Exercise Economics

Mobilization To Double Food Production Is in Full Swing!

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In a worldwide mobilization, with literally life-or-death consequences, an increasing number of governments are taking their own urgent measures to increase agricultural production, so that, as soon as possible, they can regain the food security which the enforcers of free trade have been denying them for so many years now. Because when hundreds of millions, or even up to 2 billion human beings, are struggling just to stay alive, and when revolts, wars of starvation, and revolutions loom, any government which wants to remain in office, has no recourse but to attend to its citizens' general welfare.

Meanwhile, the increasingly obvious bankruptcy of the globalized system and of unregulated free-market economics, hasn't prevented its propagandists from continuing to hawk their poison as a cure for the ailing world economy. So, for example, the World Trade Organization's director-general Pascal Lamy, and Peter Mandelson, British Commissioner of the European Union for Trade, in charge of negotiations with the World Trade Organization (WTO), are currently attempting to bring the so-called Doha Round to a conclusion by late May or early June, seeking to eliminate the last remnants of Europe's Common Agricultural Policy (CAP). If they succeed, this will result in dramatic losses of up to 20% for Europe's farmers.

The beneficiaries of this policy—a policy which is all the more repulsive in light of the starvation afflicting so many around the world—would be the big food cartels, as well as the hedge funds and other speculators, all of whom have an

interest in curtailing production. Faced with the collapse of the "New Economy" market bubble and of the U.S. mortgage market, they have either hurled themselves into speculation on foodstuffs, or else have convinced themselves that, in the biofuels market, they have found a new, magical source of profit maximization. Lurking behind them, first and foremost, is the British oligarchy and its co-thinkers worldwide, who want to expand the power of supranational bureaucracies such as the WTO, the International Monetary Fund, the European Union, etc., in order to rule the entire world as their empire. The losers in this game are the billions of people in the developing countries who face starvation, along with the European farmers who are increasingly deprived of the means to survive—and all the rest of us, the consumers who have to pay ever higher prices for food.

This week in Geneva, Crawford Falconer, the WTO agricultural negotiations chairperson, is expected to present a paper which proposes that all agricultural questions should not be dealt with separately, but rather should be lumped together with all other commodities—i.e., that food should be an object of speculation, just like any other commodity. This neoliberal free-trader is determined to push the Doha Round agreement through by late May, so that by six months from now—before the Bush Administration leaves office—all governments will have signed off on it.

Resistance Grows to WTO Policy

Fortunately, resistance to this is mounting in France, Germany, and Italy. French Agriculture Minister Michel Barnier has released his own paper, which not only defends Europe's CAP, but recommends it as a model for Africa, Latin America, and other regions. He excoriates the WTO's practice of forc-

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World Trade Organization Director-General Pascal Lamy wants to finalize the Doha Round free-trade agreement immediately, but anti-WTO forces are out to shut his operation down.

ing developing countries to give up agricultural production for domestic consumption, in favor of so-called "cash crops," i.e., harvesting for export, so that the debt which has piled up because of IMF conditionalities, can be paid. As an alternative, Barnier calls for increasing agricultural production everywhere, not just where it might be profitable. He is being supported in this by Horst Seehofer, Germany's Minister for Food, Agriculture, and Consumer Protection, and by Italy's Agriculture Minister. In all likelihood, it will come to a direct confrontation between these three on the one side, and the opposing position of the British and of EU Agriculture and Rural Development Minister Mariann Fischer Boel—at which point it will become clear once again, that the EU's policies are diametrically opposed to the interests of Europe's nations.

Meanwhile, an international mobilization of the Schiller Institute and of the LaRouche Youth Movement on five continents, calling for a doubling of food production, has coincided with many countries' efforts to supply their people with adequate food, to increase domestic production, and thus to release them from the WTO regime's death-grip. The mobilization aims to put the need to double food production onto the agenda of the conference of the UN Food and Agriculture Organization, which takes place in Rome on June 3-6.

Taking only two of dozens of examples:

- In Argentina, the chairman of the Chamber of Deputies' Agricultural Committee, Alberto Cantero, organized a hearing, at which he spoke out in favor of a doubling of domestic food production and for the creation of a state agency for overseeing the marketing of foodstuffs; and in an exclusive interview [published in this issue of *EIR*], he expressed support for the Schiller Institute's call for putting a doubling of food production worldwide onto the FAO's conference agenda.
- In the United States, Democratic Presidential candidate Hillary Clinton, speaking at an election rally in South Dakota, was enthusiastically applauded when she answered a question

from a representative of Lyndon LaRouche's "Food for Peace" initiative, saying that food production must, of course, be massively increased, and that American farmers must be enabled to help conquer hunger, and to help other countries such as Haiti to become self-sufficient.

In view of the enormous extent of the world hunger crisis—a crisis made still worse by the recent catastrophes in Myanmar and China—more and more people are summoning up the courage to speak out and name the true culprits. At a hearing held by the Financial Services Committee of the U.S. House of Representatives, experts spoke out in favor of a revolution in agriculture, and stressed the necessity to prevent the IMF and World Bank from forcing "conditionalities" on the developing countries, with destructive consequences, for which those institutions are never held responsible. A number of experts, including Dr. Raj Patel of the University of California, Berkeley, backed the analysis set forth by UN Special Rapporteur Olivier de Schutter, that the world must now pay the price for its 20 years of mistakes, and that the World Bank and IMF are chiefly to blame. Dr. Patel also attacked former U.S. Secretary of Agriculture John Block, who, in an infamous speech at a GATT meeting in 1986, claimed that the idea that developing countries could become self-sufficient, was an anachronism. And so, even though, so far, this has been only talk, and Congress has not yet passed any effective legislation on it, these discussions about the causes of the catastrophe are still useful.

No 'Triage' Is Necessary

There's also more discussion about ways to solve the crisis. At a seminar in Ottawa by the International Development Research Center, many speakers, including Robert Zeigler, director general of the International Rice Research Institute (IRRI), stressed that supplying the world with sufficient affordable food would not be a problem: All that would be required, would be to equip farmers with the best currently existing technologies and cultivation methods. A forecast issued by the International Food Policy Research Institute points out that a termination of the swindle of subsidies for biofuels production would result in immediate 20% price reductions for corn, 14% for manioc, and 11% for wheat.

But, at a press conference in Lima, Peru, held in connection with the EU and Latin America summit meeting, EU Commissioner Mandelson responded to a question from a Schiller Institute representative, by claiming that no such connection exists between food prices and biofuels! Someone ought to bring a tape measure to determine how much longer Mr. Mandelson's nose grew with that one! Because the fact is, that a person could live *for six months* on the food required to produce a single tankful of ethanol for a mid-sized automobile! And the misanthropes who fill their tanks with ethanol in order to soothe their eco-consciences, can use that as a measure of how many peoples' lives they're destroying each year.

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Members of the LaRouche Youth Movement organize in Berlin on May 3. The sign shows President Franklin D. Roosevelt, with the slogan, "U.S. Tradition: The Solution to the Crisis." The LYM is calling for doubling food production, a New Bretton Woods system, and a New Deal for the whole world.

Meanwhile, the UN World Food Program is experiencing ever more triage against the 82 Low Income Food Deficit Nations (LIFDN)—a program of triage by which some receive assistance, and some not, with the poorest nations having simply no chance, since they cannot pay the higher prices. Some countries, however, are attacking the root of the problem.

President Abdoulaye Wade in Senegal, for example, has initiated a program which not only covers the total consumption of grains, rice, manioc, milk, meat, etc., but which is also aimed at keeping the corn cribs full. President Bingu wa Mutharika of Malawi has likewise overridden the "laws of the free market," and has issued coupons for seed, and is granting subsidies for fertilizers, so that a 283% increase in grain production can be achieved. In the Philippines, which formerly had been self-sufficient in rice, but which was turned into one of the world's biggest rice importers under the IMF and WTO regime, is about to launch a massive ramping-up of production. Malaysia is likewise determined to become self-sufficient in food. And many other countries are about to draw the same conclusions from the collapse of neoliberal free trade.

Yet another confirmation of the free-traders' incompetence, was revealed recently by Yves Mersch, governor of the Central Bank of Luxembourg and member of the European Central Bank governing council. He has expressed great concern over the rapid collapse in the value of structured securities which the ECB has been accepting from various Spanish,

Dutch, and British banks, as collateral in exchange for ECB credits. The scandal is that it had been clear from the very outset, that this so-called collateral in fact consists of unsalable financial "toxic waste," and that even non-banks such as Lehmann Brothers and Acquire Leasing, an Australian-based firm specializing in automobile leasing, have gotten into the act. A big question mark should be placed over whether these practices are even in compliance with the ECB's own statutes.

One thing, at any rate, is certain: The majority of humankind is not prepared to go down with what even German President Horst Köhler has admitted is a collapse of the globalized financial system. And the voices speaking out in favor of doubling of food production, are going to crescendo into a din which is impossible to ignore.

Moreover, the foreign ministers

of Russia, China, and India met in Yekaterinburg, Russia, and agreed on close collaboration on the international and regional level. One aspect of this, is the demand that India immediately become a permanent member of the UN Security Council; another is that India will refuse to back Kosovo's independence. The intensification of these three nations' strategic partnership—which will also be the subject of Russian President Dmitri Medvedev's upcoming visit to India—is not only the predictable answer to the Bush Administration's unilateralism and to NATO's and the EU's imperial plans for eastward expansion; it also portends a new center of gravity, which is already fast becoming a gathering-point for many developing countries.

We in Europe have a choice: Either we stick, on ideological grounds, with the WTO, IMF, and World Bank's failed model of globalization, à la the Lisbon Treaty, thereby making ourselves into an enemy of the strategic partnership among the Russia-China-India-allied nations and the developing countries; or, the nations of Europe become a true partner and friend of those nations. The latter course, however, requires that we enact effective laws against speculation, and for promoting physical production in agriculture and industry, and that here at home, we once again put human beings at the center of our economic policy.

And no matter what happens, the LaRouche Movement is now setting the agenda for the future: doubling of food production, a New Bretton Woods System, and a New Deal for the whole world!

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