

III. Economics

GRIM REAPERS

Big Finance and Green Deal Strike Farming: Millions Will Starve

by Paul Gallagher, Marcia Baker and Karel Vereycken

Feb. 5—After a tremendous increase in fertilizer prices since 2019, and particularly during the course of 2021, the world faces a substantial drop in global food production in 2022, at a time when mass starvation has already hit Afghanistan, Yemen, and six nations in Africa. Dramatic action could stop the deaths of millions this year from lack of food, but only if that action includes break-ups of both food cartel companies and the biggest banks in the major trans-Atlantic countries. If not, more than 100 million more human beings can be added this year to the ranks of those in danger of starvation, which already number more than 200 million in the latest judgment of the World Food Program and its Executive Director, David Beasley. And this danger—not a supposed Russian invasion of Ukraine—really is *imminent*.

In the past few weeks not one, but multiple reports and expert studies outlined below have described a double catastrophe facing the world. First, in the very short term, 300 million or more people in acute danger of starvation in this year, 2022. Second, over the rest of this decade, if planned Green New Deal measures against farming are carried out, chronic shortages of food and famines are forecast.

The causes of this terrible toll of hunger and starvation are mostly a failed economic model which must be



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The Riga Fertilizer Terminal in Riga, Latvia, the most modern and safest transshipment terminal in Europe. Each of the four domes can store up to 25,000 tons of fertilizer. September 10, 2013.

replaced. But in one nation, Afghanistan, the causes are viciously geopolitical and impose inhuman punishment which must be stopped.

Food for 100 Million Could Vanish

Regarding the economic failure: The World Bank Fertilizers Price Index for the world, which in April of 2020 was at 66.24 and in January 2021 had risen slowly but steadily to 82.96, by December 2021 had exploded to 208.01, more than tripling in 20 months. The rise of 60% in just the last two months of 2021 has particularly devastated farmers around the world. Their situation is

even worse in the Northern hemisphere where fertilizer (and pesticides) for the spring planting look entirely inaccessible. The *Wall Street Journal's* Jan. 21 article, “‘Farms Are Failing’ as Fertilizer Prices Drive Up Cost of Food,” reported that despite global food prices having already risen to the highest level in a decade, rapid food inflation is almost certain to continue in 2022 due to fertilizer prices and accessibility.

This, the paper understates, “would exacerbate hunger—already acute in some parts of the world.”

World wheat output is set to drop by 10 million tons in 2022, according to the French agriculture analysis firm Agritel. The effect on corn (maize) production will be worse. Corn production costs are rising 15-20% in the major producers, America and Ukraine. Lower yields of many foods and agricultural products are projected around the world in 2022.

And according to the International Fertilizer Development Center, exceedingly high fertilizer prices could result in a reduction of agricultural output which, in Africa alone, will be “equivalent to the food needs of 100 million people.”

Although this monumental fertilizer price increase coincides with, and is exacerbated by sharp price increases for natural gas, it is larger and more widely and evenly spread around the world than the natural gas spikes. Associations of corn growers in the United States insist that the gas price spike is not the primary cause of the fertilizer shock and loss of food production.

Tariffs Against Russia Raise Prices Further

In fact, when fertilizer use was rising in 2019, the International Fertilizer Association already forecast that global production and use would drop after that year, as it did—by roughly 10% in 2020-21. The huge fertilizer price rise after 2019 went along with sharp price rises across the whole range of important global commodities for industry and agriculture. (See the [article](#), “LaRouche’s Triple Curve Explains It, His Four Laws Solve It,” in *EIR*, Nov. 5, 2021.) Its cause was wild money-printing by the major trans-Atlantic cen-

tral banks starting late 2019; and global monopoly of production by a few big firms. Four cartels control 75% of nitrogen-based fertilizer distribution: They are Nutrien Ltd. (Canada-based), Yara (Norway-based), CF Industries (U.S.-based), and Mosaic (part of Cargill, U.S.-based).

These cartels are now using the Biden Administration to keep relatively less expensive fertilizer, from Russia and Trinidad and Tobago, away from American farmers. After CF Industries and Mosaic petitioned the Commerce Department, its International Trade Administration promptly slapped a 19% tariff on imports of



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Due to the “green” policy of deliberate driving up the cost and driving down the availability of fertilizer and pesticide, food for 100 million people could vanish. Shown here is fertilizer-deficient corn (maize), and pesticide-preventable insect-damage to soybean plants.

Russian and Trinidadian fertilizer. The American Corn Growers Association president, Chris Edgington, responded Feb. 1:

It’s these tariffs. It’s companies that are using trade wars and tariffs that’s affecting us, individual farmers, as we try to make day-to-day decisions. It will have an impact. There will be less fertilizer put on, crop mix will change but to what level depends on supply.

In December, Texas A&M’s Agricultural and Food Policy Center (AFPC) issued a [report](#) showing that farmers were then facing nitrogen fertilizer costs 80% above those of late 2020, and ammonia prices above \$1,000/ton. Edgington says farmers face fertilizer costs

suddenly \$200 higher for each acre farmed.

Expert Studies Condemn Green Deal

The mid-term future, if the Green New Deal is imposed, is even more grim for world food supplies. One of Europe's leading agricultural research institutes finds the Green New Deal is going to make the food shortages much worse as this decade goes on. In a new study, researchers at the Wageningen University & Research (WUR) in the Netherlands warn that the European Union's plans to cut agro-chemicals (pesticides, fertilizers) and farmland use between now and 2030, will cut agricultural yields and worsen food shortages.

The [study](#) was reported on Jan. 19 by Wageningen ("Green Deal Probably Leads to Lower Agricultural Yields"), commissioned by CropLife Europe and CropLife International, the international agro-chemical manufacturers association.

The EU claims that its green demands must be met to combat climate change and the loss of biodiversity. But the WUR report makes clear that the EU continuing to support its Green Deal for farming amounts to deliberately promoting hunger and starvation, and also the loss of thousands of the remaining family-scale farms. This, as a food production mobilization is needed to meet emergency food relief for millions,



Vincent

Researchers at Wageningen University found that the European Union's implementation of the Green New Deal for farming amounts to deliberately promoting hunger and starvation. Shown: The Lumen Building Greenhouse at Wageningen.

from Afghanistan to Haiti.

The Wageningen researchers focused on the specific impacts of various of the Farm2Fork (F2F) and Biodiversity (BD) strategies, both part of the EU's Green Deal. They looked at annual crops (wheat, rape seed, maize, sugar beet, hops and tomatoes) and perennials (apples, olives, grapes and citrus).

The four scenarios of the study look at the results if one or more of the specific measures called for in the F2F program are followed. The first assumes a 50% reduction in use of pesticides. Scenario 2 considers a 20% reduction in fertilizer use and in practices to reduce nutrient loss. Scenario 3 presumes having at least 25% of agricultural land put under "organic" agriculture practices. Finally, Scenario 4 combines the first two measures with another Green aim: removing at least 10% of farmland from food production as a "nature" preserve.

The researchers conducted detailed case studies on 25 farms across the EU. In each case, they described the adjustments that farmers would make to the application of pesticides and fertilizers if the new EU policy



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The Green New Deal policies will inevitably make already intermittent food shortages much worse, even in the so-called rich countries. Shown here is an empty meat counter in a U.S. supermarket.



Schiller Institute

Farmers all over Europe have taken their tractors to the streets, to persuade policy makers to permit them to continue to produce food. The two signs read: “Your policies are ruining the last farms,” and “Without agriculture, we would all be naked, hungry, and sober.”

were to become reality. They extrapolated the impact to EU member state levels, and used economic models to assess the market impact.

According to Johan Bremmer, one of the scientists involved, the implementation of the Farm2Fork and Biodiversity strategies has a negative impact. Scenario 4 “shows an average production decline of between 10 and 20 percent,” and some crops could even face a 30% decrease in output.

In 2020, soon after the Farm2Fork was first announced in May of that year, researchers at the U.S. Department of Agriculture’s Economic Research Service, with different methods, projected the same [results](#) as Wageningen. The USDA found that each of the Green New Deal and Farm2Fork agriculture policy scenarios would lead to global food shortages in this decade even if only applied in Europe.

A German Farmer’s Calculation

Still a third expert, an experienced German farmer, has added his calculations of the coming world food shortages and worsening famines if the EU’s Green Deal is allowed to be implemented. The farmer responded on Facebook to the Schiller Institute’s short [video](#), “Why Are Farmers *Not* Allowed to Produce Food?” He concluded that food for 400 million people

will not be produced unless the Green Deal is stopped.

As translated by *EIR*, his post reads:

The EU Biodiversity Strategy, or Green Deal, which is to be implemented to protect nature, habitats and animals (especially insects), brings serious consequences for world food. Please read the following. The calculations are based on realistic values which were partly rounded.

Just by the single regulation that in Europe 25% of agriculture must be “organic,” 145 million fewer people can be fed. (Conventional agriculture needs about 2,000 m², whereas organic agriculture needs about 6,000 m², to feed one person.)

10% set-aside (of agricultural land) Europe-wide takes 17.4 million hectares of land out of production, which means not feeding another 87 million people!

50% plant protection (pesticide) reduction will mean another 20% less in yields, depriving another 112.5 million people of food!

20% fertilization below what is required, will bring down yield about another 10%, which equals 56.25 million people not having food.

These measures add up altogether to 400 million fewer humans—according to European standards and/or consumption—who can be fed after implementation of this European Union regulation. If one considers that, for an African, for whom possibly half of this food volume is enough for living [meaning, the food is consumed directly for subsistence, and not through the animal protein chain], these Green Deal regulations take away food for 800 million people. This comes in addition to the fact that 24,000 humans already starve *every day* worldwide!

The 400 million people will certainly not starve in Europe, because the rich countries will buy the food away from the poor countries....

With it, the EU certainly goes down in history! For comparison: In the Second World War, 60 million humans perished in six years! Everyone who demands that [Green Deal], must also bear responsibility for it!



A World Food Program emergency food distribution site in Herat, western Afghanistan, August 2021.

Below, Afghan mothers wait for medical care for their children, many of them malnourished, December 1, 2021.

WFP

‘The Greatest Threat to Civilization’

Preventing this 2022 food disaster requires that the United States and trans-Atlantic countries break up the handful of huge monopoly food cartels, controlling fertilizer distribution, and break up their largest banks with Glass-Steagall Acts.

Afghanistan is a terrible special case where, when NATO countries withdrew their forces after 20 years of destructive war, they retaliated with a punitive cutoff of international aid and development investment, and the United States Treasury seized Afghanistan’s own financial reserves, which were providing and stabilizing currency in the country. A German official just back from Kabul reported in *Tagesspiegel* Jan. 30 that 7 million children are starving now in Afghanistan; one million, he said, would be in hospital ICUs if they were in Europe.

The U.S. Special Inspector General for Afghanistan Reconstruction (SIGAR) reported to Congress Feb. 3 that the drastic forecasts made in September for this Winter in Afghanistan are coming true. Special IG John Sopko’s report describes a “tsunami of hunger” for more than half of the country. It verifies the magnitude of the crisis, along the lines of the UN World Food Program’s numbers. “[R]ecord drought, rising food prices, internal displacement” add to the economic breakdown and the collapse of public services.

On Jan. 31, Schiller Institute President Helga Zepp-LaRouche said of the plight of Afghanistan’s population, and the world threat to food-growing this year, “This is the greatest threat to civilization, not nuclear



WFP

weapons.” She has been organizing forces for months around the necessity that Janet Yellen’s Treasury Department return the Afghan reserves, and that reconstruction start in Afghanistan with building modern health care and public health facilities. Zepp-LaRouche demands, by now with many others, that the frozen Afghan funds, which are funds earned by Afghanistan’s exports and belonging to its central bank, be released to restore the lost liquidity in the entire economy. She has launched Operation Ibn Sina, to make the nation an exemplar for building a modern health care and public health system in every country in the world.

To take responsibility for what it has wrought in that destroyed country, the United States must cooperate with Russia, China, India, and the Central Asian Republics, essentially to bring the Belt and Road Initiative into Afghanistan.