CANADIAN EGG SCANDAL

Sept. 27 (IPS) - Ontario egg producers have just announced plans to reduce their flocks by 500,000 birds. The announcement comes on the heels of a supposed "egg glut" and a heavy round of "watergate"-style exposes of Canadian egg-marketing boards which set prices for farmers. The marketing boards are blamed for the dumping of millions of eggs which rotted due to poor storage. Because Quebec and Ontario poultry farmers depended on the marketing of these eggs for payment, many of them have suffered severe losses. The press campaign is geared to eliminate the price controls, effectively wiping these farmers out. A similar operation was performed with the wheat board this summer, as government elimination of fixed prices plunged many farmers into bankruptcy.

ONTARIO VEGETABLE FARMERS ENTRAPPED

Sept. 28 (IPS) - The frost which damaged corn and soybean crops in northern Illinois and Iowa also damaged several million dollars of fruits and vegetables in Soutern Ontario. The farmers blame the government for reducing the migrant labor necessary to finish the harvest before the frost. At the same time, the government set up the farmers to get completely enraged at the hundreds of welfare recipients who refused to work in the fields despite government threats to throw them off the welfare rolls if they did not. Arriving on the scene of this contrived chaos and food supply destruction, the Ontario Labor Federation head demanded trade union participation in the government's Manpower and Immigration Board, ostensibly to insure "proper treatment" of migrant workers. This is a paper-thin coverup for the role which Rockefeller's labor lieutenants will play in the formation of corporativist institutions - overseeing the slave labor recycling of welfare recipients, laid-off workers, and bankrupted farmers.

ROCKY'S FED PUTS SQUEEZE ON FARM CREDIT ADMINISTRATION

Sept. 22 (IPS) - The Rockefeller-controlled Federal Reserve System moved last June to discipline the Farm Credit Administration and cut its flow of loans to farmers, the Sept. 15 issue of Forbes magazine reveals. Several months ago, IPS reported that the Fed's "tight money" policies had crippled the ability of regional banks to provide credit to farmers. Farmers turned instead to the Farm Credit System which is owned 100 per cent by farmer-borrowers and is a traditional source of funds when private sources dry up.

As a banker for Chicago's Continental Illinois Bank put it: "They have been willing to make loans where more commercial banks were more timid. As farmers, they understand farmers. Their track record so far has been quite good."

During the fiscal year ending June 30, 1974, loans through the Farm Credit System (FCA) totalled $25.4 billion, a 27 per cent increase over the previous year, accounting for one-quarter of all farm lending. Under the command of David Rockefeller who is strategically positioned on the board of its New York branch, the Fed acted to remove this obstacle to Rockefeller's planned destruction of North American agriculture. According to Forbes, sometime in June "concerned Federal Reserve Bank officials called in E.A. Jaenke, governor of the Farm Credit Administration, for a heart-to-heart talk. Jaenke immediately told his regional branches to simmer down and begin "to scrutinize loans more intensively to see that they were going strictly for productive purposes," rather than for speculative land and commodity futures deals." After this, FCA lending began noticeably to contract.

Oil Hoax Inflation

As any farmer knows, the expansion in farm-lending earlier this year had nothing to do with speculation; it reflected the spiralling operating costs set in motion by Rockefeller's Great Oil Hoax. Following the U.S. Department of Agriculture's elimination of government subsidies for farm acreage "set aside" (and lured by the speculator-fed high prices of 1973), farmers went all out to expand production, borrowing heavily in hopes of boosting their income. Then the Oil Hoax was detonated, tripling fertilizer and fuel prices and setting off inflationary price hikes for every item used by farmers. By mid-July 1974, the index of prices paid by farmers for production items was 15 per cent above the level of a year earlier. Farmers' expectations of high prices were dampened as livestock and grain prices tumbled below year-earlier levels on the commodity markets.

Even the Federal Reserve Bank of Chicago in its August 1974 report on "Business Conditions" attributes the increased lending not to "speculation" but to rising operating expenses and the financial losses of livestock producers, necessitating in some cases "renewals and extensions of existing loans and, in others, a refinancing of farm real estate to pay off operating loans." The Federal Reserve report also points out that the growth in short-term loans represents the "tightening credit practices of merchants and dealers," forced by the "tight money" policies of the Fed itself.

U.S. NET FARM INCOME DOWN 17 PER CENT INDEBTEDNESS UP

Oct. 1 (IPS)--The Department of Agriculture's latest prediction that net farm income will decline 17 per cent this year from last year's $32.2 billion high is a misleading statistic, covering up the true extent of the loss to farmers. As the New York Times and other Rockefeller press were quick to point out, if judged by net income figures alone, 1974 would be the "farmers' second best year." Actually, in the last three years, the total farm indebtedness in the U.S. has risen from $62 billion to $95 billion--a figure almost equalling the total gross farm income for 1974. Average farmer indebtedness has risen from $21,000 in 1971 to $33,000 today. Under these conditions, the impending second Oil Hoax and the related collapse of working class consumption levels will be enough to push thousands of small farmers over the brink.

Overall net income figures also mask the damage done to the livestock, poultry and dairy sectors targetted by Rockefeller to be destroyed first. A combination of artificially high feedgrain costs and the collapse of livestock commodity prices resulted in some cattle feeders losing as much as $200 on each steer they fattened. The Department of Agriculture estimates that the total losses on cattle placed in feedlots during the last half of 1973 and first half of 1974 amount to $1.3 billion out of the total $2.8 billion equity capital employed to fatten those cattle. The catastrophic decline in the numbers of cattle placed in feedlots means that these farmers' withdrawal from production will show up as a shortage of grain-fed beef for working class consumers in the months ahead.