

Who's out to shut down U.S. farming?

by George Elder

The current recommendations for shutting down U.S. agriculture come in a variety of "left" and "right" colorations. We publish here excerpts from some of the more significant ones circulating in Washington and the farm states. Quotations are abridged.

The Heritage Foundation



Heritage presents its proposals for dismantling U.S. agriculture in the rhetoric of radical British liberalism—"free trade, magic of the marketplace." Its recommendations include ending farm commodity price support and loan mechanisms, allowing farm output to fall freely to line up with "demand," and promoting farm crop insurance to "protect" the farmer. After President Reagan's re-election, the Heritage Foundation circulated new farm policy proposals directly to Cabinet meetings.

The following is taken from Agenda '83:

"Privatizing Farming Insurance. Farming is a risky business. One of the chief goals of agricultural policy has been to attempt to shield farmers from that fact. The Reagan administration should shift insurance programs to the private sector in order that the programs have a better opportunity to function on a cost effective basis.

"Reducing Dairy Price Supports. More troublesome still from the long-term perspective is the growth of the number of cows in dairy herds. In 1980, a 25-year decline in dairy cows ended. Comparisons of herds made on a 12-month basis indicated that the number began to increase from February 1980 through the end of 1981. This expansion of herds and of new dairy operations will require longer and sharper declines in the price of milk to get milk production back in line with demand.

"Dairy policy, thus, appears to be a classic case of government intervention on a short-term basis that continues long enough to induce economically unjustified long-term investments. Ultimately, the intended stabilization program will be converted into a destabilizing and damaging influence

upon the long-term health of the U.S. dairy industry."

From Mandate for Leadership II: Continuing the Conservative Revolution (Heritage Foundation, 1984):

"The first three elements of U.S. farm policy are now out of balance leading to global overproduction; and foreign nations are dumping their surpluses thanks to predatory export subsidies. This is having devastating impacts on U.S. agriculture.

"Abnormally high borrower delinquency rates and farm foreclosures and bankruptcies have been cited as proof that farmers need congressional assistance to overcome financial difficulties. Yet, the situation is not nearly as grim. Surveys show that most of the farm debt is held by a relatively small number of the largest farm operators."

Communicating for Agriculture



This organization is located in Fergus Falls, Minnesota, and promotes farm policy proposals to state legislatures, Congress, and to rural bank and business circles.

It is a mouthpiece for European money-center operations which are acquiring control over U.S. farmland and food supply. Communicating for Agriculture sells Life Investors Insurance, a Cedar Rapids-based company 65% owned by AEGON N.V., a Dutch holding company that is the 10th largest insurance company in the European Community. AEGON in turn interconnects at the board of directors level with the Compagnie Internationale d'Assurances et de Reassurances, a consortium of major European insurance companies. The private bank and trust houses associated with these companies are also associated with the Swiss-based food cartel companies, including Cargill, Inc. Communicating for Agriculture opposes any farm debt moratorium and any provision of low-interest production credits to expand output.

Wellspring

Based in Minnesota, this organization's recommendations for farm "reform" include:

- Expansion of "self-sufficient farms" and the the promotion and marketing of specialty crops;
- Restructuring of agriculture into more small and medium-sized farms;
- Stress on "production cost-effectiveness rather than the maximization of production yields, so as to enhance total income returns";
- Increase of "high labor-intensive methods of farming";
- Cutback of advanced technology: "Family farm equipment must be versatile, of appropriate scale, and more easily maintained by the operator."