

# On the agricultural crisis

3 November 1998

Dear Editor,

Thanks for your great web site! I discovered it after the Sudan bombing and appreciate the coverage of so many global events and issues. Here is one thing I am curious about:

In several recent articles (Oct. 17 'Montana Republican tells candidates' forum: 'Clinton should be shot', 'Budget Agreement ...') an agricultural crisis in America is mentioned. What is this crisis and why is it occurring? Is it because of extreme temperatures and drought? I live in Georgia and in the past half year we've had extremely hot temperatures and very little rain (a good bit of it due to hurricanes). The *Atlanta Constitution* had a (very vague) front page article that referred to the drought as one of the worst in Georgia history that has had a huge effect on farmers, but besides this it seems this is a silent drought that no one will talk about.

What is your take on this year of turbulent weather? Since I've lived in the same place for 25 years I've been able to watch the weather become less stable and comfortable, and global warming has been a concern of mine for a long time. I realize the evidence may still be 'inconclusive' but I wonder how much more evidence we could possibly need.

Well, even if you don't want to delve too deep into climate change, please try and provide us with more info about what is going on in agriculture, here and globally. Thanks for your time!

KH

Dear KH,

Thank you for your letter. The questions you ask about climate, its relationship to agriculture and the agricultural 'crisis' are of great significance. These are complex issues which cannot be dealt with in any great depth in this reply, but there are some points I would like to make.

First, the very fact that we speak of a crisis in agriculture expresses the contradictions of the society in which we live. After all, enormous strides in science and technology have increased agricultural output exponentially. However, the provision of food is still subjected to the anarchy of the capitalist market, i.e., to the profit drive of agribusinesses and banks and the competition between different nation-states for domination of the world's natural resources, profits

and markets. Thus, we have the almost incomprehensible phenomenon of millions starving in the Third World and farmers in the US and Europe being ruined because 'too much' food is being produced. The increase in agricultural output--which provides the means to feed the world's people--has coincided with falling commodity prices, increased bankruptcies and growing economic tensions.

Similarly, despite widespread evidence of the irreparable harm being done to the environment and its impact on climate and agriculture, governments and transnational corporations are incapable of implementing a rational plan to address global warming, the depletion of the ozone layer, acid rain, the destruction of the rain forests and other forms of environmental damage. With great fanfare the world's governments came together in 1992 to sign the Rio Treaty. However, what they produced was meaningless because the political representatives from each country were primarily concerned with the defense of their 'own' national interests, and that of their 'own' corporate polluters.

We strongly believe that the protection of the environment and the rational organization of agriculture is only possible on the basis of an internationally planned socialist economy which elevates human need before corporate profit.

There is no question that changes in climate have adversely impacted agriculture. However, the severe weather did not cause the present crisis. Climate changes have exacerbated the general trend in farming which has seen the virtual wiping out of family farming and the concentration of food production in the hands of the banks and giant transnational agribusinesses. The main factors that must be considered in this regard are the increase in productivity and the globalization of the economy.

Just as in industries such as auto and steel, agriculture has been subjected to the pressures of globalization. Modern technology and science applied to agriculture, combined with vast improvements in global transportation and communications, have broken down the boundaries between countries and regions. Farmers previously insulated by national and regional markets have been subjected to severe competition. In many cases family farmers have been driven out of business.

Previously, farmers in the US operated within regional

frameworks administered by the government which also provided price supports to stabilize the markets. The growth of large corporate farms, both within and outside of these traditional regions, increased the supply of goods and caused a sharp fall in commodity prices. Soon family farmers were complaining that market-driven prices were insufficient to either sustain their families or provide capital with which to prepare for the next growing season. During the 1960s farmers in the Midwest simply dumped their milk or slaughtered and buried their livestock in protest over these financial pressures.

By the 1980s world markets were firmly in the grip of gigantic global companies such as Cargill and Archer Daniels Midland. During the recession of the early 1980s rural America was rocked by bankruptcies. Dairy, grain and livestock farmers joined regional and national farm organizations in an effort to combat this trend. Farmers mounted protests in vain to try and block farm foreclosures. State troopers descended on farms to impose the will of bankers on recalcitrant farmers.

Previously government programs had acted to help sustain family farms. Under the Reagan administration, however, programs such as PIK (which paid farmers not to grow crops) were used as a weapon against small farmers. While PIK payments were insufficient to maintain small farmers, larger farmers received income from idling land, while farming other portions. Even bankers who had no idea of how to plant a crop bought up foreclosed farmland and cashed in by registering for the PIK program and not tilling the soil.

Today family farmers in the US confront the global market as never before. They must compete against giant agricultural entities all over the world which can apply large amounts of capital and the most advanced farm technology while employing cheap peasant labor under the most brutal living conditions.

The contemporary family farmer rarely resembles his counterpart of 20 years ago. To compete he generally must expand to encompass the land of his former neighbors. This requires investing in farm implements which dwarf those of the past both in size and cost. Most can only take this step with a banker at their side. The question can legitimately be asked, 'Who really owns the farms?'

Quite often corporate and governmental powers take advantage of natural disasters to hasten this process. Last year, one of the worst floods in 100 years took place along river valleys between Minnesota and North and South Dakota. A mayor of one town briefly charged that the Federal Emergency Management Agency had purposely withheld information that would have predicted for farmers well in advance an impending record flood. This would have

allowed them to purchase flood insurance. (Insurance must be purchased during a specified period in advance of a flood.) Instead the flood warnings were not announced until after that period had passed. The outcome was that insurance companies saved millions while struggling farmers had a poor growing season, which led to many bankruptcies.

It would be a mistake to view the crisis in agriculture as purely an American phenomenon, however. In the recent period we have witnessed farmers in France, Spain and other European countries barricading roads to protest government policies that allow importation of cheaper agricultural goods, including US products. In many parts of Europe the right-wing politicians, including fascists, have sought to exploit the tensions caused by this crisis to foment nationalist hatred of immigrants and workers of other countries.

Similarly in the US, many areas which have been hard-hit by the farm crisis have seen the growth of militias and other right-wing forces. Pressed by the banker on one side, and global competition on the other, desperate farmers sometimes respond to appeals for lower taxes, economic protectionism and against 'big government.'

However, their interests do not lie in turning the economic clock backwards by reinstating national regulation and encouraging a return to the days when small family farms were dominant. Nor is it to accept the unfettered operation of the capitalist market. Control of food and farming must be taken out of the hands of the banks and agribusiness concerns like ADM and Cargill and placed under the democratic control of working people. If used in the interests of the masses, instead of private profit, the world's resources and productive capacity would allow both the production of an abundance of food and economic security for those who produce it.

While a socialist government would provide low-interest credits to small farmers to keep them out of bankruptcy we believe the future lies in the development of large-scale socialist agriculture. We are sure that the benefits of a shorter work day and collective ownership of modern machinery and supplies would convince many farmers of the superiority of these productive methods and that they would gladly join such an enterprise.

Please let me know what you think of these ideas. Again, thank you for your interest in our web site.

Sincerely yours,

Cory Johnson for the WSWs



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**