

Manatt grabs Iowa farmland under cartels' plan to bankrupt farmers

by Marcia Merry

The official deed books of title to Iowa farmland reveal in black and white that Charles "Banker" Manatt—chairman of the Democratic Party, whose presidential candidate is a self-styled "friend of the family farmer"—has been systematically buying up Iowa farm acreage at distress sale prices in at least two counties. Investigations to date reveal that he owns at least 2,000 acres in his own name, and probably more through fronts and partners.

Manatt, whose father farmed in Iowa, is not simply buying up a "bit of the old sod" for nostalgia's sake. He and many other money-men from out-of-state are circling over Iowa like carion crows over a carcass. For example, farmers report that Manatt swooped down on the farm of Bernard Christiansen in Audubon County and "bought it up dirt cheap" at a foreclosure sale.

Manatt's overnight gentry status is now on display. September 8 is "Charles Manatt Day" in Audubon, Iowa, where he is visiting for party fundraising. A deal is offered to the locals: For a \$10 contribution you can enter the country club and watch Sir Charles golfing.

Manatt has zeroed in on Iowa to take personal advantage of the national farm bankruptcy crisis which farm "experts" in the Manatt-Mondale circles have been planning as part of their blueprint for totally transforming the basis of American agriculture into a mass of poor tenant farms amidst large landholdings, contract agriculture, and conservation preserves.

The farmbelt crisis

Iowa is one of the top farm states in the nation, the very center of the world in terms of corn and hog output. However, the state is on the way to becoming a "former" agricultural center. Farm auctions and foreclosures are taking place daily. At least 40% of the farmer or independently owned cattle feed lots have closed down. Quad Cities—the four famous farm implement and machinery manufacturing towns straddling the Iowa and Illinois border—looks like a ghost town. John Deere Co., the farm equipment manufacturer, and other companies have laid off thousands. Farmers cannot replace their equipment.

Farmland values are plunging. As of June 1 this year, according to Federal Land Bank figures, farmland value in Iowa declined 8.8% over the year previous; and 16.9% from

the year before that. The picture is the same in the adjacent states, Minnesota, Illinois, and Nebraska.

A bankruptcy avalanche is set to take place this fall. At least 10% of the farmers in this region, who account for 25% of the total farm debt of the region, amounting to several billion dollars, have a debt to asset ratio of 70:100 or worse. These farmers are not expected to receive loans for another planting and are vulnerable to any slight disturbance in the banking system. An additional 18% of the farmers have a debt to asset ratio of between 40:100 and 70:100. They are all losing net worth.

The national farm crisis

What is happening nationally is that the core of the 100,000 middle-size, independent family farms which account for nearly 50% of the nation's food supply are being driven out of existence. Officially, there are about 2.4 million farms in the United States—but that counts everything from a few acres with a chicken to a giant dairy-herd factory in California. The range of middle-size farms, 50 to 999 acres, with an average income of \$50,000 to \$200,000, are the backbone of the American farm output and food supply.

A Bureau of the Census report released in September says that already by the year 1982, the number of such medium-size farms had significantly declined. Since then, the decline has worsened. The average size of the American farm dropped from 449 acres in 1978 to 439 in 1982. Small farms of 50 acres or less grew by 17% during that time. These latter are "grub hole" operations where farm family members have off-farm jobs to pay for the losses of farming.

At the other end of the spectrum, "vertically integrated" cartel agriculture is spreading, as independent farmers are pushed out of the picture. In some cases, these are huge cartel-incorporated farm "factories." In other cases promoted by the cartels, the farmer retains his highly indebted land, equipment, and buildings, but he is locked by contract into production cycles controlled by the cartels, which supply him the seed, the fertilizer, the feeder animals, etc. The farmer then has to sell back to the same cartel company the crop or market animal at any price the cartel sets. The farmer's gross may appear large, but he is always forced to operate at a near loss or worse.

The cartels involved in this include Cargill, Continental

(for example, through its Wayne Poultry division), and some agribusiness giants like Ralston Purina, which has gone into contract hog farming.

The point man for the international cartel policies is Orville Freeman, Secretary of Agriculture under Kennedy and Johnson, and now chairman of the advisory board of the Cargill-backed Hubert Humphrey Institute of Public Affairs. Mondale is an associate of this institution. In the Reagan administration, this same Freeman circle includes Henry Kissinger, an associate of the Hubert Humphrey Institute, and Undersecretary of Agriculture Daniel Amstutz, a 25-year Cargill executive.

Freeman and his circle are issuing policy statements advocating the "restructuring" of farming in the 1985 federal farm bill. He advocates contract farming—sharecropping—like Green Giant vegetable production, or United Brands' banana-republic operations.

Freeman's collaborators include Martin Abel, of the agriculture consulting firm, Abel, Daft, and Early. Abel and Lynn Daft, who is Mondale's official farm policy adviser, have just done a study published by the Curry Foundation—headed by Charles Curry, former Democratic Party national treasurer under Charles Manatt. The study, "Future Directions for U.S. Farm Policy," cites the "trifurcation" problem of farm sizes, in which the middle-size farmer (gross sales between \$20,000 and \$200,000, producing about 44% of all food) is feeling "financial stress." Daft and Abel advocate doing nothing about it. They say, "though Congress has begun to focus on the financial stress problem, it is unlikely that they will enact legislation in 1984."

In a recent speech by Freeman, "Comparative Advantage in an Interdependent World: The Need for a Realistic Agricultural Policy for the U.S.," the need for "supply reduction mechanisms" is stressed. His circle intends to make certain that the independent family farmer becomes extinct.

The conservancy swindle

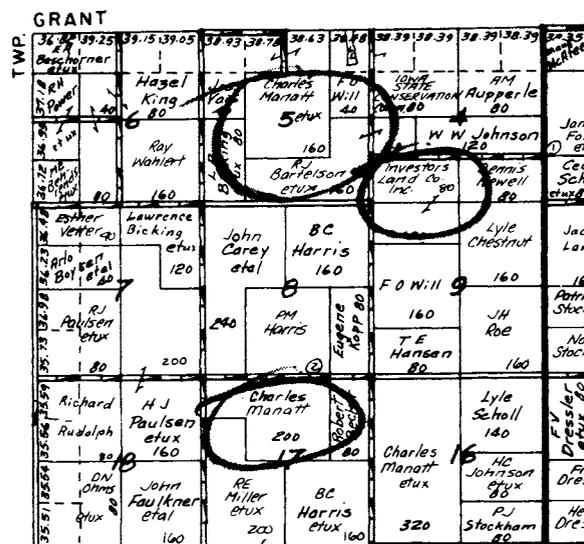
Among the institutions which collaborate with Freeman and the grain cartel companies are the conservation front groups—which have profited ownership of farmland to determine how independent family farmers can be dispossessed.

In Iowa, Nature Conservancy of Washington, D.C. is buying up farmland and "holding it" until the Iowa state Conservation Commission can buy it from them (at a tax write-off profit to the Conservancy gentry membership). As shown in the accompanying deed book of title to two counties in Iowa, one of the Manatt holdings is proximate to some Iowa Conservation Commission land. Manatt may be able to surround himself, like a British lord, with lands held "in the public trust."

The national Conservation Foundation is the mother group to these rural gentrification swindles. In 1981, it published a book on who owns America's 1.3 billion acres of rural lands. The American Farmland Trust, a spin-off of the Conservation Foundation, published the book, *The Market for Rural Land: Trends, Issues, Policies*, which is addressed to "regional planners, appraisers, rural landowners, and public officials, and all who are concerned with protecting the beauty and productivity of the American countryside." Think of lovely Iowa, when the farmers are all gone.

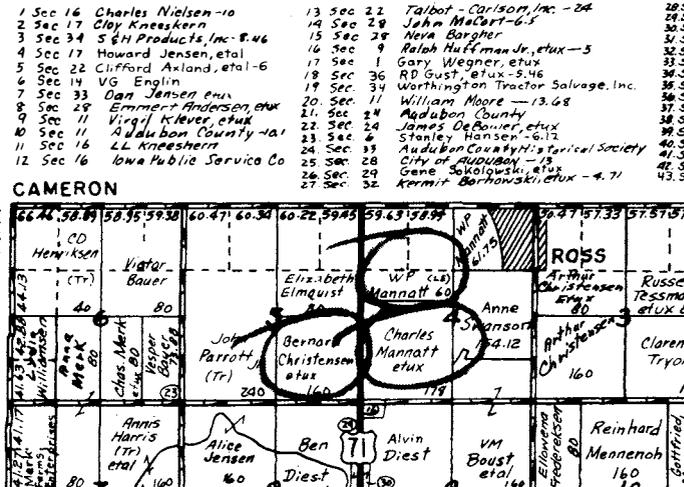
LINCOLN

T 76 N - R 34 W OF 5TH P. M.



LEROY

T 80 N - R 35 W OF 5TH P. M.



Farm land bought by Democratic Party Chairman Charles Manatt at distress prices.