

Six U.S. Farm Leaders

Feed the Future: Eating is a Moral Right

April 26—Six U.S. farm leaders and the Schiller Institute's Agriculture Coordinator, Robert Baker, address the agricultural crisis in the context of cartelization, COVID-19, and world hunger, as part of Panel 4 of the Schiller Institute's April 25-26 teleconference.

Robert Baker: The world now faces the biggest food crisis in history. That includes the United States. Where were we six months ago? In Europe, thousands of farmers had their tractors side-by-side in the streets of Berlin, Paris, Madrid; and month after month, they blocked up the cities of Europe and hundreds of miles of highways.

In the United States last year, hundreds of farmers left their ranches and fields and went out to mass meetings in the farm belt. Why? The financial-economic system had gotten so bad, they were demonstrating for the simple right to produce food. It was the same in other parts of the world, where people from South Africa, South America, to the Middle East, were also in the streets. They couldn't afford to eat! In Africa, almost half of that huge continent has to rely on food imports, when, with the right technology, Africans could feed the entire world.

We already knew that we needed a new system. Then, bang! The new virus hit. Now, we absolutely are going to replace this evil, Wall Street, City of London system of speculation that has crashed, with a new productive system.

Farmers have a special role to play in this because they have authority as food producers. Food is a moral right. I'm very proud of this team of six agricultural leaders with me here today who are standing up for this. They stand with the farmers all over the world, but also are joining with cities that need food. In the wake of the crisis, we are assisting in the rebirth of a system of sovereign nations, each with its own self-sufficient food supply, so that no international bank or corporate monopoly will ever loot the food producers and working

people again. This is a real harmony of interests, like Abraham Lincoln's economic advisor Henry Carey called for.

You will hear from across the United States: the Midwest—from Indiana, Missouri, and Kansas, in the Mississippi River Basin; from the High Plains—Montana and Colorado; and from California. I myself am from Iowa, where most all of my family raise corn, soy-



Robert Baker

Schiller Institute

beans, cattle, and hogs. In each of the following messages, you will hear different implied principles you must act on, like fair pricing, no more playing off one nation against another, no more mega food cartels, and no more ripping off everybody at the grocery store. We have to take action. The worldwide hunger pandemic is a real danger along with the coronavirus pandemic.

First, emergency action. Let's intervene to save all agricultural capacity everywhere. Save the herds, the flocks, the crops, the farms, and the farm families on the land. Institute income supports if we have to, parity pricing, and no foreclosures on farms or agricultural businesses, and more. Plus, get the food where it has to be. Commission and dedicate the tonnage of basic grains to the 36 countries completely dependent on outside supplies. Pre-stage it. Use the world food program

proposal for humanitarian hubs, and make it work.

Second, over the longer term, start on the full measures for farm and factory production in every nation. No more out-sourcing food by the Empire crowd. That means collaboration; that's why we're here today. It means everyone shall eat, and this is the future. This is why the Classical culture discussed in the previous panel is especially important as an aspect of returning culture to agriculture.

On-the-Ground Reports

We now turn to the farm leader reports. Up first is Joe Maxwell.

Joe Maxwell: I want to thank the Schiller Institute



Courtesy of Joe Maxwell

Joe Maxwell

for allowing me to be here today, and I'm going to thank all of you all for joining us. I'm Joe Maxwell, co-founder of the Family Farm Action Alliance. I'm a fourth-generation family farmer in the United States. My farm is in the state of Missouri, about 100 miles west of the Mississippi River.

Today, we're all under a threat, a threat brought on by a pandemic—COVID-19. That threat is to our health, our families' health, and our neighbor's health around the world. It is also a threat to our economy, to our way of life. Men and women around the world have been laid off. Farmers and ranchers no longer have a market. Consumers are being price-gouged at the grocery store. It is a threat to our way of life. That threat comes as much from the pandemic as it does from the

monopolies that control the market and control our economy.

Over the last 30 or 40 years, the world has allowed, our governments have allowed a handful of corporations to control our food and our agriculture. They've done so in the name of efficiency. Many of us cried out about the flawed system they were building, the weaknesses in that system. We seldom were heard.

The threat brought on today in our economy is *because* our governments have allowed these global giants to exist. As an example: JBS, the world's largest meat producer, just posted a 322% increase in revenues last quarter over a year ago in the same time period. While family farmers and ranchers and small businessmen and -women are going bankrupt around the world,

they are pocketing an increase to the level of 322%. As a former lieutenant governor of Missouri, I can tell you, we can have whatever kind of economy we want, but we have to have the policies to support it. This economy that has been captured by large monopolies is because our governments have allowed it to happen.

If there's any good that can come of a pandemic of the scale we're seeing around

the world, it should be that we all join together with one voice, farmers and ranchers joining with labor, labor joining with farmers and ranchers, small businessmen and -women standing up with farmers, standing up for the workers in the plants. Standing together, lifting one voice, and demanding a paradigm shift; a shift in our economy. Stripping it from the hands of corporate giants like JBS, and putting it back in our hands. This economy belongs to the people, and we have a right to demand change, if any good can come of a pandemic.

Bill Bullard: Hello, I'm Bill Bullard, CEO of R-CALF USA, the largest producer-only trade association that exclusively represents United States cattle farmers and ranchers. The United States cattle industry



Courtesy of Bill Bullard

Bill Bullard

is the largest segment of American agriculture, generating about \$67 billion annually from the sale of cattle and calves. Because it's the largest, and because cattle producers are widely dispersed among all 50 states, our live cattle industry is arguably the most important cornerstone for all of rural America.

The Cattle Industry is Shrinking

However, our cattle industry is shrinking, and shrinking fast. In less than half a lifetime, we've lost over half a million cattle producers. Four of every ten cattle producers in business in 1980 are gone today. Our cattle herd size has shrunk by 15%, reducing the size of our mother cow herd by more than 5 million animals. We've lost 75% of our independently owned cattle feeding businesses. This contraction of our industry's live cattle supply chain coincides with a massive consolidation and concentration that has occurred within our industry's marketing structure. One-fourth of our nation's local and regional livestock auction yards have disappeared, and a number of beef packing plants have declined to the point where just four large companies control the slaughter of about 85% of the 25 million or so fed cattle that America harvests each year.

Our live cattle supply chain is also contracting because of failed trade policies. For the past 25 years, those policies have facilitated the importation of cheaper, undifferentiated beef and cattle without affording the United States cattle farmers and ranchers to distinguish for the consumer their domestically produced beef from cattle from those cheaper imports. It was only for a brief moment in history that U.S. cattle producers were afforded by national legislation a mandatory Country Of Origin Label (COOL) on beef products, which, for that brief moment, allowed them to compete in their own market.

Our United States cattle industry is the only livestock sector left in America that still has the critical mass of competitive marketing channels remaining from which to begin rebuilding a robustly competitive industry. Our hog, poultry, and sheep industries have been skeletonized to the point where, because they are now comprised of so few participants, they will have to be rebuilt from scratch. The skeletonization I speak of, of course, is vertical integration; and that kills competition. The U.S. pork and poultry industries are now controlled from egg to plate, or birth to plate, by multinational meat packing conglomerates.

Our live cattle industry is the multinational meat

packers' last frontier to conquer. But we won't let them conquer our industry. We're fighting back on many fronts. In our Congress, we are seeking reforms to rebuild our broken markets by prohibiting meat packer conduct and practices that have created a fundamental imbalance in the marketplace between cattle producers and packers. In our Executive Branch, we are seeking reforms to trade policies that now disadvantage cattle producers and favor multinational corporations. In our Judicial Branch, we are seeking enforcement of existing anti-trust laws, in an historic class-action lawsuit against the "Big Four" largest beef packers—Tyson Foods, JBS, Cargill, and National Beef—alleging that they have unlawfully colluded to depress producer prices while inflating their own margins and profits.



Courtesy of Tyler Dupy

Tyler Dupy

R-CALF USA will continue fighting for America's cattle farmers and ranchers until we win.

Tyler Dupy, CEO and Executive Director, Kansas Cattlemen's Association:

My name is Tyler Dupy, and I'd like to thank you for inviting me to address you today. It's inspiring to see how a little ingenuity and hard work can bring so many great minds together, virtually, during this COVID-19 pandemic.

A Widening Divide

There's a divide between consumers and food production, and it's widening at this time. As corporate food production grows to a scale never imagined, independent agriculture is shrinking. Nutrition has become a byproduct of food, where television programming

dedicates 24-hour networks to the entertainment of watching someone prepare a full meal without any reference to where the food is actually grown, or how it's actually harvested. Agriculture is the true face of food and fiber, and must engage the consumer with food facts, not fiction.

Independent agriculture is beyond crisis at this point. We are in the midst of a calamity of unprecedented proportions. Cattle ranchers and farmers face adversity on a daily basis; but what we face on a non-weather front are legislative and regulatory policies promoting corporate interests so greedy that the decks are stacked against us. Agriculturists find it not difficult, but nearly impossible, to find access to financing. In most sectors, the food production and chemical companies control the inputs and financial resources. Federal regulations make traditional banking a near impossibility.

When it comes to marketing our commodities, the speculative nature of the futures markets causes ripples throughout the industry. Traders in Chicago and New York fill their pockets to the brim, while the producers walk away completely empty-handed. We must take calculated steps today to prevent the further contraction of the farming countryside and the ultimate vertical integration of food production model. Soon corporate America will control all food and food production. We're on track for a real-world Hunger Games mentality, where food is the reward for oppressor compliance.

Frank Endres, Board Director, National Farmers Organization:

Thank you for the opportunity, and I would also like thank Helga LaRouche and also the Schiller Institute for giving us the time to give our views. A little bit about myself—we farm along with my two sons on our ranch here in the west side of the Sacramento Valley in northern California. We raise cattle and grain on our farm and ranch here.

Growing Concern Over Basic Food Security

There's a lot of concern now in the news about our food security, brought about because of the COVID-19

pandemic that we're having. So, I'd like to talk a little bit about the food security issue.

Today one of the things that's leading to the concerns about our food security is the loss of farmland. Over 5,000 acres a day are being converted from food production to shopping malls, schools, parking lots, and housing, etc. A new additional threat is the large acreages of prime farmland being sought after for solar panels. This is leading to a threat to our loss of farmland now.



Frank Endres

Courtesy of Frank Endres

An aging farm population: Farmers under the age of 35 constitute only 5% of the farm population, while at the other end of the spectrum, those at age 65 and over, comprise over 65%.

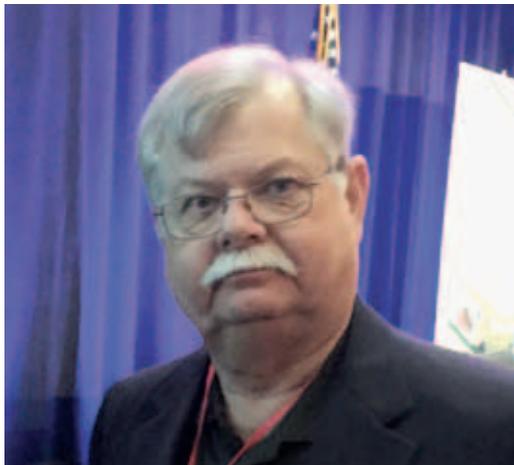
Another threat, and probably the biggest threat now to our food security, is low commodity prices. The way the farm income is figured, allows a huge theft to occur on our nation's farms and ranches. This is happening because the price the farmers are receiving today is compared to the price he received a year ago, two years

ago, five years ago. This has nothing to do with it. The price the farmer or anybody else receives, has to be compared to everything that he has to buy to operate his business *today*. In addition to that, he also has to have an additional allowance for living expenses.

That is what parity is all about. In terms of the producer's purchasing power or parity, average farm prices today, at 30% of parity, are *lower* than during the Great Depression in 1933, when farm prices then were at 64% of parity.

Farmers and ranchers today have lost over 70% of their purchasing power. The only way to make up for this loss is to borrow more and more. This has led to a suicide rate now among farmers that is exceeding the rate of the 1980s.

At least once in a person's lifetime, a person really



Courtesy of James Benham

James Benham

needs a doctor, a lawyer, a clergyman. But three times a day, a person needs a farmer who is a food producer. With that, I'd like to conclude and say that is also true in many nations around the world, that there is a threat to their food security also, and this needs to be corrected.

James Benham: My name is James Benham. I'm the state president of the Indiana Farmers Union. I also sit on the national board of the National Farmers Union. I'm a farmer; I raise corn and soybeans. I've raised tobacco in the past, and when that became not politically correct, we all got out of that business.

I want to talk a little bit about the problem we're having with agriculture today, and I'm going to proba-

bly refer more to what's going on in the United States than other countries, but I'll try to do my best to include the world as best as possible. I also want to thank the Schiller Institute and Helga LaRouche for inviting me to participate here today. They do a great job for everyone, and we need to support them any way we can.

Coronavirus and the Wall Street Virus

I want to talk a little bit about two viruses that we've got.

Obviously the one we're all dealing with right now is the coronavirus, which is devastating to the world; it has really cost billions and trillions of dollars around the world in lost jobs and revenue and opportunities.

We also have a Wall Street virus, and it's ongoing; it's every day. It was there yesterday; it'll still be there tomorrow; they just continue to bleed us by their speculation and how they feel about the markets. The farmers have no control over the price—it goes up and down like a yo-yo. The supply and demand theory we used to have under that speculator issue is gone with the wind. It's all about dollars and cents and how they best see that fits into it. So, I guess you get down at this point here to Glass-Steagall—we've been fighting for that for a while. We need to bust Wall Street monopoly banks and get that process back to where farmers understand what to borrow and how to borrow money, and get the money into the hands of the people who need to have it.

And over the long term, how are we going to fit the needs of the people around the world? That brings us to, what do our people need to eat? What are we looking to produce for them? The biggest problem I see is, we have a responsibility across the U.S. and Africa and elsewhere, we got the opportunity to have food on a regular basis, and to keep us from having food shortages. You know, it gets brought right now back to the coronavirus here in the States.

This crisis is an opportunity for us to look at long-term food and agriculture systems solutions. That includes looking to price-fixing, which we have, and other abuses by the market power of the meat packing industry, as well as to bring in the supply of milk in line with demand. It's no secret that the shortages that we incurred is because we've closed down half of our food system. The other half is that our grocery stores, where folks buy their local needs for the week, cannot compete now. That "just-in-time" program that we've all become accustomed to doesn't fit our needs today.

On the other hand, we don't have enough farmers to service the required amount of products; nor do we have the processing facilities to meet the demand in each crisis. We have one or two plants here in the United States that have had a coronavirus issue. They shut those processing plants down for a month. Well, that's created a big shortage. And the demand for beef is going up. So, farmers are suffering through no cause of their own, and they have nowhere to go with all this product that they've got on hand. So, a lot of them, as far as the vegetables and such, are plowing it down; farmers are euthanizing their animals because they can't afford to feed them.

To make matters worse,— I'll give you just an example: The farmer's share, once the product goes from the farmer to the consumer. For example, for a pound of bacon, the retail price is \$5; the farmer's share is 63 cents. You want to look at wheat? Wheat is something we do around the world. Here, a loaf of bread is two pounds. The retail price is \$3.99; the farmer's share is just 12 cents. You can go on forever. For those of you who like to drink beer, for a six-pack of beer, the retail price is \$9.99; the farmer's share is 4 cents. So, those things are just unheard of.

It's time to make a change. We need to work together as a global industry and try to figure out how to develop food prices that work for everybody around the world, and that are a fair and equitable and get rid of the speculative issues. Thank you so much. God bless you all, and I hope this is helpful.

An Alternative Food System

Mike Callicrate, Owner, Ranch Foods Direct, Callicrate Banders, and Callicrate Cattle Company:

As we sit here today with this COVID issue, I think it's really pulled the curtain back on the failures of our industrial food system. Today, there's never been more money in the food business. Consumers have never paid more for food. And the producer of that food, whether they're a farm worker, or a food processing worker, or the farmer or rancher, have never received so little of what that food dollar represents at the consumer level.

So, I think this is a good time to maybe talk about and begin to implement the alternative food system; the one that is more local and regional. With Ranch Foods Direct, we've been doing this for about 20 years. I was really forced into it 20 years ago when I couldn't sell

my cattle anymore. I decided, well, we can litigate, we can legislate, but why don't we do something else? Why don't we just build an alternative pathway to the consumer? Which is what we have here today with Ranch Foods Direct.

We raise our animals in St. Francis, Kansas; we process them there. We process them into carcasses; they're shipped into Colorado Springs where they're cut up and sold directly to consumers. We've really built the system, and it's been really hard. We've run into all kinds of barriers, and all kinds of challenges; but we're still around. I really think the timing is right today, to build this out in other parts of the country. As



Courtesy of Mike Callicrate

Mike Callicrate

long as that rural community can connect with that urban community, this kind of thing can be done and replicated around the world, really. But I think it has to be done with the objective of increasing income to the farm and ranch gate, increasing a fair living wage to the worker.

When you think about that today, and the pork plants that are shut down because they had so many COVID-19 cases, why are these people getting sick? Well, they work in very close quarters; they eat in very close quarters; they ride in the same car together; they live multiple families to apartments. Why are they doing that? Because they're not paid; they're not paid a living wage and they're really living in the shadows. Most of them aren't legal citizens, so they're afraid. I'm saying, let's make it better for everybody; from the farmer and the rancher to the worker, and for the consumer to get good healthy food, as opposed to the highly processed stuff

that makes the packer and makes the processor and makes the retailer a lot of money, shortchanges the producer and the consumer.

I think now is the time. We need to build that today. But we've got to get some regulations that fit that model. And we've got to get a government that is friendly to the idea. That is probably going to be one of the biggest challenges, because this thing has to be financed by everyone; not just on the back of a farmer, not just on the back of a rancher, and certainly not on the back of the workers that are processing that food before a consumer gets it.

It has to be financed by everyone. Right now, the people on the farms and the ranches have really no money. They have been plundered and pillaged for so long. They've given up their equity; they can't make any money because they don't have fair markets to sell in. We've really got to step up here as a society and finance this thing and build it and support it.

Man in the Image of God

Baker: What you just heard was from six of the leaders of the U.S. agricultural sector. They are all gravely concerned about this because we have turned a corner in terms of the degree to which the farm producers cannot withstand it. As was mentioned, such consolidation into big farming units. A recent report indicates that the 40 largest pork producers in the United States, produce 66% of the pork. They estimate they're going to lose on average \$18 million {apiece} in this crisis. We're now starting to see plans lined up to euthanize thousands and thousands of pigs. There are plans lined up to euthanize millions of chickens. That is just unheard of when you have such food shortages around the world.

This is why, when Helga and our organization speak of a paradigm shift, we have to have a shift back to the idea of man in the image of God. What is the purpose of all these mechanisms of economics? It's not to make money. It's to create an environment of economic production, and also utilize the idea of creating an environment that increases and stimulates the creative potential of every single human being all through their life in various ways. Thus, the discussion on culture that we had this morning.

When you put that all together with what's going on around the world, it becomes very clear that this is getting focussed more clearly in terms of the two forces

that are at work. You've got one pushing economic bailouts of big Wall Street speculators and bank monopolies that are bigger than ever dreamed. Then you see war hawks pushing, trying to create good guys and bad guys around the world. Let's instead pull the world together around the idea that we are created with creativity in us. That's what we have economics for; that's why we increase the cultural level and focus on that, and not just focus on making money in a market.

Iowa and Xi Jinping

Speed: Please tell our audience about the relationship of the present President of China to Iowa and to the United States.

Baker: Well, before he was President of China, in 1985, Xi Jinping came to the United States and stayed in Iowa for a while, living in Muscatine. As a result of that visit, Xi got very well acquainted with U.S. agriculture, the advanced technologies that our farmers use. Today U.S. agriculture is literally what I call astronaut farming, because the technologies used in the space program are sitting in the tractor cabs of every farmer in the United States and many parts of the world.

Xi realized the degree of that technology, and now has had many occasions to work with U.S. farmers and especially Iowa farmers, because he made a lot of contacts there. A lot of that is now being transferred and utilized in the most sophisticated way in China. Drones, GPS, advanced irrigation and sciences.

Muscatine has put together a China-Iowa Friendship Society and has had many exchanges of people. Chinese orchestras have toured through the Midwest and vice versa. This really demonstrates the speed at which we could bring the nations of the world together around the idea of mutual development. But it left a big impression in terms of the agriculture sectors. The current U.S. Ambassador to China, Terry Branstad, is a former governor of Iowa.

It's a tremendous thing to consider the need for food, because it actually accentuates the need for all the things that are faceted in being a human being. That's what Lyndon LaRouche really focussed on throughout all his writings—developing the creative potential of every human being. That's really something that you can see manifesting itself through the magnitude of lifting the poor people in China out of poverty at a scale that's never been seen in history.