market, a drain on the federal budget, which is the buyer of last resort, and a drag on the farmer's price per 100 pounds of milk sold. The current price level of about $11.50 per hundredweight of milk a month, is way below the farmer's cost of production.

The USDA insists that milk output should be reduced by at least 9%. But the milk "surplus" story is just a myth for the gullible; the true story is that the international market for U.S. dairy products is kept down almost to nothing by collusion of the international dairy cartel companies—Nestlé, Unilever, and the New Zealand Dairy Board. The domestic market suffers from the economic depression, which prevents households from buying high-quality dairy products.

The USDA and the media give a lot of attention to the government-owned unsold dairy stocks in storage—cheese, butter, and dry milk powder. However, they exaggerate. If you took all the butter and cheese stocks in government storage in the country and divided these by every person in the United States, here is all you would get (from USDA March 21, 1986 figures): one pound of butter and 2.5 pounds of cheese for every person in the United States (and some of that would be moldy and inedible). If you were to distribute all the dry milk powder to Africa, there would be enough to provide each person three gallons of milk.

The stated intention of the USDA is to eliminate 9% of the national milk output. In fact, much of the basic economic infrastructure—schools and community services, agriculture extension networks, transportation and processing systems—will also be eliminated. Farmers whose cows produced almost one-fourth of last year's milk supply got in line for the program, because they had nowhere else to turn. Of the 14,000 farmers that were convinced to accept a one-shot payment to shut down their farms, fully 40% are in the top six dairy states—Wisconsin, Minnesota, California, New York, Pennsylvania, and Michigan—where the dairy infrastructure has been so well developed over the years, that these states produce more than 50% of all the annual milk output. Now that is being dismantled.

Figure 3 shows the total number of dairy herds to be liquidated, in the 10 agricultural regions of the country (milk production regions do not exactly correspond to these regions of crop output, but the scale of the shutdown process is nevertheless clear).

Regional milk shortages will appear soon after the program begins. Under these shutdown conditions, there are already projects underway for large-scale milk "factory" farms, based on off-shore and foreign investment. There are projects reported in the Carolinas and Georgia, involving Irish and Danish dairy expertise, backed by money flows of dubious origin. These projects are taking place under the expectation that milk will soon become a high-priced luxury item.

Rifkin's kooky campaign against farm technology

While the U.S. government is closing down farms, a parallel drive is under way to lower food output by obstructing the development and application of scientific breakthroughs that can increase productivity. The most prominent spokesman for this effort is Jeremy Rifkin, the pseudo-scientist who uses his Washington, D.C.-based Foundation for Economic Trends to prevent the use of biotechnologies in agriculture.

In April, Rifkin won a court judgment staying the use of genetically altered bacteria that can protect row crops and citrus groves against frost damage. These benign bacteria would allow the production of millions of tons a year more fruits and vegetables around the globe.

Rifkin's latest court action is to attempt to block the use of a bovine growth hormone that promises to increase the dairy cow's milk output by up to 20%, without proportionately increased costs to the farmer. Rifkin is demanding that the government do an economic impact study of the use of the hormone, charging that it will put dairy farmers out of work, because the cows will be too productive. Rifkin is also against the use of computerized cow feeding stations and a new chemical feed additive, because they make dairy herds so much more productive.

Rifkin's book *Algeny—A New Word, A New World,* presents his superstitious rationalizations for why scientific advances and applications should be stopped.

FIGURE 3
Liquidation of U.S. dairy herds
(as of March 1986)

Region	Total number of herds requested for liquidation	Number of herds to be liquidated
Lake states	16,731	4,677
Cornbelt	6,169	2,521
Northeast states	5,502	1,579
Northern Plains	2,903	1,329
Appalachian	3,420	1,089
Pacific states	1,213	705
Mountain states	1,192	658
Southern Plains	1,028	570
Delta states	760	484
Southeast	651	376
Total	39,534	13,988

Source: USDA