

## Agriculture by Marcia Merry

### Just who are they trying to kid?

*There's no way that the Soviet grain harvest could be as radically underestimated as the USDA did—they're just lying.*

**P**retty frustrating," is how Agriculture Secretary Richard Lyng describes the Soviet refusal to buy U.S. grain. Under the terms of the five-year Long-Term Agreement arranged in 1983 between the United States and the U.S.S.R., the Soviets were to buy 9 million tons of grain a year. In the second year, they underbought by 1.1 million tons; in the third year, they underbought by 4 million tons. In this fourth trade year (beginning October 1986)—now one-third over—they have bought no U.S. grain at all.

The U.S. Department of Agriculture says it "mistakenly" estimated the Soviet grain harvest in 1986, overestimating their import needs. The USDA was also "surprised" last fall when they offered the Soviet Union 4 million tons of discount grain, and they still didn't abide by the LTA and buy some.

What a charade: The Soviet Union is just another "normal" trading partner, currently in a tiff. There are those at the USDA who know full well what the score is. They are associated with the grain cartel companies—Cargill, Bunge, Continental, Dreyfus, Garnac/André, ADM, and the rest—who have key policy positions in USDA offices, from which to pursue their own designs. These individuals, like Undersecretary Daniel Amstutz, a longtime Cargill man, are playing games with food and foreign policy, and believe they have a "private deal" with Moscow, that they will pursue regardless of the interests of the West.

Whether grain goes to the

U.S.S.R. from the United States, or from Western Europe, Canada, Argentina, or anywhere else, the same cartel companies handle it, on their private political terms. The U.S.S.R. has been stockpiling irradiated grain, and lockers of meat, and has been building up its herds at discount costs because of sweetheart deals with the Western food cartel.

The excuse that the Soviet grain harvest was underestimated is a cover-up for intentional Soviet/cartel import practices to alienate the United States from Western Europe. There is no way that the size of the Soviet grain harvest could be as radically underestimated as it was by the USDA last fall.

Satellite data can detect the vigor and extent of crops to the degree necessary for strategic forecasting. Yet, last fall, the USDA announced that the Soviet grain crop would be 180 million tons. Then, the Soviet Union announced its own estimate of 210 million tons. Finally, the USDA revised its estimate—15 million tons upward one month, another 15 million tons upward the next.

Second, Secretary Lyng is peddling the ugly IMF lie, that there are large food "surpluses" around the world, and therefore, the Soviets are merely buying needed grain from elsewhere. For example, the USDA announced the week of Jan. 12 that the Soviets have increased their wheat imports in the last month "conspicuously from non-U.S. sources." The USDA points out that the European Community has sold the U.S.S.R. al-

most 5 million tons of wheat, more than 40% of projected Soviet wheat imports this trade year. In fact, these purchases, and Lyng's decrying them, merely feeds the idea of a "justified" trade war with the European Community, while the Soviets court Western Europe with the lure and "aura" of good trade relations to come.

The idea that there are food "surpluses" around the world is itself as much of a myth as the idea that the Soviets are just frugal shoppers, looking for a bargain. The Soviets' on-again, off-again purchases are strategic decisions.

The reason there appears to be Western grain in search of a market is that world trade volumes have shrunk so rapidly that, temporarily, farm output has nowhere to go. Under IMF control of world debt and trade conditions, U.S. grain is not moving. It is rotting in storage, while people are starving, and the U.S. meat herd is being radically reduced. Since 1982, U.S. agricultural export volume has fallen from 157.9 million metric tons to 109.6 million tons in 1986, mostly in grains.

The output and stock levels of corn (the prime livestock feed) for the world illustrate the situation dramatically. Of the total estimated 1986-87 world corn output of 479 million metric tons, the United States accounts for 209 million tons, or 44%. Of the world's ending-stocks of 163 million tons of corn, the United States accounts for 143 million tons, or 88%. But the global corn trade has sunk to the lowest level since 1974-75.

The Soviets are laughing while they violate their agreement with the USDA. But in an appearance on the NBC "Today Show" in early January, poor Lyng said only: "No, we're not contemplating any retaliation. We're still hoping they will buy."