

Agriculture by Marcia Merry

And now: 'rural empowerment zones'

Instead of rebuilding rural infrastructure, U.S. Agriculture Secretary Espy is offering rural "enterprise communities."

On Jan. 17, Agriculture Secretary Mike Espy joined President Clinton at the White House to launch the application process for localities to bid for participation in the administration's Empowerment Zones and Enterprise Communities (EZ/EC), a continuation of the Reagan-Bush cheap labor, low-infrastructure "enterprise zones" from the 1980s.

Launching this project when rebuilding programs are so urgently needed after the Mississippi-Missouri river flooding, the California earthquakes, and Hurricane Andrew, all of which would involve large-scale infrastructure improvements and highly skilled labor, is the latest example of policy wrongdoing from Washington, and dumb toleration by the public.

The stated goal of the EZ/EC program is "to revitalize communities and create jobs," but the methods offered are to degrade living standards and infrastructure to below poverty levels.

The plan calls for federal, state, and local taxes, and regulations and infrastructure standards (water, power, and social services supplies) to be waived as a sweetheart deal for select companies to come in and take advantage of paying nil taxes, and low wages.

In its inimitable lingo the U.S. Department of Agriculture (USDA) press release Jan. 17 said: "Empowerment Zones and Enterprise Communities will receive special consideration for various federal programs and other assistance, including social service block grants, new tax-exempt Facility Bonds, tax breaks for employment, and other special consideration

for existing federal programs."

The lineup of select companies which will be offered sweetheart deals for slave labor include food processing, light manufacturing, and bio-fuels firms. There are local prototypes of the EZ/EC system today in the farm states where such companies as IBP and ADM have extorted privileged tax relief and the right to pay low wages, and impose low housing and health standards, from local and state communities. Now these swindles are mandated nationwide.

Under the new federal plan, 3 Empowerment Zones and 30 Enterprise Communities will be designated for rural areas after a competitive application process. Espy will make the rural designations. For urban areas, 6 Empowerment Zones and 65 Enterprise Communities will be designated, with the final announcements made by Housing and Urban Development Secretary Henry G. Cisneros.

Localities that apply but do not receive official designation may still qualify for a graduated package of federal tax waivers and handouts that will serve as incentives to the select financial interests, and their front companies, on whose behalf this elaborate swindle is being arranged.

In free trade jargon, the new EZ/EC program will facilitate companies to "outsource" their wares domestically: A company, such as Corning Glass, based in rural New York, instead of relocating facilities to Mexico for cheap labor and license to ignore housing, health, and sanitation standards, can now expect to set up a cheap labor U.S. operation in one of the new Empowerment Zones.

This new slave-labor initiative comes at a time of massive dislocation in the U.S. farm belt. Relatively little levee rebuilding is taking place in the Upper Mississippi-Missouri river system. No new high-speed rail system is in the works.

Instead, farmers are being induced to sign away their rights to grow crops, and instead to enroll their land in a non-food, "wilderness" wetland zone.

One estimate is that 40% of the farmland in Minnesota may be soon gone, because of the combined impact of the financial farm crisis of the 1980s, the 1993 flood, and the current onslaught of environmentalist regulations and buyouts.

On Dec. 3, Congress passed a buyout law authorizing \$100 million to purchase towns in the Mississippi-Missouri flood plain, such as Grafton, Illinois. There are also buyout operations in Wolcott, Kansas, Des Moines, Iowa, and Springfield, Missouri, among others. These towns are not "revitalized." Certain buildings are relocated, the rest is shut down, and the economy and tax base is destroyed.

In Iowa, where all 100 counties were declared official disaster areas because of the 1993 floods, farmers may turn 17,000 acres of farmland back into marshes under an emergency government program.

Iowa farmers have made 157 bids, as of the Dec. 30 deadline, with a lot of the land along the Iowa, Cedar and Big Sioux rivers. The program claims that it is designed to help restore wetlands along rivers and to ease future flooding problems.

Officials estimate that between 5,000 and 6,000 acres in Iowa will be accepted into the program at a cost of \$6 million. USDA officials say they'll pay \$15 million for the program in Iowa and other states hit by last summer's floods.