a grain company project to destroy farming in the United States, known as "The Future of the North American Granary."

Freeman, secretary of agriculture in the John F. Kennedy administration, is one of the policy controllers of the Mondale campaign. Apart from the two identified, his circle of seven includes:

Don Paarlberg, living in retirement in West Lafayette, Indiana:

- Dick Bell, president of Ricelands Foods, Arkansas;
- Martin Abel of Schnittker Associates consulting firm;
- Ed Jaenke of Jaenke Assosciates:
- Clarence Palmby, formerly of Continental Grain;
- John Mellor, director of the International Food Policy Research Institute.

With the exception of Mellor, all have been employees under one or another administration of the U.S. Department of Agriculture. Through this group, farm policy is coordinated for the grain companies through such institutions as:

- The Curry Foundation headed by Charles Curry, former secretary-treasurer of Manatt's Democratic Party;
- The American Farmland Trust, funded by the Rockefellers:
- The Center for National Policy, Cyrus Vance's thinktank; and

#### • Resources for the Future.

Such outfits are now working on what U.S. farming will look like after the bankruptcy shakeout. Key to the success of the plan is the complicity of the U.S. Department of Agriculture, through such officials as Undersecretary **Daniel Amstutz**, a longtime employee of the Cargill Corporation and a partner at one of Henry Kissinger's New York banks, Goldman Sachs, along with Orville Freeman's friend of many years, the Malthusian maniac **Robert Strange McNamara**.

### **USDA** rigging

The Agriculture Department has helped the grain companies rig forward markets through the PIK (Payment in Kind) program, which has reduced U.S. production and surpluses. Simultaneously, the program has provided a boondoggle in the billions of dollars for the cartel, which handles all the grains allocated in a quota system. Prices have come down, export earnings shrunk, farm real estate values declined, and farmers have been producing at below breakeven for the last four years.

Now farmers are under pressure from the bankers to sell their crops in a declining market so they can liquidate their debts. But earnings will not be enough. Already in May, the FHA estimated that 44% of the farmers on its rolls were delinquent. The stage had already been set for the shakeout this fall. Heads must roll very quickly, in the Department of Agriculture and elsewhere, if Mondale's "food shock" of the fall of 1984 is to be averted.

## Legislation for the

## by Susan Kokinda

Legislation drafted at the direction of the international grain cartel and now circulating on Capitol Hill would give the private cartel official control of U.S. agricultural policy, reorganize the U.S. Agriculture Department accordingly, and "feudalize" the entirety of American agriculture by transforming the few who continue to work the land into share-croppers. This legislation amounts to codification of the "post-food society."

First, the grain-cartel interests intend to simply take over government farm policymaking. The paradigm is legislation to establish a "National Commission on Agricultural Trade and Export Policy" introduced by Sen. Robert Dole (R-Kan.). Although the grain companies have run the U.S. Department of Agriculture for years, as currently evidenced by the Undersecretary of Agriculture, Cargill's Daniel Amstutz, under Senate Joint Resolution 413, a newly established 35-member national commission would be wholly funded by private contributions! The legislation contains no limitations or restrictions on who may contribute. When asked by *EIR* what stood in the way of the grain cartels buying up the commission, a spokesman for one congressional supporter replied, "Well, there is public disclosure of the contributions—that should prevent any abuses."

In his floor statement, Dole admitted that the "initial idea to establish a Commission on Agricultural Trade was first raised by the private sector about two months ago." Among the groups testifying on behalf of the resolution at July 26 hearings before the House Agriculture Committee was a representative of Farmland Industries, where Jimmy Carter's neo-Malthusian agriculture secretary, Bob Bergland, is now employed. The Farmland witness stated: "The fact of the matter is, we have moved into a new economic era and we haven't yet had the time or developed the tools to fully understand it and to react to it."

The commission would produce an interim report by March 1985—thereby giving an official imprimatur to the international cartels' food-shortage policies in time for the drafting of the 1985 farm bill, on which work will begin in January. A final report would be produced by 1986.

In a statement submitted for the July 26 hearing record, the National Democratic Policy Committee, founded by Lyndon H. LaRouche, Jr., attacked the proposed Commission and its "novel" idea of private funding. The NDPC warned that the proposal would put policymaking in the very hands of those who have brought the United States and the world to the brink of virtual food shortages. Rather, the statement

54 National EIR August 14, 1984

# 'post-food' society

demanded, the Congress must take emergency action, first, to prevent the wholesale bankruptcy of the American family farmer, and, second, to supply food to Africa and other points of need while carrying out the necessary reform of the international monetary system.

## Modern-day feudalism

Other pieces of legislation now introduced represent an unprecedented transformation of domestic farm policy. Their unifying theme is that American agriculture based on the independent farmer-entrepreneur will cease to exist. In its place will be a severely restricted sector, based on such oligarchical economic principles as "supply management" and "conservation." What follows is a sample of the grain-cartel legislation:

- Under H.R. 5024, the Rural Development Reorganization Act, introduced by Rep. Wes Watkins, the Agriculture Department would be split in half. The Farmers Home Administration (FmHA) would be renamed the Farm Administration and would deal "strictly with farmer programs." Because farming is no longer to be a viable livelihood for families and breadwinners, the legislation dubs the other half of the USDA a "Rural Development Administration," concerning itself with the cottage industries that rural families will now have to engage in to make a living, such as alcohol fuel production.
- S. 2765 and H.R. 5854, the Agriculture Debt Restructuring Act, introduced by two Iowa Republicans, accepts as legitimate the usurious policies imposed on the American farmer by the Federal Reserve Board over recent years. Within that context, Sen. Charles Grassley and Rep. Jim Leach want to enact a debt restructuring whose ultimate purpose will be a federalization of private bank debt while merely prolonging the agony of the family farmer. Under their proposal, the federal government could end up holding the bulk of farm debt, and, hence, the bulk of family farm land as foreclosures accelerate under the current regime.

Grassley and Leach are truly an "odd couple." Liberal Republican Leach is active in one-worldist campaigns against critical U.S. defense programs such as defensive beam weapons, while "ultraconservative" Grassley recently authored the notorious "KGB Budget." That proposal, named for Senators Kassebaum, Grassley, and Biden, called for a zero-percent increase in defense spending—a policy even more drastic than that of Walter Mondale. A Grassley-Leach teamup on agricultural debt restructuring portends major moves

in this area by KGB-linked radical free-enterprise networks.

One possible direction that such a de facto government takeover of family farms might go was proposed by Rep. Tom Coleman (R-Mo.) in a June 15 floor statement on the agriculture crisis. Coleman proposed that the Agricultural Stabilization and Conservation Service of USDA might want to lease farmland back to "good, but financially strapped" bankrupt farmers and "allow the farmer to farm that land under a crop-share plan"—in other words, a return to tenant farming and share cropping.

Besides these radical restructurings of the very premises of American agriculture, stands a body of legislation which would force a massive reduction of food production in the United States. The principal related lie is that there exists an "overproduction crisis." In an astoundingly blunt statement before the House Agriculture Committee on Feb. 28 of this year, Rep. Dan Glickman (D-Kan.) called for replacing the current acreage-based system (in which government subsidies are paid on the basis of the number of acres taken out of production) to a bushel-based system. Glickman argued, "The acreage system has failed absolutely. It has not helped to curb production. . . . Farmers simply idled their least productive land, while maximizing their use of fertilizer and pesticides on the other acres. The result was a record level of production. . . . The bushel program offers enormous advantages over the present acreage program . . . [such as] real control on crushing overproduction." Glickman proposes to cut back on farm subsidies to farmers who produce too efficiently and produce too many bushels of grain!

According to a Glickman aide, in order for a bushel-based system to work, the government would have to grant "right to market" certificates to farmers. This would be similar to the current, feudal system governing tobacco farming, wherein the tobacco farmer must purchase an "allotment," or the legal right to grow tobacco. Such "allotments" are merely a modern version of feudal "ground rent" economics. As the Glickman aide pointed out, such "right to market" certificates would take on economic value in and of themselves, and create a whole new speculative market in rights to farm.

### **Cult of conservation**

In the waning hours of the 1983 first session of the 98th Congress, the Senate passed S. 663, the so-called sod-buster bill. That legislation would prohibit federal payments for crops grown on "newly plowed fragile grasslands." Proponents, who include "conservatives" such as Sen. William Armstrong (R-Col.) and environmentalists, argue that the "incentives to plow are intense," and are subsidizing a dust bowl worse than the 1930s. Therefore, land must be idled and production reduced to safeguard the productivity of topsoil. Sponsors conveniently ignore the fact that the dust-bowl phenomenon is a product of usurious interest rates which prohibit proper capital-intensive expenditures by farmers.

EIR August 14, 1984 National 55