

ACTS OF LAWFUL ROBBERY!

HENRY WINSTANLEY

THE SAVAGERY that will characterise American politics over the next few years can be measured by the quality of the intentions now being revealed in the discussions on how to cut the budget deficit.

Proposals in the congressional pipeline are driven by a Republican philosophy that cleverly disguises real intentions. The outcome will be laws that will further disfigure the texture of American society as coarse sandpaper is rubbed over it by politicians who continue to apply their remedies to the surface of the system, all the while skilfully ignoring the flaws in the foundations.

The ghouliness of what the politicians have planned for their citizens is illuminated by the plans to balance the budget through a new Farm Bill.

This Bill is a misnomer for it embraces public spending on food for the poor. So when the Senate proposed that total spending on "agriculture" should be reduced by \$28 billion over the next five years public debate was compromised. People could be forgiven for thinking that this meant that farmers would receive \$28 billion less in subsidies.

In fact, the federal government's spending on food stamps and subsidised school lunches are handled through the Farm Bill. And the Senate proposed that \$20bn of the \$28bn cuts should be on the cost of providing food for the poor. Meanwhile the welfare state would continue to lavish large sums of unearned income on the owners of farmland!

WHEN IT comes to balancing the books, the political system works very hard indeed to make sure that the last people to suffer are those who do not earn their money — the landowners. This applies to all the democracies throughout the world.

Unfortunately, the language is contorted to distort discourse, the better to protect the landowners whose interests are best served by the quasi-socialism of American economic policy. Again, we could not wish for a better example of this than in the way the culture of American "free enterprise" is dishonestly misrepresented to the American taxpayer in order to enrich the landowner.

In the last 10 years, the US Treasury has paid over \$150 billion (£95 bn.) in direct "aid" to farmers. That money goes to a very small number of people:

- Only 4.5 million people still live on farms (2% of the US population) — but many of them are rent-paying tenants, not landowners.

- About 370,000 farms earn 85% of all farm income. And in some areas, like western Kansas, nearly half the farms depend on government hand-outs to survive.

Who gets the money? Not the farm workers: their wages are not raised to artificial levels by the mammoth transfer of taxpayers' income to the farm sector.

The net economic benefits are ultimately capitalised into higher land values. This means that, if the budget-balancing Congress really were to slash hand-outs to the farm sector, the first impact would be in the land market. Some sense of what this means can be garnered from a study by Kansas State University, which concluded that land values would drop by half if subsidies were withdrawn.

In other words: in the past, the political system worked hard to pump up the value of real estate — not the productive capacity of the economy. The farm "aid" was not necessary for the purpose of growing food on marginal land, for production on that land could have occurred anyway, if access to it was "free" (i.e., if it was not monopolised by owners who insisted on being paid for the privilege of letting tenants farm the land). No: "aid" is a simple device to raise rents.

MUCH OF the legislation of the US government is a rip-off by politicians whose skill is in keeping a straight face as they argue the case for enriching landowners. Many of their laws are acts of fraud: they extract income from those who earn it, to give to those who do not earn it. Lawful theft, in the lexicon of modern democracy, is not a contradiction in terms.

But it is astonishing that media commentators fail to expose the charlatans who claim to be acting in the public interest. The farm lobby is the most powerful of the lot, in the UK as well as the USA and France, which is not surprising, since it is controlled not by working farmers but by the rent-extracting landowners who use the farmer for propaganda purposes. They rely on fake arguments to justify their plunder of the public's income, and they continue to get away with it. As a result, a heavy price, in the United States, will be paid by the poor who will be made to bear the burden of the cutback in public spending.