## **Agriculture** by Marcia Merry Baker

## U.S. wheat crop threatened

Man-made disasters are breaking the links in the world food chain, and starvation looms.

June is the month for the harvesting the bulk of winter wheat (planted in the fall) in the U.S. grain belt, which makes up over 75% of total annual U.S. wheat production. This year's crop is a disaster; it's so bad that even the major media are covering the "story," and you may see film footage of dusty fields of dried-up wheat stalks.

The U.S. High Plains wheat belt, from Texas up through Oklahoma and western Kansas, has been scorched by the same drought hitting Mexico, now in its third year.

This year's U.S. wheat harvest, relative to the average annual harvest in recent years, will be a record low. With world grain supplies also low, any U.S. crop problems are an automatic, world-wide catastrophe.

But the impact of bad weather is not to blame for the impact this bad crop will have on the U.S. farm sector, or on the food chain. The extent of damage is man-made, and the wheat crop disaster, and other crisis situations in the U.S. farm sector, just point up the need for policy changes. What is required are emergency economic measures.

First, look at the U.S. agriculture base overall, then the wheat states crisis.

As of mid-May, it is estimated that one out of every three of the 3,089 counties in the United States is now under some degree of "disaster" designation, for flood, wind, fire, drought, hurricane, or other natural disaster. For example, in mid-May, relief aid was announced by U.S. Agriculture Secretary Dan Glickman, for 31

storm-damaged states. This will include some funding to

- eight eastern states for blizzards;
- five northwestern states for heavy rains damage;
- seven southern states for hurricanes:
- three Plains states (Texas, Oklahoma, and Kansas) for fire and wind damage from drought;
- eight Mississippi-Missouri River Basins states, such as Iowa and Missouri, for watershed repairs.

And other federal agencies have lists of county crisis projects. You hear the question, is this all because of "Mother Nature," or the "End of the World"? Only to a mind conditioned by overexposure to theme parks. In the real world, the problem is the cumulative effect of the last 25 years of lack of infrastructure building and repair.

Take the High Plains states. The water improvement projects have been blocked that would provide water for irrigation, and in general, for replenishing the Ogalalla Aquifer (which lies beneath much of this region), and enhancing the environment.

In the 1950s, California hydrologists worked on a continental-scale project, the North American Water and Power Alliance (Nawapa). It was large, not technically complicated, and called for diverting water from far northwestern North America, southward, to provide water for the High Plains and arid Southwest. By diverting only 15% of the current water flowing into the Arctic from the Mackenzie system, southward, the U.S. national available daily water "budget"

would go up by about 25%.

The Nawapa project was debated in the 1960s in Congress, and approved by many western interests; then stalled in the 1970s, and cancelled in the 1980s. In 1979, the Federal Reserve Bank of Kansas held a symposium on Western Water Resources, specifically denouncing Nawapa or any other such water supply projects. Completion of the waterworks in the upper Missouri-Mississippi Basins was also blocked. This is the backdrop to understand today's disasters.

On May 22, Texas Agricultural Commissioner Rick Perry declared that the current drought "has the economic potential to be the worst natural disaster in the 20th century in Texas." Because there is no infrastructure to supply relief water, Perry could only say that relief may not come until it rains, maybe not until 1998 or 1999.

The Texas Panhandle region is at 12% of normal rainfall for year to date; most of central and south Texas is at 30%. The effects are cumulative, and drought conditions are in their second or third year. Texas agriculture's drought losses are now placed at \$6.5 billion by the state's Agricultural Extension Service.

Oklahoma officials foresee potential ruin to 10% of all their family farmers, that is, 7,000 out of 70,000 farmers. Mexico has seen the loss of over 30% of its beef herds.

Texas Agricultural Commissioner Perry worried that farm operating costs, interest rates, and farm debt levels are much higher than during the 1930s Dust Bowl. "That's the scary part to me," Perry told the press.

Before the current drought, the Texas farm population dropped by 28.5% between 1980 and 1990. Water use for irrigation in Texas, dropped by 30% from 1974 to 1991, as water supplies were diverted to non-farm use.

EIR June 7, 1996 Economics 15