World Food Conference 1988: burning the house to roast the pig

by William Engdahl in Brussels

A new offensive against world agriculture was launched under the rubric of the two-day "World Food Conference: 1988" which ended April 8 in Brussels. The nominal sponsor of the event, billed as the first of its kind since the 1974 Rome United Nations World Food Conference, was Lord Plumb, president of the European Parliament. At first glance, the conference appeared to offer a remarkable "balance" of views of food-deficient developing countries and the industrial food-producing nations such as the United States, the European Community, and Canada. Indeed, the keynote address by Zambian President Kenneth Kaunda emphasized the food deficiencies in indebted poor countries of the "Third World." French Agriculture Secretary François Guillaume, author of an agricultural "Marshall Plan for the Third World," was a panelist.

Commenting on his motivations for convening some 250 world agriculture decision makers, Lord Plumb stated: "We have food inflation in the industrialized world and food stagnation in the Third World. . . . Is it not time we got together to discuss the Western surpluses against the background of poverty and malnutrition in the Third World?"

But Lord Plumb was dealing from a stacked deck. The conference was carefully set up to come to the pre-arranged conclusion: "Cut the surpluses. Reduce the Third World food subsidies. Be courageous." Lord Plumb himself stated, "The action that needs to be taken in the Third World could be as follows: The reduction of state involvement in the supply and marketing of agriculture production."

Global market, but how free?

Indeed, the theme of the conference was how to bring down agricultural-producer support mechanisms in the industrial as well as the developing countries. The featured speaker of the first session, U.S. Agriculture Secretary Richard Lyng, set the tone by boasting: "Over the last several years, the United States has embarked on shifting to a more market-oriented agriculture with a fair degree of success."

Lyng cited some hair-raising statistics: "We cut target prices across the board. . . . We idled some 29 million hectares of farm land last year. That's equal to one-third the arable land in the European Community, or an *area equal* to the arable land of France and Spain combined. . . . We removed 1.5 million cows from the nation's milking herd since 1985."

Not to be outdone, EC Commissioner for Agriculture, Franz Andriessen, followed Lyng with praise for the EC's Feb. 12 "stabilizers" agreement on agriculture support, combined with other savage budget austerity which has provoked depression of European farm income to levels not seen since the war. "Together with the drastic reductions in milk quotas," Andriessen told the gathering, "and the dismantling of the dairy stocks, the reform of the intervention system, and improving quality standards, the Community took a decisive step towards bringing production more in line with market demand. This will lead to a considerable reduction of support. . . . In the coming years these actions inevitably will put pressure on farm incomes."

Andriessen failed to add that the "technical" and other measures he referred to will mean a net real income loss for an average EC wheat farmer of 20% per year in producer price, for the next four harvest years! This is no longer being justified by reference to the fraudulent EC "surplus" stocks of dairy butter, milk, wheat, or meat as was done to start the EC subsidy and price slashing three years ago. Andriessen admitted that the EC butter stocks were down "from 1.2 million tons to 540,000 tons" in only one year.

The cynical irony of these boasts was underscored when one African delegate from the audience briefly noted that, if the present world output of grain were "increased by only 50% the problem of world hunger and malnutrition would be solved." None of the featured speakers bothered to comment. Lord Plumb's argument that removing food subsidies in developing countries would somehow help improve food production in those countries was refuted by a delegate from the United Nations Council on Trade and Development (UNCTAD), H.R. Brewster, who, citing World Bank calculations, warned that the proposed removal of restrictions by developing countries on food trade and prices would lead to a "worsening of the balance-of-payments situation of a large number of developing countries as a result of trade liberalization." His remarks were buried in the proceedings.

Behind both policies, EC and U.S. Department of Agriculture, stand the multinational trading and producer cartel companies. The term "market-oriented," before which both Lyng and Andriessen dutifully paid homage, was coined by a private task force of the Trilateral Commission, chaired by Gale Johnson of the University of Chicago, who was cited by name for special kudos by Lyng. That group, composed of select international agriculture policy makers, grain cartel multinationals, and others, launched the present "free market" rampage against world food production and farming in 1985. Their report demanded that both the United States and the EC drop subsidies to farm production over a five-year period.

The only beneficiaries of that policy are the giant multinational food conglomerates such as Cargill, Ferruzzi, Archer-Daniels-Midland, Unilever, Nestlé and a small number of others. In 1980, Soviet agent-of-influence Armand Hammer told an interviewer, "Food will be in the '80s what oil was in the '70s. Those who control it will dominate." That statement sums up what has been occurring in the past seven years. While producer farm incomes have been slashed in the most productive, energy-intensive food producing regions of the planet, the United States and Western Europe, for the first time in man's history a near global top-down control over production and distribution of man's most essential product, nutrition, is within view. The "free market" is explicitly defined as "world trade price" which is the "price" set by, at most, five multinational trading companies and a handful of giant food conglomerates such as Unilever for the small percentage of total food production not consumed domestically. In 1985, only 11% of total EC grain was exported. The vast bulk was used domestically for human and animal consumption needs. Yet, under the Trilateral "market orientation," this 11% will control the 89% domestic share.

Behind Lord Plumb

The initiative of Lord Plumb to focus world attention on the food issue was no "independent" enterprise. At a press briefing during the conference, the real background to the entire project came out into the open. Journalists were introduced to members of a newly formed organization, with the impressive name, "International Policy Council on Agriculture and Trade." This new group was recently set up, according to its vice chairman, Albert Simantov, to "become to world food what the Group of 30 is to world finance."

This group, they reported, is to consist of 30 selected members. It is almost a name-by-name replica of the Trilateral Commission "free market" task force, including former OECD Agriculture Director Simantov, David Swanson of Central Soya-Ferruzzi, George Rossmiller of Resources for the Future, Art de Zeeuw of GATT, and Dale Hathaway of Consultants International. This is not surprising, as Trilateral tasker Simantov handpicked the elite new grouping. A Warsaw Pact national, Janos Nyerges, former Hungarian representative to GATT, is also an official member of the Food Group of 30.

The stated aim of this new organization will be to "develop consensus on economically realistic and politically feasible domestic and trade policy alternatives that could be adopted by governments." The group will meet in private; its first priority will be to influence the ongoing Punta del Este round of agriculture controls under GATT. The chairman is none other than our esteemed Lord Plumb of Coleshill. Indeed, as one member of the International Policy Council reluctantly admitted, the Brussels World Food Conference was the group's "first policy initiative, you might say."

Mr. Simantov was forced to admit, when questioned, that the single financial backer of the new council is the Rockefeller Foundation. This organization is extremely active in world food policy of late. Its parent group, the Rockefeller Brothers Fund, also of New York, backed David Rockefeller's creation in late February of a new Polish foundation which will finance imports of high-protein pig feed so that Polish farmers can fatten pigs, not for hungry Poles, but to dump cheap pork onto depressed Western agriculture markets! Rockefeller's Chase Manhattan Bank is the bank which has historically backed the world's largest grain cartel group, Cargill.

It's all very incestuous, if not bordering on conspiratorial, if such were possible in this "free market economy."