

USDA lies cover up for the grain companies' planned shortages

by Christopher White

The U.S. Department of Agriculture today released its first estimates of the size of this year's wheat crop. The Department estimates that the crop will be slightly larger than 2.5 billion bushels, harvested from just over 66 million acres. Today's release of the figures is part of a pattern that developed over the course of this spring and summer. The U.S. Department of Agriculture has steadily increased its estimate of what this year's wheat crop will be, and as official estimates have been puffed up to a level of more than 2.5 billion bushels, so the market price for the farmers' product has steadily declined.

However, a survey picture compiled from around the country goes flatly against the USDA's crop estimates. If the survey is right, there will be no bumper wheat crop this year. Rather, by the fall it will have become clear that this year's crop, added to held-over stocks from last year, will not be big enough to satisfy both export contracts and domestic consumption. Something will have to give.

Lying is nothing new to the Department of Agriculture. Since last November, the department, including its secretary, the unfortunate John Block, has been forced to fess up to at least four crimes committed under this heading. Each one would ordinarily have been enough to force a major shake-up. It seems that the USDA is protected by a higher authority than that which watched over an earlier administration liar, Alexander Haig, who was fired for his deceit.

Specifically, the USDA was found to have lied in:

- "The empty warehouse scandal": It was determined that 44% of the space the government had leased from primarily the grain companies was kept empty, but that the companies were being paid just the same;
- The non-existence of emergency feed grain stocks: Secretary Block wrote Sen. Lloyd Bentsen (D) of Texas that we had "more than 80 million bushels." Days later, on Nov. 30, 1983, the truth came out. Stocks were less than 26 million bushels;
- The national stocks of soybeans: In September 1983, the USDA announced an "error" of 60 million bushels of soybeans which had been wrongly reported to exist, but in fact were "lost"; and
- Farm income: In July 1984, the department finally admitted that it had over-estimated farm income in 1983. American farmers would not earn \$25 billion, the Depart-

ment of Agriculture indicated, but only \$15 billion.

With this record, it's no wonder that farmers have nothing but contempt for anything the department puts out. But it's about time the consumer wised up, too. Under this morass of official lying and deceit, the nation's food supply, and capacity to produce food, is being destroyed.

Consumer beware

Top-ranking officials in the Department of Agriculture, like Daniel Amstutz, a 25-year-veteran of Cargill, Inc., the nation's largest grain company, and an employee of Goldman Sachs, Henry Kissinger's Wall Street Bank, are complicit in these lies, as part of a broader plan, drafted by the grain companies and related forces backing the presidential campaign of Mondale to create a genocidal food crisis this fall.

The same forces have cleared the way for another round of massive grain purchases by the Soviet Union, while leaving sub-Saharan Africa and parts of Ibero-America to starve. But if they have their way, by October the United States may not have enough supplies on hand to honor its contracts. This time, those who negotiated the deals, acting under the prompting of the grain companies and their lackeys in congress, like Rep. David Durenberger (R) from Mondale's Minnesota, abandoned the right to abrogate the contracts: *except under an official declaration of war, or national emergency.*

Orville Freeman's role

Yet the same circles have not only acted to produce such an emergency during the three successive years the notorious Payment-in-Kind (PIK) program has been in effect, but have also drawn up the plans for a national food emergency this October. The key institutions and players behind the plan include the Hubert Humphrey Institute for Public Affairs in Minneapolis, which produced the fall food shortage and emergency plan earlier this year. Associated with the Humphrey Institute are Henry Kissinger, Orville Freeman, and the big grain companies, who have all collaborated in the development of the genocidal policy of population control through starvation. It was at the Humphrey Institute that the Mondale electoral campaign was worked out.

Though this crowd plans to pin the blame for the emerging food crisis on the Reagan administration and its lying

Agriculture Department, they are in fact the ones responsible, as the PIK program shows. No one is more associated with that program than genocidal Mondale braintruster Orville Freeman, agricultural secretary under Presidents Kennedy and Johnson. Freeman imposed a PIK program on feed-grain production during every year he was in the office. Similarly, it has been his circle of agricultural think-tankers who master-minded the last three years of production cut-backs which have brought U.S. agriculture to the brink.

Planned beef shortage

It took these butchers two years, and a massive drought, to destroy U.S production and stocks of feed-grains. By so doing, they eliminated the capacities of the world economy to sustain especially beef production, and have accelerated the decline of private-producer-owned herds, in favor of the consolidation of control of feed-lots, slaughterhouses, and meat-packing in the hands of Soviet asset Armand Hammer's

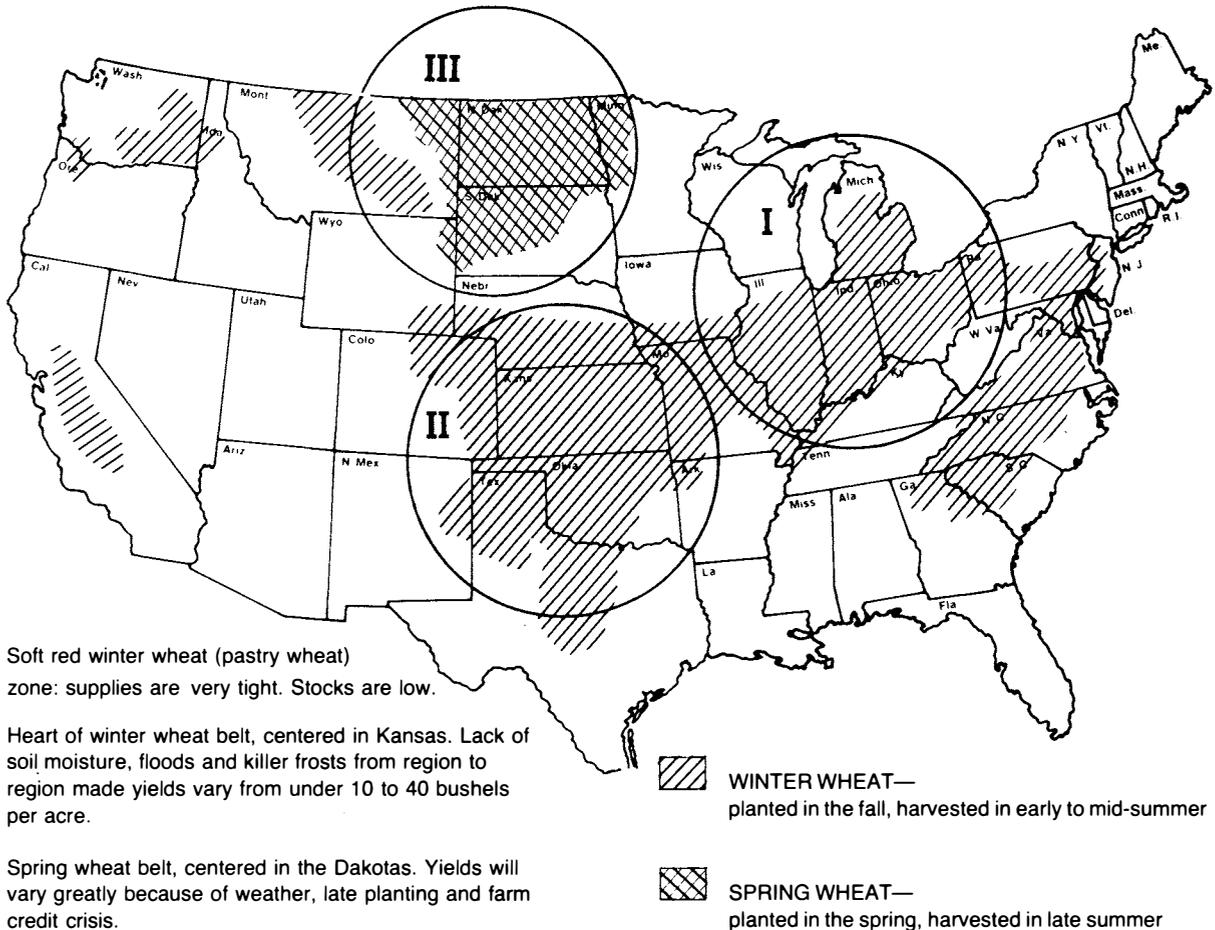
Iowa Beef Processing Company and Cargill Inc.'s Excel Corporation. Six hundred million bushels of wheat will be fed to cattle this year because of the destruction of feed grains.

Beef, under their control, is scheduled to become the "oil of the 80s" as far as American consumers are concerned. Prices will go up to the point where the protein source will be priced out of most peoples' reach. That is what the PIK attack on feed grains portended for the major beef-producing areas of the world. It used to be U.S. feed grains, for example, that provided fodder for European cattle-raisers.

Reducing wheat acreage

Last year, however, the Freeman crowd turned their attention to wheat, and produced a PIK program designed to eliminate surpluses in that grain, too. If they accomplish their objective, price increases inside the United States will be accompanied by famine and mass starvation outside, espe-

1984 harvest: low in many regions of U.S. wheat belt



cially in areas dependent on U.S. grains, like sub-Saharan Africa and nations of Ibero-America whose capacity to import U.S. produced foods has already been wrecked by currency devaluations.

This purpose was announced in November 1983 in the journal of the American Bankers' Association by William G. Leshner, assistant secretary for economics in the USDA. Since his appointment in 1980, Leshner has consistently defended the interests of the powerful grain cartel. He took this view of his duty so far as to go on record against taxing the proceeds of commodity speculation in a letter to the U.S. Treasury Department. Leshner was not the only one to express the policy at the time, but his formulation was sufficiently concise. "... USDA has said many times before that the PIK program is a temporary emergency policy. It was designed to lower surplus stocks, which in turn would raise farm prices and improve farm income. This has been accomplished except for wheat, so there will be a PIK provision for wheat next year." Leshner's department was responsible for the over-estimation of farm income last year, for prices and income did not rise in the way he stated here.

The first reading on the harvest is that the USDA has accomplished its surplus-reduction effort. Acreage harvested is estimated to be 47 million acres, not the 51 million the USDA claims, for winter wheat. The lower figure is actually assessed from state figures which the USDA made available during the month of July. These sets of statistics estimated the total winter-wheat harvest by state, and the yield per acre by state. When the latter number is divided into the former the figure of 47 million acres is arrived at. But this count could go down further, because, for example, the Texas wheat harvest was one million acres less than the lower figure. Thus the USDA is actually circulating two alternate figures on the acreage of the winter-wheat crop harvested.

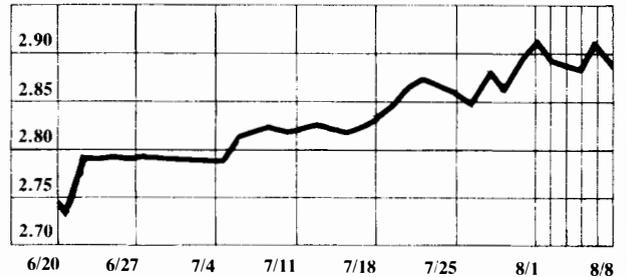
But acreage is only one of the elements considered. Yields per acre are reported by growers around the country to be at a level of 29 bushels an acre, not the more than 39 the USDA claims. These figures vary from region to region but on no way add up to the bumper crop the USDA claims. On these figures, the country could well produce a winter wheat harvest of 1.3 billion bushels, as opposed to the 1.9 billion bushels the department claims.

And then the supply situation could get really tight in the fall, for assuming the USDA has not lied about wheat stocks, the way it did with feedgrains and soybeans, the country would have just over 3 billion bushels of wheat available to satisfy requirements of about 1 billion bushels for domestic consumption, 1.5 billion for export, and over 500 million bushels for cattle-feed. And if the department has been lying about stocks, then supplies just won't be there. The Agriculture Department will have helped to give Mondale his 1973-style "food shock" for the election campaign, prices to the U.S. consumer will sky-rocket, and the Third World will starve.

Currency Rates

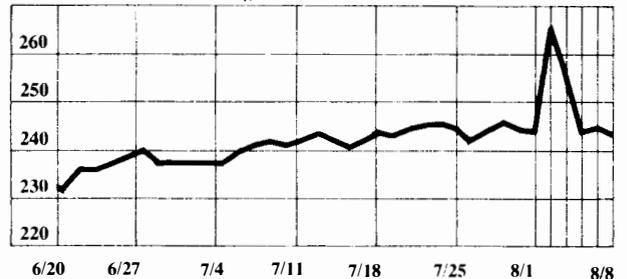
The dollar in deutschemarks

New York late afternoon fixing



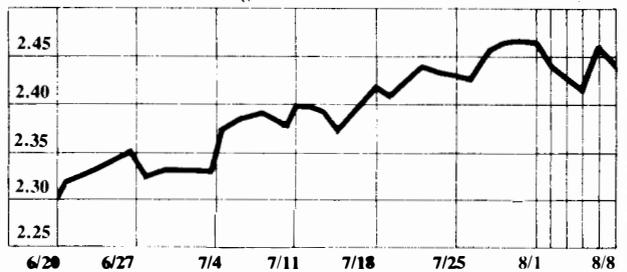
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

