Agriculture by Marcia Merry

Dairy slaughter proceeds

The national cattle herd declines, exactly as planned by the international dairy cartel companies.

On May 24, the U.S. Department of Agriculture (USDA) announced its latest estimates for the number of dairy animals being eliminated at present under the "dairy herd termination program." By August, an estimated 931,360 animals will have been eliminated since April.

In addition, dairy farmers not participating in the program—in which the government pays the farmer to slaughter or otherwise liquidate the herd—are also shutting down. For example, in Tippah County, northern Mississippi in May, a dairy operation was auctioned in a sale forced by the Farmers Home Administration (FmHA) in late May. This is common.

The number of dairy cows slaughtered in April was 280,088; the number in May will be about 163,216; the number expected to be slaughtered in June is 121,603; the number in July is expected to be 137,500; and the number expected to be slaughtered in August is 228,950. The rationale given by the USDA is that there is an oversupply of dairy products, and an overcapacity of milk production. However, measured against the need for better nutrition in the country, when per capita dairy consumption has been falling, and measured against the tremendous need for high protein food supplies in nations abroad, the oversupply is a myth.

Congress, after passing the unprecedented "dairy herd termination" program last December, as part of the five-year "Food Security Act of 1985," in subsequent months, has simply made gestures of concern about the possible ill effects of the program, particularly on beef producers. Firstly, Congress has avoided serious ac-

tion to open up the vast potential for international dairy exports from the United States, despite the raging food trade warfare perspective, conducted by the State Department and the USDA, in particular, by USDA Undersecretary Daniel Amstutz, a Cargill man, who represents cartel interests.

The international dairy trade has always been dominated by only three cartel trade companies: Nestlé of Switzerland; Unilever of northern Europe and Britain; and the New Zealand Dairy Board—a holdover form the British Empire. The U.S., with its extensive dairy infrastructure, was never permitted entry into the world dairy trade. It is the policy of the international dairy cartel companies that the independent dairy output potential of the U.S. be drastically scaled back.

The number of milk cows in the national dairy herd will be slashed by over 10% in the short 18-month period of this current termination program. As of January 1986, there were about 11.79 million milk cows (that have had calves). This number is now declining weekly.

The beef cattle producers filed suit and won compliance by the USDA with the beef producers demands that the dairy slaughter program be conducted in a way to stop the devastating market price drop that is hitting the beef farmers. However, little has been done, because the national behind-the-scenes policy of the USDA and State Department and collaborators in Washington is to drastically reduce the food output potential across-the-board in the U.S., not merely to cut back so-called surplus dairy production.

This food reduction policy, for ex-

ample, was spelled out in detail under the Carter administration, in the form of the White House-ratified report, Global 2000, which called for cutting the world's population by half by the year 2000. In this line of thinking, there would be half as many farmers, and far less food. This policy has been continued on the level of undersecretary and staff under the Reagan administration.

The total cattle and calf inventory of the country (both beef and dairy) has shown the following decline in recent years: July 1983: 123.54 million head; July 1984: 121.5 million; July 1985: 116.3 million; and January 1986: 105.468 million head. This represents a drastic reduction in breeding stock and output "bounce-back" potential, as well as a simple drop in numbers.

In a display of ineffectual dissatisfaction with the dairy herd termination program, the House Operations Subcommittee voted 5-2 on May 15 to subpoena Frank Naylor, USDA undersecretary, to testify before the committee, because he had refused to provide them information on how the program was being implemented. Naylor claimed he was not involved. Subcommittee chairman Glenn English (D-Okla.) said, "By refusing to testify, Mr. Naylor is showing his contempt not just for Congress but for American farmers whose very livelihood depends on the sensitivity and even compassion of officials who carry out farm programs such as the dairy buy-out."

However, Congress was too timid and ill-informed to subpoena the party higher-up who is responsible for the deliberate policy of shutting down farms and food, Undersecretary Daniel Amstutz. Representative English said that the subcommittee wanted to have Amstutz appear, but that they focused on Naylor, because he refused.

EIR June 6, 1986 Economics 15