

Ethanol is the Largest Scam in Our Nation's History

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Apparently, ethanol's opposition —primarily the oil companies and the highway lobby, have been bought off with special concessions. The increased subsidy will now be funded directly out of the U.S. Treasury instead of surreptitiously being siphoned from the Highway Trust Fund. And the oxygenate requirement enacted in 1990 as part of an environment effort to reduce emissions will be scrapped...(I wonder if EPA administrator Whitman's resignation last week had anything to do with this!)

The old hogwash about getting "energy independent" and helping corn farmers keeps building votes- pushed by an aggressive phalanx of paid association liars and bought politicians. . . . The corn gluten angle and even the fact that

ethanol reduces engine life and delivers lower gas mileage than conventional unleaded seems a tad too complicated for the journalists to pick up on.

Just as the ethanol has created massive distortions and dysfunctions in the nation, particularly the farm sector, since its introduction in the late 1970's, we can count on more distortions and nasty surprises in the years ahead if this moves forward. You'd think after all the years of phoney arguments from phoney trade groups established by the Supermarkup to the World [Archer Daniels Midland]—a number of which were cited as facades to cover price-fixing cartels by the Federal prosecutors—that some investigative authority would dig deeper.

Ethanol is the largest scam in our Nation's history—only the controlled media won't report the story—and if Congress rachets the subsidy up anymore, this twisted policy (still largely benefiting one company which holds a near monopoly position in the industry) has the potential of undermining our food security.

We can a glimpse of the "nature of things to come" when we analyze how ADM

engineered its latest hostile take-over of Minnesota Corn Processors (MCP) a large ethanol-producing, farmer owned cooperative in Marshall, Minnesota. Using a practiced blend of deceit, cash carrots, fear and strong arm legal tactics, ADM crushed resistance among MCP board members to its "offer which could not be refused" at a MCP meeting where most members didn't even know the sale of their coop was on the agenda - until it was too late. (Editor's Note: See Issue #220)

Other farmer owned cooperatives which have entertained "partnerships" with the Plains Predator from Decatur—such as Farmland Industries, Countrymark, Gromark and others have seen their assets and independence disappear, with their elected leaders winking at ADM and waltzing into retirement with huge "golden parachute" deals, (or seats on ADM's board) while their farmer members are left holding an empty bag—watching ADM quietly disposing of the prized elevators and ag input supply networks (initially put up as collateral to support the ADM loans provided to the cash strapped coops).

The notion that we can ferment up to a third of all corn for ethanol demand takes the madness to a new level. ADM recognizes the vulnerability this strategy of a monocrop reliance—and is desperately trying to force a normalization of Cuba trade in order to begin modernization of that rogue country's low cost sugar industry. Sugar is a more efficient feedstock for ethanol. Of course, this objective is never mentioned.

The ultimate absurdity involves ethanol /farm economics. Ethanol requires low cost corn for its wet milling process. When corn prices per bushel rise above a certain level—clearly benefiting corn farmers—the ethanol plants become uneconomical to operate. With less ethanol produced there would be less corn gluten (a by-product of processing) which competes with soymeal as an animal feed ingredient—thus soybean prices would increase—another benefit to many Midwestern farmers—but this too goes unreported.

One of these days someone may awaken the Nation to the magnitude of this scam.

But with honest farmers muzzled and intimidated by the very groups purportedly established to represent their interests—and most everyone else sleep walking in a dream that cheap energy and cheap food can be sustained in this manner, we are gambling with our Nation's food security and economic health. More dangerous still, we are allowing more power to be transferred to a proven criminal culture which will undoubtedly recycle a portion of the ill-gotten gains further corrupting the Nation's political process and institutions of democracy.

THE AGRIBUSINESS EXAMINER
Monitoring Corporate Agribusiness
From a Public Interest Perspective

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