

# Food Import Dependence of U.S. Grows as Dollar Falls

by Arthur Ticknor

The import share of U.S. food consumption has climbed markedly since 1980, while “global sourcing”/stealing has masked consumer food price inflation; the inflation, nonetheless, still hits hard in those households of the lower 80% family-income range. The import share of U.S. food consumption, is the ratio of imported volume to total volume of the specified consumed food.

The increasing U.S. dependence on Roman Empire-style food “tribute” from the rest of the world—amid the death spiral of the international monetary/financial system—reflects the 35-year downshift in the role of the United States, from a healthy “producer society,” to a presently doomed “consumer society.” Even as the dollar system comes to an end, U.S. food imports have soared to record highs.

Under the 1971-2003 floating-exchange-rate system, and the Federal Reserve Board Chairman Paul Volcker-instituted policy of “controlled disintegration” of the economy, the U.S. farm sector has been deteriorating, for lack of infrastructure, repair, and technology improvements. At the same time, outright looting of national farm and food sectors has been done in the name of “free trade,” through the imposition of the General Agreement on Tariffs and Trade (GATT) Uruguay Round/World Trade Organization, and the North American Free Trade Agreement (NAFTA). Through these free-trade pacts, networks of private finance and commodities companies have tightened their control over food production and supplies—in preparation for the post-dollar-system world.

**Table 1** shows the increased reliance on imports in 2000 compared to 1980, across all food groups of American consumption—especially fruits and vegetables—as compiled by the Department of Agriculture’s Economic Research Service.

- Vegetable imports more than doubled, from 6% to 14% of American consumption over 1980-2000, for fresh and frozen categories combined (see **Figure 1**, which takes the process through 2001). The fresh vegetable import share went from 8.1% in 1980, to 13.6% in 2000, and 14.6% in 2001. Fresh vegetable imports by volume (excluding potatoes and mushrooms) has more than tripled, from about 1.7 billion pounds in 1980, to about 5.6 billion pounds in 2000, and 6.2 billion pounds in 2001.

In dollar value, Mexico supplies more than half (61%) of all U.S. imports of vegetables, melons, and legumes (beans, peas, and lentils), with the majority being fresh-market vegetables. As of 2000, Mexico was the source of 38% of America’s vegetable imports, including most frozen broccoli. Fol-

lowing the implementation of NAFTA in 1994—which eliminated tariffs on Mexican fruits and vegetables—and the devaluation of the Mexican peso in December 1994, U.S. imports of Mexican vegetables rose sharply. Already as of 1994-95, the United States became a *net importer* of fresh vegetables (in roughly a 6:4 ratio of imports to exports), as shown in **Figure 2**. As the ongoing blowout of the global financial system continues to hit Ibero-America, what happens to Mexico’s continued ability to produce these imports?

Canada is the number two supplier, followed by China.

The lowly onion exemplifies the takedown of U.S. agriculture. In 2001, imports of onions hit a record-high 633 million pounds—more than four times the level of 20 years ago—on increased shipments from Peru, Canada, and Mexico. The United States, once a net exporter of onions, has been a net importer since about 1986. Import shares of tomatoes, pota-

TABLE 1

## Reliance on Imports Increases for All Food Groups of U.S. Consumption, 1980-2000

Food Group	Imports as Percent of U.S. Consumption*	
	1980	2000
I. Vegetables, fresh and frozen	5.9%	14.0%
Onions	5.5	9.3
Tomatoes	22.8	31.9
Cucumbers	36.0	41.1
Potatoes	1.2	14.3
Asparagus	10.8	59.0
Mushrooms	31.2	32.5
Artichokes	19.6	40.5
II. Fruits, fresh and frozen	5.8	21.8
Citrus	2.1	11.5
Non-citrus	7.3	24.9
Pears	3.4	21.2
Grapes	12.6	44.3
Melons	10.5	25.7
Avocados	1.6	26.0
Fruit juices	11.6	31.6
III. Meat		
Beef	8.7	11.0
Pork	3.3	5.2
Lamb	9.4	35.6
IV. Dairy products	1.7	2.7
V. Grains		
Wheat	0.3	8.7
Rice	0.3	9.6
Barley	3.3	17.0
VI. Fish and shellfish	45.3	68.3
VII. Oils and fats		
Vegetable oils	15.7	20.2
Animal fat	0.5	2.8

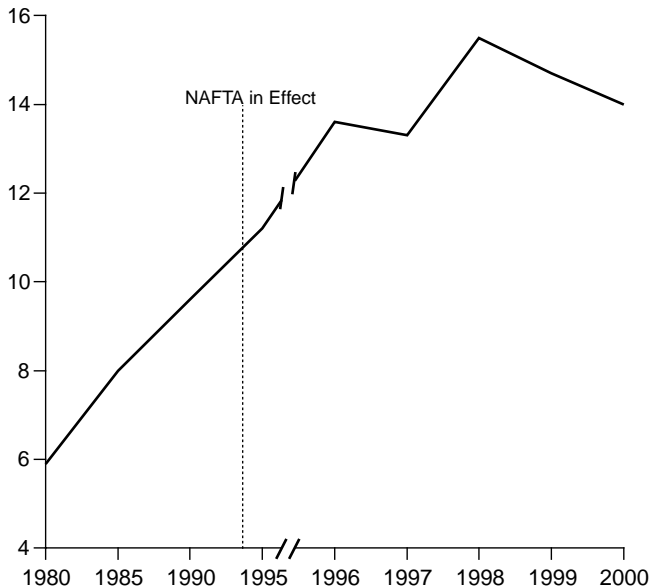
\*By volume consumed (not price). Calculated from units of weight, weight equivalents, or content.

Source: U.S. Department of Agriculture, Economic Research Service data; and ERS report, “The Import Share of U.S.-Consumed Food Continues To Rise,” July 2002.

FIGURE 1

### Import Share of U.S. Consumption of Fresh and Frozen Vegetables Doubles, 1980-2000

(Percent)



Source: Economic Research Service, USDA.

atoes, asparagus, and olives have also risen. Notably, potatoes' import share, which was only 1% in 1980, jumped to 14% in 2000, due to rising imports of french fries from Canada, following the enactment of the United States and Canada Free Trade Agreement in 1989. A Springtime favorite, asparagus' import share jumped more than fivefold, from 11% to a whopping 59%, with reliance on shipments from Colombia and Peru—4,000 miles away (see **Figure 3**).

- Imports rose in all other food groups of the U.S. market basket over the past 25 years. From the early 1980s to 2000, the average share of imports in U.S. food consumption rose from about 7% to almost 9%. Among the fastest-growing import shares were fish and shellfish. Even grain imports have risen.

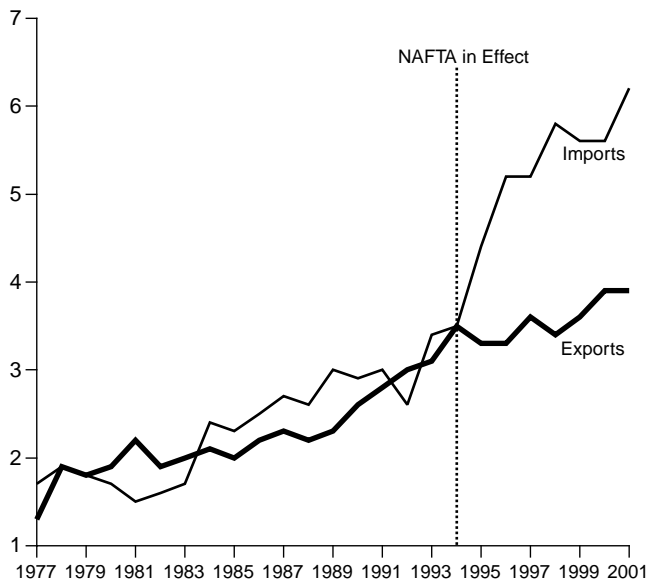
- Fruits: About 42% of fresh fruit (including bananas) consumed in the United States was imported in 2000, up from about 27% in 1980. Fresh fruit imports (excluding bananas—which account for 70%, by volume), still rose at an average annual rate of 10% between 1976 and 2000. Thus, from being 6% of (non-banana) fresh fruit consumption in 1980, imports were 19% in 2000. This expansion includes both fruits already produced domestically (e.g., pears from South Africa, stone fruits from Turkey and Mexico) as well as increased volumes of new tropical import varieties. As **Figure 4** shows, the import share of fresh and frozen fruits (excluding bananas) more than tripled from 5.8% in 1980, to 21.8% in 2000.

Mexico accounts for about 30% of the value of fresh and frozen fruit imports (excluding bananas). Other Ibero-Ameri-

FIGURE 2

### U.S. Became a Net Importer of Fresh Vegetables in 1994

(Billions of Pounds)



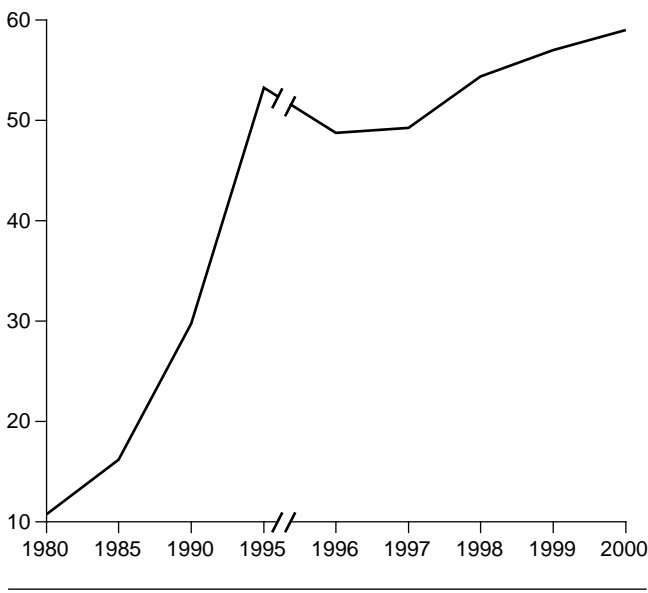
Note: Excludes potatoes and mushrooms.

Source: Economic Research Service, USDA.

FIGURE 3

### Import Share of Fresh and Frozen Asparagus Jumps

(Percent)

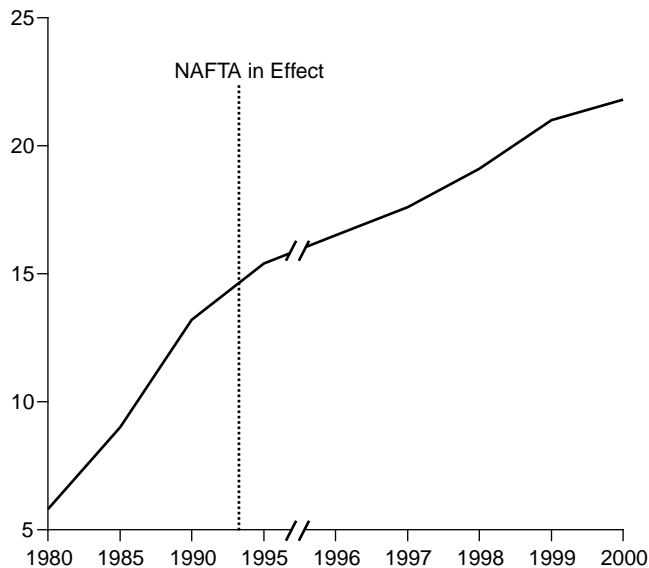


Source: Economic Research Service, USDA.

FIGURE 4

## Import Share of U.S. Consumption of Fresh and Frozen Fruits Triples, 1980-2000

(Percent)



Note: Excludes bananas.

Source: Economic Research Service, USDA.

can countries supply an additional 40% of these U.S. imports of fruit.

Among the fastest-growing imports are avocados, mangos, melons, grapes, and pears. Citrus fruit import share increased from 2.1% in 1980 to 11.5% in 2000, marking a direct displacement of output in Florida and California. For fruit juices—mainly orange, apple, and grape—overall import share jumped from 11.6% to 31.6% in the past two decades (e.g., apple juice from China; stone fruit nectars from Turkey and South Africa).

- **Red Meats:** After passage of the “Freedom to Farm Act” of 1996, and the widespread liquidation of the U.S. cattle herd, the import share of red meats (by weight)—such as beef from Argentina—increased from 6.4% to 8.9% in 2000.

- **Grains:** From a less than 1% import share in 1980, wheat and rice imports grew to 9% and 10%, respectively, in 2000. Canada supplies most of American wheat imports.

The United States, historically a large-scale food exporter, has become a net importer of dozens of ordinary foods, not because other countries have a “competitive advantage” in producing them; given a decent transportation grid, together with the nation’s wide range of climate, and soil resource base, there is no reason for dependence on these imports. Imports are the base flow for profiteering by the produce cartel, led by Chiquita and other famous-name companies, while the public, having swallowed the “low tariff, cheap food” lie, has let the economy go.

## New Threats From West Nile Virus

by Linda Everett

From the early 1700s in what became the United States, settlers waged vigorous battles to prevent or cure both endemic diseases (those which are always present) and epidemic diseases (those which strike from time to time with great intensity), in addition to the scourges that came from fouled water and environmental sources. It took more than two centuries of efforts by community leaders, cities, counties, federal officials, and individual researchers armed with scientific breakthroughs, public health programs, and vigilance to bring these threats to life under control—only to have that capacity slip away in the past decades because the country largely relinquished its commitment to public health infrastructure.

Consider the rapid proliferation of West Nile virus from coast to coast since it was discovered in New York in 1999. Some 36 mosquito species carry West Nile. When an infected mosquito obtains its blood meal by biting its prey, it transmits the virus to the victim. So far, West Nile virus has killed at least 240 Americans and infected hundreds of thousands more.

Now, *EIR* has learned that young, previously healthy individuals infected with West Nile virus may face life-long polio-like paralysis. According to Dr. Jim Sejvar with the the Atlanta-based U.S. Centers for Disease Control and Prevention (CDC), although paralysis is not a new manifestation of the disease, “The truth of the matter is, we have absolutely no idea just how frequently this manifestation is part of West Nile virus.”

There is a frightening nonchalance about West Nile. Some researchers say it is here to stay, that it kills far fewer people than the annual flu epidemic, and that there is nothing much to be done about it. That pessimism is not the stuff of science, but of decades of a withering lack of Federal commitment to public health research and dollars—which has to be reversed to get this epidemic under control. What is also needed is a military-style mosquito eradication program, the likes of which we saw in the South during World War II.

Over the last year, it has been discovered that West Nile can be transmitted by blood, blood products, and donated organs. Since West Nile is a flavivirus, it can remain quite stable in whole blood or in packed red blood cells, surviving a long time in refrigerated bags of donor blood. Approximately 4.5 million people in the United States receive blood products each year.

It was also found that West Nile virus can be transmitted