

What Would America's Family Farms Look Like in an Economic Recovery

Below is a transcript of the response on June 15, 1992 by then Democratic presidential candidate Lyndon LaRouche to a Food for Peace activist, who asked What America's family farms would look like in an economic recovery which included parity prices and low-interest credit to agriculture?

In talking about a return to an American System farming procedure, we have to look at two things:

One is a resumption of extensive agriculture, that is, essentially, field and related agriculture, combined with an increased emphasis proportionately on modern aeroponics and hydroponics, essentially in high value per pound bush fruits and vegetables. We can economically produce these with a desirable quality of freshness 12 months a year in most areas, within enclosures which are simply hydroponic/aeroponic industrial applications of the same principles with which farmers are familiar, in field agriculture.

By that I mean, in these enclosures, we can do, in general, what we do with the chicken hotel running on chain drive. We can also control the atmosphere variably; we can control growth through aeroponic as well as hydroponic methods; we can do all kinds of things. But essentially, the mental abilities, the skills, required are the same as those of the farmer, plus a few things to which the farmer would have to adapt to run one of these things.

Rebuild the Cities

Since the cities of the United States are in degenerate condition as a result largely of the postwar suburbanite policy and because of the bankruptcy of real estate, we're going to go through a restructuring of both urban and rural life, especially urban life.

In the process, if we are rational—and our planning for space colonization and improved desalination and water management technologies will help to accelerate this process—we will head in the direction of creating green zones around major urban centers.

The green zone would be essentially an area of supply of some meat, which means the return to some

slaughter, butchery, to the urban region, locally. I'm thinking of especially meats, and also, high-priced vegetables, that is, high-priced per pound value, into this kind of production. Asparagus, certain cabbages, and all this sort of thing, and certain kinds of bush fruits, such as, for example, raspberries, strawberries, gooseberries, and dwarf tree fruit in those areas.

Agriculture around the cities will have two functions: to create a green zone, which an expanding farm operation is suited to: land management and land maintenance, which is what a farm does automatically if it has parity price. Thus, that change in composition will become more and more the case, with field agriculture used for other things which are of lower value per pound of product, such as potatoes, grains, and other crops.

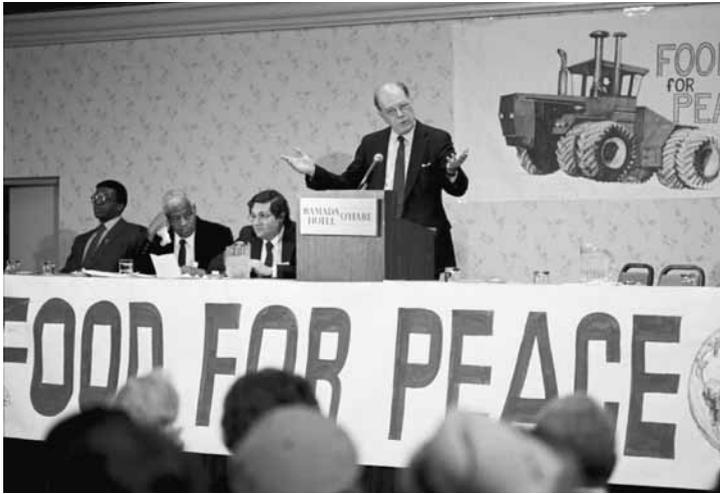
When we think about all these things, we have to think about the size of land area which a family farm or inter-family farm can manage, so we're talking about the corresponding number of hundreds of hectares, 100 hectares and up generally, even with very efficient land use, is what can be managed, if we include, for example, a certain amount of reserve land. There will be more a tendency to have reserve-maintained farmland, that is, with a proper cover, to improve land not in use.

So essentially, I think, most land of farmland type not in use should be within farms; and under a parity structure, the farmer would be accorded a price, or shall we say, a payment, for maintaining the reserve ratio of land for future use or rotational use, as well as the land actually in production. That would be the best way of handling most of the farm reserve land, that is, to keep it in part of the production cycle under management-ownership. There is a policy of keeping reserve land being farmed under proper cover as an integral part of farming, rather than having it as something separate, in large trustholdings, which is just completely inefficient.

Let me say one other thing about the family farm.

Let's take a comparable issue. Let's take the function of the middle-level high-tech industry in the vertical integration of industry as a whole.

Is it better to have the research laboratories in tool



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Lyndon LaRouche addressed the second international Food for Peace Conference in Chicago, December, 1988, on the theme, "Give Us This Day Our Daily Bread." He co-founded the Food for Peace effort of the Schiller Institute earlier that year, with his wife, Helga Zepp-LaRouche, to bring world development into being, with justice and plenty for all.

shops, integral with a large industrial corporation; or is it better, at least in part, to have these firms as separate owner-operated firms, as vendors to large corporations?

The latter should be obvious. In an economy, when we go to things like infrastructure, which is a mandatory quality of improvement of the environment as a whole, then the state must be involved and the actual entrepreneurial quality of management by the state is not a premium, as long as we agree on the proper level of technology to be applied.

However, when we get into production, and particularly into the tool-making and tool-maintaining side of production—the area where the greatest amount of creative progress is made in technology—we require the greatest amount of concentration on private initiative and the smallest ratio of employment in administration, to employment in combined research and production functions—what I call research and development functions—as well as production.

So the farm is like that. To maintain progress in agriculture requires the same principle as in the middle-sized, high-tech industry, in which the entrepreneurial farmer, with the least amount of administrative cost in the farm structure, is the vehicle by which technology and technological improvements are mediated, to produce a quality product. And thus, we need the family farm or the equivalent—essentially the family farm—as the predominant institution of quality agriculture.

Obviously, there will tend to be a great deal of specialization in hydroponic/aeroponic agricultural pro-

duction, because of the capital investment which will tend to delimit. However, there will be also an intelligent application, a diversification, in order to utilize the capital more efficiently, and to hedge and balance against contingencies.

For example, we saw the idiocy of compelling farmers to choose between growing feed and feeding cattle, things like that. We need a diversified agriculture. The degree of diversification is not something which should be debated. The point is, the general idea: We want the advantage of the specialization, with diversification, and we want that potential for diversification maintained actively within the unit farm. So the farmer should be diversified, at least to a small degree, in order to become *potentially* diversified, in a significant practice at some later date, as may be required.

The downsizing of farming in general is indicated by the very nature of farming.

We have seen the megafarm in the communist world, and the idea that so-called capitalist management in the West, can do a better job than the communists did, cannot be proved. There's not much of a case to be made for that.

The essential problem, as we see in former East Germany, we see in Czechoslovakia, we see in areas of the former Soviet Union, is that the transfer from the family farm to the megafarm, was the most significant factor of the agricultural disaster in those parts of the world.

Finally, just one additional comment on the subject of parity prices.

Farmers have been largely brainwashed on this subject of parity prices—that is, those who think they don't need it. They find every argument in the world to go against parity price.

The principle should be, that the parity price applies to the farmer, not the grain dealer or the grain speculator. It's at the farm gate, essentially. Plus, the discount of the parity price, is at the farm gate. And that price at the gate, within the total parity structure, that percentage of the total parity structure which represents farm product at the gate—that part is the part that must be paid to the farmer.

Now as to how this relates to mega-growth, or being competitive with mega-farming, that's a matter of tax policy. And we have, presently, an insane tax policy.

So, we should have sane regulation, which is parity price regulation policy and a sane tax policy and a sane investment tax credit policy applied to agriculture as well as to industry.