

## Agriculture by Marcia Merry

### What is Washington doing?

*Farm banks and farmers are failing, while Congress legislates lower output and the President blames Europe!*

On October 8, the House passed its new farm bill, and during the week of Oct. 14, the Senate cast its final votes on a new farm bill. On Oct. 16, President Reagan initiated an unprecedented unfair-trade investigation to prove that wheat exports from Europe are damaging U.S. interests.

All the while, farm banks were failing in record numbers, and farm families were being dispossessed at rates now threatening key parts of the national food supply.

Eleven banks have failed this year in Kansas, and eight banks have failed in Oklahoma—the top wheat producing states in the nation. Out of the total of 85 bank failures this year to date, 45 have been farm banks, and many more will go under during the last quarter of the year, when there is no “crop in the ground” on which a farm bank can base the pretense of solvency.

The headlines you have been reading about “record harvests” are propaganda on behalf of Cargill and other cartel companies, enabling them to pay farmers nothing the U.S. Department of Agriculture had to admit that the wheat harvest is down 7% from last year.

It is a blessing to the nation that perfect weather conditions prevailed for corn: The harvest may truly be a record. However, grain farmers are getting nothing for their crops—bountiful or scarce. Thousands face foreclosure.

In Iowa, the top corn-producing state, where yields may run as high as 200 bushels an acre—even where

farmers could not afford to fertilize—Gov. Terry Bransted (R) announced a moratorium on farm foreclosures to halt wholesale dislocation of farm families.

So, what are Congress and President Reagan doing? Blaming someone else. They are avoiding the necessary emergency measures, and they are playing into the hands of Soviet strategic interests to cut the Western food supply, and at the same time, supply the Soviets.

First, look at the new farm bills. The bills continue, in a minimal way, the ineffectual farm price and loan support mechanisms for various named crops. However, both measures are committed to the disastrous goal of reducing food output—in the name of driving up prices to the farmer—according to the mythical laws of “supply and demand” promulgated by the cartel interests, which themselves control food commodity-price levels.

The bills call for creating a new federal entity to lock up farmland for 10 years (and then, forever) in the name of “conservation.” Farmers still clinging to their farms will be coerced through financial pressure to contract with the government to take their land out of production, in exchange for some short-term financial help in planting trees or non-food cover crops.

Perhaps the consumer should plan to eat splinters in a few years.

Sen. Jesse Helms (R-N.C.), the Senate Agriculture Committee chairman, avoided these fundamental aspects of the farm bill, and instead played the old-budget-blues refrain.

He proposed an amendment to slash \$1.8 billion from the \$28.1 billion agriculture bill, because he said the farm bill would “bust the budget.” Sen. William Proxmire (D-Wisc.) proposed cutting all programs in the bill by 4%. Both motions were defeated by about a 2-to-1 margin, and the Senate bill proceeded, with its provisions for an \$11.9 billion food stamp program, and \$4.1 billion for international programs—like the House-backed bill.

Neither Congress nor the White House has initiated national emergency measures to stop the farm bankruptcies and ensure food production capacity.

President Reagan has so far fallen for every lie and mis-briefing he gets on the state of farming and food supply. For the first time ever, a President has invoked the seldom-used Section 301 of the Trade Act to initiate proceedings against other countries on grounds of unfair trade practices. The complaint is against the European Community and alleges that direct subsidies have caused a the EC share of the \$14.5 billion world wheat export market to more than double, over 16%, since the early 1970s.

President Reagan made his move one day after testimony along these lines was given to Congress by Swiss-based cartel companies, featuring Continental Grain. A vice-president of the company claimed that the United States has been “antagonizing” its proper trade partners, like the Soviet Union, by offering discount grain to North African and other nations, and should offer the U.S.S.R. such favored terms. The Continental spokesman neglected to say that his cartel’s companies broker all the deals between the EC and the East bloc, in the same secret way they broker the grain trade between the United States and the U.S.S.R.