

## Agriculture by Marcia Merry

### Real food aid requires real farm aid

*Bush has offered an "aura" of food aid to the former U.S.S.R., while bankrupting farmers in the West.*

**B**y any standard of morality and statesmanship, food relief and the means to produce food should now be flowing in an orderly way to various strategic locations in the former Soviet Union, as well as to points of need elsewhere around the globe. This is not happening. Moreover, Anglo-American policy has been so characterized by grandstanding and wrangling, that it has become necessary to review the facts.

First, the need is real. Adequate supplies of both cereals and fodder for overwintering livestock, are lacking. For example, one report on the harvest in a Russian publication, *Selskaya Zhizn*, (*Village Life*), in November was entitled "Everything Is the Way It Used To Be: A Commentary After the Completion of Harvesting." The article reported: "The results of grain harvesting are not gratifying. On the whole, 157 million tons of grain have been threshed. This is almost 62 million tons less than was harvested in 1990. Taking into account loan returns, 39.1 million tons of grain were delivered to state stocks. This is 51% of state requisitions, or 24% of the grain threshed. For comparison, in 1990, 65.8 million tons of grain were procured from all categories of farms." Other sources' figures may vary, but not the grim overview.

Secondly, the expression of concern over these food shortages coming from the likes of Margaret Thatcher, who made a tour in early autumn, Robert Strauss, the new U.S. ambassador to Moscow, and their ilk, is *not* real. These individuals are spokesmen for a financial clique of food cartel compa-

nies, banks, and international enforcement agencies—like the International Monetary Fund and the General Agreement on Tariffs and Trade—which are committed to imposing mechanisms of food control and providing food "relief" as a boondoggle for themselves at taxpayers' expense. Under the U.S. Export Enhancement Program and food relief programs (Public Law 480 and others), a select group of companies is being paid royally for its monopoly on food flows, while these same companies systematically underpay farmers. The companies include Cargill, Archer Daniels Midland (ADM), Bunge, Louis Dreyfus, and Garnac/André.

When the Soviet Union dissolved, this circle of giant companies scrambled for new arrangements. In September, representatives of these companies trekked to Congress and howled for billions of dollars of government-backed credits for the former U.S.S.R., or some yet-to-be-identified entity, to continue their government subsidies. Dwayne Andreas, the head of ADM, dripped words of humanitarianism and quoted Thatcher that "food must be put on the shelves" to avert a "winter of hunger."

House Agriculture Committee Chairman Rep. Kika de la Garza (D-Tex.) did the cartels' bidding and introduced legislation for federal funds to pay the expenses of cartel companies to station agents all around the former Soviet domains.

On Nov. 13, farm representatives echoed the cartels' appeal in a press conference with Rep. Dave Nagle (D-Iowa), castigating Washington for not announcing a package of food aid

credits to the Soviets. Nagle said that he had been told by the Soviet Economic Office that they would request \$3.5 billion in agricultural credits and \$1 billion in credit guarantees. Nagle was joined by officials from the National Farmers Union, the National Farmers Organization, and the American Agriculture Movement. Nagle said that Mikhail Gorbachov had sent a letter requesting billions in aid, but it was classified by Bush and nothing was done.

Bush's response? To stall and play the "perception" game. He sent Secretary of Agriculture Edward Madigan to Moscow, then said that "study time" was needed. Under pressure, on Nov. 20, he announced a total of \$1.5 billion in credits. This came on top of \$1.9 billion in credit guarantees granted as of the end of the fiscal year Sept. 30, with another \$500 million-plus for FY 1992.

Congress likewise flip-flopped. One group in Congress made the question of food aid contingent on eliminating nuclear weapons. Rep. Les Aspin (D-Wisc.), chairman of the House Armed Services Committee, proposed \$1 billion for food aid from the defense budget. This was squashed in late November, and replaced with \$500 million authorized for destroying Soviet nuclear weaponry.

Ambassador Robert Strauss, formerly on the board of ADM, bemoaned the lack of congressional action on food aid.

A counter-chorus was led by Senate Agriculture Committee Chairman Patrick Leahy (D-Vt.), who criticized giving credits that "the Soviets cannot repay and will not repay."

Instead of this flim-flam, a real mobilization must involve: 1) government-to-government commitments for food flows; 2) emergency measures to aid U.S. farmers with higher prices; and 3) cutting the cartels out of policy.