

## Agriculture by Suzanne Rose

### No relief from Bush

*The White House is refusing to permit emergency measures to alleviate crop losses from drought, floods, and freezes.*

**G**eorge Bush's administration has threatened to veto House legislation authorizing \$1.7 billion in disaster payments to the nation's farmers who have suffered a heavy toll in crop losses so far in 1991. The disasters range from heavy rains and flooding which affected much of the corn belt and delayed the spring planting in Iowa, parts of Minnesota, as well as the Mississippi Delta planting areas, to intense heat and drought this summer which has damaged the corn belt from Iowa, through Indiana, Ohio, Pennsylvania, Maryland, and Virginia.

A late freeze destroyed much of the citrus crop in California. Fruit and vegetable growers in Michigan suffered severe damage from a combination of freeze and heavy rains this spring. The drought emergency conditions required farmers in 23 states to request and receive permission for grazing on lands taken out of production through government programs (Conservation Reserve Program and set-aside) because of shortages in livestock feed, and burned-up pasture land. As of Sept. 5, some 264 counties nationwide had been declared disaster areas due to drought. A total of 900 counties out of 3,000 in the U.S. have been declared eligible to apply for low interest loans under the Farmer's Home Administration (FmHA) disaster program. Estimated losses range from \$93 million for corn, hay, and soybean farmers in Maryland and Virginia, to \$300 million for farmers in Indiana, and \$800 million for farmers in Pennsylvania.

The disaster aid bill, H.R. 2893,

was sponsored by the House Agriculture Committee. It authorizes a program of disaster assistance payments to farmers by extending coverage for disasters authorized under the 1990 Farm Bill. The bill passed the House in July and went to the House Appropriations subcommittee on agriculture, where it was reported out to the full committee for \$1.75 billion worth of assistance.

There it was stalled by administration representatives who opposed the funding by threatening a veto. Administration spokesmen questioned a) whether a disaster exists, and b) whether an emergency exists, continuing a pattern set early in the year by the administration on withholding support for agriculture.

Agriculture Secretary Edward Madigan was severely criticized for responding slowly to the Iowa corn crop disaster, which developed this spring from heavy rains and flooding, and delayed the planting in many counties. Madigan dragged his feet in declaring flooded counties in Iowa and other state disaster areas, which would have made farmers eligible for low interest loans, and other considerations under the FmHA disaster program, such as allowing an extension on repayment of certain advances farmers are allowed on deficiency payments, or extension of planting deadlines, which affect farmers' incomes. He responded county by county and only under extreme duress.

When high temperatures and drought affected Midwestern farm states this summer, legislators de-

manded more immediate action because the FmHA disaster aid is only available to farmers who can demonstrate a 30% crop loss and prove they can repay the low interest loans. Rep. Jim Jontz (D-Ind.) pointed out that farmers would be in the poorest position ever to repay such loans this year because of depressed commodity prices. He demanded direct payments to compensate for crop losses.

Secretary Madigan has refused to say where he stands on the direct aid demanded by farm state congressmen. He has stated that he believes disaster relief can be handled through normal channels, a prescription for delay and ultimate inaction. Official estimates are that corn yields will be reduced 6% over last year. Private estimates, are, however, that the yields on the Iowa crop alone, which is 20% of the total U.S. crop, could be reduced by as much as 20%.

The administration's Stonewalling follows a pattern of criminal inaction on all the agricultural crisis spots. It has refused to take action to halt the precipitous decline in dairy prices. Dairy farmers are expected to lose \$3 billion this year. George Bush's administration has threatened to veto action taken by lawmakers to lift dairy support prices. The Justice Department has refused to take action against the cartelization of beef into the hands of ConAgra, Iowa Beef Processors, and Cargill, which is causing a spiraling downward of producer prices for livestock by as much as to \$150-200 per head. Subsidies paid to the cartels for wheat exports have been upped to \$1.75 per bushel, while the average wheat price paid to farmers has dropped by 35% since last year. When peanut growers were hit by drought, the administration's reaction was to authorize the import of 100 million pounds of peanuts, which is expected to lead to a nosedive in peanut prices.