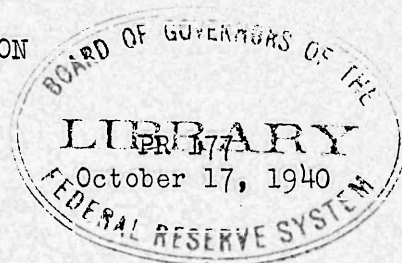


NATIONAL DEFENSE ADVISORY COMMISSION



NOT TO BE RELEASED  
BEFORE 7:15 p.m. E.S.T.

[American agriculture]

Radio Address by Chester Davis,  
Commissioner in charge of the Agricultural Division of  
the National Defense Advisory Commission, delivered over  
the network of the Mutual Broadcasting System from Station  
WOL, Washington, D. C., October 17, 1940, from 7:15 to  
7:30 p.m., E.S.T.

Yesterday 16 million young men of America registered under the Selective Service Act to make themselves available for the defense of our nation. The National Defense Advisory Commission since its creation four and a half months ago has been working with the military and naval and other government establishments to organize our material resources for production to equip these new defense forces. The Congress has appropriated 15 billion dollars for defense. Two-thirds of that sum, or 12 billion dollars, will go for new weapons and the added plants and facilities necessary to produce them in volume. Eight of those 12 billion dollars have already been cleared for that purpose, and new contracts are being awarded each day as our industries organize to meet the urgent demand. Events, utterly unpredictable and incredible a year ago, have etched such a pattern over the rest of the world that one hundred and thirty million people are joined in demanding total preparedness for the United States. The object is insurance of our shores against aggression. I am confident that the production facilities of this nation are adequate to the challenge and that our sons who are called into the service will be well equipped to defend this nation if that necessity should come.

Each member of the Defense Commission of seven has a dual responsibility - that shared with the others for the policies and acts of the Commission as a whole, and that attached directly to the division he heads. My direct responsibility at the Defense Commission is in the field of agriculture. Before considering it, I wish to express my confidence in the

real accomplishments that have been recorded by our military establishments in the unspectacular but fundamental task of organizing our industry for the speedy production of the materials of defense. The job of turning out new supplies now rests with American industry to whom the responsibility has been entrusted. It is my observation that industry has assumed this responsibility with high patriotism and with a realization that only through total preparedness can we be certain that our free institutions will be preserved.

The job for agriculture is no different from that of any other American group. The primary duty of every element in our economic organization is to make its resources and manpower available for defense. That objective must never be obscured and in my judgment it has the unconditional support of American farmers.

Fortunately this crisis found farmers prepared with abundant supplies. We all remember that in 1917, agriculture was called upon to increase its production to feed our army and those of our allies. "Food Will Win the War", was the slogan of that day. Now we find domestic food supplies adequate to take care of our own military and civilian requirements with plenty left over. After providing for our own needs, the United States could export 150 million bushels of wheat, 400 million bushels of corn, 100 million bushels of barley, 350 million pounds of pork, 500 million pounds of lard, 250 million pounds of other edible fats and large quantities of fresh, dried and canned fruits and vegetables. Its cotton storehouse is full and running over. These surpluses are largely carried over from previous crops. Present crop prospects indicate

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that aggregate farm production for 1940 promises to be the second largest on record.

It is apparent, therefore, that the supplies of American farm products are sufficient to meet any demands that may be anticipated. The essential task is to maintain the farm plant in such a healthy, productive condition that supplies of foods and other farm essentials will continue to be sufficient.

It is obvious that no nation can adequately defend itself without abundant supplies of food and fiber. It is equally obvious that those supplies cannot be maintained unless the producers are kept in the position to continue efficient production. The objective of increased farm income and stable prices has long been recognized national policy. We must not retreat from the peace time objective of balanced farm production, prices and income now that war clouds cover the sky.

From the standpoint of organization, American agriculture is better prepared than most groups to meet whatever the future may hold. This is due to the national farm program of recent years in which the vast majority of farmers have participated. The Agricultural Division of the Defense Commission is fortunate in having available the resources and facilities of the Department of Agriculture. In every project which we have undertaken there has been close and active collaboration with the Department of Agriculture which is charged with the Administration of the action programs.

The Agricultural Division and the Department of Agriculture are giving constant attention to agricultural prices and price relationships. At the present time farm prices, in general, are low. It is my opinion that a substantial increase in most of them is desirable. Such an increase, where it is simply a recovery from abnormally low levels, must not be considered as either a justification or a cause of spiral price advances in other areas.

During the past four months, the Agricultural Division of the Defense Commission has been concerned with a number of immediate problems in determining how the resources of agriculture could be best made available for defense. Foremost among these considerations is the location of new plants which are being built to provide the Army and Navy with munitions and other supplies. Sound policy requires that, insofar as possible, the new defense plants be built away from regions of present industrial concentration and in locations where there is not only an adequate labor supply for the defense emergency but where the people will not be entirely separated from their former livelihood. These individuals can use some of the income received from employment in new powder plants or munitions factories to improve their homes and farms. It will compensate in part for adjustments they are forced to make because of curtailed export outlets for farm products.

War, and the rising effort for national self-sufficiency that preceded it, have greatly diminished export outlets for many important crops -- cotton, tobacco and wheat particularly. Many markets have been entirely eliminated. Any steps which can be taken, consistent with the objectives of national defense, to pave the way for industrial employment in areas where these crops are grown is clearly in the public interest.

To illustrate this point, let me tell you the story of one of the first plants located in accordance with this general pattern. This plant at Radford, Virginia, will manufacture smokeless powder and will employ some five thousand workers. Radford is well inland from the coast and outside the boundaries of any established industrial area. The counties surrounding Radford are densely populated. Many of the farms are small and the average income is low. The cash income of a large proportion of the farms is from \$300 to \$500 a year. Every reasonable effort is being made to facilitate the employment of people who live on these farms in the vicinity of Radford. This is desirable because the local farm people need the extra income; the immediate housing problem will be alleviated, and there will be fewer stranded people if and when the new plant shuts down.

Not all of the plants which are going up have been located as favorably in relation to unemployed labor, including rural labor, as the smokeless powder plant at Radford. In some cases it has been necessary to establish a new plant near an existing factory where management, engineering talent and some highly skilled workers are available. This is particularly true of many of the new aircraft plants. In other cases it is necessary to locate near the source of raw materials. Efficiency requires the location of TNT plants, for example, near steel mills in order that the partially used sulphuric acid is not wasted.

Wherever possible, however, the defense commission is recommending that the policy of decentralization be followed. Plans are under way, for example, for the location of a group of plants west of the Mississippi River and it is my hope that an increasing proportion will be established

there and in the South and Southwest. In spite of the present concentration of aircraft plants along the Coast, new manufacturing units are being established in Texas and Kansas. And it is probable that before this country secures all the capacity it needs for making airplanes, additional plants will be established in the interior.

In addition to the Radford, Virginia, plant, construction of another large smokeless powder plant is under way at Charlestown, Indiana. A large TNT and shell and bomb loading plant will be located in a rural area some 40 miles south of Chicago. Preliminary work will be done within the next few days for the establishment of another TNT plant located in Missouri. This plant will provide raw materials for a large bomb loading plant which is planned for the vicinity of Burlington, Iowa.

We are also concerned with the probable peace time value of some of these plants. For example, one of the major raw materials is nitrogen-nitrogen in the form of ammonia. Nitrogen is also the most important plant food purchased by the farmer. As a part of the defense program, it is necessary to construct some new plants for the manufacture of ammonia. I am hopeful that one of these, in line with the policy declared by Congress, will be authorized for the T.V.A. where after the war need has passed, it will be dedicated to the permanent peace time service of agriculture.

Among other matters with which the Agricultural Division has been concerned, one example of genuine cooperation by the wool producers may be of interest. The tremendous wool requirements of the military services made it necessary to acquire a strategic reserve. The British Government has agreed to store in bond in this country 250 million pounds of Australian wool. These stocks will be used only in an emergency when there is a shortage of domestic wool or normal imports are shut off. During the development of

this plan the Defense Commission was in constant touch with representatives of wool growers. While they were naturally concerned with the possible adverse effect of this plan upon their industry, they were also concerned with how best to serve the program of national defense. Their suggestions were valuable and a plan emerged which will meet the requirements of national defense and at the same time protect the essential interests of civilian consumers and the growers.

One problem which we did not fully anticipate has to do with farmers, both tenants and owners, whose land is purchased for defense projects. In Germany, I am advised, the Hitler government had very good reason to worry over the loss of agricultural land taken over for military uses. Fortunately, we have plenty of land here but it is a serious problem in some cases to create opportunities for producers whose farms have been purchased for defense projects. We are undertaking to develop a procedure that will give them priority of employment in defense industries. In addition, we are working with the Farm Security Administration and other services in the Department of Agriculture at the task of relocating those who desire to continue farming operations.

My time is about up. I can only mention a few of the other activities of the Agricultural Division. We are engaged in a nationwide survey of food industries to develop plans for whatever direction or control an extreme emergency might require. We are concerned in the training programs for youth to make certain that unemployed rural boys have equal opportunity with other groups to be trained in defense industries. We are cooperating with other agencies on problems of economic collaboration in this hemisphere. We are

giving attention to foreign trade possibilities which involve farm commodities.

These, and other projects which affect American Farmers occupy our continuing attention. . But above all considerations, is the immediate objective of organizing our abundant resources to keep war from these shores. I repeat, American Agriculture is already producing in abundance what the nation requires from it. But beyond that, if sacrifices are called for, I am confident that American farmers are ready to make their contribution for the maintenance of liberty and the ideals of free men.