The 'New Yalta' food plan

The Senate would guarantee Soviet food security, and destroy our own.

The pre-Thanksgiving Senate marathon to complete the four-year farm bill succeeded in passing measures that will cut U.S. food output and drive farmers out of operation, but guarantee food flows to the Soviet Union. The Senate action fits perfectly with the State Department's "New Yalta" policy to guarantee Soviet world domination.

The Senate bill was passed Nov. 23, after much grandstanding, floor fights, and maneuvers. It will go to the Senate-House conference committee during the first week of December. If the committee resolves differences between the two versions of legislation, final passage by both houses may come before the Christmas recess.

The politics of the Senate bill's passage were like shadow-boxing—a lot of motion, but no action. On the one side, Sen. Bob Dole (R-Kan.) led the charge of the budget-cutters and free-market freaks who wanted farm price supports slashed. Sen. Jesse Helms (R-N.C.) supported this side in the name of budget-cutting. Opposed were a group of Midwestern and other farm belt legislators—John Melcher (D-Mont.), Tom Harkin (D-Iowa), and others. This group wanted to delay any price support cuts for a few years. In a compromise move, the Senate voted to freeze price supports at their current level for two years (Dole's plan was for a one-year freeze), then reduce them. The House has voted a five-year freeze before

While all attention was focused on this part of the debate, with some histrionics thrown in about honey and other commodities, drastic measures were enacted to cut U.S. food output and facilitate Soviet buildup of strategic food stockpiles. These measures were implemented in the name of "supply and demand." If less food is produced, then farmers will command a higher price for their production, right? Wrong:

1) the international food cartel (Cargill, Continental, André, Louis Dreyfus, Bunge, etc.) dominate commodity and food trade and set prices almost exactly as they wish;

2) farmers are going under at a rate that will make food so scarce that shortages will reach a national security scale.

Among the disastrous measures passed:

- U.S farmland out of production: The Senate bill would remove 40 million acres of cropland over the next four years in a "conservation program" that offers debt-strapped farmers a little cash if they will put trees or non-food groundcover on their land for at least 10 years (thus, in fact, forever). This amount of land is about 10% of U.S. productive cropland.
- Government grain-stock giveaways to the grain cartel companies: The bill requires the administration to continue to 1988 an "export enhancement" program (started in May 1985) in which Cargill, Inc., Continental, and other cartel companies receive *free* government grain stocks from the Commodity Credit Corporation, that the cartels then use to "average down" the prices of the private grain sales abroad which the State Department lines up for them.

So far, these sales have been targeted to countries in the Middle East and North Africa, where the State Department is deliberately trying to undercut Western European grain sales (which, in any case, would be handled by the same cartel companies). This serves the Soviet purpose of driving a wedge between NATO allies.

However, now the companies are requesting that they be permitted to sell the free government grain cheap to the Soviets. In testimony to Congress in September, Continental asked Congress to approve this, saying that the Soviets must have this discount or they will buy grain elsewhere. In other words, give the Soviets what they want, or else.

In September, Agriculture Undersecretary Daniel Amstutz, a Cargill representative, assured a Soviet trade delegation that the U.S.S.R. could have at least 22 million tons of U.S. grain this current trade year.

In November, just before the summit, a group of five banks led by First National of Chicago put together a special loan facility of $400 million for the Soviets to draw on to buy grain from the United States and Canada. This is the first credit in five years, since the Soviet invasion of Afghanistan.

The new commercial loan alone represents a possible Soviet grain purchase of about 3 million tons, although the cartel companies keep all prices and contract terms secret. The new loan is called a "bankers acceptance facility" and specifies that the U.S.S.R. can draw upon the funds to buy grain anytime over the next three years, provided the portion of money advanced is repaid in the next 180 days.

In sum, "American" grain companies—based in Switzerland—are feeding American grain to the enemy, so that the enemy can focus his resources on military buildup.