

Agriculture by Marcia Merry

No more milk in school lunches?

It would appear that the Department of Agriculture's milk reduction policy has succeeded.

Early in May, a U.S. Department of Agriculture report made official what most local school lunch nutritionists have known for months: There are shortages of milk and dairy products in the National School Lunch Program. Clever school lunch planners have scrambled to make ends meet without charging more to the children, and many oddball meal substitutes have been created to maintain daily nutrition standards.

But now that the public school year is ending, the question of how to plan for next fall is raising the issue of the inadequacy of the milk supply.

Rep. Kika de la Garza (D-Tex.), chairman of the House Agriculture Committee, said in a May 16 press release, "The Deputy Secretary of Agriculture, Jack Parnall, has confirmed that due to reduced surplus production of dairy foods, there will be far less milk and other dairy products to distribute to school districts for use in lunch programs across the nation."

At the same time, the United States has ceased its donations of skim milk powder this year to the World Food Program, and is expected to make no donations next year as well. Imports of dairy products are frequently even more important to a poor nation's nutrition standard than grains.

A Trilateral Commission report in the mid-1980s, on "restructuring" farming, called for "downscaling" national dairy sectors, as part of orienting to a new era of the "world market place." Accordingly, the policy of the U.S. Department of Agriculture since the mid-1980s has been to drastically

reduce milk output and the means of milk output—the size of the national dairy herd.

The national cow and calf herd (beef and milk both) now numbers fewer than 99 million head, down from over 135 million in the mid-1970s. Of this total number, the milk cow herd itself is down to perhaps fewer than 10 million, from over 11 million a few years ago.

Two successive policies brought the herd numbers down directly: first, the dairy "PIK" (payment-in-kind) program. For a period of 15 months, dairy farmers who signed up with the USDA and agreed to reduce their monthly milk marketings, were paid for every 100 pounds of milk they didn't market. Within a few months after this, there came the "Dairy Herd Termination Program." Dairy farmers were induced to exterminate their herds (slaughter or sell for export) and agree not to return to dairying for 10 years. Again, they're being paid not to produce. As a result of these programs—as well as the general financial pressures on farmers from lending agencies and drought—dairy farms are in crisis.

In New York state—among the top five dairy states in the nation, the number of milk cows dropped to a record low of 822,000 in 1988, and as of May 1, the number is down to 802,000, the lowest number since 1930, when record-keeping began!

There are regional shortages of raw milk for processing for fluid consumption. For example, last fall, milk was traveling over 1,000 miles by tank

truck from Wisconsin to the southeastern states—to meet needs.

The national flow of milk going into use for powder has decreased drastically. The USDA has essentially no stocks of powder at all. Its milk powder has played a vital part in meeting the needs of school districts, and also of other federal institutions and programs—prisons, the WIC (Women, Infants, and Children food supplement plan), etc.

The U.S. milk output reduction schemes have been paralleled in the other leading milk-producing regions of the world—the European Community has had milk "quota" reductions slapped onto dairy farmers, and New Zealand has had high debt costs and restrictions on production. Therefore, internationally, there is a severe shortage of milk powder. Prices have skyrocketed to the cartel milk brokers—Nestlé, Unilever, and a few others. But no national sector or dairy farmer is benefitting. And meantime, millions of people in Third World nations—forced in past years to become almost totally dependent on Nestlé, Unilever, and others to bring in powder from Western Europe, the U.S., or New Zealand—now are getting no powder and have no milk at all for their children.

In late April, a group from the International Dairy Federation met in Rome with specialists from the U.N. Food and Agriculture Organization, the General Agreement on Tariffs and Trade, and the OECD, and concluded that the availability of milk powder for food assistance was unlikely to reach 100,000 tons this year, in contrast to an amount of 350,000 tons in 1986. The World Food Program calculates that it needs 52,000 tons of skim milk powder this year for minimum food relief needs, but the most it may be able to assemble is 39,000 tons.