

Expand worldwide production to satisfy Africa's food needs

by Marcia Merry

President Reagan, in his Food-for-Peace African emergency initiative, called for the "pre-positioning" of grain stockpiles in areas more accessible to African nations. The problem with this approach is that there is not enough food in the world to stockpile anywhere! We need to commission more food!

The Club of Life, an international institution which combats the zero-growth lobby, has launched a campaign to do exactly this. The organization's European director, Uwe Friesecke, has called for 23 million tons of grain or the equivalent to be delivered to Africa this year, at a cost of about \$4 billion. Three times that amount should be spent on building infrastructure, he said. The Club of Life will issue a memorandum to African governments, asking them to outline concrete measures required. Two major infrastructural projects have so far been identified: the Dakar-Djibouti railway line, and the enlargement of Lake Chad to provide water to irrigate the Sahel region.

To deal with the starvation afflicting the 23 worst-off African nations, the following total tonnages would be required immediately:

- 23.3 million tons of grains;
- 2.792 million tons of milk powder; and
- 5.063 million tons of dried beans.

In contrast, the United Nations Food and Agriculture Organization is calling for only a few million tons of cereals alone. The FAO presumes that shipping bottlenecks are insoluble, and, in practice, it concludes that the hungry must be herded into refugee camps of permanent dislocation and despair. Indicative of the FAO's approach is the fact that its statistics for each nation are always presented in alphabetical order by country, instead of by region, which is how the logistics of delivery and distribution would have to be understood if they are to be solved.

The most pressing problem, however, is producing more food to meet the emergency and ongoing needs. Look at the world picture relative to immediate African requirements:

Grain: World grain stocks are falling. The annual beginning-of-year world stocks fell to a several years' low of

12% of estimated world annual consumption, down from at least 15% or more in the recent past. Only 186 million tons are the reported carryover of grain stocks worldwide. Africa needs at least an additional 20 million tons for the next few years to fill the food deficit in the 23 worst affected nations alone. Nevertheless, the prevailing policy in the United States is to continue to induce farmers to cut back production by offering them desperately needed financial incentives to take large amounts of acreage out of production. In 1983 and 1984 combined, over 110 million grain acres were idled in the United States, as much as all of the grain acres of East and West Europe together.

Milk powder: The United States and Western Europe combined produce over 40% of the world's milk. At this moment, there are in government-held storage in the two regions together, approximately 1.3 million tons of powder—well below the 2.7 million tons required in Africa. There are also about 100,000 tons of milk-powder stocks in New Zealand, totally controlled by the New Zealand Dairy Board—a British cartel which is the world's largest dairy exporter. Yet government programs are underway both in the United States and the Common Market to cut milk output by 5-10% this year. Milk cows are going to slaughter, and thus the means to rapidly resume international milk production are literally being killed off.

Dried beans: There are no actual world stockpiles of edible beans. It was estimated at the turn of the year that the United States had approximately 375,000 tons on hand. The U.S. Department of Agriculture (USDA) does not keep a running inventory; only brokers have estimates. Africa needs 5 million tons.

The worst threat to Africa's survival and the world food supply is the current rate of extinction of the family farm itself in the United States and the European Community. Without emergency action, there will be food shortages appearing in the OECD nations no later than 1986.

The wartime example

During the Second World War, U.S. farm output doubled. The means were mobilized to meet both military and

civilian and Lend-Lease requirements. Civilian nutrition improved significantly. The production measures centered on implementing parity pricing, to guarantee the farmer the financial ability to rapidly upgrade farm productivity. This must be done today. Measures can involve guaranteed low interest production credits, a no-foreclosure policy, a freeze and rescheduling of back debt, parity pricing, and other measures for ensuring special crop output.

With a full production perspective, in both the United States and Western Europe and in other food export regions, governments can act in concert to get the existing food inventories moving to Africa and other points of need, knowing more is coming through the farm pipeline to maintain adequate supplies. This will create ripple effects of demand for farm inputs—fertilizers, equipment, other chemicals, and infrastructure improvements which can push forward whole economies.

Cost estimates show that 20 million tons of grain or the equivalent could be delivered to Africa this year for around \$4 billion. No grain should be exported except at parity prices for the originating farmer, or except as gifts. Hundreds of U.S. dairy farmers pressure the USDA each year to donate the stored milk-powder “mountain” to countries in need, but the State Department forbids such gifts in deference to the world food cartel companies. This stranglehold can be broken.

The grain cartels and the U.S.S.R.

Banking, corporate, and government officials connected to the food cartel interests (Cargill, Continental, Bunge, Louis Dreyfus, André, Nestles, and others) are promoting food shortages, as part of their policy of controlled scarcity and depopulation (see article, page 52). It is an open secret that the State Department and Agriculture Department are so hand-in-glove with the cartels that even the nominal PL 480 Food Aid to Africa program functions as a guaranteed payment to cartel companies, who “bid” for government food aid contracts among themselves, but who monopolize food flows.

The most immediate source of “pre-positioned” food flows to Africa are the grain shipments bound for the Soviet Union from the United States, Argentina, and elsewhere. Though the overall world grain trade is shrinking, under economic depression conditions, down to around 200 million tons a year, still the U.S.S.R. is importing over 33 million tons annually, only half of which would roll back the holocaust now unfolding in Africa. Diverting grain to Africa now bound for the Soviet Union could begin with 3.9 million tons of U.S. grain the Soviets have just arranged to receive after Oct. 1, the start of the next marketing year.

The grain cartel companies, operating out of Switzerland and Minneapolis, have colluded with the Soviet Union since the early 1970s to guarantee Soviet strategic food stockpiles, as part of their international geopolitical agreements—in spite of the constantly worsening food shortages in Africa.

Why the famine in Africa?

African ministers of economic development appealed to world governments at the July meeting of the United Nations Economic and Social Council in Geneva to help Africa “avert the impending economic and social disaster.” Their memorandum, adopted at a May 24-28 meeting in Addis Ababa, shows why Africa can no longer pay for urgently needed food imports:

- **The collapse in commodity prices.** Between 1979 and 1981, the prices of coffee, copper, cocoa, bananas, vegetable oils, and tea declined sharply. An estimated “loss in earnings of about \$2.2 billion was suffered by countries exporting these commodities.”

- **The fall in official development assistance and decrease in net capital flows.** Official aid to African nations fell from \$3.5 billion in 1981 to \$3.3 billion in 1983, and net capital flows were cut in half, from \$14.2 billion in 1982 to \$7.8 billion in 1983.

- **The dramatic increase in Africa’s debt.** While relatively small, at \$150 billion, as a proportion of the value of export of goods and services, the debt rose from 138% in 1981 to 161% in 1982. It is estimated to have reached 180% in 1983.

- **Rising interest rates and debt servicing costs.** “Africa south of the Sahara lost an estimated sum of \$470 million in 1973, which represented interest payments and debt servicing. By 1982 the total loss . . . had increased to over \$3.2 billion.”

- **Increased protectionism** has reduced Africa’s markets for its goods even further.

African finance ministers then met in Addis Ababa June 18-20 and issued a resolution stressing the need for a reorganization of Africa’s debt. The ministers declared that the “stringent fiscal policies” and “harsh terms” of the IMF “have their limits: External stability cannot be long maintained at the expense of internal equilibrium; profitability cannot be allowed to take precedence over social welfare any more than economic stability can be bought at the price of political destabilization.” The ministers proposed the exchange of information on refinancing and rescheduling terms under negotiation, the “total or partial cancellation of the external debts of developing African countries,” a moratorium of three to five years on debt servicing, and that “debt service should not be allowed to exceed a reasonable percentage of the export earnings and the GNP of our countries.” They also called for an international conference on the debt.

—Mary LaLevéé