# Agriculture by Marcia Merry

## Where's the beef?

*The Reagan-Bush "recovery" is killing off the nation's cow herds; watch for supplies to drop.*

Despite all the rhetoric from the White House and the George Bush campaign about the Great Recovery, the facts and figures show that something as all-American as steak is going out of existence, or at least out of reach of the average American.

The most conservative estimates predict that U.S. beef production this year will be down by 5% from last year, and will drop at least another 5-6% in 1989. The simple drop in the number of beef animals makes this inevitable.

The national cattle herd, as of the beginning of this year, numbered 99 million head, the lowest total since 1961. Since 1982, the herd has dropped by fully 16 million head, including a fall of 3 million in 1987. But this does not tell the full tale.

Nearly 40% of the decline in cattle numbers since 1982 has been in the breeding herd. This herd has dropped 16% in these six years, from 39 million cows in 1982 down to 33 million head today. This has resulted in about a 4.6 million head drop in the annual calf crop, so that in 1987, there were only 40 million head born, the smallest total since 1960.

Beef trade journals have been warning of the situation of shortages of animals for feedlots and pastures. The April issue of *Beef* carried a feature article by editor Paul D. Andre, headlined, "Prepare for a Cattle Scramble; Reduced Cattle Numbers Bode a Shortage of Young Cattle."

Figures provided by Cattle-Fax, the cattle information service, document what the article calls "a dramatically reduced supply."

According to Cattle-Fax, the total feeder cattle supply was 43-44 million head during the 1981-84 period. At the beginning of this year, supplies were about 36.5 million head, a drastic drop of 8 million head.

Cattle feeders will be squeezed because of the short supply to pay more for the scarce animals—some are trying to contract now for cattle yet unborn. Yet, because of the fierce consolidation among packing houses, these feeders may not be able to get decent prices, and be squeezed out of operation altogether.

In 1966, there were about 145,000 feedlots in the country. Since then, the overall number has shrunk, and a few giant feedlots are taking over. Today, 200 giant lots market 50% of all fed cattle to slaughter.

The absolute numbers of beef animals slaughtered yearly is now dropping. In 1987, there was a 3% drop. This year, the drop continues, and includes a decline in the slaughter of all three categories of animal—cows, fed cattle, and non-fed cattle. For 1989, Cattle-Fax analysts predict a drop in slaughter of 1-2 million fed cattle.

Per capita supplies of domestically produced beef will go down this year from last by at least 4 pounds, from 77 pounds a year in 1987, to 73 pounds in 1988. Next year, beef supplies per person will drop below 70 pounds a year.

While the national beef output potential has been eroded, several food cartel companies have positioned themselves to take maximum advantage of scarcity and market domination. At present, only three beefpacking concerns slaughter 70% of the steers and heifers in the United States: IBP (Iowa Beef Processors, owned by Armand Hammer); Excell (owned by Cargill); and several brand houses owned by ConAgra.

In 1976, there were 222 packing houses that each slaughtered over 50,000 head annually. Now there are only 112.

A decade ago, Armand Hammer, chairman of Occidental Petroleum, quipped, "Beef will be the oil of the '80s." He has systematically bought up and expanded his beefpacking empire. The U.S. Department of Agriculture has stood by approvingly, despite the unprecedented consolidation of power over prices paid to cattle raisers, deterioration of slaughterhouse working conditions, and monopoly over meat supply to consumers.

As hog numbers have also declined in recent years, the Department of Agriculture, under the complete control of the food marketing cartel, has merely made noise along the standard "Recovery" lines, saying that eventually, meat-animal numbers will "bounce back."

The Agriculture Department's long-term policy has been to destroy the family farm system of U.S. agriculture, and that includes destroying U.S. meat output. To prepare the population, over the last 20 years, the USDA has revised the recommended daily amount of meat intake per capita downward, several times, with lip service to reduced cholesterol, better nutrition, etc., but all the while tacitly justifying declining beef output.

Finally, in recent years, the cattle producers have levied a tax of $1 an animal on themselves to pay for television ads featuring actor James Garner, who reminds you that eating beef can be fun. In case you forget.