

Introduction

For according to the universal law of events, every increase is followed by decrease, and all fullness is followed by emptiness. . . . Abundance can endure only if larger groups are brought to share in it, for only then can the movement continue without turning into its opposite.

—*Book of Changes*

Agriculture is more boring than it used to be but less boring than it seems. Agriculture used to be exciting from 1972 to 1976, when Earl Butz served as secretary of agriculture under presidents Richard Nixon and Gerald Ford. It was exciting because for the first time in recent memory the United States had difficulty supplying enough food to its own citizens, as well as to the rest of the world.

There were widespread predictions (the events did not materialize) that famine and starvation would reach epic proportions, that on the nightly news television viewers in the United States would see Third World scenes of millions of people dying for want of U.S. grain.¹

Angry consumers—enough of them that they created a potent political movement—demonstrated and boycotted. They protested unexpected increases in food prices, which newspaper headlines described as “skyrocketing.” The increases were so consistently high that they helped precipitate an economy dependent on double-digit inflation.

During this period angry anticommunist longshoremen struck and refused to load grain onto ships bound for the Soviet Union. Simultaneously presidents Nixon and Ford, whose political careers were based on lifelong opposition to communism, alternated between virtually begging the Russians to buy U.S. grain and embargoing shipments abroad for fear that the United States would run out of food.

Earl Butz, the most controversial secretary of agriculture in U.S. history, helped make an exciting period even more exciting. Unfortunately Butz has come to be remembered, to the extent that he is remembered at all, for two unrelated events that drove him from office and put him in jail. In 1976 he was forced to resign after the press learned that he had told an obscene and racist "joke." In 1981 he served 25 days in jail (released five days early for good behavior) because he deliberately failed to report \$148,000 in taxable income.

Although no excuse is made for the considerable defects in Butz's character, Earl Butz was a powerful secretary of agriculture whose ideas still affect the world's food policy today. Some experts argue that the principal agricultural problems in the United States and throughout the world stem from Butz's policies. Others argue that the problems have arisen because subsequent governmental decision-makers failed to adhere to the free-market principles Butz espoused and wrote into the law. In any case, no one can talk rationally about U.S. agricultural policy in the 1980s, and probably for the remainder of the century, without discussing the changes Butz made.

Butz's power as secretary of agriculture seemed overwhelming. He made one decision—to sell the Russians massive quantities of grain—that virtually overnight transformed the basic problem of U.S. agricultural policy from what to do with the surplus to how to make up for the shortage. Before him, agricultural policy was dominated by the fact that the United States produced more food than

it could possibly sell, give away, and store. Farmers prayed for bad weather, especially on their neighbors' land, so that supply would go down, prices would go up, and their income would no longer depend on government payments. Even when bad weather struck, however, it failed to destroy enough crops to solve the problems caused by surplus.

After so significantly changing the agricultural economy, Butz found overhauling the country's agricultural laws relatively easy. His predecessors considered it a legislative victory to change a few words and paragraphs in the farm laws, but they left the body of law basically unaltered since it had been created in the early 1930s. Butz rewrote some laws and abolished others, dismantling a system of land controls and subsidies that restricted able farmers and rewarded the others for their inefficiency.

Although he had problems with directors of management and budget, as well as with Henry Kissinger and other officials who wanted to use agricultural exports as a weapon in U.S. foreign policy, Butz seemed to have a power of his own. President Nixon, had he cared, was too involved in the Watergate crisis (among other things) to do anything about farm policy. President Ford didn't care. Thus Earl Butz rewrote the country's farm laws without the interference experienced by secretaries of agriculture serving under presidents Jimmy Carter and Ronald Reagan.

Surprisingly Butz, a Republican, ushered his laws through a Democratic Congress despite the active opposition of congressional farm leaders, including the chairs of the House and Senate agricultural committees. Both Bob Bergland and John Block, secretaries of agriculture under presidents Carter and Reagan respectively, had difficulty passing comparatively minor legislation even though Democrat Bergland was working with a Democratic Congress and Republican Block with a Republican Senate.

Butz was able to "get the government out of agriculture," as he had promised. Before his tenure, decisions on how

much a farmer could plant were made in the office of the secretary of agriculture in Washington, D.C. He changed the location of these decisions to the commodity pits at the Chicago Board of Trade and other exchanges. After his tenure, farmers became confused about where to go for direction, because the government reentered the policy-making process in an unpredictable, unthinking way.

After 1976 Earl Butz's legislative accomplishments and the market-oriented ideology they implemented appeared to fade. Butz's policies were powerless to prevent abundance from returning to farms throughout the world. Subsequent secretaries of agriculture did not understand why the transition to abundance was taking place. They tried to protect farmers while simultaneously keeping U.S. farm policy out of the government's control; they failed at both objectives. They were working with a confused and sometimes frightened Congress and with presidents who did not let them do their jobs. They were powerless as Congress passed laws that were confusing and expensive. In fact, after the omnibus 1981 farm bill was passed, it did not work. This law, which expires in 1985, did exactly the opposite of what it was intended to do.

Agriculture is not as exciting as it once was because after 1976 its principal problem changed from shortage to surplus. It is more interesting to read an account of how people were rescued at the last minute from starving to death—which happened all too frequently during Earl Butz's tenure—than to read about how hard it was for lackluster secretaries Bergland and Block to store huge surpluses of wheat.²

Agriculture is not as boring as it seems because there is no guarantee that this period of surplus will last. No one in government is taking precautions against new global shortages that could reappear through drought, pestilence, or other plagues not even contemplated. One unexpectedly significant disaster occurred in 1973, when the anchovy

catch in Peru was inexplicably low. Because anchovies are a significant ingredient in animal feed, an unexpected anchovy shortage occurring simultaneously with an unexpected grain shortage had a surprisingly severe impact on the world's food supply. Today the executive and legislative agricultural decision-makers are intellectual and political lightweights incapable of grasping the major issues that affect how much food U.S. citizens have to eat. From 1976 to the present, America's agricultural policy-makers have not even considered preparing for the future.

Earl Butz's most lasting contribution was to emphasize the importance of food. This importance may seem obvious, but before Butz it never seriously occurred to agricultural policy-makers that America could run out of food. Agriculture was dominated by technical discussions on such issues as allotments, parity, and non-recourse loans. Today policy-makers again seem unaware of how important food is.

This obliviousness is dangerous. Unless the United States replaces ineffective secretaries of agriculture and powerless congressional agricultural committee chairs with competent leaders who understand the issues, the country's current and future food supply is at risk. Pessimism seems unavoidable. After examining the facts, it is impossible to escape the conclusion that America's food policy will not improve until disaster strikes—a disaster for which the country is not prepared.

1. Imagine, for example, how much worse would be the current famine in Ethiopia if the U.S. and other nations could not send relief because there were no food available to send.
2. So massive are current surpluses that during the summer of 1984 when the Soviets made one of the largest grain purchases in history, the effect on supply—and indeed on price—was slight.