## **Agriculture** by Marcia Merry

## Wet spring bogged down corn planting

But rotten policies, not bad weather, are the bane of U.S. farmers desperately in need of parity prices.

Only by the end of May, very late in the crop cycle in the U.S. corn belt, were most farmers able to get into their fields and plant the 1993 crop. Late corn planting can mean trouble in the growing and harvest seasons.

But the biggest problems for both farmers and the world food supply are not weather, but man-made factors. First, U.S. farms are on the margin financially because of years of underpayment by the cartel food companies (Cargill, Archer Daniels Midland, Continental, Louis Dreyfus, Bunge, etc.) and from debt burdens and government-sanctioned dispossessions.

Second, the entire world has come to depend on the U.S. corn crop, because of the market control maneuvers by the same cartel companies. The United States accounts for over 40% all the corn produced in the world, and for most of the tonnage traded internationally.

The cartel companies and associated financial interests around the International Monetary Fund, the World Bank, and other entities have obstructed investment in agricultural infrastructure and output in target areas around the globe, while reaping gains from grain profiteering off U.S. harvests. At present, the U.S. corn per bushel price is around \$2.00 to the farmer, when a parity (cost of production) price to cover costs and give a return for capitalizing future production, would be at least \$5.60 per bushel.

What is the extent of the soggy spring weather? The May 17 U.S. Agriculture Department crop report (notoriously faulty, but this time not too far off), stated that planting of corn

and soybeans was well behind schedule. Overall, corn seeding was only 40% complete, as against 87% as of mid-May last year.

Moreover, planting in the two top corn-producing states (Iowa and Illinois) lagged significantly because of the wet spring. The rule of thumb for rain-delayed crop yields in this region is that for each day's delay in planting after May 15, there is on average one bushel per acre of corn lost in yields.

As of May 11, only 4% of southeastern Minnesota's corn crop had been sown, according to the Minnesota Agricultural Statistics. Only 23% of the ground had been prepared. Statewide, it was not much better. Planting was about 18%, compared with 54% in a normal year. Farmers in this area are anxious to plant by May 15, so that the crop will mature before the first frost.

As of May 9, according to the St. Louis Post-Dispatch, wetter than normal conditions prevailed from Minnesota to southern Illinois, and from Kansas to Indiana, retarding planting. As of the first week in May, "Illinois farmers had planted only 1% of their corn. Normally, 46% would be seeded by that date. The situation in Missouri was a bit better. Farmers had sown 10% of their corn by May 2.... Fields are wet on both sides of the Mississippi and Missouri rivers, on the hills and river bottoms. . . . In Missouri and Illinois, the period from October through April was the 12th wettest in the last century, said Ken Kunkel, director of applied climatology at the Illinois State Water Survey." Cool spring temperatures also lessened evaporation.

Late-planted corn is subject to many contingencies. It can be hit by an early frost. The effect of weeds can impede the young crop. Farmers need to take careful measures on when and how to use herbicides and cultivation, which may take money, equipment, and know-how, which they have been denied by the financial crisis.

Also, the weather can turn dry, which is harmful to crops which started off in wet conditions and failed to put down deep roots. There is an old Iowa adage: "Plant in the dust, and the bins will bust." In the eastern half of the Midwest, where plantings were on schedule, dry weather is already a concern.

The major problem facing corn growers and other family farmers is the continuation of insane government policies. What is required is to reinstate parity pricing for farm output, which was phased out after World War II, and to take emergency measures to deal with the unpayable farm debt

Meantime, Cargill and ADM, while stiffing farmers, are receiving all manner of government subsidies for corn, from Export Enhancement Program handouts to lucrative tax deals for processing corn into ethanol. Next, Cargill plans to rake in government-backed profits from corn-based biodegradable plastics. In May, Cargill, Inc. announced plans to open the world's largest biomass plastics factory in 1994 in Minnesota, to make plastic polymer from natural lactic acid, which is produced by bacterial fermentation of sugars derived from products like corn, potatoes, sugar beets, and milk. Mike Urbanic, head of Cargill's corn-milling division boasted, "We expect that demand for this product will lead to an even larger plant to produce corn-derived lactic acid polymers as early as 1996."

EIR June 4, 1993 Economics 15