

BIOFUELS KILL, AS INTENDED

## Obama's Pretense of 2013 'Good Crops' Is Wiped Out

by Marcia Merry Baker

June 11—In the United States, June is the end of the crop year for Winter wheat (75% of U.S. production types), and the beginning of the growing season for corn. This year, the problematic condition of both crops refutes the Obama Administration's official assertion that 2013 harvests will be great, that all is well. Just the opposite, as summarized below. The Dust Bowl has reappeared in the heart of the High Plains wheat belt; U.S. corn bins are all but empty, with the new crop off to a late, cold, wet start. The United States, the legendary world's granary, is now importing corn at unheard-of rates! Dairy, cattle, and poultry operations are stricken with feed shortages and soaring prices.

So, why the lies? The Obama script is "Made in London," as a pretense for continuing the diversion of food crops to biofuels. *The intent* is to undermine agriculture, create hunger, and kill. We are well along that path, with drastic food shocks in the making. There are no food reserves. We are losing *capacity to produce*, not merely one season's supply.

The Administration has rejected every appeal to reduce corn-for-ethanol, to relieve the shortages. A waiver of the Renewable Fuels Standard (RFS) was requested in Summer 2012, in the face of the farm-belt drought, by a grouping of livestock, food-processing, restaurant, and grocery associations. It was rejected. Last October, a report was issued by Tufts University on "The Cost to Developing Countries of U.S. Corn Ethanol Expansion," showing terrible harm and

hunger hitting poor nations. No relief was even considered.

But from February to May of this year, Secretary of Agriculture Tom Vilsack, USDA Chief Economist Joe Glauber, and official USDA reports presented rosy forecasts of a record acreage of corn planted in 2013, good yields, and refilling of empty bins. On Feb. 21, at the yearly USDA Agriculture Outlook Forum, Dr. Glauber said, "High prices [for crops] ahead of planting should encourage large corn and soybean acreages, and, assuming normal yields, stock levels should rebuild and prices should moderate."

Who knows what lies they will say this week, when on June 12, the new monthly USDA report "World Agriculture Supply and Demand Report," is released. However, reality is reality.

### The Inventory

*Wheat harvest down.* Winter wheat yields in some fields are down to zero—a total loss—in many counties of the Four-Corners High Plains wheat belt—southwestern Kansas, western Oklahoma, southwestern Colorado, and northwestern Texas. This results from the combined impact of a multi-year drought, late Spring freezes, on top of decades of drawdown of groundwater, without the benefit of "new" water had the North American Water and Power Alliance (NAWAPA) been built, as planned in the 1960s. It is expected that the U.S. wheat crop this year will be 10% lower than 2012.



EIRNS/Bob Baker

*Aftermath of late-May flooding, June 1, in Keokuk County, Iowa. The retreating water left a sheet of sand over a corn field.*

*Corn harvest iffy.* A deluge of rain, along with cold temperatures, hit the heart of the corn belt in late May. More than 10 inches of rain fell in less than two days in Cherokee County, for example. Sheet erosion, soil saturation, and ponding were widespread (see photo from Iowa).

On June 3, Iowa Gov. Terry Branstad and state farm leaders made a helicopter tour of the rain-soaked corn counties to view the extent of the damage. Their grim evaluations were carried in the June 4 *Des Moines Register* (“Late Planting = Shaky Yield Forecast; The State’s Farmers Are Still Struggling To Get in the Fields”).

While the pelting rains and flooding ended the “agronomic drought” of dried-out soils, the problem now is the impact of cool weather and soaked fields. “The bad news is, we are continuing into the growing season extremely cool. We have a crop that was planted late and is lagging behind,” said Dave Miller, Iowa Farm Bureau economist. Late planting means that there can be pollination problems in high Summer, and potential damage if the plants aren’t fully developed before frost hits, come Fall.

More than half of Iowa’s corn was planted after May 15—the date considered as the deadline for ideal crop potential. Then cold weather set in. “This will

probably be the second-latest average planting date in the last 25 years, maybe 40,” Miller said.

The corn area planted nationwide, instead of what the U.S. Department of Agriculture projected as a record 97 million acres, will be more like 90 million, he estimated.

The harvest volume, instead of what the USDA has projected as a bumper 14.3 million bushel corn crop, will be more like 12.7 million bushels, if everything goes right.

Iowa Agriculture Secretary Bill Northey noted that it was so wet, that 2 million acres of the state’s usual 14 million acres of

corn weren’t planted as of June 1; this is an area equal to the entire state corn production of North Dakota or Texas.

Meantime, corn imports—negligible in the past—have shot up. As of about 2005, the volume of U.S. corn imports was under 9 million bushels; over the last year, 125 million bushels. Corn exports have plunged.

### **Emergency Measures**

What is required, is simply a sane food policy, which means emergency agriculture measures. Immediately ban food for biofuels—corn ethanol, soy biodiesel, sorghum ethanol, and all the rest. Immediately put in place commodity floor prices for farmers producing these food and feed crops, as a percent of parity to stabilize their income. Declare orderly debt moratoria wherever necessary for basic farm operations—dairy, cattle operations, poultry processing facilities, and other key links in the food chain. Ban the infamous non-commodity user speculation on the exchanges.

All these, and other emergency measures are one and the same with the mobilization underway to restore Glass-Steagall banking, for a sound credit regime to build up agro-industrial production potential again. The Glass-Steagall reinstatement process is laid out in the House bill H.R. 129 and Senate bill S. 985, which have



FEMA/Steve Zumwalt

*Flooding of the Mississippi River at Portage Des Sioux, Mo., June 6, 2013.*

the backing of hundreds of state-level lawmakers, especially in the farm belt.

This urgent shift in U.S. domestic policy is part of the international paradigm shift required now, for survival of civilization on the planet. This is made clear by the report that follows this article, on the food and production crisis in Mexico, in contrast to the high productivity possible there with the necessary infrastructure-build up.

### **Biofuels Kill**

Who and what is behind the insanity of continuing biofuels in the United States—now consuming corn at the rate of over 40% of the annual harvest—is made clear in the history of British Empire famines—from India to Ireland, from the continent of Africa to Haiti. (See article in this section, “British Imperial Genocide in India.”)

The Obama name for death-by-biofuels, another name for British imperial genocide, is a “Bio-Based Products” economy. Agriculture Secretary Vilsack repeats this regularly, citing how hundreds of products, from paint and glue to furniture, are now bio-based—from corn, soy, and other foods. At the world Ethanol Summit in Brazil at the end of June, Obama’s Energy Secretary, Edmond Moniz, will speak at the opening

ceremony, backing still more food-for-biofuels.

In Rome June 7-9, Obama’s envoy to the UN food summit, Ed Schafer, castigated attendees for questioning food-for-biofuels, asserting that any food price increase due to corn ethanol was only 3% or less.

At a Congressional hearing June 5, an official of the Environmental Protection Agency, when questioned by lawmakers about the food shortage resulting from biofuels, said there were no “standards” that meant that the ethanol yearly quota had to be lifted. This occurred

at the House Committee on Oversight and Government Reform’s Subcommittee on Energy Policy hearing on the role the EPA plays in the RFS.

### **Livestock Producers Appeal to Congress**

Livestock producers have turned to Congress to appeal for relief, since the Obama Administration is intransigent. Seven top livestock and meat-processing groups recently submitted comments against biofuels to the House Energy and Commerce Committee, asking for a curb on the RFS, under which U.S. corn supplies are scarce and expensive, with big swings in price. Among them are the National Pork Producers Council, National Cattlemen’s Beef Association, Milk Producers Council, National Turkey Federation.

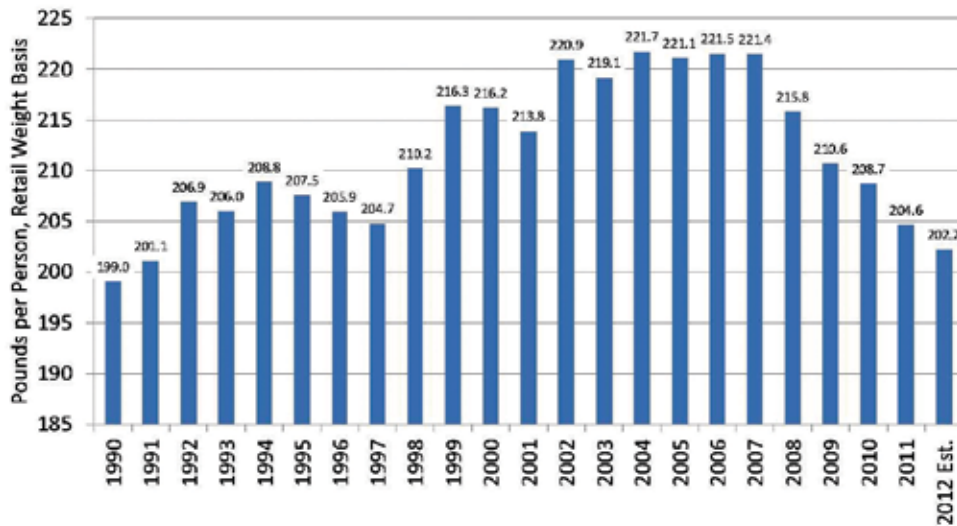
The situation is impossible. Last year, 104 high-producing dairy herds in California were shut down. Next month, House of Raeford Farms will shut its turkey slaughterhouse in Raeford, N.C., ending 1,060 jobs. The U.S. cattle herd has declined to the same number as in 1952.

The livestock group submitted a report to Congress, which concluded:

“Despite overwhelming evidence that the inflexible RFS is causing significant economic harm, and few benefits, the EPA refused to grant an RFS waiver

FIGURE 1

**Decline in U.S. Per-Capita Meat Consumption (Retail Weight), 1990-2012**



Source: “The RFS, Fuel and Food Prices, and the Need for Reform,” Dr. Thomas E. Elam, FarmEcon LLC, Indiana, April 18, 2013

“An inflexible RFS has caused high and volatile corn prices. Extremely small carryover stocks in 2010-2011 to 2012-2013 caused corn prices to increase to new record levels. Those higher prices severely rationed feed use, resulting meat consumption, and exports.”—Dr. Thomas E. Elam

in the wake of the 2012 corn crop disaster. The current waiver system that relies on the judgment of a single political appointee, is broken. . . .” (“The RFS, Fuel and Food Prices, and the Need for Reform,” April 18, 2013, Dr. Thomas E. Elam, FarmEcon LLC, Indiana).

The report also documented the dramatic fall in meat consumption in the United States (Figure 1): “The post-2007 decline in U.S. meat and poultry consumption is unprecedented. But, so is the current RFS that reduces this industry’s access to its basic feedstock, corn. By encouraging the diversion of corn to ethanol production, even in times when corn production and stocks were dangerously low, the RFS has forced all other users to reduce production to accommodate higher costs. It is no accident that the decline in meat and poultry consumption started in 2008, the first year of the current RFS.”

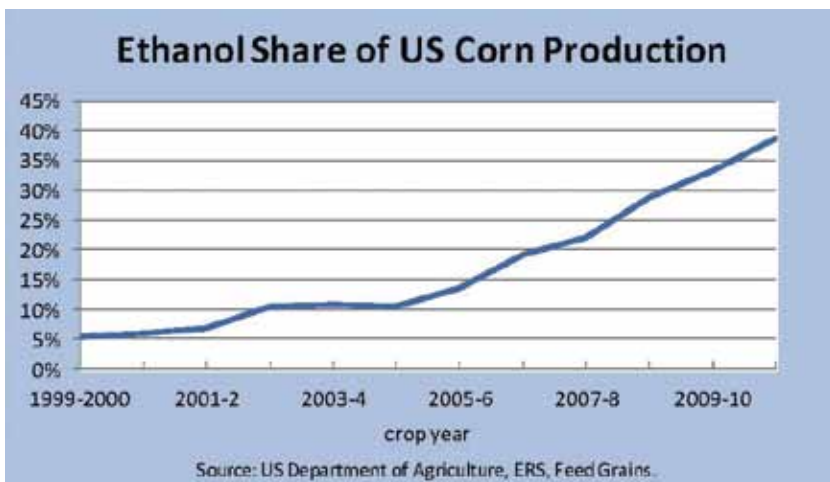
In April, a bill to curb the RFS and

the use of corn for ethanol, called a reform bill, was introduced by a bipartisan foursome of Representatives from big meat and milk regions: Jim Costa (D-Calif.), Bob Goodlatte (R-Va.), Steve Womack (R-Ark.), and Peter Welch (D-Vt.).

The scarcity of corn for feed and soaring prices are at the emergency stage. “Lock in prices and supplies of animal feed now,” warn all the livestock experts. For example, *The National Hog Farmer*, on May 13, carried an article, concluding: “Get your feed supplies secured for the summer! While you may have them priced, get the physical supply secured somewhere. Obviously, it doesn’t have to be in your [on farm] bins yet, but own it soon.”

The prices are wild. The *Baltimore Sun* blog in May reported that for Delmarva (the Delaware-Maryland-Virginia peninsula) poultrymen, corn-rations prices have gone up 275% since 2007, when the RFS kicked in.

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Timothy A. Wise, “The Cost to Developing Countries of U.S. Corn Ethanol Expansion,” October 2012