

Agriculture by Marcia Merry Baker

U.S. food stocks for emergencies are gone

The worldwide financial breakdown is evident in low grain harvests and food reserves.

On April 24, the head of the U.N. Food and Agriculture Organization (FAO) in Rome, Jacques Diouf, warned of the world's low food aid provisions, and the world's low harvests. Although the FAO, like other U.N. agencies, is no friend of mankind, the warning is more than in order.

In the United States, the world's largest food donor nation, there are now no government-owned surplus food stocks for either foreign or domestic food relief, for either emergencies or for "discretionary" donation. This is the first time that there have been no such stocks since the years immediately following World War II.

Under a 1949 agriculture law known as "Section 416" (amended in the 1985 farm law as "416 B"), government-owned surplus commodities (wheat flour, grain sorghum, butter oil, cornmeal, etc.) have been donated internationally from time to time for emergency food relief, and donated domestically to institutions, the school lunch program, and poor families as "bonus commodities." No stocks exist now.

As of 1992-93, all wheat flour for U.S. "bonus commodity" distribution had to be discontinued, causing hardship to many financially strapped school districts. Cornmeal and butter oil donations continued, until those stocks, too, ran out. There is still some milk powder, but this is not commonly used in foreign emergency assistance.

Therefore, the foreign aid statistics show that, under Section 416 B, in 1993, surplus food stocks worth \$639.7 million were used for foreign

food relief; last year, \$114.8 million worth was donated. This year, the total will be \$11 million worth; with nothing from now on. Under Public Law 480 (the "Food for Peace" act of 1954), Congress may authorize funds to purchase food, which is then donated, but this too is dropping.

Look at the picture in tonnage terms. Earlier this year, U.S. aid officials informed the World Food Program and others that the United States would cut its pledged tonnage of grains for aid this year from 4.47 million tons, down to 2.5 million tons.

On April 7, U.S. Agency for International Development (AID) director Brian Atwood informed the White House and State Department that no stocks or funds exist. "If we get hit with another massive flow of refugees, or another civil rights conflict breaks out, another national disaster, we're going to find we don't have the food," he said.

Earlier in the week, FAO Director General Diouf met with Atwood in Washington on the cuts in aid. There is now talk at the FAO of holding a world food summit on food security next year in Rome.

On April 24, in Rome, Diouf briefed the FAO Committee on World Food Security on the drop in food aid volumes. He said that "total cereal food aid committed for 1994-95, for example, is estimated at less than 10 million (metric) tons for the first time in more than a decade." In 1992-93, total cereals food aid distributed internationally amounted to 15.2 million metric tons (mmt). Since then, the need has increased, but the provisions have declined.

According to the combined data from the FAO and the International Wheat Council, world grain harvests and stocks are headed for new lows, relative to the current level of annual consumption (which is itself too low). Total world output of all kinds (wheat and small grains, corn and coarse grains, and rice) for 1994-95 is forecast at 1,916 mmt, when over 3,000 mmt are required to provide everyone with a decent diet.

Wheat harvests are especially low. U.S. and Ibero-American crops are down, Australian and South African harvests are severely hit by drought, and the Russian crop is down. The International Wheat Council forecasts a world wheat harvest for 1994-95 of 526 mmt, and it could be lower. Compare that to 593 mmt in 1990-91; some 547 mmt in 1991-92; about 566 mmt in 1992-93; and 565 mmt in 1993-94. Thus, world wheat stocks are falling to their lowest level in years—an estimated 105 mmt. Other staples are similarly low.

This year's world grain harvests are forecast to come in so low that even the FAO statisticians, who routinely understate the lack of food, warn that total world grain "carry-over" stocks, as a percentage of annual average consumption, is below the FAO's "danger threshold" of 17%. This ratio was already down to the 18-21% level over the past five years, but now is plunging further.

The falling harvests and stocks reflect decades of lack of installation and maintenance of agricultural infrastructure—land improvements, water systems, farm machinery, food preservation systems. In former food basket regions, family farmers have been shut down, replaced with nothing or with a few "factory" farms run by the food cartel companies. In Africa, the degradation of agriculture has reached the point of genocide.