trap heat, trees are natural coolants, making them especially important as we grapple with the complexities of a global climate change solution.

And, of course, the ecological can't be separated from the economic. The cooler air that trees provide means lower energy bills for families. By giving us cleaner lakes, streams and rivers, trees cut down on the considerable expense of water distillation. Clean water also means healthier and more abundant fishing stocks, a critical source of income for so many people in this part of the country. And by slowing the pace of stormwater runoff, trees also help prevent flooding, which means millions saved in both flood-prevention infrastructure and post-disaster recovery.

There are still other ways in which urban forestry can be an economic asset. Competitive corporations and talented workers will naturally be drawn to an attractive, green community. Tree-lined bike paths and leafy parks are a tourism magnet. In cities as different as Philadelphia, Minneapolis, Chattanooga and Washington, DC, trees and parks are also boosting real estate

values, thus enhancing individual family wealth and generating more property tax revenue, which leads to better public schools.

Community forestry also contributes to the overall health of the society, as it encourages outdoor activity and exercise. Again, this translates into an economic benefit, because a more fit people means lower health insurance premiums for families and businesses alike.

Then there are social benefits – less tangible, perhaps, but no less important. The fact is that community landscape affects community psyche. People will treat their neighborhood according to the way it looks. Vacant lots and boarded-up buildings invite anti-social behavior. The famous "Broken Windows" theory about crime holds that a single broken window sets a tone that can lead to a spiral of social degradation. If that's true, then a single tree can send a positive message about community stewardship and give rise to a sense of hope and renewal.

All this may sound ethereal to some people. But studies have shown, for example, that in public housing projects with green life, the tenants get along better and there are fewer reports of domestic violence or child abuse. Trees, parks and recreation provide an outlet to young people who might otherwise turn to drugs or delinquency. The presence of trees can help hospital patients to heal faster, motorists to drive more safely, workers and students to be more productive, and neighbors to be more cooperative.

Of course, I'm preaching to the proverbial choir here. We all know both the problems and the opportunities. The question is: what are we doing about it? The answer from us at USDA is: we're doing quite a bit.

Last fiscal year, our Urban and Community Forestry Program was active in over 10,000 communities, providing planning help, technical assistance, community-based grants and more. That included nearly a million and a half training hours and 2.3 million hours of conservation assistance to local governments and grass roots organizations.

We did this on a budget of \$26.8 million, and that doesn't even include the money generated by leveraging our investment. Generally, each federal dollar spent on urban forestry attracts almost four additional dollars in cash or in-kind services from other sources. USDA's Urban and Community Forestry budget grew to \$30.5 million in 1999, and the President demonstrated his commitment with a budget request of \$40 million for next year. I can't promise that we'll get the full amount, but I am working with Congress to ensure that urban forestry gets priority treatment.

Thinking longer-term, we want to see some security and stability for both our Urban and Community Forest Program and the Interior Department's Urban Parks and Recreation Recovery Program. Today, I am sending a letter to Chairman Murkowski of the Senate Energy and Natural Resources Committee and Chairman Young of the House Committee on Resources, urging them

to include permanent authorization of Urban and Community Forestry in any Land and Water Conservation Fund bill they report out of their committees. This authorization would assure us of a reliable annual budget through the Land and Water Conservation Fund, no longer leaving the program at the mercy of the whims of the appropriations process.

But we have to do more, and we are. Today, I am also sending a letter to all 50 of our nation's governors and the Mayor of the District of Columbia, calling on them to establish Millennium Groves in their capital cities. USDA will contribute 100 trees to each of these groves, buying them from American Forests' collection of Famous & Historic Trees. This won't be a one-size-fits-all kind of thing. We will work with state foresters to design a grove and choose trees that reflect the unique character of that particular state. When completed, these groves will stand both as reminders of our nation's rich urban forestry tradition...and as standing symbols of a renewed commitment to urban greening in the 21st century.

And we're not simply going to parachute in, drop off some trees, help with the planting, then never be heard from again. As with all of our community forestry efforts, we'll be there with the technical assistance needed to *maintain* these groves. Because a successful and lasting garden or grove requires consistent feeding and care.

At USDA, when we think about community forestry, we don't limit ourselves to the jurisdiction and capabilities of the Forest Service. We approach this as a multidisciplinary effort that cuts across our mission areas. For example, our Animal and Plant Health Inspection Services guards our borders against the infiltration of invasive species like the Asian long-horned beetle, which has ravaged treasured hardwood trees in Chicago and New York City neighborhoods.

We also encourage people to look no further than their own backyard for an opportunity to practice sound environmental stewardship. Our "Backyard Conservation" campaign reaches out to homeowners, who tend to the 92 million acres of privately developed American land. It provides them with the information and tools to turn a damp patch of property into a working wetland. It includes tips on composting. It also offers instructions on soil tests, allowing people to avoid overusing pesticides and fertilizers, which too often end up running into local waterways.

Even some of our farm programs have an environmental component. The Conservation Reserve Program -- or CRP -- offers farmers incentives to idle environmentally sensitive land, thus restoring wetlands, protecting wildlife habitat and saving trees. In addition to CRP, we have CREP -- the Conservation Reserve Enhancement Program -- which helps farmers create a natural protective shield between the farm and the nearby streams.

We also work with other federal agencies -- the Interior Department, but also HUD, EPA, the Army Corps of Engineers and others -- on community forestry projects. Interagency cooperation is one of the hallmarks of the Urban Resources Partnership, for example. This five-year-old program, which is now up and running in 13 cities, draws on the resources of these federal

agencies to help solve urban environmental problems.

The URP program is about local success stories. Here in Seattle, you've got local government working with inner city residents, community groups, non-profits, youth conservation corps and businesses like SeaFirst Bank and Ashgrove Cement on a number of projects, including an effort to re-green the banks of the Duwamish River and protect endangered salmon populations.

It is this kind of grass roots energy that ultimately makes urban forestry efforts work. Federal support is critical, but we can't and we don't prescribe solutions. Our role is as catalyst, supporting the initiative that emanates from the grass roots...giving communities the tools they need to plant and maintain their own trees.

In a society that threatens to become increasingly atomized -- everyone keeping to themselves and looking out for their interests -- tree-planting can be a force for community cohesion. When neighbors come together to re-green their streets and common areas, it strengthens the community fabric; promotes voluntarism and community cohesion; and enhances civic values and activism.

I want to close with this thought. I'm sure many of you are familiar with Shel Silverstein's classic children's book *The Giving Tree*. In it, a young boy befriends a tree, who gives of herself everything the boy needs to be happy throughout the stages of his life. She is a playmate when he is young. She gives him her apples to sell for money. As he grows into a man, the tree gives him her branches so he can build a house...and eventually her entire trunk so he can build a boat. At the story's end, they are reunited -- the boy weary and unfulfilled, the tree pared and diminished. Finally, all the tree has to offer the boy is her stump on which to sit.

The book has often been interpreted as a parable about parental indulgence and childish ingratitude. But I think it can be read as a cautionary tale about our treatment of our natural resources. Trees generously provide us with food, shade, shelter and transportation. They give. And too often, we take and take and take, with little regard for the consequences. Finally, the taking becomes a form of abuse, and there are no trees left to take from.

When we take from our trees without any reciprocity, we do get some short-term gratification. But ultimately, like the boy in the story, we end up taking away a little bit of ourselves. For us to be a strong people in the fullest sense -- socially, economically and environmentally -- we must show some restraint in dealing with nature. And we must put back and replace what we've taken away.

That's your vision, and I am committed to working with you to realize it. Thank you very much.