

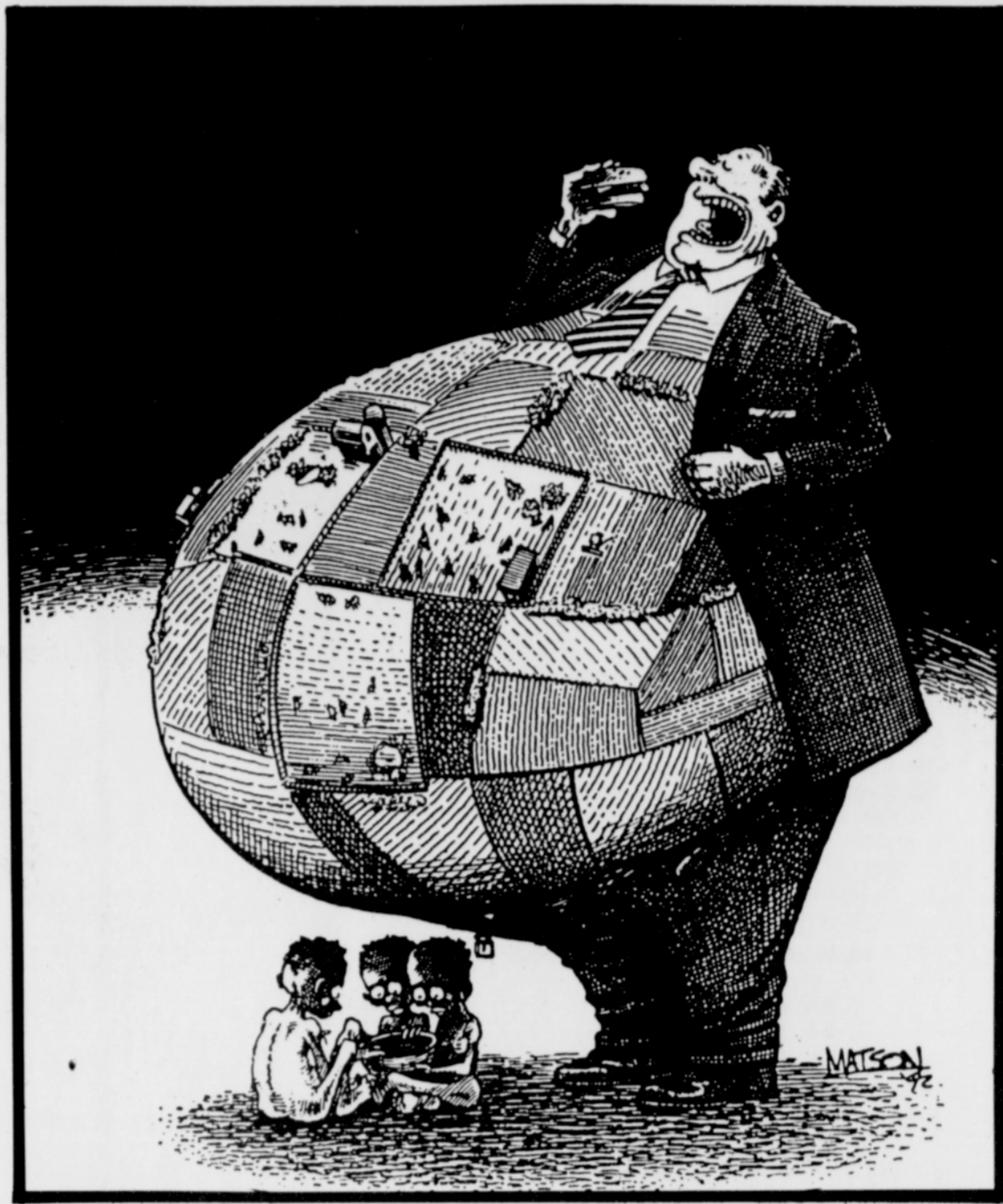
competition is only a still frame, a momentary snap-shot of a fluid real life action. The outcome of competition is the concentration of industry, and any contention to the contrary is patently absurd.

The perfect state of competition in the eyes of investment capital and Congress is one where volume multiplied by price reaches its apogee, and that theoretically perfect states of 'competition' will result in the theoretic price close to the point where maximum total profit is taken from a market. This is as far as the language of the U.S. interstate commerce legislation seeks to "free" trade from the "restriction" of monopoly. That competition can continue without resulting in consolidation is no more credible a contention than assurance a woman won't get pregnant from sexual intercourse. You would have to find it credible that: (1) there is free competition between a large number of competitors; (2) there is complete separation of ownership between all industrial enterprises, including consecutive stages in processing raw materials into finished goods; (3) there is no communication between these alleged many small producers over price and production rates; and (4) these producers provide for a market they do not have knowledge of. These conditions exist only in the minds of faith-based economists who subscribe to neoliberal ideology independent of evidence. The outcome will contradict the prediction: the workers will not become owners of industry, the tools are not becoming simpler, and prices are not decreasing in real terms.

If you lower your prices, you lower your profits which results in market consolidation, greater monopolization, and inevitably higher prices. When a supplier's market share nears 100% or s/he colludes with "competitors" to set prices and production levels as in a cartel, they will tend to raise prices to maximize profits higher than the total of maximum total profit. The total profit declines, but the rate of profit (the annual return upon money invested) continues to increase as fewer units are made and cost less in material and labor. Capitalists recognize the opportunity to obtain higher profits and recover part of their capital through investing in monopoly. As the market is consolidated, production declines and costs lower, liberating more unnecessary money ("free capital") to be invested elsewhere; buying up land, for instance. The profitability of monopolization or mergers and acquisitions, or vertical integration or whatever you wish to call it, is irresistible. A market without any subsidies and outside the protection of government regulation will fall as easy prey before the lions of investment capital and succumb to monopolization and subsequent inevitabilities of price.

Under monopoly control, the market price would tend to be set at the apogee of profit rate and production would diminish accordingly. Unregulated market systems, being outside the frail influence of human morality, have a history filled with genocidal ghettos in which discarded masses of humanity are liquidated through monopoly absorption of land. Currently, about 1 billion people are malnourished or starving in the food markets of today despite subsidies. Under an unregulated market, where pursuit of profit reigns unrestrained, 3.25 billion people or more will likely starve, and the world economy will implode as billions of others redirect most of their income to their immediate nutritional survival. Imagine the shrill howls of "overpopulation" by Malthusians as world finances convulse and nations plunge into open warfare.

It does violence to the rational mind to imagine the price of food advancing beyond the point of maximum profit, but it can when production and transport has been destroyed by acts of war, such as the ravaging of crops, roads and the lives of farmers as in Vietnam with chemical defoliation and forced removal from villages into so-called 'strategic hamlets'. As a result, the price of agricultural commodities rises still further to



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the point where inadequate supply finds its market price as it did in Ethiopia in the 1990s. As such, the outcome of violence in human relations pushes the price of necessity beyond the means of people into the wild universe of maximum cost that absorbs all wealth as vital social bonds fail in frantic anarchy.

If all subsidies and government regulations are removed and the production of food is left entirely to the market without consideration for the need of humans to eat, then capital will be irresistibly attracted to further monopolize trade in agricultural commodities, and all significant means of production and distribution of food will fall to the speculative ownership of capitalists, as have other means of production succumbed to processes of accumulation independent to which nations they are located in and indifferent to the moral inclinations of the owners of capital. Without safeguards, monopoly control of the trade in food is only a matter of time and the amount of available investment; the incentive to do so is irresistible.

The casual observer will recognize the urban population of Earth, having no capacity to grow their own, is reduced to

buying their food. Historically, this situation is recent. Prior to the Great Depression, a majority of people lived rurally and had access to land to grow a good portion of the dietary needs. The economic conditions that mandated the political compromise of subsidized market support in agriculture have not disappeared by magic since then. I would argue they exist to a greater, more extensive degree today than ever before. The monopolization of agriculture in the U.S., in which about 7 million family farms were foreclosed upon in the past decade, may in fact be so advanced that the primary effect and motive for persistent agricultural subsidies is to prevent Americans and Europeans from being starved into political radicalization.

This is in fact the obscured fundamental action taking place; the structural inability of an unregulated market to provide basic nutrition to the urbanized populations of industrialized and post-industrialized civilization has been and remains strategically offset by the permanent institution of agricultural subsidies that for the past 70 years have been responsible for paying the portion of price equal to or greater than the 'profit' generated from "agribusiness." Without subsidies, food insecurity would explode into widespread starvation and political insecurity. Food subsidies are in truth, the hidden proof of the failure of the economic ideology of neoliberalism and globalization. This is not a mystery lost to history or obscured by other events — it is the central truth of the nature of the system that is denied, lied about and obfuscated with malice aforesaid.

The truth is we can feed the population we have with the land and other resources that we have now. We can maintain our ability to eat at least for the near future and not reduce the population.

By tampering with the support for the global capitalist state, the G-21 nations risk setting off a chain of events far greater than the stated goals of their counter-proposal. My fear is that, given the current atmosphere of globalization, the G-21 counter-proposal may fall upon too fertile ground as indebted governments nearing bankruptcy desperately grasp at any means to stay in power, and that the U.S. administration would probably favor a dramatic increase in the cost of grain to offset their current trade imbalances. The end of subsidies is the Holy Grail of neoliberals and proponents of globalization who subordinate human welfare to private profit and avarice. The last reform of the New Deal to fall after all this time, and fall I fear it will — and along with it, all hope of stability in the world.

If the testament of history is to hold any guiding truth for us today, it must be conceded that the conflagration and political anarchy of the world Depression of the 1930s and subsequent world war was materially unnecessary. Unlike a natural disaster, its cause was the failure of human institutions over the trade of humanity's goods. Populations cannot endure the failure of experiments with the world economy. With the very real threat of thermonuclear weapons, we cannot allow the recidivation of fascism. World civilization cannot afford to degenerate into conflict as a means to resolve this situation. If we sit on our hands and remain silent at this critical point in history, we will not have another opportunity to act together with such an economy of effort. To imagine that economic depression or war are legitimate techniques to address, amend or correct the inequities of an economic system is insane.

Three questions I am compelled to ask are these:

~ Have the G-21 nations commissioned a mathematical model to estimate the outcome of events that would likely occur from the removal of agricultural subsidies should their counter-proposal succeed in some form at Doha or at a later date?

~ Are the G-21 nations seeking repudiation of the ideology of neoliberalism and globalism through demonstrative action, and if so, what safeguards against economic depression and war can be assured if their proposal is acted upon; what alternative economic system are they prepared to advocate and implement in the vacuum left by neoliberalism's likely collapse?

~ Would the G-21 nations financially support an investigation into drafting a proposal that more clearly manifests a consideration of the economic reality of the current state of world financial and material trade that seeks to ameliorate each nation's situation without generating crisis?

These questions will inevitably have to be answered.

GOING HUNGRY IN AMERICA

BY ANURADHA MITTAL

Today the United States faces a hidden epidemic. It is striking Americans of every age group and ethnicity, whether they live in cities or rural areas. And despite the diversity of targets, those suffering in this silent epidemic have two things in common: they are poor or low-income, and they are increasingly going without enough food.

Although politicians talk about "poverty in America," decision-makers avoid specifically mentioning the growing, and often deadly problem of hunger. George McGovern said in 1972, "To admit the existence of hunger in America is to confess that we have failed in meeting the most sensitive and painful of human needs. To admit the existence of widespread hunger is to cast doubt on the efficacy of our whole system."

Three decades later, evidence indicates that the existing system is failing a vast number of Americans.

A look at the United States reveals a wide gap between the goal of universal access to adequate nutrition and the reality of hunger that plagues millions in this country alone. The number of hungry people in the United States is greater now than it was when international leaders set hunger-cutting goals at the 1996 World Food Summit. The pledges by United States government leaders to cut the number of Americans living in hunger — from 30.4 million to 15.2 million by 2010 — are lagging behind. An estimated 35 million Americans are food insecure with food insecurity and the necessity of foodstamps being experienced by at least 4 in 10 Americans between the ages of 20 and 65. That's 50% of the population.

Meanwhile, the already burdened food safety-net program, which was designed to alleviate hunger and food insecurity, is under attack by the threat of reduction of funding and ease of enrollment by policy makers. With food expenses being the most elastic part of a family's budget, as limited funds usually get allocated to fixed payments first, such as rent and utilities, food purchasing has become the most compromised portion of the average family's budget. So far in 2005, 35% of Americans have to choose between food and rent, while 28% must choose between medical care and food. Others, forced to stretch their budgets ever further, are buying less expensive but often less nutritious food.

The problem is worse in low-income neighborhoods and inner-city areas that face food red-lining. The majority of low-income/minority neighborhoods do not have enough supermarkets to serve the entire community effectively. Therefore, these communities generally meet their food needs at smaller, more expensive corner stores — especially at liquor/convenience marts that tend to provide less nutritious foods and little if any fresh produce.

While three companies control 57% of the huge food retail market in California, the community of West Oakland, with 32,000 residents and a 60% unemployment rate, has only one supermarket — with 40 liquor and convenience stores. The price of food in these small stores is almost 30% to 100% higher than the price in a grocery store.

The most vulnerable — children, immigrants and rural families — are hit hardest by this epidemic. Despite evidence that hunger causes chronic disease development and impaired psychological and cognitive functioning in children, an estimated 13 million children are living in households that are forced to skip meals or eat less due to economic conditions.

The worst off are the children of 6 million of America's undocumented immigrants: they go without necessities such as milk and meat on a daily basis.

Tulare County in California, the number-two county in the nation for agricultural production, is one of the hungriest and poorest areas of California. Many of the county's towns (Woodville, Plainview, Alpaugh, Earlimart, etc.) host mainly Hispanic farm-laborer families who came to the United States hoping for a better life, only to find that their jobs — putting cheap produce on U.S. and the world's tables — have left them starving amidst the bounty. These families suffer from appalling economic and social injustices. They live in lean-tos made of cardboard or plastic, dilapidated trailers, wood shacks, parking lots and even caves; yet are surrounded by vineyards and fruit tree orchards.

This kind of hunger rarely makes the evening news. Millions starve while Bush signs a \$400 billion spending bill in August 2004 that will go largely to military efforts in Iraq and Afghanistan. The Bush Administration has already spent \$150 billion on the war in Iraq — three times the original estimate. The United States accounts for nearly half of the world's military spending. This means that the U.S. spends on 'defense' nearly as much as the rest of the world combined.

The Universal Declaration of Human Rights, signed 56 years ago, committed our government to provide a standard of living adequate for the health and well-being of every person. This included commitments to respect, protect, facilitate and fulfill the right to food, clothing, housing, medical care and necessary social services in the event of unemployment, sickness, disability or old age. A widely supported statement at the time, the promises of the Declaration seem outrageous to many in today's age of "personal responsibility."

It might be useful to ask: What's more outrageous? A broad and sturdy safety net and living wage jobs for all members of our society? Or 1 out of 4 children going hungry and poor in the richest country on earth.

Anuradha Mittal writes for AlterNet/Independent Media Institute.

Theodore Thomas lives on a boat in Astoria, which he eventually plans to sail across the Pacific Ocean.