

The virtual reality view at the Aug. 3 hearing was represented by Sen. Peter G. Fitzgerald (R-Ill.). He noted that the more emergency funds Congress has given farmers, the more their income has gone down. He concluded that government assistance could be keeping people in business who shouldn't be in business.

Senator Lugar concurred, and brought in an expert, Dr. J.B. Penn from the Sparks Companies, Inc. consulting group, to defend the return to big corporate farming, i.e., neo-plantation agriculture, and to oppose farm aid. Penn praised the 374,000 farm operations that produce almost all U.S. agricultural output, and wrote off traditional family farmers.

Penn's study was done for a cartel-serving outfit called the Coalition for a Competitive Food and Agriculture System. Using graphs, Penn asserted that U.S. farm income is strong, the balance sheet is solid, land prices are holding, and there is little evidence of the excesses of the 1980s. The core of the farm sector is 374,000 farms which produce most of the food, he said. They continue to increase their output, despite the oversupply in world markets, which are depressing prices, because they are more efficient, and can produce below cost. This sector will continue to make money, and produce more, whereas the other farmers, many of whose livelihood is not dependent on farming—the polite way to say that they and their families are working night and day away from the farm, in order to subsidize their loss of income from farming—are

not surviving, and shouldn't be "saved." Penn said that U.S. agriculture policy should be directed toward the first group, and as for the others, the Darwinian survival of the fittest should prevail. He said, if we just want to keep population in rural America, that is not a farm policy question. Lawmakers have no obligation to "make these people whole," he said.

Reality of the farm crisis

On Aug. 3, Sen. Kent Conrad (D-N.D.) noted that if you eliminate from calculation the flow of government payments, farm income has been in a free fall since 1996, when the Freedom to Farm (i.e., Freedom to Fail) bill was enacted, from \$46 billion, to \$27 billion projected for 1999. He said that if we look at prices when adjusted for inflation, they are the lowest in 53 years. We will lose 20-30% of the North Dakota farms over the next 18 months, he said.

In Iowa, the state agriculture commissioner projects losing 6,000 farmers this year, or one-third of all family farms in the state.

Moreover, Secretary Glickman noted at the Aug. 3 hearing that farmers all around the world are in trouble—a significant change of view from his much-promoted U.S. "agenda" for the World Trade Organization November meeting, where he has singled out European farmers as being oversubsidized. In opposition to the outlook in Senator Conrad's draft legislation "FITE," which blames European farm-

Gore backs Cargill: 'Don't worry who owns the ships'

On Aug. 3, Al Gore spoke at a press conference on Capitol Hill, where he called on Congress to support emergency aid to farmers. "I have been out there meeting with farmers, spending the night with them, talking with them in coffee shops. I had a two-hour roundtable session with 15 farmers in Cedar Rapids a couple of weeks ago. I've talked with farmers in California, in Minnesota, all over the country," he said.

In fact, in Iowa, Gore *defended the cartels against farmers*. On July 14, facing a panel of 15 farmers in Cedar Rapids, he was confronted over the issue of cartel control of food, and ruinously low farm commodity prices. At the event, at Kirkwood Community College, Gore conspicuously wore black cowboy boots, and leaned back in his chair, assuming an intent listening pose.

Dick Baker, of Keokuk County, pointed his finger at Gore, saying, "When we out here see a company like Car-

gill buy out Continental, and no repercussions coming out of Washington, D.C., and this new company will control 50 to 60% of grain handling in the U.S. and the world," this is a threat. "The anti-trust laws are on the books."

Gore replied that it's more complex than that. "I agree anti-trust laws need to be enforced. You need to look out for the producers. But, if you get the merger issue to the point where you think that is the be-all and end-all to the problems, you're missing something there.

"When you've got countries like India that used to be major customers but are now competitors, it doesn't make any difference who owns the ships. When your markets are reduced because of the economic crisis in Asia," it has an impact.

Gore reminded the farmers that his was the vote that broke the Senate tie, and got Federal ethanol support through (whose major beneficiaries have been Archer Daniels Midland and Cargill).

Gore also said that fast-track free-trade policies must be pushed through. "We've got to put labor and human relations issues into the discussions to protect American values," he said. "But we have to expand our markets and eliminate foreign protectionism."