

Editorial

Stop the world-wide food shortage!

If the current collapse of U.S. agricultural production is not quickly reversed, serious food shortages will begin to hit the United States this fall and winter. Not only will the diet of the American family be affected; much of the world depends for its very existence on food imports from a handful of nations, including especially the United States. Without the growing productivity of American farms, whole countries will be slated for starvation.

The food cartels, the zero-growthers in the Mondale campaign, and the free-marketeers in the State Department and the Treasury argue that we are suffering from "over-production," that "greedy farmers" are enriching themselves at the taxpayers' expense.

What a lie! The independent family-operated farms and ranches of America represent the best of this country's entrepreneurial tradition. No sector of business has plowed such a high percentage of its income back into improving production and raising the level of technology as these farmers. Yet now they are being driven into bankruptcy, as farm foreclosures increase daily.

It is vital, not only to the general health of our national economy, but also to our national security, that we maintain the number of family- and intra-family-operated farms in approximately their present numbers.

How can this be done, and world-wide disaster averted? The emergency measures presented here in summary outline require urgent Executive and Legislative action:

1) There must be an immediate moratorium on farm foreclosures, nationwide. Any farm which was in the top 75% of economic performance during a five-year period preceding 1981 should be protected from foreclosure.

2) A policy of intervention to maintain farmers' prices at 90% of parity must be established immediately. This will generally mean that if a farmer cannot sell a designated crop at the designated percentile of a par-

ity-price or higher, the Department of Agriculture will intervene to buy that crop at that price. Without a parity pricing system, farmers cannot afford to produce.

3) The President and Congress must intervene with emergency measures to facilitate the reorganization of financial affairs. By rescheduling existing the debt of viable farms, at interest rates between 2% and 4%, a 100% repayment of the principal value of the carried-forward debt will be the normal result. Federal action is required to ensure that restructured debt be classed as performing bank assets, and to provide simple procedures for conducting the financial reorganization.

It should be normal procedure that additional loan-capital be supplied, at prime rates of between 2% and 4%, for loans based on lendable issues of gold-reserve U.S. currency notes through local banks. Such loans should be available to farmers generally.

4) Disaster relief must be allocated for farms in relevant regions of the nation, such as those hit by persisting drought conditions.

5) Immediate action should be taken to develop fresh-water management systems in areas suffering or threatened by major water shortages. A continental water-management system, integrated with state and regional systems, will be required. Emergency action would give priority to those parts of the proposed system whose existing agricultural potentials require prompt remedies for a serious and worsening subsidence of water-tables.

6) Immediate action would establish in the Department of Agriculture an improved market-forecasting system of service to and cooperation with farmers, to assist them in fitting their medium-term and annual production programs within the setting of national consumption, export, and strategic reserve requirements.

7) The President and Congress must take emergency action in response to the existing and worsening world food shortage, expanding food exports dramatically.