

## Agriculture by Marcia Merry

### Corn could help beat famine

*It's the best U.S. corn crop in years, but government policy dictates that farmers and the hungry must suffer.*

**O**n Sept. 27, the "serious" frosts began in southern Minnesota, the northern tier of the corn belt, and on Sept. 28, the frosts began in southern Iowa, marking the end of the growing season of the 1992 corn crop. After a late start, corn pickers are now moving through the fields to gather what looks like a bumper harvest.

This year's crop could rank as the second largest in U.S. history. The government estimate is 8.77 billion bushels, or 223 million metric tons, which is the projection given in the Sept. 10 U.S. Department of Agriculture crop report—notorious for overstating the harvest as a rationalization for underpaying farmers. However, this year, first-hand reports from corn belt farmers corroborate the government's general estimate.

The crop resulted from a number of factors: 1) the relatively large area sown, 79 million acres (30 million hectares), the largest sowing since 1985; 2) unusually bountiful rainfall during the growing season; and 3) sufficient sunlight for photosynthesis, despite the unusually cool temperatures.

The crop, considered in terms of morality and sound economics, is a great blessing in view of the need for relieving hunger in Africa after a drought decimated this year's crop in the corn belt of southern Africa, usually a corn exporter. There are milling and food-processing techniques available to prepare and fortify U.S. field corn for many types of relief food, such as corn meal, corn cakes, corn oil, and corn syrup.

However, the government policy,

in tandem with the grain trade cartel companies (Cargill, Archer Daniels Midland, ConAgra, Feruuzzi/Central Soya), is to bemoan the size of the crop as the "cause" of low per bushel prices to the farmer, to assert that corn cannot be put to relief uses, because poor countries have no means to pay (called no "effective demand" in International Monetary Fund parlance), and finally, to countenance thousands of grain farmers being ruined over the next year.

At present, the corn price per bushel to the farmer is only around \$2.00 or less. The minimum price the farmer needs to cover costs—on a farm relatively debt free—is \$2.50. The parity, or fair price to cover costs, a decent return, and means to capitalize future production, is \$6.00 per bushel at least, by the U.S. Department of Agriculture's own calculations.

For thousands of farmers who are principally cash grain producers—i.e., they do not themselves raise various livestock, keep a dairy herd, or have other diversified farming on their land or nearby in their county—this harvest may be their last.

Ostensibly in order to aid farmers, on Sept. 29 the USDA announced that, "in order to create conditions for a smaller 1993 corn crop, and potentially higher prices for farmers," the government will demand a 10% corn base acreage set-aside next year for farmers enrolling in the minimal USDA price support program.

The only thing worse than this immoral and incompetent USDA-grain cartel policy is that the public, including the leadership of some of the farm

organizations, goes along with the myth of supply and demand.

In a Sept. 29 report on the condition of the corn crop in the northern corn belt, Minnesota soybean and corn farmer Andy Olson said, "We're sitting on a tremendous crop, but farmers are going to go out of business because of such a low price. We are looking at just one year's crop, and this comes on top of years of marginalization. In dairy areas, the farmer can ensilage, but the cash grain farmer has problems.

"The price locally is \$1.85 a bushel for corn, in Cottonwood County, southwestern Minnesota. If these prices stay around, I would estimate that we will lose a third of the cash grain farmers in the coming period. The problems don't show up for a year or so, but after the election, when the FDIC [Federal Deposit Insurance Corp.] comes down on the banks, that could change the whole picture.

"For example, the rumor is that 80 of the farmers are not going to be refinanced out of one rural bank, Watonwan County, southern Minnesota."

Olson described the growing conditions. "We had 20 inches of rain during growing season from April 1 until Sept. 15, and it provided an environment for lush growth. We were lacking in heat, but it seemed like the crop was able to photosynthesize under these cooler conditions.

"The frost did take some bushels off, maybe 5% of the yield, from the farmers that had had earlier problems with planting, or too wet or something, in other words, wherever the crop did not physically mature. The frost affects especially the area where germination was late, for example, where it was dry, then the frost will take a lot away. But in general the weight is out there, though there may be a few quality problems with it."