

with this food catastrophe have yet been proposed. Under strong pressure from farm states, the administration announced a farm debt relief package Feb. 6 that simply called for a farm-loan interest write-down option to accompany the principal write-down option of the federal debt assistance plan announced last fall. There is supposed to be a new practice of "forebearance" by the FDIC in allowing farm banks to be lenient on farmers whose land collateral has dropped in value. There will be credit "hot lines" and extra staff assigned to process loan paperwork by farmers applying for special credit.

However, no funds above the \$650 million announced last fall have been allocated. Farm-state bankers and legislators have been asking for \$3 billion. Furthermore, it is reported that not much more than \$25 million of the fund has been used because farm bankers do not want to comply with the requirement to write down the debt principal by 10% and accept a federal loan guarantees on only 90% of the remainder. No one thinks the administration's latest plan will do enough to make any difference in the disaster.

On the state level, there are dozens of crisis-management bills being pushed to handle the situation. There are 36 bills alone in the six core midwestern farm states—Iowa, Minnesota, Nebraska, Wisconsin, and the Dakotas. The cartels and insurance companies, working in part through a Minnesota-based front called Communicating for Agriculture and through governors' offices directly, are ramming into the legislatures packages of "debt restructuring" bills to eliminate the barriers to foreign investments in farmland, feedlots, and so forth; and bills to require the state treasuries or the federal government to provide economic disaster assistance and interest payment relief to farmers.

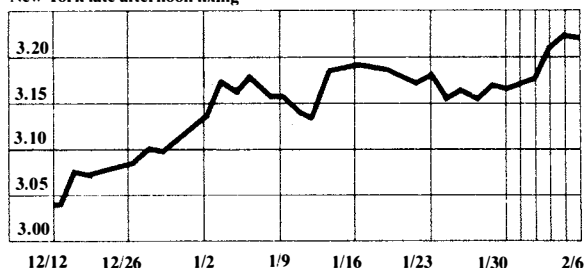
These same networks are absolutely opposed to the establishment of any type of adequate farm debt moratoria and provision for production credits to expand production. Certain farm and commodity groups have brainwashed themselves into campaigning for mandatory production controls—for example, the Nebraska Wheatgrowers. The National Farmers Organization just announced a "supply management initiative" to solicit and market freshening dairy heifers, to drive down production later this spring. Their rationalization is the fantasy that tighter supplies will drive up the price—a marketing strategy that overlooks cartel controls, and never works.

Farmers and others connected with the Schiller Institute, the foundation mobilizing for expanded defense and economic production, have been testifying in state legislatures and conducting mass lobbying on Capitol Hill to stop these cartel maneuvers before it is too late. Testifying in the state legislature in North Dakota the first week of February, dairy farmer Anna Belle Bourgois denounced the emergency legislation of Governor Sinner to solicit foreign investment into a Bank of North Dakota state fund to "assist" farmers by lining up their land for takeover. She said this is a bill to "establish serfdom in North Dakota."

## Currency Rates

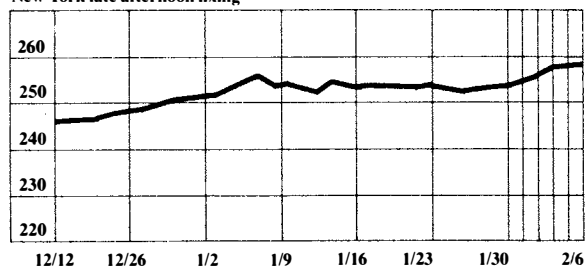
### The dollar in deutschemarks

New York late afternoon fixing



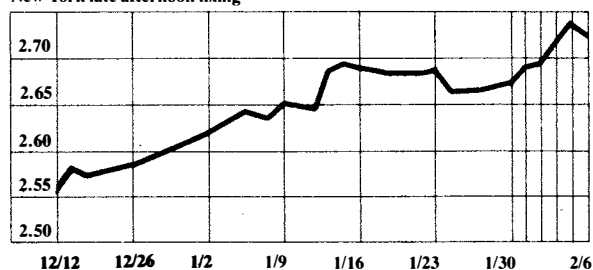
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

