

From Where We Stand . . .

THE FUTURE FARMER OF AMERICA

AS I KNOW HIM . . .

- He believes first of all that he lives in the greatest country in the world, and he willingly accepts his share of responsibility for keeping it great.
- He believes in working for what he gets and he feels that he is entitled to receive a just reward for what he produces.
- He detests begging and wants no handouts nor gratuities.
- He is self reliant, but at the same time cooperative and willing to help others.
- He is not afraid because he depends upon himself and he has faith in his initiative and ambition. Fear seldom finds a foothold in an active free thinking mind.
- He respects the rights of others and he expects others to respect his rights. If his rights are threatened, he is not afraid to fight.
- He has honest pride in his Chapter, pride in his accomplishments and pride in the success he has won Above all he is proud to be an American.

Raymond C. Firestone

President

THE FIRESTONE TIRE & RUBBER COMPANY

Shop For Credit: The Money You Save Will Be Your Own!

"A farmer can no longer stay in business on the basis of hard work, willingness and honesty. He must have ability in financial management as well as farming." Those words were written probably prior to 1957 in University of Rhode Island Extension Service Bulletin No. 175. Automation as we know it today was an infant at that time; therefore, considering the costs of mechanical farm hands and the larger sums farmers deal with today, that advice becomes even more meaningful.

Capital in modern farming is more and more frequently being substituted for labor with the aim of increased efficiency. There are four ways a farmer can get capital to invest in his business: (1) by gift or inheritance; (2) save from earnings; (3) marry it; or, (4) borrow it. We're talking here only about the latter method.

Regardless of the source of credit — local banks, Production Credit Assn., credit unions, life insurance companies, FHA or suppliers — the borrower should be aware of the cost of that credit, and he should shop for money just as he would for merchandise.

In discussing shopping for credit we're omitting, but not ignoring, the important decision that should precede that step — determining whether, and by how much, the added capital will increase your net income. The experts caution, "added debt is usually sound only if the loan will enable you to make more money with it than you could without it." That can be determined, or at least estimated, by budgeting your added costs and anticipated returns over the years during which the added capital investment will be used.

Interest rates are expressed in many, and often confusing, ways. There is simple interest, interest paid in advance; interest calculated on the monthly, or annual, unpaid balance; interest stated as a discount rate with the principal to be paid at the end of the loan period; and a method that is becoming increasingly popular with lenders, the add-on, installment type.

Space here is too limited for a detailed discussion of these many methods of interest calculation, but the bulletin mentioned above, or an updated version, can be obtained from the Univ.

of R. I. at Kingston, R. I. Literature on this subject may also be available through the county agent's office.

Cost of credit exists in two forms: as a dollar cost, and as a percentage cost. For example, you may be borrowing a small amount of money at a relatively high rate of interest, but your cost may be low in terms of dollars because of the small sum borrowed. In a recent issue of *Keynotes*, a publication of the Pennsylvania Credit Union Assn., an example was given of an installment loan. It was suggested that dollar cost of credit could be determined in a few simple steps: (1) add all the costs involved — down payment and total monthly payments; (2) subtract the cash price of what you are buying; (3) the difference will be your dollar cost of credit. Example: a refrigerator costs \$300 and can be paid for by making a \$12 down payment and 18 monthly payments of \$17.92 each. If you add the \$12 down payment to the total monthly payments (18 X \$17.92) you get a total cost of \$334.56. Then, subtracting the cash cost of the refrigerator (\$300), you have a dollar cost of credit of \$34.56.

To figure the percentage credit cost we pass on a formula learned in a farm management class once upon a time:

Actual Annual Rate Of Interest equals		
Tot. Cost of credit	X	# Payments in 1 year
1/2 amount received	X	Tot. # Payments Plus 1

(Total cost of credit is the difference between the face value of the note and the amount of money actually received for your use)

Using the refrigerator example above, we can substitute in the formula and find the true annual rate of interest:

\$34.56 (tot. cost credit)	X	12 (# payments in 1 year)
\$150 (1/2 cash value of refrig.)	X	19 (tot # payments, plus 1)
414.72	equals	14.6 percent true annual rate of interest.
2850		

This handy formula can be used with practically any method of charging interest, and may be helpful in determining your true costs when shopping for money.

What Do YOU Think?

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The Reader Speaks . . .

Lancaster Farming Gentlemen:
I have moved to Lubbock, Texas, with the DeKalb Agricultural Association, Inc. and
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therefore request that you stop my subscription to the Lancaster Farming. I enjoyed receiving your paper during my two years in living at York, Pa Your paper does a wonderful job in serving the farm people of the Garden Spot
Lubbock, Texas, is in the heart of the irrigated cotton and sorghum area of the High
(Continued on Page 5)



What Christ Means

Lesson for February 21, 1965

Background Scripture: Matthew 16. Devotional Reading: Philippians 2:1-11.

UNDER THE spreading shade has come to be a proper name. Trees of a little mountain resort called Caesarea Philippi, a when Peter said, "You are the conversation occurred which has Christ (or You are the Messiah had echoes and raised questions — they mean the same) he was as for a good nineteen centuries, good as saying: You are not in The two men in the conversation any class of mankind. There is



Dr. Foreman Peter. He had been born Bar-Jonas, the same as our Johnson; Jesus gave him a name which like all nicknames gives an impression of the person, what he is like. What did Jesus say to Peter? What did Peter say to Jesus? And more important, what did Jesus and Peter mean by what they said to each other?

Protestants think one way about these questions, Roman Catholics another. Still, we are agreed on one point. We see eye to eye about what Peter said and meant.

The question

So let us stick to Simon Peter's answer to the question which Jesus asked. Jesus approved Peter's answer; indeed assured the probably astonished man that his answer was the right one. Peter, who talked so often without thinking, must have been as surprised as he was pleased to think that for once he was right the first time. Jesus started by asking who people thought he was. Jesus knew he would strike people, thoughtful people, as having more depths in his nature than could be seen with the naked eye. The simply answer: "People know your name is Jesus and that you came from Nazareth; why should you ask?" Jesus didn't mean that. He meant: Whom do I remind people of? Who is, so to speak, my spiritual twin brother? Jesus was not content with ask-

thought of him. He already knew, perhaps, what Peter told him; that the people thought of him as a kind of second Elijah, or Jeremiah or, even John the Baptist (who also was dead). Jesus made no remark about the people's opinions. He brought the question down to ground level: Who do YOU say I am? That's what counts. Jesus did not want to be a question-mark only.

Can Jesus be classified?

Peter's answer said more than meets the modern eye. Messiah is a word without meaning to most men on the street. Christ UNDER THE spreading shade has come to be a proper name. Most persons do not realize that when Peter said, "You are the conversation occurred which has Christ (or You are the Messiah had echoes and raised questions — they mean the same) he was as for a good nineteen centuries, good as saying: You are not in The two men in the conversation any class of mankind. There is were Jesus of no one, absolutely no one, in the Nazareth and his same class as yourself. There stout friend have been other healers, other Simon Peter. Actually Peter was a nickname, and it was during this conversation that Jesus gave his friend the name Peter. He had been born Bar-Jonas, the same as our Johnson; Jesus gave him a name which like all nicknames gives an impression of the person, what he is like. What did Jesus say to Peter? What did Peter say to Jesus? And more important, what did Jesus and Peter mean by what they said to each other? Protestants think one way about these questions, Roman Catholics another. Still, we are agreed on one point. We see eye to eye about what Peter said and meant.

At least this!

But can't we say more than this? Must we call Jesus only a plus-X, a mysterious additive to ordinary humanity? Mystery he may be; but there are some things we can say "Messiah" means even though his full meaning eludes us. At least this: He speaks with the authority of God; he is the representative Man and also the Representative of God. He is God as man, God in man, he is what God wants us to know of himself. Alongside this, there shines another meaning in the simple title "Christ." The name in the Old Testament always had the sound of Victory; God's victory would, at last be won, by the Messiah. Christians to this day believe that the great war between God and evil will not be a draw; Christ will win the last struggle. He is the Voice and the Victory of God.

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Now Is The Time . . .

To Plan For Forage Supply

Many livestock producers have increased the number of cows or steers carried in their farm operation. In many cases the farm is not large enough to produce all of the grain and roughage needed. However, it is important to produce the amount of hay and silage that is needed. Many successful dairymen are concentrating on producing a maximum amount of top quality hay and silage on the farm, even though larger amounts of grain and protein may be purchased.

To Maintain Proper Soil Acidity

On most of our county soils some lime may be needed every 4 to 6 years; this will vary according to soils, fertilizer applications, and crops removed. For most farm crops a pH of 6.4 to 6.8 is desired. For legumes a neutral soil (pH of 7.0) is desired. This is the reason that soils should be tested every rotation in order to keep the pH at the proper level. More value from commercial fertilizers will be realized with proper soil acidity.

To Eliminate Rodents

Some farmers may think that it costs too much to buy rat poisons to kill rats and mice. We maintain that it costs too much to put up with them. Spring weather will soon be here and these rodents will migrate to the fields and reproduce during the summer; next fall we will have a heavier population of them. We urge every land owner to make a special effort to eliminate every rat and mouse now and prevent greater losses from them. They are dangerous to have around and should be exterminated. Eliminate breeding places and place a number of poison bait

To Prepare Farm Machinery

The good farm manager no doubt has already gone over most of his farm machinery and has it in good shape for the 1965 season. However, if this has been neglected, we urge farmers to give this some attention before the day that you want to use it. The farm machinery service man will also be able to do a better job if you give him ample time on the work. Rust continues to be the No. 1 enemy of most farm machinery and therefore, a coat of paint will help stretch the life of this big investment.



MAX SMITH