

Conference reports document agriculture's global decline

by Marcia Merry

Reports presented at the Chicago conference on Sept. 3 by farmers from Canada, the United States, Ibero-America, Europe, and New Zealand documented the extent and severity of the decline in world agriculture. Drought was in part to blame; government and supranational agencies' policies were also to blame.



North American grain belt

The North American spring wheat belt covers the northern tier states of Minnesota, the Dakotas and Montana, through the prairie provinces of Saskatchewan, Manitoba, and Alberta. According to Elmer Kichula, a farmer from Saskatchewan and president of the Canadian Consolidated Agriculture Movement:

"Saskatchewan produces 80% of the wheat for all of Canada. . . . The Saskatchewan Department of Agriculture has estimated that total crop production will be 43% smaller than the five-year average. This year's estimate is 10.7 million tons. The average is 20.3 million. This is the lowest production since 1970. Wheat is expected to yield 50% of the average. . . .

"For the prairie provinces, the estimated crop production is 31.7 million tons, or 69% of last year's production. The wheat harvest on the prairies is expected to be 60% of last year. . . . 29.9 million acres were seeded in Saskatchewan this year, but only 25.9 million will be harvested. The re-

mainder has been cut for green seed, plowed under, or abandoned. . . .

"The Saskatchewan government is expecting to lose more than 6,000 farmers this year, up from 4,500 last year. . . . The government's farm credit agency now owns more than 260,000 acres in the province. The banks also have stepped up on seizure of machinery, grain, livestock, and land. Banks currently own enough farmland to warrant setting up their own marketing agency to deal with sales and rental agreements. . . . The crisis in the agriculture field is rapidly deteriorating, and if it is not addressed immediately, cartels and conglomerates will soon own our agriculture."

Gerald Kopp, a farmer from western North Dakota, reported on the situation in the Dakotas. "I can put it into one word: devastating!

"The state as a whole did not produce enough crop this year to meet its seed requirements for the next spring planting. . . . Only small pockets in the northeast part of the state received timely rains. The rest of the state produced next to nothing. What grew amongst the weeds was hayed off, grazed, or plowed down. Some farmers harvested two to three bushels per acre, in hopes of getting enough for seed for 1989. Large areas of lighter soil types were compared to a lunar landscape.

"As for North Dakota's livestock: Cows—good, young productive cows—have been going to slaughter at three to four times the normal rate. That could be pushed higher as ranchers face hay needs three times the normal rate for the winter feeding season. Dairy farmers buy the quality feed hay, so the beef ranchers purchase the low-grade hay, which translates into a weaker, smaller calf crop in the spring. Cows have been reduced in numbers exceeding the national average as western North Dakota has had less than adequate rainfall since 1980."

Don Eret, a Nebraska farmer and former state legislator, pointed to the need for ending the speculation in food commodities and underpayments to farmers internationally. He

singled out the detrimental role of the U.S. Commodity Futures Trading Commission, which was established in 1974 after the large Russian grain sales, as a contrivance to further the interests of the international food cartel companies and speculators. Eret said, "Commodity trading should be regulated so that it does not depress prices under parity level. There should be regulations which do not allow any agricultural commodity to be traded in futures or options below the USDA published parity prices."



The European situation

First-hand reports were presented to the conference Sept. 3 by farm leaders from France, Denmark, West Germany, and Italy on the deliberate destruction of highly productive European farm districts by policy decisions of European Community officials in Brussels.

Christian Procquez, chairman of the French Farmers Association for the Marne Region, reported, "French agriculture is in a phase of total destruction, both material and moral. Two-thirds of French farmers are now in the process of bankruptcy. One-third are decapitalized or forced to sell. More than 500,000 families have been forced out of normal social life. Fifteen regional social funds are bankrupt. The elementary rules of commercial exchange are regularly violated. For example, the producers only receive a fraction of their proceeds, the rest is preempted by corporatist entities which apply an anti-agricultural policy. Moreover, national and European taxes fall on production under the most precarious conditions. . . ."

"In Europe, there is no genuine, ambitious agricultural policy. More and more, behind impotent governments, appears the hand of an oligarchy that seeks to subjugate nations in all respects. Malthusianism and austerity guide their actions. . . . What awaits us under Europe 1992 is far worse still. Our agricultural ministries will no longer have any power at all."

Fritz Hermann, vice president of the Danish Agricultural Organization, described the attacks on agriculture by radical environmentalists:

"Agriculture in Denmark has for a number of years been under heavy attack, in which it has been asserted that we are destroying the environment. It has been asserted that the use of fertilizers has caused a lack of oxygen in Danish waters,

resulting in massive deaths of fish. This assertion was totally unfounded, and there has been no scientific report which has documented any connection between use of fertilizers and lack of oxygen in the waters. . . . In fact, the figures of the amount of fish caught in Danish waters have been constantly rising for many years. . . ."

"About 10% of all Danish farmers will go out of business this year, because of falling prices and rising costs. Next year, another 10% will go bankrupt.

"At the same time, the foreign debt is threatening the Danish welfare state. The bankers are demanding an annual 8% drop in living standards the next four years in order to pay back the debt. Since Danish taxes already are some of the highest in the world, it is not possible to solve the problem through tax rises, so the bankers are simply demanding drastic austerity measures.

"In this situation, it is incredible that the Danish politicians will accept a reduction of farm exports, as is happening under present EC price policy."

Prof. Antonino Tusa, president of the Sicilian graingrowers cooperative, "Valley of the Dittaino," scored the current EC policy of obstructing the expanded use of surplus durum wheat stocks for distribution among people in need. The EC policy is to force the idling of grain cropland. Tusa said, "About 10 years ago, as chairman of the Centro Studi Operativi Economico-Tecnici, I launched the idea of promoting the implementation of a Mediterranean Community. This community would have brought together the states of the Mediterranean Basin, above all the Arab countries of North Africa. . . . The European surplus could in this way become directed at countries that are still in need."

Tusa recounted that when he proposed providing wheat and bread to Northern Africa, he was accused of being a Qaddafi radical. How are we to dispose of EC surpluses, he asked? "The correct ways, in my view, are essentially two: 1) to find new possibilities of utilization for the excess goods; and 2) to expand the area of its consumers. I have tried, and am still trying, to follow both ways. I find myself fighting, almost alone, on both fronts."



Ibero-America: no longer self-sufficient

Conference participants from Mexico and Colombia reported on the drastic decline in agricultural output during

recent years of harsh International Monetary Fund conditionalities and forced drug production.

Carlos Macías of the Regional Cattlemen's Association of La Laguna, Mexico, reported on the destruction of milk output in Mexico.

"Because of the obstructions [of the IMF], we have suffered a 21% drop in national dairy production over the past 18 months. We were told that we would get the financing to import milk cows from Canada and the United States. We began to work on this. When we were finally producing a greater volume of milk, they sent us powdered milk that was cheaper than the parity price offered to milk producers. It has led to a reduction of the national dairy herd by some 200,000 head of milk cows and some 500,000 head of dual-purpose cattle from 1986 to date, as the producers gradually saw their assets drop. It is estimated that milk production has dropped by some 3.5 million liters a day, worth about 22 billion pesos a day at current market prices. From this, together with the growth of the population, we calculate that we have a shortage of some 8.8 million liters of milk per day.

"The social costs include the elimination of a pool of cattle-farming talent and experience. Thirty years of genetic improvements and efforts to obtain high-yield breeds don't count at all, and this doesn't seem to matter. . . . The producer in any case only gets a small part of the price his product commands, and the speculators are the ones who resell the product at five to six times the original prices. . . .

"We milk producers supply 16.7 million liters, so the country has 21.2 million liters of milk per day. The Mexican people, therefore, still fall short by 8.8 million liters a day."

Dr. Adriano Quintana Silva, president of the National Federation of Grain Growers of Colombia, reported on the suppression of the agricultural potential of his nation:

"Colombia is blessed with 14 million hectares of farmland, half of which has been rated good to excellent. Out of this potential, in 1987, we only had one-fourth employed in agriculture, which is to say, 3.3 million hectares, and only 700,000 of those correspond to mechanized agriculture. . . . Our agricultural potential remains untapped, for reasons of internal policy, and has been blocked by outside causes, concretely the agricultural export subsidies practiced by rich countries."

Dr. Quintana gave the example of PL-480 wheat exports from the United States, which, "through the incentive of buying highly subsidized wheat, caused a dismantling of . . . our own grain production. Thus, from 160,000 hectares of wheat in 1960, by 1985, planting had decreased to 30,000 hectares, hurting thousands of farm families," and in the process, destroying "the technological development possibilities of an entrepreneurial class which had been promoting wheat production since the sixties." He said that Colombians are now helpless against the price fluctuations orchestrated by the grain cartel, which reaped the profits from the subsidies in the first place.



New Zealand's export capacity falls

The most striking conference report on agricultural decline came from New Zealand, because it constituted first-hand proof that there is nowhere in the world where agriculture now flourishes. John Neill, a New Zealand farmer and businessman, spoke on behalf of a three-man delegation in Chicago. "To summarize: New Zealand's agricultural sector, representing 80% of the nation's earning capacity, and a crucial margin of the global food supply, is being financially and physically destroyed. Because our country is small and isolated, it is serving as the laboratory for implementation of those "Europe 1992"-style measures to be rammed through in the rest of the advanced sector. . . . In World War II, it was New Zealand which provided Gen. Douglas MacArthur's forces in the Pacific with most of their food supply. Also, New Zealand supplied Britain as well as Europe later on." Neill presented the following figures documenting how "the agricultural producer is scheduled for extinction.

"Item: New Zealand has been self-sufficient in wheat for over 100 years, with the exception of the depression years of 1931-32, when wheat dropped to 80% of national requirements. Last year, New Zealand wheat production dropped to 48% of national requirements, and in 1988-89 it will fall to around 12%. How was this achieved? As many farmers said, 'With the price I have been offered for wheat, it does not pay me to take my tractor out of the shed.'

"Item: New Zealand has approximately 60,000 farms. Three thousand of these are due to be foreclosed on within several weeks. By December, an additional 17,000, by the government's own estimate, are expected to be gone as well. Thus, one-third of New Zealand's farms are scheduled to be eliminated in the next four months or so. . . .

"Item: The average yearly lamb kill over the past 10 years has been 36 million. In 1987-88, this dropped to 26 million or less. Once again, the true cost of production overall does not come up to the quoted price per lamb. In addition, the Labour government has been diverting sales of sheep meats from our traditional market in the United Kingdom at between \$3.90 per kilogram and \$4.77 per kilogram, to the U.S.S.R. at a mere \$0.69 per kilogram, even though we haven't been able to fulfill our quotas to the United Kingdom."