The farm bill: chaos, and sedition

by Marcia Merry

As the last days of the summer session of Congress went by, both the House and the Senate Agriculture Committees were still attempting to finish a new farm bill—the overall policy law for U.S. agriculture adopted once every four years. The final votes, reconciliation, and presidential action will drag along into September.

The deliberations have been chaotic—acrimony and conflicting proposals of all types, with outrageous grandstanding for the voters back home. Many provisions are in dispute among House, Senate, and administration.

However, two points stand out clearly. First, the special international interests aligned with the International Monetary Fund, the food cartels, and, through them, the Soviet Union, are getting everything they want: food scarcity and domination of world trade. Second, there is no longer a "farm bloc" in Congress. So, don't plan to take food for granted next year.

There are two myths promoted by IMF circles and the media that all of Congress, with the exception of Sen. John Melcher (D-Mont.), have fallen for: that there is a food surplus, and that prices to the farmer are determined by "market forces," rather than cartels and the IMF. Farmers in commodity groups, such as Associated Milk Producers cooperative and the Wheatgrowers, also believe these fairy tales, and have stupidly lobbied for measures to reduce production.

Therefore, the various segments of the new farm bill are all designed to radically reduce food output, mostly on the pretext that they will improve farmers' income and condition. In fact, they will contribute to the elimination of the independent family farm altogether.

In recent years, the U.S. has grown over half the world's annual corn output and 60% of the world's soybeans—both key feedgrains for meat and milk production. Any further reduction in these levels, at a time when IMF policy is forcing collapse and starvation in impoverished, food-dependent nations, will mean global disease and disaster. Let us examine some of the key farm bill proposals.

Cutting grain output: The House Agriculture Committee voted up a plan to reduce wheat plantings by a minimum of 30 million acres, and to reduce corn and feedgrain plantings by a minimum of 20 million acres. Total U.S. farm cropland is only 421 million acres. A more radical proposal was voted down by the committee 24 to 17. It had called for a national farmer referendum by which all U.S. cropland would be reduced at least 35%—mandatory reductions enforced by stiff financial penalties—if at least 60% of farmers approved. Supporters of this latter plan continued to fight for it, after having lost the committee vote.

The Senate voted up a one-year price freeze, and subsequent reductions, in target prices for grain farmers—all on the premise that output must be reduced.

All the bills presume that less food on the market will mean higher prices to producers. This fairy tale has been dramatically refuted this summer. It is now an open "secret" in the trade, that there are severe shortages of grain and soybeans and yet the price going to the farmer has fallen drastically.

Grain prices are so low that masses of wheat farmers are exercising their option for government Commodity Credit Corporation loans, whereby their crops are used for collateral instead of being sold on the market at low prices. On July 17, the CCC was forced to announce it had no more funds for crop loans and other functions. Despite its disorder, Congress was forced to vote an emergency $1 billion allocation to allow the CCC to resume contracted farm loans on July 22.

Reducing milk output: The House Agriculture Committee voted to reinstate the "milk diversion" or milk "PIK" (Payment in Kind) plan that was implemented for the first time in U.S. history from January 1984 to March of this year. During that time, milk output fell by about 4%, and, in some regions such as the Southeast, by as much as 25%. Under the House plan, all dairy farmers would be levied a certain amount each month on their production, in order to create a fund to pay participating farmers to cut output up to 30% and send their milk cows to slaughter.

The Senate rejected the plan. However, they have voted to reduce government milk price supports so sizeably that the effect will be the same.

U.S. national milk consumption has dropped significantly in the last 20 years. And U.S. milk-for-export has been checked by the big international dairy cartels—Nestles, Unilever and the British Empire's New Zealand Dairy Board—which dominate the world dairy trade.

Taking land out of production: The Senate, House and the administration all agree on the most extreme food-reduction plan of all—the "land reserve" scheme. Over a period of 10 years, 20 to 30 million acres of cropland are to be locked up in a government (or eventually private), trust, committed to trees or ground cover. Farmers are to be coerced by their income and debt crisis to sign up to place land in this lock-up scheme, in exchange for money to plant this non-food vegetation. The originator of the scheme is the Conservation Foundation, a front group for the old, entrenched oligarchical money trusts of Europe that want independent U.S. food capability permanently shut down.