

Tornados Show Killer Obama Food Policy

by Marcia Merry Baker

March 5—Spring planting season begins in the U.S. cornbelt in a month, which this year should be a time of emergency measures to ensure the maximum Fall harvest, along with support for other crops, livestock, and the farming sector itself. This is so for many reasons, the first of which—illustrated by last week’s deadly tornado storms through the central states—is that episodes of weather extremes are to be expected because of the condition of the solar and galactic systems. These are hitting an agriculture sector worldwide which already faces chaos, if no financial reorganization takes place soon to stop the pending crash of the monetary system.

World corn supplies are way below what is needed, as shown in one critical metric: “stocks” or carry-over reserves from one harvest to the next, relative to use. U.S. stocks as a percent of current corn usage (itself too low), are running at 6.3%, way below a food security level. This represents only 23 days-of-use.

U.S. corn production declined in the last two crop seasons, from 333 million metric tons in 2009-10 (40% of the world production of 819 million metric tons), down to 316 mmt, now projected down to 314 mmt in the 2011-12 marketing year. This is automatically an issue for the world food supply. In the Southern Hemisphere, the corn harvest now coming in in Argentina—the second-biggest source of corn exports—will be lowered because of drought.

Yet the official overview of the Obama Administration, expressed by the Agriculture Department (USDA) at its Agricultural Outlook Forum 2012 (see accompanying article), was that there are “strong prospects” for farming this year. The Feb. 23 keynotes by Secretary of Agriculture Tom Vilsack and USDA Chief Economist Joseph Glauber reiterated all the axioms that got us into this food-short situation to begin with: Put your trust in “market forces,” don’t curb speculation, swallow the greenie line that bio-products are good for farmers and the environment, and obey the World Trade Organization and the globalist commodity cartels behind the

WTO. Above all, do not end Wall Street/London bailouts by restoring the Glass-Steagall bank regulation law; do not launch new “TVAs” anywhere, which would increase the availability of water, land, and power. Accept that resources are fixed.

EIR asked Secretary Vilsack, at his Feb. 23 press conference, why not put in Glass-Steagall to sort out the financial mess, and make way for urgent land and water projects—for example, to support the Army Corps of Engineers in restoring the Missouri River levees and flood damage repair? Vilsack replied with the decoy proposal for a National Infrastructure Bank, with private funding and control. He reiterated the Administration’s lie that the Army Corps has enough funding.

These axioms and assertions are all in line with the last 40 years of subversion of national economies by international financial interests, best called the British Empire.

Break with this kind of thinking, force a policy shift, and we can quickly intervene with measures for short-term increases in food and emergency relief where needed, as well as build a platform of secure agriculture production for the future. The science and technology exist, or are within reach, to transform biogenetics in ways unforetold.

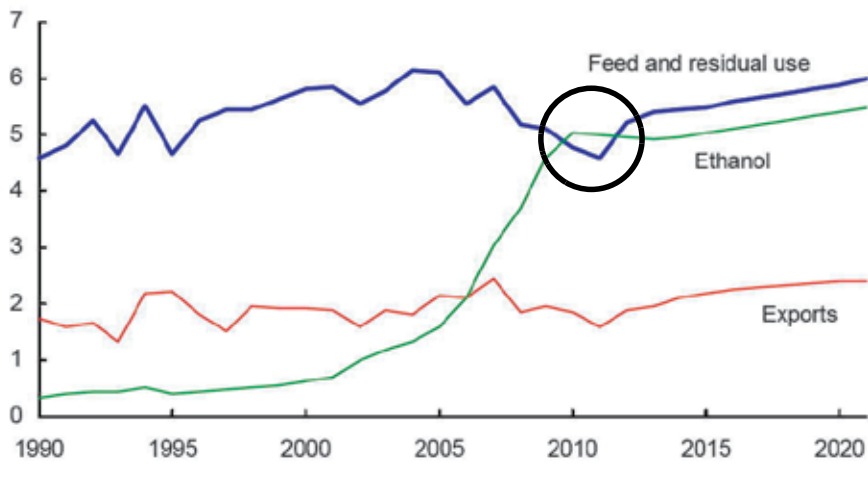
Most immediately what is required, is to stabilize family-farm-scale operations with parity-based pricing, ban speculation, provide maximum support for all necessary inputs and for building infrastructure, especially for defense against expected weather extremes.

Probabilism or Science?

From Feb. 29 to March 2, two waves of tornado storms originated in the Midwest and raged eastward, hitting ten states. The death toll as of today stands at 51. Not only homes and towns were ruined, but agriculture was affected by damage to barns, out-buildings, machinery, livestock, and by debris strewn across fields. Cornbelt counties were hit in Missouri, Illinois, Indiana, and Ohio. One farm in Washington County, Ind., lost three barns, equipment, and 34 out of 48 Angus cattle. Neighbors saw cows flying through the air.

The point is not that this particular storm wave caused extensive farm damage of this type before Spring planting, but rather, the occurrence of the destructive events is indicative of many weather incidents that can come later in the season—heat, drought, flooding, hail, insects, crop diseases, as well as more torna-

FIGURE 1
U.S. Corn: Feed and Residual Use, Ethanol, and Exports
 (Bushels, Billions)



Source: USDA.

dos. This is why we need stocks.

In 1988, for example, Summer drought centered in the cornbelt brought the harvest down 30% compared to the norm at the time. In 1993, the corn crop fell by 33% from the norm, when flooding hit the Upper Midwest.

Even Vilsack made reference to the fact that in 2011, fully 55 million farmland acres (out of a U.S. crop base of 325 million) were hit by “storms, fire, drought, and flooding.” Economist Glauber showed a dramatic set of two U.S. drought maps—Feb. 16, 2011 and Feb. 16, 2012 (produced weekly from the Drought Monitor by NOAA), which showed the continuation of terrible aridity across the southern states.

However, “Don’t worry about 2012,” was the implicit USDA keynote message from Dr. Glauber. Why? He said that farmers will respond to market inducements of high corn prices from “tight stocks”—the polite term for scarcity—so they will plant a huge area of 94 million acres (38 million hectares) to corn this Spring, the largest area sown to corn since 1944.

To the obvious question, “Will the crop thrive to harvest?” Glauber again said not to worry. He predicted that the average cornfield is likely to “return to trend” of a rising output of bushels per acre, after yields fell for two years in a row. Why? Statistics! It is “probable” to have a good year, when it comes after two years of below-trend yields!

This probabilistic view is countered by other,

equally gambling-based analyses. University of Illinois economists wrote in February, “The odds slightly favor a corn yield above trend in 2012, but there is certainly precedent for another year below trend...”

Finally, Glauber added another special factor to his rosy picture of how today’s “tight” corn supplies will be remedied. He predicted that corn use for ethanol will cease rising so fast, thus aiding the food supply by freeing more corn for livestock feed and human food use. In 2011, the volume of U.S. corn going for biofuel exceeded, for the first time ever, the volume going into the food chain. Poultry, cattle, and hog producers have been loudly sounding alarms. (See “‘Unavailability’ of Livestock

Feed Signals: U.S. Food Shortages Are Here,” *EIR*, Sept. 23, 2011).

Figure 1 shows the USDA illustration of Glauber’s point. The circle (added by *EIR*) indicates that as of 2011, corn for ethanol exceeded food uses. The USDA claims this will abate in 2012, and corn for livestock use will remain above ethanol use through 2021.

What is left out of the USDA projections, are the chain-reaction consequences of weather, pricing, and biofuels now hitting ranchers and farmers everywhere. For example, the U.S. cattle inventory is shrinking below the numbers required for meat and herd replacement. Cattle are down to barely 90 million, from over 110 million in recent years. We are at the lowest cattle inventory since 1952. This reflects the liquidation of herds because of feed costs, as well as drought, water shortages, and related fundamentals. Likewise, poultry and hog producers are slammed by high corn prices and related factors.

Ignoring this, the *USDA Long-Term Projections* report glibly states in their “market adjustment” doublespeak: “Total U.S. red meat and poultry production is projected to fall in 2012 and 2013 in response to reduced producer returns over much of the past several years. Meat production then increases [from 2014 onwards] in response to improved returns.”

In reality, we are at the point of no return, unless this thinking and imperial food practices are stopped.

marciabaker@larouchepub.com