

On July 15, Con Edison reported a record demand for electricity in New York City, despite the fact this was a Saturday, when demand is routinely lower than on weekdays. High demand and outages were the prevailing pattern throughout the heat wave.

The lack of power-generating capacity to keep up with demand has been masked until now by the worsening depression. Up until the 1960s, the manufacturing sector used to account for half of the consumption of electricity in the United States. As the "bubble" economy of financial speculation started to displace manufacturing output, manufacturing's share of electricity consumption has fallen to 30%. Increasing percentages of electricity have been consumed by the commercial and domestic sectors. But the decline of capacity has been so great, that any peak demand—heat waves, cold snaps, which are to be expected in U.S. latitudes—now results in power outages.

On a per capita basis, U.S. electric generating capacity ceased rising per capita as of 1985, and during five of the six years from 1987 to 1992, it declined. Electricity generating capacity has dropped from about 2.8 kilowatts per capita down to 2.6 in only four years.

Food production vulnerable

The role and condition of agricultural infrastructure, which includes power and electricity, may not be so apparent to the average person. But the lack of basic infrastructure makes farm operations and the food supply system needlessly vulnerable to bouts of severe weather or other strain.

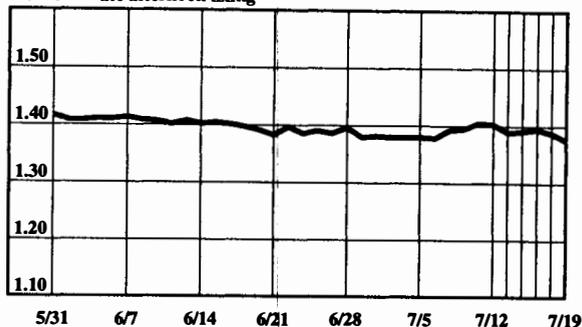
Worse, the shift of U.S. agriculture to crop monoculture (cultivation of one crop, instead of a number of crops) and concentration of livestock—mega-"factory farms" of poultry or hogs—add to the vulnerability. These shifts are the direct result of recent decades of self-serving actions by the international cartel of food-processing and commodities companies—Cargill Inc., Archer Daniels Midland (ADM), Pillsbury (Grand Metropolitan), Louis Dreyfus, Continental, Bunge, ConAgra, IBP, and a few others. Against all anti-trust statutes, these companies have dictated the characteristics of livestock for slaughter, crops, etc., the volume they will buy, and the price they will pay for farm commodities, and also the conditions of farm production.

The result, for example, is that 99% of all chicken consumed in the United States is processed by the cartel companies. The independent poultry farmers who produce the poultry bear the burden of debts to cover the difference between their farm costs of production (for buildings, electricity use, feed, and so forth), and the low prices they receive from the cartel. To try to survive, the farmers have flocks in the thousands. To cut costs, some farmers only use fans to try to provide temperature control, not air-conditioning. Or, they are limited in their electrical supplies. On the Delmarva Peninsula, over 1 million chickens died in the heat because of such conditions.

Currency Rates

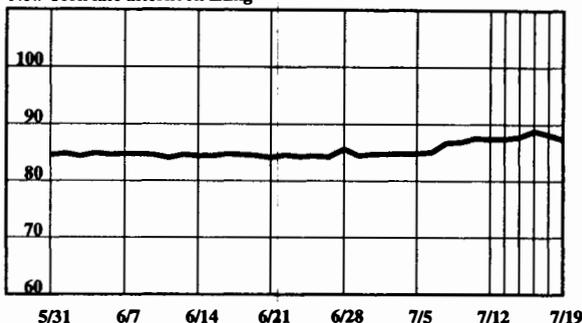
The dollar in deutschemarks

New York late afternoon fixing



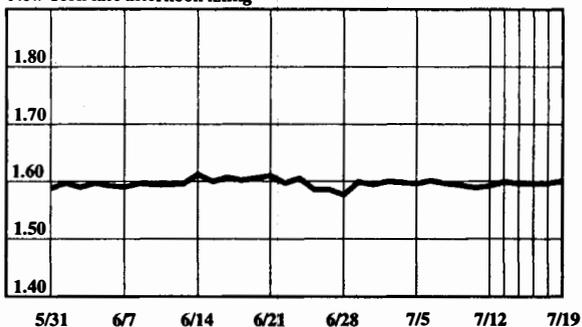
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

