Farmers in ‘bloody battle’ for global sales, Block says

NEW ORLEANS (AP) — American agriculture, once proud that each farmer could feed three families and didn’t look outside its own confines, now is part of a global farm economy in which a “bloody battle” will be fought for markets, former Agriculture Secretary John Block said here Tuesday.

“The world is digging in for (the battle) for markets, and there’s not enough markets to go around,” said Block, who added that the answer for U.S. farmers is to be weaned from subsidies so they can compete in a free marketplace.

Block continues to push at the theme used by President Reagan, almost a year after Block left the job to take over as president of the National-American Wholesale Grocers’ Association.

The problem now is that the world agriculture plant has overbuilt and overproduced, thanks to predictions in 1980 that a big demand for products was ahead and prices would soar, Block told a panel of the National Conference of State Legislatures.

About 6,000 lawmakers and members of their families are here for their 12th annual convention.

If subsidies could be phased out over five to 10 years — “whatever politics dictate” — and interest rates on farm loans could be lowered, the American farmer would do well, said Block.

Also, some 40 million acres of what Block called “marginal erosive land” should be taken out of production. An end to subsidies would do that, he said.

“We must cut production on inefficient land. I know it seems cruel and heartless perhaps to the fellow who can’t farm his land, but it’s got to be done,” said Block.

Subsidy programs such as crop insurance led to land being planted “that never should have been farmed,” he said.

Block warned that even if his suggestions were followed, “other things could put agriculture in a tailspin.”

He mentioned the budget deficit as one of the chief “things” that could do the trick, and again, pushed for what his former boss wants — a constitutional amendment to prohibit a deficit and line-item veto power for the president.

“We are spending $200 billion more a year than we are taking in. Everybody wants something, so we say OK — we’ll borrow more money,” said Block. “We need that amendment because nobody in Washington has the courage to quit borrowing.”

Asked by a state legislator who is the chief culprit in the soaring deficit during the Reagan administration, Block said:

“Everybody in Washington has some responsibility. The administration shares some of the burden for building up defense. Congress shares some for approving that buildup. States keep asking for things — keep up revenue sharing when there is no money for it. There is blame enough for everybody.”