

Farmland deal? About as much as Vice President Cheney has done to curb Enron or Halliburton in the energy sphere. Early this Fall, the Justice Department's Anti-Trust Division ruled that an acquisition by Smithfield Foods, based in Virginia, of the pork-processing plants of bankrupt Farmland Industries, would be acceptable if Smithfield stayed under 30% control over the American pork market. Lo and behold: Smithfield, saying it would control *only* 27% of the pork market, then filed the winning bid in the Oct. 12 auction for Farmland's pork-processing assets, beating out Excel, the meat division of Cargill, Inc. of the international and U.S. meat cartel. Smithfield is to pay \$367 million in cash, and also assume the \$90 million obligation for Farmland Foods workers' pension plan.

Smithfield pressured Farmland to buy out its meat-processing division in 2001, before it declared bankruptcy, but was turned down. Now Smithfield has succeeded. What remains is for the Farmland sale to get the okay from the U.S. Bankruptcy Court in Kansas City, Missouri, at a hearing Oct. 28. Farmland was ranked sixth in pork processing, and with its facilities transferred to Smithfield, that will put Smithfield in a class all its own. With the completion of the Farmland deal, four companies—Smithfield, Excel/Cargill, Tyson Foods, and Swift—will control over two-thirds of the supply of all kinds of meat in America.

Parity Pricing Is Known Solution

Is it possible that "world parity prices" could be a solution, which would take to heart the apparently contradictory interests of agriculture in both the industrial and the developing countries? The problem has to be tackled at the source: The price the farmer-producer receives everywhere is much too low.

As long ago as 1986, Lyndon LaRouche put forward a proposal to solve the world agricultural crisis. In 1974 for the first time, the U.S. Federal government had given subsidies to the big grains cartels, which gave them a free hand to underbid the prices of other exporters on the world markets. Henry Kissinger, the Secretary of State in 1974, had been the one responsible for this decision. In subsequent years, the U.S.A. and the EU had engaged in cutthroat competition, each underbidding the other for the enormous resources which the looming collapse of socialism brought within range. The grains price on the world market had sunk to *one-third of production costs*. Governments had transferred billions of tax revenues to private firms such as Cargill, Inc. and Continental Grain, which brutally reduced prices, and without any risk to themselves, took over the world grains market. The low world market prices for grains had then been used as an excuse to underpay the farmer.

LaRouche proposed to put an end to this business: Governments should once again take matters in hand. To that end, the five great agricultural exporting countries and regions—

the U.S.A., the EU, Canada, Australia, and Argentina—should come to an agreement to export no more cereals at a price under the cost of production. If they committed themselves to lift the export prices of cereals to a level that would cover costs, other problems would take care of themselves. Governments could save immense sums on export subsidies; the latent trade war between the U.S.A. and the EU would lose its edge, and the power of the grain cartels be broken. Overall subsidies could be radically lowered, and the farmer paid enough to cover costs.

When farmers plant, they need parity pricing, to guarantee that at harvest time they will get back the cost of production, and some profit on top of that. LaRouche proposed a world parity price, which would especially favor the farmers in Third World countries. Since they operate with lower costs than their colleagues in the industrial countries, a higher price would especially favor capital formation for these countries. This proposal is more pressing now than ever. The world's farmers will either survive together, or divided, they will all go under.

Mexicans See Threat in Schwarzenegger Victory

by Valerie Rush

The U.S. neo-cons' imposition of Hollywood's "Terminator" as California's governor, has many Mexicans nervously predicting intensified looting schemes against their energy resources, an anti-immigrant backlash, and consequent dangerous deterioration of U.S.-Mexican relations. In interviews, press conferences, and media analyses, prominent voices are using many of the arguments that have been circulated on both sides of the border by activists of the international LaRouche movement, to warn of this new fascist threat to Mexico.

On Oct. 8, Zacatecas governor Ricardo Monreal called a press conference to warn that the election of Schwarzenegger, "a man of a highly xenophobic and racist character," could lead to "persecutions" of Mexican immigrants. "We have to be very careful with this actor," said Monreal, "because he makes us think that the *Kristallnachts* of Nazi Germany could be revived." (This was the name given to the night-time rampage of Nazi Party thugs in 1938 against Jewish property in Germany, a foretaste of the roundup of Jews into concentration camps.) Monreal urged Mexicans and Hispanic immigrants to join forces in their own defense.

One day earlier, a conference was held in Ciudad Obregón, Sonora, announcing the release of a new book written

by *Proceso* magazine journalist Alvaro Delgado, entitled *The Yunque, the Ultraright in Power*. Invited guest Alberto Vizcarra of *EIR* spoke on the implications of Schwarzenegger's victory in the context of a resurgence of a new Synarchist International regroupment inside Mexico, self-dubbed "The Yunque" ("anvil") and allied to the Vicente Fox Administration. Vizcarra addressed an audience of 150, which included many media and political party representatives, as well as officials from local and regional government, the military, intelligence agencies, and a group of university students and professors. The political activist pointed out that these same Synarchist forces that created the Nazi phenomenon in Germany, and the fascists in Spain and Italy, have seized control of U.S. foreign policy through the ideologically fascist Cheney and Rumsfeld in the Bush Administration. Vizcarra called Schwarzenegger their puppet, much as Adolf Hitler served in that capacity in the 1930s.

The nationally-popular magazine *Siempre* devoted an editorial in its Oct. 13 issue to exposing Schwarzenegger as the tool of pirate energy interests tied to President George W. Bush, and warned against the encroachment of such interests in Mexico. *Siempre's* editorial insisted that Schwarzenegger's election cannot be understood except within the broader context of the energy "piratization" of California. Deregulation was the root cause of California's financial crisis, says the editorial, and ousted governor Gray Davis' attempt to put a ceiling on energy prices won him the undying hatred of the Bush energy clique. The "Terminator" was the instrument used by these interests to rid themselves of Davis, and similar such tools may be employed by the Bush interests to rid themselves of political opponents, as the 2004 Presidential elections draw near, suggests *Siempre*. "In sum, the electricity monopolies associated with the Bush clan are the authors of Gray Davis' overthrow. A good example for those in Mexico who seek privatization, don't you think, reader?"

An interview in *Siempre* that same day, conducted with Universidad de la Frontera Norte professor Victor Alejandro Espinosa, focused on the xenophobic side of the Schwarzenegger phenomenon. Introducing the interview, *Siempre* wrote that Schwarzenegger is "an admirer of Hitler, consumer of marijuana, prejudiced against Blacks and Latinos, and disposed to orgies." Professor Espinosa warned that Schwarzenegger will attempt to "criminalize immigration," by reviving lies that Ibero-American immigrants are dirty, steal U.S. jobs, and may even pose a terrorist threat.

Mobilization Inspired by LaRouche

LaRouche movement supporters in Mexico have been organizing against the political interests behind Schwarzenegger for many weeks, and have specifically denounced President Fox's complicity with the so-called Houston Cartel (Halliburton, Schlumberger, Enron, etc.) in seeking to loot

Mexico's oil and electricity resources through privatization, just as *Siempre* magazine's editorial suggested. Since Sept. 29, thousands of leaflets have been distributed nationally, entitled "Stop the Surrender of Mexico's Energy Sector to the Nazi Pirates of Cheney and Wall Street." That leaflet identifies the desperate drive to grab liquidity, "to steal our electricity and oil," by the international financial interests represented by U.S. Vice President Dick Cheney; to seize Mexico's national energy resources, and eventually dollarize the Mexican economy.

During an Oct. 10 forum held at the Justice Palace in Monterrey, Nuevo León, on the looting attacks on the gas-rich Cuenca de Burgos reserves in northeast Mexico, LaRouche organizer and journalist Benjamin Castro joined various other national and regional political and union spokesmen in exposing the foreign and domestic interests behind the scheme. As the final speaker, Castro called for a nationwide mobilization to win back the nation's political and economic sovereignty. Handing out the leaflet, "Return of the Beast," and the pamphlet *Who Robbed California*, which have been widely distributed on both sides of the border by LaRouche organizers, Castro detailed how the Cheney financial interests attacked California and imposed Schwarzenegger to finish the looting there. This fascist scenario can be stopped in both countries, he said, by an alliance of patriotic forces like that forged in 1938 between Mexican President Lázaro Cárdenas and President Franklin Roosevelt.

Mexico's ally in the United States today is Lyndon LaRouche, Castro insisted. Allying with LaRouche, Mexican nationalists could fight for a program of exchanging oil for technology, preserving Mexican sovereignty over energy resources, and developing trade with the countries of the Eurasian Land Bridge and the United States, "but outside NAFTA, which is dead."

LaRouche's campaign against "beast-man" Arnold Schwarzenegger has been extended by his Mexican supporters to target former Mexican foreign secretary and Presidential aspirant Jorge Castañeda, whose allegiance to Cheney's policies and those of drug-pushing megaspeculator George Soros, have been well documented. On Oct. 15, the newspaper *Diario de Querétaro* entitled its article on a LaRouche Youth Movement intervention against Castañeda in that city, "Beast Man Flees University." Unhappy at having his policies challenged in broad daylight and in front of a crowd, Castañeda screamed "You shut up!" at the LaRouche Youth organizer who asked for an explanation of his drug-legalization policies; and then Castañeda promptly fled the stage.

At a second Castañeda event later that same day, the former official was so rattled by the appearance of LaRouche supporters with placards, that he blatantly lied to his audience that LaRouche represents "the Nazi ultra-right of the United States" and is anti-immigrant. One newspaper headline the next day read, "Castañeda Driven Crazy."