Overcoming the Reagan 'Recovery'

# Boosting food output from Virginia can help meet world food needs

by Joyce Fredman

The fourth in a series of surveys of state-level production potentials, this EIR report summarizes the condition and potential of food output from Virginia.

The Commonwealth of Virginia is not part of the great United States farmbelt. The most famous crop from the state is what was known in early days as "the Virginia weed"—tobacco. Today this namesake crop is less and less in demand. However, the agricultural output potential of the state—if mobilized as part of a general revitalization of the national economy—has an important role to play in restoring U.S. per capita food supplies to their proper level of nutrition; and also in selectively exporting foodstuffs during a period of trade collaboration to upgrade nutrition for chosen points of need.

With its ocean-port location, Virginia can ship selected farm products, like feed corn, abroad, even though the state is not one of the high-producing combelt states. Virginia's potential to produce high-quality animal protein—milk, beef, lamb, and poultry—can be actualized, far more than at present, to upgrade the food supplies of the populous Eastern Seaboard region.

### **Number of farms declines**

From 1978 to 1982, the number of farms dropped from approximately 57,000 to little more than 50,000 in Virginia. At last record, there are an estimated 51,829 farms, 2.3% of the total number in the United States. Conservative projections estimate that another 25,000 farms will be lost in the state by the year 2000, if the trend continues. In 1985, Virginia was second only to Texas in number of farm failures, while farm debt has been increasing at a slightly higher rate than nationally.

The plight of these farmers is getting worse daily. The Richmond Farm Credit Association has had 40 to 50 foreclosures and bankruptcies in the past eighteen months (June 1987). Records show Virginia farmers owed \$12.19 for every dollar they earned in 1985. A report by Virginia Polytechnic Institute and State University, one of the finest agricultural schools in the country, projects what the farm sector of Virginia will look like by the year 2000. (See **Table 1**.) However, if the national economic decline is not reversed, the Polytechnic projections will be unrealistically rosy. And if proper economic revitalization measures are taken, the projections will be far too negative.

TABLE 1
Summary of 1982 Virginia farm numbers and projections for 1986-98, by size class

Gross sales class (thousands of \$)	1982	1986	1990	1994	1998
< <b>\$100</b>	45,874.40	37,460.77	30,765.95	25,406.49	20,859.17
\$100-250	2,376.10	2,694.54	3,093.62	3,656.41	4,347.25
>\$250	1,098.90	1,320.18	1,591.77	2,012.50	2,606.75
Total	49,349.40	41,475.49	35,451.34	31,075.40	27,813.18
Percent of total					
<\$100	92.96%	90.32%	86.78%	81.76%	75.00%
\$100-250	4.81	6.50	8.73	11.77	15.63
>\$250	2.23	3.18	4.49	6.48	9.37
Total	100.00	100.00	100.00	100.00	100.00

Source: Virginia Polytechnic Institute.

EIR August 7, 1987 Economics 13

What is required is to freeze and reschedule farm debt and then to offer low-interest production credits, originating with the Treasury Department, but channeled through rural banks and the Farm Credit Bureau, in order to rev up production. In coordination, export and other trade financing must ensure a destination for the output, so that parity-related prices for farmers can prevail.

## Virginia's varied output potential

Virginia has a remarkable variety of output, for its mid-Atlantic location. The state is not a leader in any one crop—like Iowa, for example, in corn and hogs—but Virginia is significant for a variety of food products. **Table 2** shows the rank order of Virginia's output in selected crops, in comparison with the output of other leading producing states. The table also shows the percentage of national output Virginia produces of those products.

The state has an area of 40,817 square miles, (39,780 land and inland water) three fifths of which is forested. Over 37% of the land is currently used for farming. The soils are generally fertile and the climate mild. The state is one of the best located geographically from a farmer's viewpoint of marketing opportunities.

Over 400,000 people, more than 22% of the workforce, are employed in agriculture. The average farm size is 182 acres; however, 53% are between 1 and 99 acres. The five major production regions are shown on **Map 1**. The top five counties in agriculture are Rockingham and Augusta (in the Shenandoah Valley), Pittsylvania (in the Southern Pied-

TABLE 2
Rank of Virginia's crop production compared to other states—1985

	Rank among other states	Number of producing states	Va. as % of U.S.
Turkeys	5	32	6.56
Tobacco	5	16	6.02
Peanuts	5	9	6.88
Apples	6	35	4.97
Broiler chickens	10	50	3.56
Cattle & calves	20	50	1.57
Farm chickens	19	50	1.60
Hogs	19	50	.80

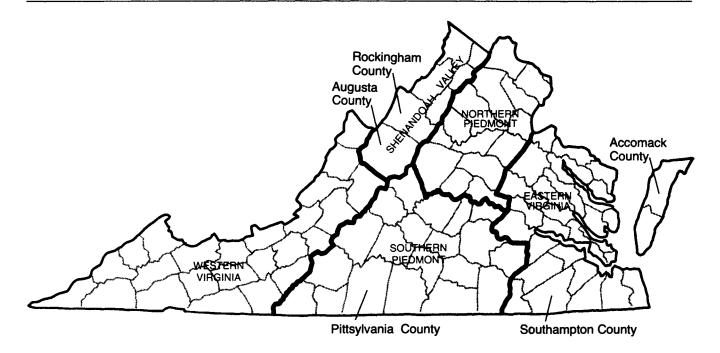
mont), Southampton (in Eastern Virginia), and Accomack (in the northern part of the Delmarva Peninsula).

Table 3 shows the state's chief farm products. On the Eastern Shore (the Delmarva Peninsula), truck farms produce vegetables and small fruits. For example, Taylor-Fulton, Inc., one of the nation's 10 largest tomato producers, is headquartered in Mappsville, on the Eastern Shore.

Inland from Norfolk, in the southern Virginia region, the major farm products are peanuts, soybeans, and hogs. The world's largest hot dog factory is located in Virginia, owned by the Gwaltney Co., which produces the famous-brand

MAP 1

Five agricultural production regions of Virginia



**EIR** August 7, 1987

Smithfield ham products. Southside Virginia is also tobacco growing country. In recent years, tobacco growers have attempted to diversify by adding broccoli to their cropping, in order to make use of available labor and equipment at the off-time of the tobacco season.

The Shenandoah Valley is one of the nation's most important apple-growing regions. It also has significant poultry production. The giant Holly Farms company has operations in the Shenandoah Valley, and on the Eastern Shore as well.

Rich pasturage in the Appalachian Valley and in some counties in central Virginia is especially favorable for cattle raising. In the coastal plain, the tidal lowlands are usually covered with loam, a mixed soil rich in organic materials. To the west, sandy loams and clays predominate. In the Piedmont, clay and limestone soils dominate, and in the valley areas west of the Blue Ridge, limestone soils are found. There is no reason, then, with the proper economic program, that Virginia could not triple her beef cattle numbers, 2 million at present. The present number of dairy animals could be doubled in the state—instead of reduced by the federal Dairy Herd Termination program. Similar ratios could be used for hogs (now 350,000) and sheep, the other top meat animals.

Nationally, the inventory of meat animals has fallen drastically, relative to population growth. In absolute numbers, the national beef cattle inventory is at the same level as it was in the early 1960s. The same with swine.

# Specialty crops won't solve crisis

With a gear-up of the "meat and potatoes" side of farm output, there would be no problem in continuing the traditional Virginia "horse industry" activities of pleasure horse training and breeding. Other new Virginia farm activities—such as wine, and the new ever-bearing raspberry and small fruit cropping, could take their rightful place. The wine industry has grown from 286 planted acres in Virginia in 1979, to over 1,600 this past year. There are now 34 wineries in the state, with production going from 60,000 gallons in 1980 to approximately 280,000 gallons this past year. More than a few have produced medal winning wines.

The recent report on the "Future of Virginia Agriculture," commissioned by Gov. Gerald Baliles, and prepared by a team including experts from the Polytechnic occasionally, wrongly, implied that farmers in financial trouble can look for stabilization through such specialty diversification as wine grapes, vegetables, etc. Diversification into specialty crops has its role in some circumstances, but only sweeping emergency measures can restore Virginia's agriculture sector to its needed productive potential in animal product output, orchards, and other traditional basic food supplies.

With a mobilization to expand output in Virginia's traditional crop profile, credits can be advanced for farmers to immediately upgrade the living and working conditions of migrant and seasonal labor for the fruit, vegetable, and tobacco fields. In fall 1986, an interagency migrant worker policy committee was established by Gov. Gerald Baliles in



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EIR August 7, 1987 Economics 15

response to the miserable farm labor conditions in the state. The committee has recently recommended that \$1-2 million be appropriated by the state for low-interest loans so local farmers can build or rehabilitate housing. The committee recommends another \$300,000-400,000 to restore education programs lost by cuts in federal funds. This is the minimal requirement. In the context of a national reinvigorated economy, more mechanization, and whole communities can be introduced to the orchard and truck gardening regions, to create the productivity needed for bountiful harvests, without degradation.

Because of its excellent ocean shipping capability in the Norfolk region, Virginia is uniquely situated to address the crying needs of the Third World for food exports. Virginia could show the way with record production, and then ship directly to Africa, the Caribbean or other points of need. Emergency measures required to facilitate this include antitrust investigations and actions against the cartel companies that dominate over 90% of the world grain, dairy, and other trade flows.

For example, Cargill, the grain cartel giant that is based in Minneapolis, but run on behalf of private family "trust" interests in Europe, owns the large storage elevator facilities in the Hampton Roads region. Cargill has consistently underpaid U.S. farmers for their grain. At the same time, Cargill and the International Monetary Fund, have collaborated to deny food shipments to Africa, but to supply discount, U.S. government-subsidized food to the Soviet Union. Actions of Cargill, and the other world food cartel companies—Bunge, André/Garnac, Louis Dreyfus, ADM, Continental (which owns Wayne Feeds), Nestlé, Unilever, and so forth, have suppressed the food output of Virginia, just like that of farmers in every other state in the country, and in allied nations.

### **Fishing**

The Atlantic Coast, Chesapeake Bay, and the large tidal rivers are a source of livelihood for 8,000 commercial fishermen. In 1985, Virginia ranked third in the nation in the tonnage of fish landed, despite the trend of declining prices. In 1984, 574 million pounds of shellfish and finfish were caught and valued at \$83 million; in 1985, 723 million pounds were caught and valued at only \$77 million. Seafood processing and wholesale operations employ approximately 5,600 people. With emergency economic measures enacted to assist the fishing and processing industries, plus low-interest credits for new methods of shell fish "cultivation" for the Chesapeake Bay, Virginia's catch could be vastly expanded, and add an invaluable source of protein for national and foreign consumption.

