

Agriculture by Susan B. Cohen

A presidential initiative

The first U.S. Agricultural Task Force is headed for Peru. Is its potential already aborted?

At the October "North-South" summit in Cancún, Mexico, President Reagan spontaneously announced that the United States would initiate a new program of agricultural assistance, dispatching special agricultural task forces to Third World countries who requested them.

It was a good, fresh idea. American farmers have proven that they know how to make agriculture work. They are skilled problem-solvers—technically, scientifically, and business-wise. And they have a working knowledge of the "American System" economic policies (today we call it "parity," but our forefathers called it "protection") that laid the basis for U.S. agriculture's success. A task force led by American producers, including researchers and some agribusiness people, would be a welcome guest in any Third World nation, and one of the most productive contributions the United States could make to the developing sector.

As it happened, although the USDA worked up a set of recommendations for the program, the State Department's Agency for International Development (AID) made it clear from the outset that this was going to be their show.

AID has functioned as the center for foreign aid programs based on zero-growth and anti-technology dogmas. AID's new administrator, Peter McPherson, has sought to give the agency a cast of "free-

enterprise" dynamism that is the Reagan administration's byword. But the policy substance, as indicated in McPherson's recent suggestion to a congressional committee that food production in the Third World could be aided by having U.S. multinationals like Campbells Soup or General Foods contract for it, is the same old colonial cash-crop fare.

On Feb. 5, McPherson led a White House press conference announcing that the first Presidential Agricultural Task Force would be going to Peru. Clayton Yeutter, a man chosen only after "a careful search," said McPherson, would head the Task Force and help choose the other members. Yeutter, a former Undersecretary of Agriculture for International Trade and Commodity Programs, is currently president of the Chicago Mercantile Exchange. Joining McPherson and Yeutter was Peruvian Ambassador Fernando Schwalb.

The Peruvian task force, said McPherson, will go to Peru in late March to focus on four areas: long-term agricultural research priorities, the production and marketing system, how to accelerate private investment in agribusiness, and the structure of cooperative production of sugar and cotton along the coast.

At a simultaneous press conference at the government palace in Lima, Peruvian President Belaunde greeted the plan for the task force by stating his hopes that the "old

agrarian vocation," the "agrarian justice achieved in ancient Peru," would not be supplanted by the "enormous and alarming waste of mechanical energy and fuel" involved in advanced sector, high-yield food production! Belaunde, along with Chile's Pinochet and Jamaica's Seaga, is lionized by the Reagan administration for embracing private enterprise: that is, abandoning national control over the country's resources.

Ambassador Schwalb treated American reporters to the image of Peru's vegetable production—the potato and tomato were born there—but the economic reality of Peru is defined by the fact that Peru has more than \$10 billion in outstanding public and private debt and, under the dictates of the International Monetary Fund has been turned into the world's second largest supplier of cocaine. Production and marketing of nearly 200 tons of the deadly white powder annually employs 15 percent of the population. Peru supplies half of the cocaine that enters the United States, with a street value of \$40 billion, which nets Peru \$2 billion per year. Proposed 15-year "substitution" programs do not represent a serious attempt at eliminating the coca business.

One cannot pretend to contribute to Peru's agricultural development without wiping out narcotics. Beyond that, it is a straightforward matter of building a string of nuclear-powered desalination facilities along the coast to irrigate the arid coastal lands. With adequate credit and sufficient trained personnel to undertake serious education, the cooperative production units in this fertile area could more than double production.