
Overcoming the Reagan 'Recovery'

Stop economic subversion of Iowa; farm states could feed Africa

by Marcia Merry

In the fifth in a series of surveys of state-level production potentials, we look at Iowa's food output capacities, which "experts" say must be reduced.

The official state plans for Iowa, and the proposals by most of the presidential candidates campaigning there, call for a "transformation" in the economy of the state, in a way that, if implemented, would amount to economic subversion of the national food supply. Of all 50 states, each year Iowa ranks in first, second, or third place in the production of livestock feed, pork, and beef. To call for "restructuring" the Iowa economy to "adjust" it to producing less—which is the common theme of the official programs and prescriptions—is incompetent and immoral. Instead, the decline in the state's agriculture output should be reversed as rapidly as possible.

This is starkly underlined by the call for help from government officials in Ethiopia. The week of Sept. 7, Ethiopian leaders asked for food aid in 1988 of 1 million tons of cereals—the same as the country needed during the 1984-85 drought disaster. Because of the lack of rain, crops in Ethiopia have failed again. The government requests that the first shipment of 200,000 tons of cereals be in place by the first of the year, since, under current conditions of decrepit infrastructure, it takes four to five months to distribute the food where needed.

Other countries in Africa are also hard hit by adverse weather, plagues of locusts, and the spread of AIDS and other diseases. The minimum annual needs for food relief for all of Africa amount to at least 20 million tons a year—including foods of different groups to boost nutrition.

With French Premier Jacques Chirac organizing internationally for a "Marshall Plan" of food aid for Africa, the political momentum exists to act quickly on this need. On Sept. 21, Chirac's plan will be debated by the European Community.

According to all the government and media reports about

the huge U.S. grain stock "surpluses" that "glut the market" here and abroad, you would think that the only obstacles standing in the way of getting emergency food to Africa were paperwork and logistics. Not so. Instead, the prevailing view among most candidates and Iowa economic officials is that less food should be produced, and that African nations are out of luck, because they can't afford to buy on world markets.

In reality, the resources of Iowa, and the other foodbelt states, are required to begin to merely fill the unmet needs for a quality diet even in the United States, where declining supplies of meat and other foods have been masked only by imports, and the inability of households to buy what they need.

There have been mass-scale dispossessions of farmers and huge decreases in food output potential in Iowa and other farmbelt states. The national carryover of grain stocks—even according to the overstated U.S. Department of Agriculture statistics—is running at only about an official two-month supply for domestic and export utilization. Logistics experts regard a two-year reserve grain supply as advisable.

Stocks of wheat as of May 31 this year were 1,815 million bushels, down from 1,905 million bushels on the same date in 1986. By May 31, 1988, wheat ending stocks are expected to be even lower, at 1,725 million bushels. Because of poor grain storage conditions, almost everywhere except in elevators owned by the top grain cartel companies, much of the grain is infested and damaged. It is this worm-threatened reserve that officials wrongly call "surplus."

Where is the surplus?

Fully 91% of the total land area (35.8 million acres) of the state of Iowa is in farmland, exceeded, marginally, only by Nebraska, where 91.7% of land area (49.1 million acres) is in farmland. The predominant farm type in Iowa (before the current dispossession of farmers) is the family farm of

less than 500 acres. In recent years, Iowa had 115,369 farms, averaging 282 acres. About 57% of Iowa farms were in the 100-499 acre category.

Iowa traditionally ranks either first or second—back and forth with Illinois—in output of hogs, corn, and soybeans. In addition, Iowa ranks fourth in the number of cattle and calves. Iowa is the third-ranking farm state in the nation, in terms of cash receipts for top agricultural commodities. Of major U.S. export commodities, Iowa ranks second, because of its large corn and oil-related exports. Illinois usually ranks first.

The table shows the steep decline in the last five years of the value of Iowa farm assets, farm equity, and cash receipts from farm marketings, including livestock marketings.

The state's total farm assets were \$83 billion in 1981; in 1985, this had fallen to \$45.8 billion. Farm equity fell from \$67 billion in 1981 to \$30 billion in 1985. Values of farmland have fallen 50% over this time period.

The cash receipts from farm marketings overall declined by almost \$2 billion a year from 1981 to 1986. Until the recent uptick in the prices for cattle and hogs, this decline in marketing receipts reflected an actual decline in the inventories of meat animals. Farmers still able to raise livestock have been forced to convert their operations into contract relations with the cartel company pork processors, turning the farmer into a virtual serf, in service of the grain cartel's feed and meat brokers. The increase in the hog inventory in some locations does not represent a way out of this servitude, but rather a passing response to rising prices.

This destruction of the family farm in Iowa is of national significance. For example, Iowa alone accounts for 25-30% of the total national hog and pig output. Total numbers of hogs and pigs nationally have dropped from 76 million in 1980 down to little over 53 million in 1986. The U.S. Department of Agriculture has insisted that livestock numbers can always "bounce back" after declining, but the collapse

of farms under the "recovery" shows that this is not true. As reported by a recent farm commodities newsletter, Oklahoma State University's *Market Viewpoints*, Sept. 4: "Current hog slaughter does not support the last two USDA hog and pig reports. The USDA reports indicated that hog numbers should be about 10 percent higher. To date, hog slaughter has not supported the USDA estimates."

Manufacturing employment has declined at the same time as farming in Iowa, because of its close connection to agriculture. Illinois and Iowa are the centers for production of U.S. farm machinery, whose sales have dwindled to next to nothing. For example, sales of combine harvesters have dropped from 32,000 a year in 1979, to 15,500 in 1982, and only 7,600 in 1986.

Federal policy over this period had been to foster the shutdown of farm production. This year, the state of Iowa ranked first in the nation for the number of corn acres taken out of production, under the federal crop acreage reduction plans. Out of a base acreage of 14,748,000 acres of cornland, there were a reported 4,137,499 acres removed from production.

Dramatizing the shrinking of the agriculture and industrial base of Iowa, there is a net outflow of thousands of people from the state each year, because there is nothing for them to do.

Doubletalk from the bureaucrats

The response of Iowa state officials has been to mimic Washington's doubletalk about "recovery." In the strategic plan of the Iowa Department of Economic Development, "New Opportunities for Iowa" (*Strategic Planning Recommendations for Economic Development*, March 17, 1987) the objective is stated: "The economic transition occurring today is profound. The growth of the non-manufacturing sector is transforming America into a service and information-based economy." The plan advocates "diversifying" the economic base of the state, and encouraging service sector jobs.

This is the same outlook expressed by the *Iowa Economic Forecast*, (2nd Quarter 1987-4th Quarter 1989), produced by the University of Iowa. In the "Iowa Outlook" section, the forecast speaks of signs of increased service-sector employment as suggesting that "the adjustment process triggered by the agricultural crisis is subsiding. . . . For the longer term, the farm sector still faces the adjustment to a market-based economy in line with proposals presented by the Reagan administration at the recent Economic Summit Meetings."

What the candidates have to say

The presidential candidates touring Iowa have either resorted to the same rhetoric about the need for Iowa farms to adjust to the "magic of the marketplace," or, as in the case of Richard Gephardt (D-Mo.), supported a radical plan to im-

Decline in Iowa farm assets, equity, and receipts from farm marketing, 1981-86

Year	Total farm assets \$000	Cash receipts from marketing		
		Farm equity \$000	Livestock \$000	All-farm \$000
1981	\$83,042,800	\$67,355,200	\$5,678,816	\$10,620,500
1982	76,847,100	59,335,600	5,906,599	10,012,400
1983	68,674,300	51,772,900	5,140,270	9,233,000
1984	53,690,200	37,353,600	5,014,616	8,939,000
1985	45,838,800	30,044,800	4,811,147	9,200,800
1986	N.A.	N.A.	4,825,000	8,844,000

Source: USDA

pose mandatory production-reduction quotas on farm output, so that supply would be reduced, and, supposedly, demand would drive up the price for the farmer.

Only presidential aspirant Lyndon LaRouche has called for increasing food output. Speaking at a New Hampshire press conference on Sept. 13, he said, "There is no food surplus in any part of the world. There is no farm surplus. . . . The defense of a nation, particularly today, requires that you have the equivalent of at least a year's food supply in reserve. Do you know what we're running on? About a week to two weeks. Now, what's happening is that the reserve, which is being depleted, systematically depleted, is being counted as surplus. The second thing is, as a result of economic conditions, people are actually eating less, in terms of quality, which is not only the number of calories they eat, it's the quality—the minerals, the protein, the kinds of proteins they get—a balanced diet. And people are losing resistance to disease because of this. We have mass starvation. So, we should actually increase world food production by about 50% to meet world needs, even in the United States."

The restoration to production of Iowa's idled 1987 corn acres alone shows the way food could be "commissioned"—just as ships and matériel are requisitioned during war or national emergency. If the number of acres of corn idled this season in the federal set-aside program in Iowa were restored

to production (4,137,499 acres), there would be an additional 21.177 billion pounds of corn produced, enough cereals-equivalent (if processed properly) for 48.5 million people to have a ration of 1.2 pounds of cereals a day for a year. Or the corn, if fed to beef cattle (at a factor of 3.8 pounds of corn for 1 pound of retail portion), could provide enough beef for 12.58 million people to have a daily ration of 2 ounces of beef a day.

The American National Cattlemen's Association has calculated that rations of 2 ounces of canned beef and 1.2 pounds of corn a day for a person would provide 2,000 calories, plus protein requirements to meet minimal needs. This means 46 pounds of beef a year, and 438 pounds of corn per person. For example, if Iowa merely increased the number of cattle going to slaughter by 2 million, there could be 1 billion more pounds of beef, enough for 21.74 million people for a year.

These amounts of food could supply a quarter of the emergency annual relief needs of Africa. Such a goal could be tied to supplying several entire nations in Africa, and, like a mission to explore space, people around the world could watch the progress, from planting through to delivery. There are precedents, from Lend Lease production in World War II, for the U.S. Department of Agriculture to promote expanding agricultural output at parity-related prices, instead of the current programs for reducing agriculture.

SEVEN DAYS IN SPACE
(A WEEK ABOARD SPACE SHUTTLE "DISCOVERY")

The first video documentary shot in outer space! Launch into orbit on a tour of the Space Shuttle, guided by the astronauts and controllers of the mission that returned two malfunctioning satellites to Earth! • 88 minutes of being there! • 16 pages of background notes • Narrated by the crew of mission 51-A

Order with check or m.o. for (U.S.) \$32.95 ppd.

HALCYON FILMS AND VIDEO
110 BEACH RD. BOX 15
KINGS POINT, N.Y. 11024

or call
1-800-426-0582
m.c. or visa accepted

Seven Days in Space is narrated, in part, by Rick Hauck, the scheduled commander of the next Space Shuttle mission. Satisfaction guaranteed or money refunded.

Speak FRENCH like a diplomat!®

What sort of people need to learn a foreign language as quickly and effectively as possible? *Foreign service personnel*, that's who.

Now you can learn to speak French just as these diplomatic personnel do— with the Foreign Service Institute's Basic French Course.

The U.S. Department of State has spent thousands of dollars developing this course. It's by far the most effective convenience and at your own pace.

The Basic French Course consists of a series of cassettes and an accompanying textbook. Simply follow the spoken and written instructions, listening and repeating. By the end of the course, you'll be learning and speaking entirely in French!

This course turns your cassette player into a "teaching machine." With its unique "pattern drill" learning correcting errors, reinforcing accurate responses.

The FSI's Introductory Basic French Course comes in two parts, each shipped in a handsome library binder. Part A introduces the simpler forms of the language and a basic vocabulary. Part B presents more complex structures and additional vocabulary. Order either, or save 10% by ordering both:

Basic French, Part A. 12 cassettes, (15 hr.), and 194-p. text, \$135.
 Basic French, Part B. 18 cassettes, (25 hr.), and 290-p. text, \$159.
(CT residents add sales tax)

TO ORDER BY PHONE, PLEASE CALL TOLL-FREE NUMBER: 1-800-243-1234.

To order by mail, clip this ad and send with your name and address, and a check or money order — or charge to your credit card (VISA, MasterCard, AmEx, Diners) by enclosing card number, expiration date, and your signature.

The Foreign Service Institute's French course is unconditionally guaranteed. Try it for three weeks. If you're not convinced it's the fastest, easiest, most painless way to learn French, return it and we'll refund every penny you paid. Order today!

130 courses in 46 other languages also available. Write for free catalog. Our 15th year.

AUDIO-FORUM®
Suite P246, On-the-Green, Guilford, CT 06437 (203) 453-9794