

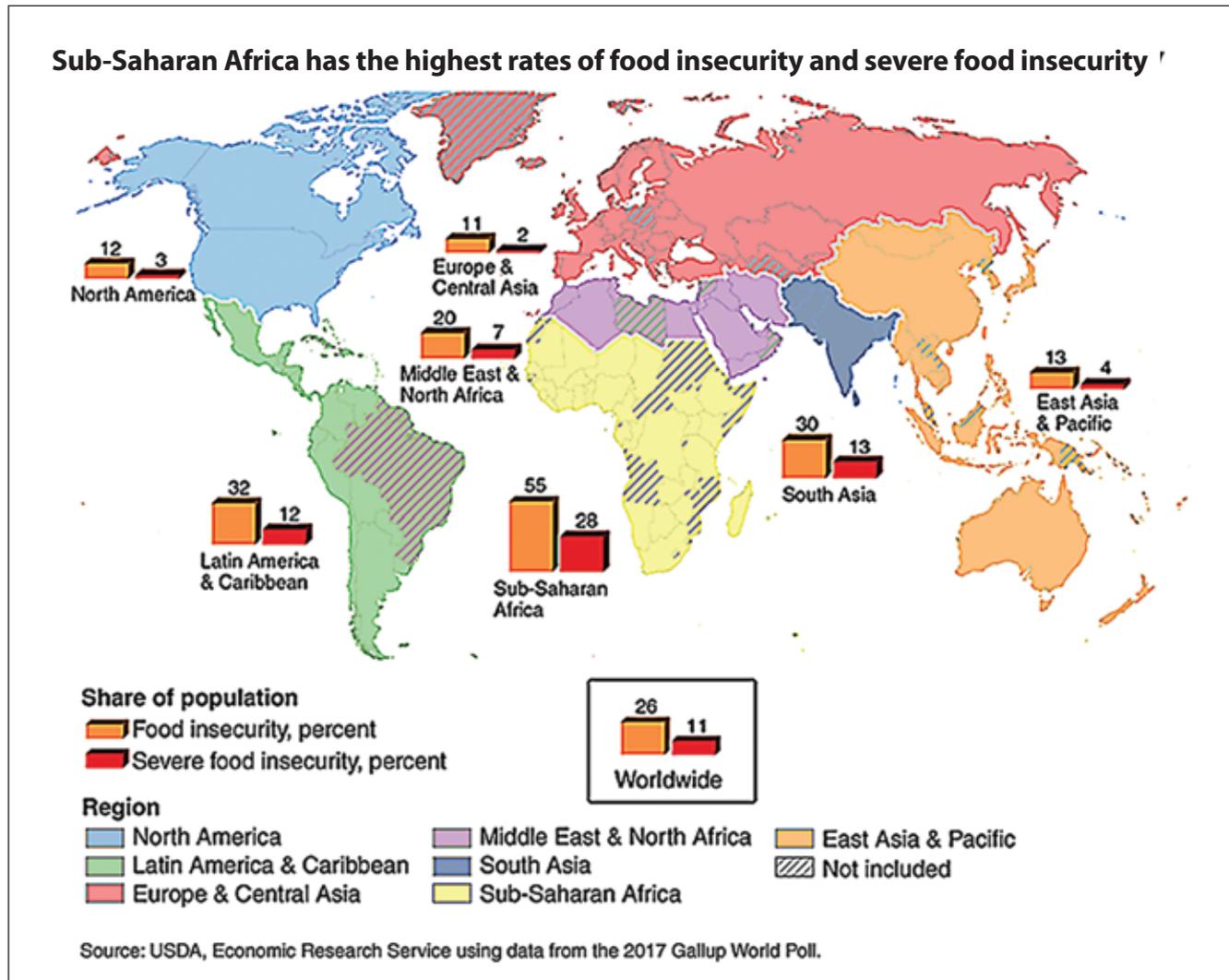
# Pandemic Requires Emergency Action Against Monetarist ‘Markets’ System

## *Principles to Secure Food Supply Set by LaRouche*

by EIR Staff

April 5—Action is urgent to assure the food supply under pandemic conditions—food production, processing, storage and delivery. Millions of lives are at stake because of the pre-existing condition of food scarcity in Africa, parts of South America and other areas of

chronic import-dependence. In addition, food shortages can occur anywhere as production and supply lines snap, either from COVID-19 directly, or from the blow-out of the financial system, which, except in China, had already undercut farming to the breaking point, even





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*The leaders of these four nations urgently must convene a summit to coordinate the international response to the coronavirus, and food security has to be an integral part of their deliberations. Left to right: Presidents Donald Trump, Xi Jinping, and Vladimir Putin, and Prime Minister Narendra Modi.*

before the virus came on. Farmers in Europe have had tractor protests in the streets since last fall.

No motivation is required to convey the benefits of eating, but the March 31 joint appeal for international collaboration on ways to secure food supplies, issued by the World Health Organization (WHO), the UN Food and Agriculture Organization (FAO), and the World Trade Organization (WTO), will remain just that—a plea for food security, unless there are stronger initiatives by key nations. The WHO/FAO/WTO statement expresses worry over food uncertainty, export restrictions, and shortages: “It is at times like this, that more, not less, international cooperation becomes vital.”

In brief, emergency measures are required in three areas:

1. Intervene to stop commodity speculation, price-rigging from the monopolized processing sector, trade control by the cartels, and all other aspects of decades of Wall Street/City of London rake-off in the name of “market forces” monetarism. At the same time, support farms and ranches, with price stability measures based on parity pricing, and with moratoria on foreclosure, extension of special production credits, and income support wherever necessary. Implement anti-trust actions, while in the meantime, government intervention can override cases of violation of public interest by cartel processing and trade concentrations. Plentiful credit must be directed into farming and ranching in a timely way, to facilitate cycles of planting/harvesting and livestock production; and for defending against disasters (fires, floods, storms). This

requires a Glass-Steagall type re-organization of banking in the U.S. and other countries, as of yesterday.

2. Commission and support farm and ranch production of priority commodities, and expedite shipment of foodstuffs to final destinations. This requires international collaboration to benefit each nation’s profile of domestic production and imports. Nation-to-nation commodity contracts are essential, or use of the FAO or other agency as a coordinating body, but to the same effect of mutual benefit among nations. In addition to raw commodities and foodstuffs, all essentials for agriculture must have the same nation-to-nation contracting, or approval-power over private contracting, including for oil and gas products, fertilizers, agrochemicals, seeds and livestock genetics, veterinary medicines, and the like.

3. Effect these measures by initiating at the earliest moment a summit of the leaders of the four Great Powers—Presidents Donald Trump, Xi Jinping, Vladimir Putin, Prime Minister Narendra Modi, and leaders of other nations as willing, who together have the moral and political force to confer and initiate decisive action. Consult farm leadership on all continents, beginning now, to inform and assist the food and agriculture agenda, as part of fighting COVID-19, and to meet food emergency and ongoing food needs. This means gearing up for establishing agriculture productivity, necessary infrastructure, and food abundance everywhere on the planet, indefinitely.

There are precedents for these initiatives. For example, the World War II Lend Lease program (March

1941-August 1945) involved nations collaborating to set targets of what commodities would be produced in the U.S. (foodstuffs, machinery and other materiel) and delivered to designated nations (UK, USSR, Free France, China and others) under various terms. What must happen today, is collaboration in the same way, but on a world scale, for millions more people.

Africa, as a continent, in recent “normal” years, is 40 percent food import-dependent for daily diet. The import-share varies country by country, but overall it is a huge vulnerability. Right now, with the combined effects of COVID-19 spreading, on top of other diseases (measles, Lassa fever, HIV/AIDS, malaria, tuberculosis), plus the eastern Africa locust scourge and southern drought, holocaust conditions are pending, unless there

is an international emergency mobilization for food as well as medical aid.

Statesman Lyndon LaRouche repeatedly put forth over recent decades, the principles needed to deal with emergencies and for sustained progress. He warned of pandemics and other deadly consequences from lack of economic development, and mobilized to avert suffering and the disaster we are seeing now. China has been singularly outstanding in applying forms of the principles that LaRouche stressed. Had they been heeded universally, the planetary crisis would not now exist. LaRouche focused attention on the necessity of ending the neo-British Empire monetarist system, which is now cracking up chaotically.

At different times in the course of his warnings, La-

## LaRouche: Principles to Solve the Food Crisis

April 5—During the 1980s, the United States lost tens of thousands of farmers as a result of the impossible financial conditions, which were part of the same British Imperial monetarist system through which African nations were then thwarted, by IMF and World Bank conditionalities, from developing their own economies and food security.

Lyndon LaRouche, for his 1984 presidential campaign, wrote a 450-page platform, *The Independent Democrats’ 1984 Platform*, presenting what he called, “Five Crises Facing the Next President.” Two of them concerned food: “Collapse of U.S. Agro-Industrial Output,” and “Erupting World-Wide Food Shortage.” In the latter section, he wrote measures for the President and Congress to “act immediately.” A longer excerpt from that section of the book is [available](#) in the March 12, 1985 issue of *EIR*. The principles embodied in seven proposed measures to be taken are relevant to today’s crisis, and are presented here in summary form:

1. There must be an immediate moratorium on farm foreclosures, nationwide.
2. Establish immediately, a policy of intervention to maintain farmers’ gross prices at 90 percent of parity.
3. The President and Congress must intervene with emergency measures, to facilitate the reorganization of financial affairs.



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Lyndon LaRouche, campaigning for President in 1980. With him is his wife Helga.

4. Disaster relief for farms in relevant regions of the nation.
5. Immediate action to develop fresh-water management systems in areas suffering from, or threatened by major water shortages.
6. Immediate action establishing in the Department of Agriculture an improved market-forecasting system of service to, and in cooperation with farmers.
7. The President and Congress must take emergency action in response to the existing and worsening world food shortage.

Rouche addressed agriculture specifically. He met with farmers in many countries, and conferred on the gamut of agriculture, from science to credit questions. For example, in the 1980s—only a decade after the August 1971 floating of currencies—the U.S. farm sector was drastically hit by a run-up and then a plunge of prices, a collapse of induced debt, along with bankruptcy, foreclosure and destruction. In 1979, 3,000 farmers staged a cross-country national tractorcade—driving 2,500 miles from some states, to call for remedy. LaRouche put out the principles to be acted on. They still stand as guidelines for today. Here we report more on the conditions in the three areas of action cited above, with a focus on the United States.

### **Stop ‘Markets’ Speculation, Monopolization**

Farmers have been whipsawed by low prices and price swings for years, but especially so in the last few months. Since January, prices received by U.S. corn growers—already low, dropped by 12 percent; soybean prices dropped 7 percent.

Meat and dairy producers are very hard hit. Milk prices to dairymen have fallen drastically, as schools and restaurants have been closing, thus lowering demand. Dairy farmers are dumping milk in Wisconsin. Producer beef prices from Jan. 23 to March 16, dropped 28 percent from \$126 down to \$91.35 per hundred pounds for live cattle—the biggest drop in 40 years. However, this is not simple “supply and demand.” The meat packers—four firms dominate over 85 percent of U.S. beef processing (Cargill, Tysons, National Beef/Marfrig, JBS)—made \$500 to \$700 per head of cattle processed. Iowa Senator Chuck Grassley (R) called for an investigation.

Other sectors of farm production are in extreme chaos. For example, thousands of fruit and vegetable growers saw their markets disappear overnight, whenever stay-at-home orders shut restaurants, colleges, school systems, courts, hotels, cruise ships and vacation zones. Some farms are trying to re-tool for super-markets. Other farm operations cannot function without seasonal labor, most of which had been from migrants, now not there, directly or indirectly because of COVID-19.

The March 27 CARES Act has in it more than \$40 billion for aid to farmers through the Agriculture Department’s Commodity Credit Corporation (CCC, founded in the 1930s). Every such stopgap might help,

but farmers are being looted by the Wall Street-rigged “markets” structure itself.

### **Back Production to Meet Food Needs**

Agriculture capacity everywhere needs to be matched—through consultation within and between nations—to meet the food needs of people. The time is over when farm production can be outsourced or fostered in one place or another, and the practice billed as the means to “compete” in commodity production, gain a trade balance surplus, and other such monetarist goals—through which the commodity cartels and speculators were the only gainers all along, not farmers nor eaters.

Nation-to-nation contracting can be implemented to stabilize supplies. Basic staples must be assured. High-protein sources must be figured in. At present, amid the virus and financial turmoil, some nations are announcing grain export restrictions. Russia, the top wheat exporting nation, has a 7 million metric ton cap on its foreign wheat sales from April-June (still in the range of its customary sales level). Likewise, from April 12 to June 30, Russia and fellow nations of its customs union (Belarus, Armenia, Kyrgyzstan) will restrict exports of rye, sunflower seed and soybeans. Vietnam, the third biggest rice exporter, announced that for a specified period, additions to its own national rice stockpile will have priority over exports to its trade partners. Cambodia has put bans on rice exports. Egypt will limit bean exports. If bad crop weather hits on top of this import-export chaos and the pandemic, the results will be catastrophe.

Besides collaboration to de-escalate food conflict, it is also time to end the bio-fuels diversion of farm capacity to fuel, and make way for more food production. To save the agricultural capacity involved, provide stipends for the farmers to make the shift—both corn growers and the DDG (dried distiller grains) users who can shift to other livestock rations.

### **Put Food on Summit’s Pandemic Agenda**

The nature of what is needed to shift to an agriculture policy based on supplying world food needs, and benefitting all nations and peoples, calls the question on the City of London/Wall Street monetarist system, that has for decades perpetuated hunger in Africa and elsewhere, while undermining the family farm system everywhere. Only the highest-level decision making can start to end this destruction.