

ing, like farmers, to help them make it through their crops.

This testimony might not be exactly what you want, but I must give you some of the things that we've lived with, and are living with now in the state of Alabama, as relates to disaster relief we do not get. And when it comes, it's going to be so late, that the farmers are not going to even be helped, when the monies are released. And we petitioned our Congressional delegation, and we asked them for at least \$2.5 million for farm relief in those drought-stricken areas. The government of Alabama has committed several hundred thousand dollars to the purchase of hay, and when you have the situation as we have, and it's not going to get any better, as we look at the forecasts from the weather service, that this drought condition is going to worsen. The *Niño*, they give as the reason for these things happening.

But over the long haul, if we had policies in place, as far as giving parity to our farmers, then they wouldn't be crying as loud as they're crying. They wouldn't have to go and buy hay from another state, and bring it in to feed their cattle. Because even if they do that, or sell their cattle at a low cost—and then they lose even on that end. So, what we're hearing today, and I passed in the legislature last year, through the House—we had a joint resolution, and we're calling for a New Bretton Woods conference for the international monetary system. And it passed the House, and it got bogged down in the Senate, because it didn't pass until the 4th day of May.

Let me read this, Mr. Chairman, to the panel:

Whereas the 1944 agreement of the Bretton Woods mechanism contributed to the realization of monetary stability, and to postwar economic reconstruction, and

“Whereas, there is a divergence between the real economy and the financial economy, since the decoupling of the dollar from the gold reserve system, and

“Whereas, financial crises have exploded in different parts of the world, especially since 1997, and

“Whereas, the international monetary and financial institutions in carrying out their tasks, are malfunctioning, and

“Whereas, it has been asserted that the speculative bubble has had devastating effects for the economies of developing countries, completely transforming the structure of the world economy, and reaching the level of at least \$300 trillion [that's with a “t,” \$330 trillion!] compared to the world GDP of about \$40 trillion,

“Now, therefore, be it resolved by the legislature of Alabama, that we call for a convention of a new conference, similar to the one at Bretton Woods, with the following goals:

“1. Creating a new international monetary system, to gradually eliminate the mechanisms which have led to the speculative bubble;

“2. Evaluating the possibilities of anchoring currency values to the elements of the real reference, and to better and more completely control the movement of currency rates;

“3. Proposing the creation of new credit lines, originating

to develop investment in the sector of real economy; and

“4. Defining infrastructure projects of a continental dimension.”

Now, what we are asking for is that we look at the New Bretton Woods conference, and we pull the issues and policies from that conference, and re-invent them, and reestablish them, give them new life, and new meaning, in this 21st century. Building the infrastructure in this country, the water irrigation. In northwest Alabama alone, last year, the drought took place, and we're right in the midst of the Tennessee River. Ask the question: Why can't we irrigate these crops? Why are these crops burning up in the field, and all this water here? There's a policy, saying that we cannot get water from the Tennessee River. TVA controls that water flow.

So, we need to look at, how can we help our farmers produce, and meet the needs and challenges of the food production in this country, and the countries that we're going to be exporting to, without taking such a great loss. So, I think we have to realize the situation that we're in. And it's not going to get better until we make it better, and we're in a position now, taking this platform to a higher level, and taking the message to the Democratic Party, that, no more business as usual, but now, we're in the process of unusual business, that we may meet the needs of the people that we represent, and the people of this great country.

Thank you very much.

The 'Free Market' Is Destroying Agriculture

by George 'Bill' Burrows

Mr. Burrows is a member of the State Committee of the Farm Service Agency in Adams, Nebraska, and a former State Senator. (Affiliation is for identification purposes only.)

In Nebraska, we have a group of well over 100 large, progressive farmers in a cooperative record-keeping of their incomes with the University of Nebraska. These, for the most part, have over half a million dollars in annual gross sales. In 1999, these farms received an average net income of less than \$5,000 per farm, while receiving over \$40,000 each in government payments. In many of these cases, the entire family is working on the farm and there is no supplemental income from other sources to carry the finances. For more than five years, over 80% of the net farm income in the United States has come from non-farm sources.

In Nebraska this last year, \$2.30 corn was used in projecting cash flows for the FmHA [Farmers Home Administra-

tion]. The government price support for corn is less than \$2.00 a bushel. According to the rules for maintaining loan eligibility, a loan must project a positive cash flow. Most of these FmHA loans will not project a cash flow using \$2.00 corn.

Although there was a relatively small number of farm sales during the past year in Nebraska, there are hundreds of farmers in the state who have little chance of being able to farm next year. This is following a period of two of the best crop years ever. The farms in trouble are both the large and small farms, and there appears to be little understanding of this on a national level.

There would have been hundreds of additional farm sales this last year, had the additional government farm payments not been made last fall.

The reason for the present farm crisis is the so-called Freedom to Farm law. For the first time since I was a child, the loan prices on the basic farm commodities were placed below the cost of production. This took away the basic price support safety net from the farms of this nation on a supposed free-market system, which allows the huge corporations to be the dominant price-makers in our country and much of the rest of the world.

One has to go back to the early 1930s to find a comparable period of prices to our current grain prices in purchasing power.

The arguments for a free market (which in effect turns the powerful multinational corporations free to dictate farm prices and inputs) were successful in passing the current farm law. Many farmers even bought onto the idea of free markets.

I believe it is intellectually dishonest for any economist to discuss farm prices on the basis of commodity supplies and inventories only. Ignoring the economic power and greed of our large multinational processors and suppliers is not living in the real world.

In the last two years, the packing industry took the price of live hogs below 10¢ a pound while they maintained the wholesale and retail price at 35¢ to 40¢ per pound, based on live weight. Can anyone believe a marketing system that does this is fair?

Monsanto, one of the leaders in ag technology, professes the total safety of genetically engineered crops for the public, while at the same time they sell non-genetically modified food in their cafeteria in England.

When we U.S. farmers were paying \$50 to \$55 a gallon for [weed-killer] Roundup (a Monsanto product that really works), it was being sold for \$25 a gallon in South America and for \$30 a gallon in Canada. A \$6 per bag technology fee is charged in the U.S.A. on Roundup-resistant soybeans. None is charged in some of South America.

The concentration of economic power and failure of our educators to openly discuss it, has not happened in just the last few years. In the early 1950s, I had an instructor in economics who openly discussed and did research on the concen-

tration of economic power with the packers. In Omaha, the so-called competitive market, Armour, Cudahy, Swift, and Wilson bought two-thirds of the hogs every day. His research showed that these four packers divided their hogs, so each received within 0.5% (or within 5 hogs per 1,000) of keeping their same percentage of plant capacity busy. It positively proved that they decided how many each would buy, before they went to the pens.

This economist, Dr. Mitchell, openly discussed farm is-



Let the government be a partner with family farmers rather than the multinationals. There are many

ways of improving the farm program, but raising the farm prices to profitable levels is at least ten times more important than all of the others.—Bill Burrows

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Most of our educators have almost removed the four words from their vocabularies that best describe our economic relationships. These words are:

Monopoly: A single seller which has the power to set prices for a large number of buyers.

Oligopoly: A small number of sellers who can dominate pricing over a large number of buyers.

Monopsony: A single buyer who can dominate pricing over a large number of disorganized sellers.

Oligopsony: A small number of buyers who can dominate pricing over a large number of disorganized sellers.

These four words describe nearly every farm transaction that takes place.

The National Farmers Organization, with competent business management and adequate participation, could quickly raise farm prices.

The national media have missed the boat completely in discussing the trade (so-called free-trade) issue. The issue that is generally at stake is whether sovereign countries have the right to regulate multinational corporations and prices, or whether these corporations rule the world.

There is no need for our government to be at odds with countries that believe in supporting their farmers and protecting their domestic food supply.

Although our ag programs have many problems, raising the price supports on basic farm commodities to profitable levels will solve over 90% of them. Raise the price supports to profitable levels and use the tools of government to work for fair prices in all commodities. If inventories of farm commodities get costly, supply management should be used. Let the government be a partner with family farmers rather than the multinationals.

There are many ways of improving the farm program, but raising the farm prices to profitable levels is at least ten times more important than all of the others.

Homeless: The Human 'Canaries' Are Dying

by Terri Bishop

Ms. Bishop is the executive director of the Community for Creative Non-Violence, the largest homeless shelter in Washington, D.C.

"It's clear that our country's in better shape than it was eight years ago; that we are moving in the right direction; that we not only have the longest economic expansion in history and the lowest unemployment rate in 30 years, we've got declining poverty, declining inequality, the lowest minority unemployment rates we've ever recorded. We have the highest home ownership in history. We've got the lowest crime rate in over a quarter-century—eight years of decline in a row; welfare rolls about half the size they were seven and a half years ago. Ninety percent of our kids are immunized against childhood disease, with over 2 million kids with health insurance that didn't have it before. And I could go on and on. . . .

"What are we going to do with this moment of prosperity? Most of us have never seen anything like it in our lifetime. Something like this comes along once in a lifetime. What is it that we proposed to do with it? And I hope the answer is,

we're not going to squander it, we're not going to indulge ourselves with it; we're going to take on the big challenges and seize the big opportunities so that we can build the future of our dreams for our children."

These statements were taken from a speech given by President Clinton on May 19 of this year at City Hall in Philadelphia, Pennsylvania. If these statements are true, why, then, are the canaries dying? Yes, I said canaries.

Let me explain: Coal miners once used canaries to indicate the presence of methane gas in the mines. If the birds died, methane concentrations were at dangerous levels. This nation



The homeless on the streets and in the shelters around the country are like the canaries in the mines, they're saying, "All is not well!" So I say to all those who would be President, listen to our human canaries and take note!—Terri Bishop

has human canaries. They're the homeless. Whenever you walk or ride through the cities of this country and see homeless persons, regardless of what the President, Congress, political analysts, or think-tanks say, the nation is dying.

What does the presence of these human canaries indicate?

1. It indicates a lack of affordable housing. In D.C. alone, Federal housing assistance has decreased by 75% in the past ten years. In D.C. alone, according to the Department of Public and Assisted Housing, 45,000 families who qualify for public housing are unable to receive such housing because there are no units available.

2. It indicates there are penalizing changes in welfare assistance to the poor. In D.C. alone, welfare grants have been cut by 10% in the last three years, although the cost of living has increased. As families lose welfare assistance, the number of families who become homeless is likely to grow. In addition, according to the Fair Budget Coalition, D.C. has cut programs that support low-income residents, including General Public Assistance and the Tenant Assistance Program.

3. It indicates poverty and lack of employment. In D.C. alone, according to the Fair Budget Coalition, the unemployment rate is approximately 10%, far higher than in surround-