A crash food production program

The Soviet Union has been importing and stockpiling food for civil defense requirements since the mid-1970s while they have poured resources into armaments. According to studies done at the Hoover Institution, the Soviet Union has imported around 92 million metric tons of grain for strategic stockpile purposes.

In contrast, the United States has made no provision for reliable food stores, except for Congress's mandate to the U.S. Department of Agriculture (USDA) to keep a few million tons of grain in the crop storage programs at all times.

What is required instead is a "War Mobilization Board"-style all-out effort to maximize food production in the United States and Western Europe, in conjunction with allies around the globe. The goal must be "redundancy levels" of food output to allow for civil defense stockpiles, food trade requirements, and emergency shipments to Africa and other points of need. The target level should be a year's requirement of grain as carried over stock, properly stored. The United States needs a national grain audit, as was done in World War II, to correct the unreliable picture given by the USDA.

Emergency action is required in both Europe and the United States to implement a full production policy: 1) no farm or equipment foreclosures; 2) freeze farm debt for rescheduling; 3) provide low-interest production credits. Executive action must be taken in the United States to roll back the Environmental Protection Agency and Food and Drug Administration bans of farm chemicals and food irradiation technologies.

Parliamentary and congressional investigations must be initiated into the scope of the grain company political interlock with Switzerland, the U.S.S.R., and the Western trade centers of Europe and the United States—especially Minneapolis—for purposes of prosecution on grounds both of antitrust law violation and the threat to national security.

Why we need a farm parity price to increase productivity

A parity-price is the average direct cost of producing—for example—an average bushel of grain, plus a competitive return on investment for the capital the farmer has used in the capital improvements and operating costs of his farm. If the farmer has a fair return on his investment, and invests this return in technological improvements, in better seed-stock and livestock, the average quality of the consumer's nutrition level goes up, and the average amount of labor required to produce a bushel of grain or a half-ton of quality beef goes down. In the process, the nation is guaranteed a reliable food supply.

The few occasions when governments have intervened to establish farm income levels based on the parity policy have always produced dramatic food increases. During both World Wars, the United States government adopted a parity price system and farm productivity and output increased dramatically. The parity policy was discontinued after World War I, but a near-parity policy was continued for some years after World War II, and an "agricultural revolution" took place in farm productivity increases.

Through Gen. Charles de Gaulle's insistence, the Common Agriculture Policy (CAP) supported European Community farmers at levels approaching parity targets from approximately 1965 to 1978. Productivities leapt forward.

But beginning about 1979, both European and U.S. farm income dropped. U.S. farmers went deeply into debt to remain in operation, but the current constriction of credit is leading to a collapse. U.S. farmers are now receiving less than 50 percent of the official parity income. In Europe, farmers were supported by CAP farm price intervention, but support levels have declined relative to farm costs, and the current CAP budget cutbacks will be devastating.

A world parity price policy is achievable only if the collapsing international monetary system is reorganized. Debt moratoria and the creation of a new credit facility based on gold-backed bonds will stimulate investment in large-scale infrastructure projects and finance expanded world trade to upgrade the standard of living of the Third World as well as the advanced sector. Vast increases of food output and trade can be specified by treaty agreement between governments to cooperate on development projects of mutual benefit. In this context, governments can prevent destructive food "dumping" and make the domestic farm income interventions to guarantee their farmers parity income levels, while securing and upgrading their nations' food supplies. Cooperation between the United States and Europe is needed for massive high technology transfers to the developing sector to create conditions for eventual food autonomy in the Third World, shifting the role of the existing surplus food-staple producers into exporters of high-technology and specialty goods.