

**Quote of the week :** “The US political circus has moved into intermission” - the view of a usually well-informed market source, it was subsequently echoed by Alan Greenspan in an interview on the occasion of the publication of his latest book when he said that, on the budget & debt ceiling issues, it is “perfectly conceivable that we will be in the same position ... months from now”. He also noted that, while he had much sympathy for the Tea Party’s objectives, he “disagreed wholly with its tactics” (which he called “wholly outside the democratic sphere.”). And he denigrated China as a “copycat innovator”, though he’s old enough to remember the same accusation being leveled against Japan when it first burst onto the global scene in the 1960’s, before it became ‘Japan Inc.’

In the 1930’s a group of concerned citizens, incl. Eleanor Roosevelt, founded the National Sharecroppers to alleviate the plight of the (mostly black) tenant farmers in the *Southeastern* United States. In the early 1970’s it morphed into the Pittsboro, N.C.-based Rural Advancement Foundation (RAF) that sought to promote “socially-just & environmentally-sound” family farms & that, some time later, ‘went international’ under the name RAFI. In 2001 the latter was spun off into what is now the Ottawa, Ont.-based ECT Group (full name : Action Group on Erosion, Technology and Concentration) which advocates farmers’ rights and opposes genetic engineering in agriculture, patents on life & “biopiracy”<sup>1</sup>. According to ECT on a global basis the ‘industrial’ segment of the food chain uses 70% of the world’s agricultural resources to produce 30% of the world’s food while the ‘peasant’ segment makes do with the remaining 30% of the resources to produce the other 70%, and that, with so much of the food crops (*mainly corn*) produced in the US going into animal feed & biofuel, on the basis of the number of people it feeds per acre of crops grown the US ranks behind both China & India, and is below the global average & on a par with Bangladesh - *It may be tempting to dismiss this as the fanciful thinking of a bunch of anti-US farm lobby crackpots. But last year global wheat production was about 700MM tonnes vs. corn’s 800MM tonnes and, while according to the USDA the US is by far the world’s largest corn producer, producing half as much again as the No.2 producer, China, & 7x as much as the No.3, Brazil, according to the FAO in 2012 it was a far smaller player in wheat, producing less than half as much as China & one-third less than India*<sup>2</sup>, and only half as much again as Nos. 4 & 5, France & Russia. And in direct household consumption terms wheat is far more important than corn.

PressTV is a state-funded Iranian broadcaster. Recently it mentioned Michael Snyder’s book 33 Statistics that Prove Something Desperately Needs to be Done about the National Debt, incl. :

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<sup>1</sup> The latter two are far more important than most people appreciate, & involve the removal without compensation by developed country entities of genetic or plant material from developing countries, where they had evolved, often spontaneously but always over long periods of time, to use them in developing seeds or medicines (thus a few years Gleanings noted the case of farmers in Mexico who since time immemorial had grown uniquely coloured beans & who, after deciding to market them in the US, got a ‘cease & desist’ letter from a US lawyer since that particular bean colour had been patented by an American tourist in Mexico who, realizing their commercial potential, had bought a small sample thereof & taken it home to use as the basis for a patent application.

<sup>2</sup> With the average size of an Indian ‘wheat farm’ being just a couple of hectares (five acres) & those in China even smaller, this truly qualifies as “peasant” farming.

- in the fiscal year ended last September 30<sup>th</sup> the US Treasury paid back US\$7.547TR in debt outstanding & contracted US\$8.324TR in new debt – *which in the eyes of some qualifies the UST debt management operation as a Ponzi scheme*;
- last September the average rate of interest on the US national debt was 1.98%<sup>3</sup> while it had been 6.62% in January 2000 (which was much closer to its long-term average) - *the short-term risk from this, however, for the US budget will be ameliorated by US Treasury's aggressive & successful efforts to 'extend its term' to the point where at the end of 2012 its average term to maturity was at 65 months, was one-third longer than five years ago (which term extension, however, had during the Fed's 'Operation Twist' worked at cross purposes to it)*;
- between 2008 & 2012 the ratio of US government debt to revenues went from 4.0x to 6.6x as its debt grew by 60.7% & US GDP by just 8.5%;
- In the past decade the share of UST marketable debt held by foreigners has increased five-fold - *the significance of this is that, while debt service payments to US entities & individuals merely involves a domestic redistribution of wealth, those to foreigners over time must involve transfers of real resources abroad*; and
- if GAAP (Generally Accepted Accounting Principles) had been used in 2011, the deficit for that year would have been US\$5.0TR rather than US\$1.3TR reported.

Forbes recently carried an article by a three-year staffer at the US Treasury & OMB ten years ago with two interesting stats. First that, when measured in ten-year segments starting in 1948, average annual US GDP growth has declined steadily from 3.80% in 1948-1957 to 2.99% in 1998-2007, and in the five years since had averaged only 0.73% &, after taking out the miserable -0.3% in 2008 & -3.1% in 2009, just 1.99% in the three years to December 31<sup>st</sup>, 2012). And that, while the US government's revenues had between 1948 & 2011 gone from 16.2% to 15.4% of GDP, & had averaged 17.9% over 40 years, federal spending had doubled during the same period from 11.6% to 24.1%, & over 40 years had averaged 21.0%, of GDP<sup>4</sup>.

The latest new job creation report, that was late in coming out due to the government shutdown, fell short by 32,000 (i.e. almost 20%) of the 180,000 expected (which, in & by itself, is short of that needed to keep up with labour force growth) while, nevertheless, the unemployment rate declined from 7.3% to 7.2% - *this can lead to only one logical conclusion, namely that more people quit looking for work; for the unemployment rate is based on the number of people who have a job or are actually looking for work, not on the total labour force (the intended effect of which is to 'lowball' the unemployment rate)*.

The latest report by the CAUT (Canadian Association of University Teachers) contained some interesting statistics, including :

- university enrolment is up 49% since 2001;
- 261,696 students graduated in 2010-11;

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<sup>3</sup> While I couldn't always validate this-, & other-, numbers, the differences was ones of detail, rather than substance or direction.

<sup>4</sup> Since 1948 US government tax receipts have, with the exception of the year 2000 when they went slightly higher, fluctuated between 15% & 20% of GDP, whereas its expenditures grew steadily from 15% to 25% of GDP (largely due to the entitlement spending growth rate being 6x that of the population), except during the years 1992-2001 when they interrupted their upward climb to decline from 23% to 19%.

- full professor remuneration increased at a 2.2% annual rate since 2001 – *a rate likely equaled by few, if any, other categories of professionals*;
- 57.4% of undergraduate students are female, incl. 51.3% in business & 55.1% in the physical & life sciences but only 24.9% in math & computer science, and
- Canadian universities' endowment funds are pitiful compared to their US counterparts' : Canada's biggest, the UofT's \$1.5BN, & the \$10.8BN of all 63 universities in the CAUT sample, may seem large in absolute terms but are picayune compared to Harvard's US\$30.7BN, Yale's US\$20.8BN, Stanford's US\$18.7BN & Princeton's US\$17.9BN.

The Globe and Mail this week commented, in an article on the Bank of Canada's decision to keep its key interest rate unchanged, that "In its quarterly *Monetary policy Report* ...the central bank said Canada's economy will likely grow by 1.6% this year, down from the bank's July outlook of 1.8% ... For 2014, the estimate has fallen to 2.5% from 2.8% ... The big picture, however, is for global output to remain stable at 2.8% this year, but to advance at a weaker pace in 2014 - 3.4% compared to the earlier estimate of 3.5% - and also slower in 2015, at 3.6% rather than 3.7% - *while it makes it sound as if these numbers are godawful & the outlook is dismal, they merely suggest that the increase in the rate of economic growth may be marginally less than expected three months ago.*

Canada may be going through its own Watergate moment (even though the outcome may not necessarily be the same, at least not in the short run). A year or so there was a bit of a kerfuffle about four Senators supposedly having played fast & loose with their expense accounts. Three of the four had been named to the Senate by Prime Minister Harper who therefore felt obliged to come to their defence. Once thing led to another to the point where the original issue has now been all but drowned out by questions as to what the Prime Minister knew when, & what he told his colleagues in the House, the press & Canadians generally in what seemingly became an ever-changing story. Hubris & an exaggerated sense of his power may have led to him ignoring the lessons of Watergate (where stonewalling in due course led to the original event being overtaken by subsequent developments). The one good thing about this all, however, has been a sharp uptick in interest among the hoi polloi in goings on in Ottawa; the question now is whether this will prove just a passing phase or a sea change; if it were the latter & were to serve to awaken the Canadian electorate from their Lotus eating-like political sleep walking, it would be great for politics in Canada but nightmarish for politicians. We can only hope!

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**THE U.S. DEBT DEAL : WHY FUTURE HISTORIANS WILL SIGH (Reuters, Rob Cox)**

- Future historians may ask, as the Romans did in the fifth century, 'How did a nation that had so much going for it manage to squander everything?' They may conclude that October 16<sup>th</sup>, 2013 was when it began to unravel; for on that day the 113<sup>th</sup> Congress postponed a self-induced battle about whether to pay the creditors of a profligate nation that for decades had spent more than it produced, in the hope they could come to some sort of agreement in four months. At the time America had every reason to resolve its relatively mild fiscal problems, & the capacity to consolidate financially, with a tiny sacrifice from its old folk & an oversized military, and the forgoing of a Ferrari or two by the rich. For the country was experiencing a historic return to energy self-sufficiency, its technical innovation was the envy of the world, its universities were the destination of choice for the world's elite, thanks to a pliant central bank money was cheap & plentiful, and its people were young, procreating & willing to accept new immigrants.

- So historians may wonder about the opportunity lost as extremists on both sides fought *like cats & dogs* over every issue, even over whether to help the poor & infirm, and compromise had become a dirty word.

*On the one hand the writer talks about “a profligate nation that for decades had spent more than it produced” and on the other uses adjectives like “relatively mild” & “tiny” that lowball the size of the problems. And he overlooks the fact that a significant portion of the technical innovation he talks about originated with people not born & bred in the US, and that, while the US educational system at the graduate level is in a class by itself, at the undergraduate level it’s producing far fewer engineers & scientists than needed to maintain the “technical innovation” momentum, especially since the inflow of foreign-born people of that ilk has abated. And future historians may be perceptive enough to appreciate that October 16<sup>th</sup>, 2013 was just a way station in a process that had started on 9/11, the seeds for which had been sown nearly five decades earlier by President Johnson declaring his fellow citizens could have both “guns **and** butter”.*

### **PENSION REFORM : SAN JOSE AND SAN DIEGO VOTERS WEIGH IN** (Lucy Burns Institute, Brittany Clingen)

- On June 5, 2012 voters in both cities overwhelmingly approved sweeping pension reforms. While not the same in detail, these reforms had a common objective : to allow their cities to rein in skyrocketing pension costs & decrease their unfunded liabilities.
- San Jose has the highest per capita income of any US city other than New York & is one of only a few US cities to have a triple-A rating (but only because its bondholders have the power to compel the city to levy a tax on property owners to meet its debt servicing obligations). And yet it was drifting towards bankruptcy as its annual pension payments had more than tripled between 2001 & 2012, from US\$73MM to US\$245MM (i.e. 27% of its general fund budget). Its Measure B referendum pension initiative was a unilateral move by its City Council after six months of talks with the unions had gone nowhere. It drastically modified retirement benefits for both employees & retirees, capping pensions at 65% of the final year’s earnings, raising the age for receiving full benefits from 62 to 65 years & providing for voter approval of any future pension benefit hikes. With voters wanting something done about “exorbitant pensions”, it passed 69-31, with the unions immediately announcing they would sue to prevent its enactment.
- In San Diego it was the signatures of 94,000+ registered voters, not a City Council initiative, that prompted its Proposition B pension reform referendum, after its pension obligations had soared five-fold, from US\$43MM to US\$231MM between 1999 & 2012. It too passed with overwhelming support, 66-34, despite strong, *often confrontational*, union opposition, providing for new employees to have 401(k)-type retirement plans with a city contribution rather than a guaranteed plan, maxing pensions out at 85% rather than 90%, & capping the city’s payroll for five years at its latest US\$200MM rate.

*So far neither have come into effect, San Jose’s since it is still before the court’s & San Diego’s because several members of its pension board were (strategically?) ‘unable’ to attend a meeting critical to its implementation (so the city has had to dip into its ‘rainy day fund’ for US\$10MM earmarked for bridging next year’s budget gap, & still had to reverse decisions to keep libraries open longer, hire more police officers & make improvements to one of the city’s major parks). And San Jose’s mayor, Democrat Chuck Reed, now spearheads a drive, opposed not only by the unions but, more surprisingly so, also by CalPers, the state’s public pension fund, to have a measure put on the November 2014 ballot to amend the state constitution so as to allow local governments to cut current municipal employees’ pension entitlements. What all this suggests is that politicians can find the political will to make unpleasant decisions if there is*

*strong enough grass roots' pressure for them to do so [the writer is Chicago-based, has a degree in Finance & strong connections with that city's Republican Party, and calls herself a "conservatarian" (a conservative with libertarian leanings), while the Institute, which targets to "connect people and politics", is named after Lucy Burns, who died half a century ago, was a Yale/Vassar/Columbia U./Oxford-educated suffragette & women's rights advocate & co-founded the National Women's Party exactly one hundred years ago this year.*

### **GREENSPAN BOOK PONDERES ROOTS OF FINANCIAL CRISIS (FP, Martin Crutsinger)**

- While during his 18½ years as Fed Chairman, prior to stepping down in 2006, he had God-like status, after the 2008 financial crisis hit, some people accused him of having made it possible. Now in his new book, The Map and the Territory, he argues no one could have known how or when to defuse the threats that triggered the crisis since economic forecasting is no match for the irrational risk-taking that causes bubbles (although he did concede he made some errors during his years at the Fed). And he praised President Obama's choice of Janet Yellen as Bernanke's successor since during her time at the Fed she had helped him grasp "what this academic is saying", & waxed nostalgic over the days when, during the Ford Administration he headed the CEA (Council of Economic Advisers), political leaders trusted, & collaborated with, each other to reach common goals.

*It was he who over a decade before the crisis erupted observed the financial markets' "irrational exuberance". If, as has long been surmised, monetary policy has little, if any, capability for reflating an economy in the dumps ("you cannot push on a string") & he now says it cannot prevent it from spinning out of control, he appears in effect to be calling into question the scope for the Fed to "add value" to the economic process. And he seems to be damning Yellen, when, after calling economic models all but useless, he then praises her academic credentials.*

### **ARMS EXPORT CONTROLS EASED (Postmedia News, Lee Berthiaume)**

- In 2001 the (*then Liberal*) government in Ottawa created a list of "controlled goods" to prevent material that could be used for military purposes from falling into the wrong hands. It included hundreds of items, not just including drones, guns & ammo but also items like some software & even hitech sewing machines used to manufacture protective gear. But Canada's defense industry has been complaining for years that this list is far more restrictive than that of the US, putting them at an unfair disadvantage. So the current (Conservative) government has been quietly working behind the scenes to remove the restrictions on the transfer of hundreds of Canadian-made military-related goods in order to make Canada (*more of*) a global arms exporter.

*The last thing the world needs is another major arms exporter! This is the same government that prides itself on standing on principle when it comes to human rights! And what can be a more of a basic human right than physical security?*

### **B.C. WATER PLAN IS DERIDED AS INSUFFICIENT (G&M, Sunny Dhillon)**

- On October 18<sup>th</sup> B.C.Environment Minister Mary Polak released a preview of what may be tabled next spring to replace the province's century-old water legislation since "it is our generation's duty and obligation to be water stewards for the generations that follow us." Among others it would make commercial users, in particular those selling bottled water, pay 85¢ per 1,000 cubic metres (i.e. 0.000085¢ per litre) for groundwater they

have hitherto been getting for free (the same price that currently generates \$7MM in revenue per year for the government from the sale of surface water), which amount, however, 'might be changed after the month-long consultation period' she is planning in response to criticism the 85¢ is too little, given the profits the water-bottling companies are making). While Nestle Canada that *withdraws* millions of litres of *groundwater* each year (& *thus would have to pay multiples of 85¢*) is willing to do so on the grounds that "It's important for the sustainability of water in B.C. that everybody who draws water pays for it", the NDP opposition says the long-delayed proposal is vague & lacks teeth, & the West Coast Environmental Law Association that, while a move in the right direction, "there are enough really significant concerns that we think this isn't the legislation we were looking for", a view that is shared by the Wilderness Committee.

*If the proposed charge for water is any indication, the new legislation would certainly appear to be a token gesture rather than a serious attempt to encourage greater water conservation.*

### **WATER SUPPLY TRUMPS OIL (Edmonton Journal, Editorial)**

- Eighty percent of Alberta's 165+BN bbls of proven oilsands reserves lie too far underground to be accessible by strip mining. That's why the uncontrolled slow-motion oil leak that has been oozing for months at CNRL's Primrose lease (at a site where the first such leak occurred in 2009) should be a wake-up call for the Alberta government, its new energy regulator & the industry. While the SAGD (Steam Assisted Gravity Drainage) process used by CNRL (that pumps live steam underground to break the bond between the oil & the sand to which it is attached, and to make it flow easier to so as to facilitate its recovery) has been used in Alberta for years, it will face more challenges as the number & scale of oilsands projects ramps up in the years to come. While the government doesn't even have a decent good read on Alberta's groundwater resources, the bottom line is that clean water trumps oil, even if that means leaving the oil where it is if there is any doubt that extracting it might harm the water supply.

*Wow! What a revolutionary, & far from universally-accepted, thought in Alberta! But contrary to many Canadians' belief they will never face a water problem because the country has so much of it, Southern Alberta is already under a degree of 'water stress' (which could get worse in the years to come if the volume of water flowing from the glaciers in the Rocky Mountains that feed the Eastward-flowing rivers in the Province was to decline.*

### **BANK OF CANADA ECONOMISTS GET FAILING GRADE FOR WRITING (CP)**

- An audit ordered by the bank found that its "Economists' writing skills were identified by many as an area for improvement ... This includes being succinct, grammatically correct, and prioritizing the data into useful information." As an example of its failings in these respects it quoted the following sentence from a report issued last July : "Financial fragmentation continues to impair the transmission of monetary policy, however, as reflected in the divergence between lending rates in the peripheral and core economies."

*There are two basic problems. The Bank's staff are Ph.Ds who write for other Ph.Ds. And historically their marching orders have been to keep their audience guessing, & hedge their bets, not to enlighten & commit, by 'speaking in tongues'.*

### **NO 'PARTIAL DEAL' FOR IRAN : NETANYAHU (G&M, Lara Jakes)**

- He told US Secretary of State John Kerry on October 23<sup>rd</sup>, at the start of their day-long meeting in Rome, that “You wisely insisted there wouldn’t be a partial deal with Syria” & there should be no partial deal with Iran either : the outcome of the current negotiations should be an end all uranium enrichment by Iran, the riddance of all its fissile material & the closing of all potential bomb-building infrastructure.” Kerry on the other hand has maintained the US will insist only on Iran proving its nuclear program is peaceful (*which is not inconsistent with enrichment to levels of purity < 20%*).
- The negotiations that resumed earlier this month after a six months’ lull envisage nowhere near the level of restrictions on Iran that Netanyahu wants (*but is unlikely to get?*). Thus the White House is said to have been considering a possible move to ease the sanctions *just a wee bit* by giving Tehran access to some of its billions of dollars in frozen funds (although it has also signaled it won’t remove major sanctions unless its top demands are met) while he has been urging still tougher sanctions).

*It must frustrate Netanyahu no end that he has no direct involvement in the negotiations & in the end will be faced with a fait accompli that will suit the major powers but that will not come even remotely close to meeting his demands. But he has only himself to blame for having massively overplayed his hand to the point where Israel is almost ally-less & his concerns are now being largely ignored, if not deemed outright irrelevant. For as Prime Minister, in his dealings with the Palestinians & other countries, he failed to mind the observation years ago of Henry Kissinger, who likely has forgotten more about foreign policy-making than Netanyahu will ever know, that a deal that makes one side jubilant & the other side feel abused is unlikely to have permanence.*

#### **SAUDI ARABIA REFUSES SECURITY COUNCIL SEAT (G&M, Patrick Martin)**

- Its unprecedented move in doing so reflects its frustration with the Council’s ineffectiveness & with US policies. Its Foreign Ministry’s statement said “the manner, the mechanisms of action and double standards existing in the Security prevent it from performing its duties and assuming its responsibilities toward preserving international peace and security”, in evidence of which it cited “the continuation of the Palestinian cause without a just and lasting solution for 65 years”, and the killing and burning of the Syrian people “without applying any deterrent sanctions against the Damascus regime ... (and the Council’s) inability to subdue the nuclear programs of all countries in the region” (*a direct dig at Israel*). One analyst wrote “Obama’s decision not to take military action against Syria and the US administration’s acceptance of a Russian-backed deal to dismantle the country’s chemical weapons shook Saudi policy ... (*because in their view*) it marginalized the regional actors - the Gulf States, Jordan and Turkey - who are carrying the ... burden in backing the [Syrian] opposition.”

*This announcement came one day after it had been elected to a two year term on the Council after three years of lobbying for it.*

#### **CHINA CONSPICUOUS BY ITS ABSENCE FROM MAJOR TRADE TALKS (G&M, Brian Lee Crowley)**

- International trade generally grows faster than national economies. So governments are piling into international trade talks, as witnessed, for instance, by the Canada-EU trade deal & the talks among Pacific Rim countries in the context of the Trans-Pacific Partnership. But there is a far more important factor looming in the background : whereas China in 1978 accounted for < 1% of international trade, its share today is over 10%. This makes the rest of the world (*a euphemism for the developed countries*)

- anxious to bind an economically resurgent China to a set of fair trade rules while their negotiating position is still strong (but is dissipating).
- According to the WTO China is now the world's largest merchandise exporter & second largest importer. It has surpassed the US in aggregate imports & exports (which Citigroup expects to continue for the next 50 years (although the US leads strongly in services & has an economy that is not only still twice the size of China's but also less dependent on trade) & the consensus is it will have no difficulty in maintaining the past 10% annual growth in its trade. While the current trade rules have evolved within a system dominated by (*developed*) countries with histories of the rule of law, liberal democracy & a tradition of rules-based multilateralism, non-discrimination among partners & an established dispute settlement framework, China is but weakly committed to this approach as witnessed by its currency manipulation, disregard for intellectual property rights<sup>1</sup> and discriminatory practices [such as its sudden ban (*limits?*) on the export of rare earth metals]. This mattered little when it was only a bit player in the global trade picture but became a major issue when it became the 'elephant in the room'.
  - Right now the West is (*still?*) in a sweet spot since China wants to be accepted as a major economic power but is not yet in a position to dictate the rules. Thus its desire to join WTO gave other countries leverage that caused it to improve its behaviour so it could join it in 2001. But time is running out to tie it into an international trade network since in twenty years it will be in a position to make the rules & make others to.

*There is some truth in this, but only some. The Doha Round didn't founder on Chinese opposition alone. While China today accounts for close to one-fifths of the world population, that will decline to 15% by mid-century. Its GDP trend growth rate is declining because of the aging of its population & the shrinking of its labour force that has started this year. Over time, its ratio of exports over imports will decline as domestic consumption heats up & its savings rate declines. And last but not least there are those who believe that China's current business model will prove over time to have produced an economic giant with "feet made of clay".*

### **ARGENTINA'S AGRO-BOOM - IS IT POISONING ITS PEOPLE? (AP)**

- Once known for its grass-fed beef, Argentina's farm scene has changed *dramatically radically* since 1996 when Monsanto started marketing its patented seeds & chemicals (promising higher yields & less pesticide use<sup>5</sup>), turning the country into the world's third-largest soybean producer. But now doctors are warning the untrammelled use of pesticides may be the cause of growing health problems among the 12MM people living in its farm belt<sup>6</sup>. Thus hospital records in Chaco province (*in the North, near the Paraguayan border*) show that birth defects quadrupled in the decade after GM seeds were introduced & a medical team that surveyed 2,051 people in six of the province's towns found a growing incidence of disease wherever people were surrounded by farms (thus in the farming village of Avia Terai 31% of the people interviewed had a family member with cancer, vs. only 3% in the nearby ranching village of Charadai). While it

<sup>5</sup> Instead, according to the Agriculture Ministry, the use of agricultural spray chemicals has grown multi-fold from 9MM gallons in 1990 to 84MM gallons today, with their application per acre being a multiple of that in the US as they are being used more & more liberally as pests developed resistances.

<sup>6</sup> According to Dr. Medardo Avila Vazquez, a paediatrician & co-founder of *Doctors of Fumigated Towns*, "The change in how agriculture is produced has brought, frankly, a



may be impossible to prove a specific chemical caused a specific illness, doctors are nevertheless now calling for broader-based, longer-term & more independent research *into the consequences of the use of agricultural chemicals*, saying governments must make the industry prove the accumulated chemical burden is not making people sick.

*Like all chemicals (or drugs) use at the prescribed/approved rates & in the prescribed/approved manner, limits the risk of undesirable side effects of their use. But Glyphosate, the key ingredient of Monsanto's flagship agricultural chemical, Roundup, is used in Argentina at rates a multiple of that in the US. There is evidence of resistance having built up among the targeted organisms & even more that the rules on spraying farm chemicals near places of human habitation are being broken with great abandon & impunity and little, if any, adverse consequences for the scofflaws. While Monsanto's pious reaction is "We don't condone the misuse of pesticides, or the violation of any pesticide law, regulation or court ruling", it's 5,400 miles/8,700 kms. from its St. Louis, Missouri headquarters to Buenos Aires & in some ways even further from there to the typical farm chemical retailer & user. Moreover, many users of farm chemicals in Argentina are relatively unsophisticated folk who believe that 'if a little does a lot of good, using a whole lot should do a whole lot more good' (and before North Americans get too relaxed about the overuse of glyphosate in faraway Argentina, they may wish to take note of the fact that last May the EPA approved increased glyphosate residue levels in foodstuffs).*

#### **AIR POLLUTION TRIGGERS CANCER, WHO CONFIRMS (AP)**

- The Lyon, France-based IARC (International Agency for Research on Cancer) is part of the WHO. After consultation with an expert panel it has now 'validated scientifically' what has long been suspected, namely that air pollution causes lung cancer (after previously being proven to increase the likelihood of heart-, & respiratory-, disease). According to Kurt Straif, Head of the IARC's department evaluating carcinogens "The air has become polluted with a complicated mixture of cancer-causing substances", adding the agency considers it "the most important environmental carcinogen", ahead of second-hand cigarette smoke.

*While the agency had previously deemed some of the components of air pollution, such as diesel fumes, to be carcinogens, it now classifies air pollution as a whole as cancer causing. And amidst all the hubbub of the dangers of side stream cigarette smoke, I have long wondered how the promoters of that idea were able to differentiate between the effect of side stream smoke & that of the dozen of other harmful substances in the air that we routinely breathe in.*

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change in the profile of diseases ... We've gone from a pretty healthy population to one with a high rate of cancer, a high rate of cancer, and illnesses seldom seen before."