

Americans next to suffer 'one world' grain cartel famine

by Marcia Merry

The 1992 U.S. wheat crop, now being gathered in, will rank at best as a below-average harvest. The U.S. Department of Agriculture projects about 60 million tons, which contrasts with 75 million tons produced in 1990. The USDA is notorious for exaggerating crop figures, but whatever the harvest volume, it is not enough to meet the needs of the American people as well as the needs of a hungry world.

As of July 1, the U.S. federal government stopped all flows of surplus federal stocks of wheat flour (called "bonus" grants) to U.S. schools, hospitals, and feeding programs for the poor. In the United States, an estimated 40 million people are hit by the food shortages.

Moreover, the meager harvest will leave the United States without the means to relieve the mass starvation in Africa occasioned by the drought of the century, which has stricken 200 million people in over 20 countries.

Yet many lives could still be saved, with a concerted international effort to increase production to the level of "miracle" harvests. But at international gatherings like the General Agreement on Tariffs and Trade (GATT), exactly the opposite is on the agenda. The first "miracle" that has to occur, is a unified political action by farmers and consumers to destroy the grain cartels which have brought about this insane situation.

U.S. grain has been artificially given a dominant role on the world market. Every year for the past 14 years, non-U.S. wheat *production* has been millions of tons below non-U.S. wheat *consumption*. Projected for 1993, worldwide non-U.S. wheat production will be 65 million metric tons below the 552 million tons needed to meet non-U.S. consumption needs (figured at the lowest level). The former Soviet Union is projected to produce less than 90% of its wheat consumption needs. Poor wheat yields in eastern Europe, down nearly 30%, will cause demand for wheat imports and food relief.

Since about 1978, U.S., Canadian, and Australian wheat has made up the bulk of this gap. Together, U.S. and Canadian grain exports and food relief shipments have accounted for over half of all wheat exported globally.



During this drought in Upper Volta in 1973, emergency shipments of grain were sent "From the People of the United States of America," and lives were saved. Today, with Africa facing the worst drought in the century, the "free market" policy of the food cartels means that surplus food is simply not available—either for Africa, or for the 40 million Americans directly affected by cuts in domestic food relief.

Over the 1970s, commodity cartel and banking interests, mostly Anglo-American, intervened in national economies to thwart food self-sufficiency efforts of targeted nations, for example Mexico, Sudan, and Egypt. These nations, once self-reliant for food, were coerced to rely on the "world market" for imported food. In 1974, Henry Kissinger represented the United States at a World Food Conference in Rome, equating national food "security" with getting food aid from a global grain reserve, to be controlled by the Anglo-Americans.

At the same time, these circles intervened to warp the once-industrialized economies of the United States, Canada, and Australia to serve instead as gigantic granaries for use by the cartel companies in their schemes of food control. Monoculture of grain was imposed on the farm belts of these nations, instead of diversified, high-technology family farm agriculture.

GATT: 'One World—One Market'

When in the early 1980s, European Community (EC) grain exports became a threat to the U.S., Canadian, and Australian grain dominance, the Anglo-American bloc initiated in 1986 the Uruguay Round of the GATT to attempt to suppress the role of the EC. From 1975 to 1985, EC wheat exports grew from 5 million tons a year to close to 20 million tons.

In addition, at the 1988 Montreal mid-term round of the GATT talks, the United States submitted a secret proposal for defining GATT-approved national food security in terms of "access to the world market" and *not* food self-sufficiency (see text, page 30). Over the years, many nations have objected, and the GATT goal of a global treaty for "One World—One

Market" (the Uruguay Round slogan) has not been concluded after six years of haggling. Fortunately.

But with or without a GATT treaty, the Anglo-American scheme of controlling food supplies has advanced. Now U.S. food output potential itself is disintegrating. Farm production has been undermined by years of underpayment to farmers, enforced through low prices from the cartels, and low price support mechanisms (farm crop loans and "target" support prices) set by Congress and the U.S. Department of Agriculture (USDA). U.S. farmers went along with this, tolerating the Big Lie that they had to accept low prices in order for the United States to retain "market share" abroad. Now a new wave of farm bankruptcies is under way.

U.S. grain production is insufficient to supply both the U.S. domestic market and also the cartel-created "world market." In the words of USDA officials, the "era of surplus" is over. Yet according to the U.N. Food and Agriculture Organization, Africa needs 11 million tons of cereals aid because of the drought, when for the past 10 years it has received only 5 million per year; *EIR* places the need closer to 19 million.

The following report presents a survey of the impact of the U.S. domestic food cuts. Because of the connivance of the Bush and Clinton presidential campaigns and the media to black out news stories that might encourage resistance to the "free trade" sect which runs both major parties, the scope of these cuts is unpublicized in the United States. We present it here, with an update on the wheat harvest, and a report on the decline in farm potential, to show that now is the time to put an end to the "One World—One Market" free trade policy.