

I have been telling you for a long time that the Big Farmers-Big Cattlemen mooch big sums of money from the Federal Government. Many of you residents of Imperial County find it hard to believe that it happens here. The local newspapers are afraid so they do not print this news. The San Diego Union group has big farmland holdings at Borrego Springs and it does not print this news. The Los Angeles Times people have a 260,000 acres ranch just South of Bakersfield and also does not print this news.

Further down in this leaflet, you will read a report from the Washington, D.C. Post which tells all about this mooching. But in Texas, you do not have the high powered farming that occurs in Imperial County. This county ranks 5th in the U.S. for yearly agricultural production of \$3/4 billion.

Now the farmland here is 90% owned by absentee landowners from all over the U.S. and foreign countries. This farmland escapes 70% to 90% of the property taxes so that you residents have to pay much more in taxes to make up for the absentee landowners. In addition, you are forced to pay 3 times more for your electricity so that these absentee farmland owners can get irrigation water for 1/4 the correct price.

Ben Yellen, M.D. Brawley, Calif.

Axing a Mississippi Christmas Tree And Other Princely Farm Subsidies

WASHINGTON D.C. POST OCT. 21, 1987

By Ward Sinclair
Washington Post Staff Writer

Up on Capitol Hill, they're chopping down the Mississippi Christmas tree, and they may even take some of the fun out of American-style farming for the crown prince of Liechtenstein before they're done.

Which is to say that Congress, after having failed in several previous attempts, is trying one more time to plug the legal loopholes that have allowed many farmers and unreasonable facsimiles to collect millions of dollars worth of unintended federal farm subsidies.

Investigations by Congress, the General Accounting Office and the Agriculture Department since 1985 have disclosed that hundreds of farmers and investors have farmed the loopholes to a fare-thee-well, in some cases collecting more than \$1 million each when the ostensible limit is \$50,000.

Among the more eye-catching findings:

- The Mississippi Christmas tree, a lawyer's invention that showed land owners and farmers how to subdivide and reorganize farms into multiple legal entities to qualify for more than one maximum payment of \$50,000. In one case, 26 California investors each received \$50,000 from the same farm; in another, 56 tenants of a big California rice farm split \$1.5 million in subsidies with the family that owned the property.

- A 75,000-acre farming operation in Texas, owned jointly by Crown Prince Hans Adam of Liechtenstein and the International Paper Co., qualified for about \$2.2 million in federal sub-

sidy payments last year. The farm is twice the size of the prince's homeland.

Now the House Agriculture Committee, embarrassed by the publicity and chastened by urban legislators' complaints about excesses in the farm programs, has approved legislation designed to stem the flow of income subsidies.

As part of a budget reconciliation package, farm-state lawmakers worked out a compromise with Rep. Charles E. Schumer (D-N.Y.) that could prevent millions of dollars in unwarranted payments over the next several years.

"The days of million-dollar farm payments to individuals are over," Schumer said. "It will soon take more than a clever lawyer and a friend who owns land to collect farm payments. We may not have eliminated government rip-offs completely, but we made a big dent."

Added Rep. Leon E. Panetta (D-Calif.), an Agriculture Committee member who worked on the compromise: "Reducing federal budget deficits too often means reducing benefits for people in genuine need. But this is a case where wealthy investors and large farm operations are ripping off the system for millions of dollars a year. There should be no hesitation about . . . ending this welfare system for the rich."

Sen. Tom Harkin (D-Iowa) said yesterday that he intends to offer similar subsidy curbs when the Senate Agriculture Committee takes its reconciliation package to the floor. Harkin said his proposal will aim to assure that only legitimate farmers qualify for federal assistance.

The House package was worked out between Schumer, whose challenges last year got the Agriculture Committee moving, and



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Prince Hans Adam of Liechtenstein is part owner of Texas farm twice the size of his homeland.

Reps. Panetta, Dan Glickman (D-Kan.) and Jerry Huckaby (D-La.), key subcommittee chairmen.

Their agreement would allow subsidies only for active farmers who make significant contributions of labor, management, land, equipment or capital to the operation. Foreign land owners who are not active participants in their farming operations here would be barred from receiving subsidy payments.

The Christmas tree scheme would be banned by limiting individuals to maximum payments from no more than three legal farming entities—that is, \$150,000.

Another section of law allows farmers to receive as much as \$200,000 in additional federal payments not covered by the \$50,000 direct-subsidy limit.