

Business Profits

Unremitting attack on basic U.S. business institutions by educators, professional politicians, students and others is taking its toll of public confidence in the entire American system. One of the latest surveys of the situation by Opinion Research Corporation has been summarized in a national magazine feature entitled "America's growing antibusiness mood." The magazine prefaces the findings with the observation, "Since the mid-1960's, Americans have been turning sour on America—on its dreams, its promises, its leaders . . . in increasing numbers, Americans are focusing their new, European-style cynicism on the profits, prices, and policies of the country's largest corporations and on the workings of the entire economy."

The ORC survey shows that business support has dwindled while misconceptions about business have multiplied. Since 1965, the percentage of the public expressing low approval of business has climbed from 47 per cent to 60 per cent. In the words of the report, "Even more worrisome, perhaps, the ranks of the traditionally strong supporters of business—Republicans, professionals, managers, college graduates, the affluent, and 'initiators' (thought leaders and people most active in public affairs)—have been cut in half." Incredible as it may seem, even in this age of advanced communication technology, the myth of exorbitant business profits persists.

The public believes that the after-tax profits of corporations average 28 cents on a dollar of sales. Whereas the actual figure is but 4 cents. Even company stockholders believe that corporate profits range in the neighborhood of 23 cents. The average person, according to the survey, considers 10 cents a fair return—a figure that is over twice the actual corporate return! Misconceptions exist in other areas such as consumerism and product quality and

taxes. Judging by the ORC survey, a growing number of people believe that companies are doing very little about pollution. Moreover, a majority of the public is unwilling to pay for the cleanup. In the matter of consumerism, an increasing number of people evidently want more product laws for health and safety.

The report says, "Corporate price increases rank only second in ORC polls to the Vietnam war as the major cause of inflation. Even stockholders (6 out of 10) believe competition cannot be counted on to keep prices at fair levels and government controls are necessary. One third of the public believes Washington should set ceilings on profits. Another one third believes the most practical way for workers to improve their standard of living is for them to get more of the money companies are making rather than for the workers to increase their productivity."

Based on the survey findings, Opinion Research Corporation officials see certain portents for business. The magazine sums them up in this way: "Pressures will continue for a limit on corporate profits . . . The push to sell the public on the necessity to increase productivity will remain one of the toughest public relations jobs of business for years to come. Consumerism will continue to force companies to deliver what the public legitimately expects of them, while the environmentalist thrust pushes up the companies' costs and prices. If, by word and deed, business cannot dispel public mistrust, further government intervention is certain."

What the surveys appear to show above all else is that through a misunderstanding public opinion and the American economic system of representative government and free enterprise are on a collision course. The public has apparently been led to expect more than perhaps business can deliver.

Nonprofit Industry

Most of us do our shopping in supermarkets nowadays which often means chain stores. Therefore a few facts taken from a study published by the Cornell University Department of Agricultural Economics should help dispel the economic illiteracy that leads to the tendency to blame high prices on profits.

The study covered food chains which do \$100 million of business per year or more. Profit margins of these chains have moved steadily downward for over five years. In 1964 and 1965, such stores made an average of 1.25 percent net profit on sales. The next year that figured dropped to .97 percent, then to .91 percent, and then to .45 percent. In the 1970-71 year, it was down to 14 percent. The inflation which everyone has been experiencing and which

has led to a squeeze on family budgets has also squeezed the earnings of business—such as food chains.

In an effort to bring the matter of profits into more understandable perspective, the chief executive of a large chain store pointed out that, "If we took all the profit of all of the retail food chains, cooperatives and voluntary groups for a year, and distributed them back to the customers on a per capita basis, the average per capita distribution would be less than one cent per day. If we cut this industry so that it made no money at all, an average family of four would get back 28 cents at the end of the week." For all practical purposes—so far as consumers are concerned—mass retail food distribution is virtually a nonprofit industry.

Grassroots Opinions

METROPOLIS, ILL., PLANTET "Everyone in the United States has an opportunity now to help stamp out heroin. President Nixon has announced the establishment of a nationwide, toll-free telephone number to provide American citizens with a quick and convenient way to report information on heroin pushers. The telephone number is 800-368-5363. The telephones are manned at a center in Washington around the clock, seven days a week. Trained operators on duty are under the supervision of experienced Federal agents. The caller need not identify himself, and the rights of all callers will be fully protected. Anyone with information is urged to call the number to help in the crackdown against heroin trafficking now underway across the country."

EKALAKA, MONT., EAGLE: "Among the most enthusiastic advocates of withholding the 'news' sometimes are those citizens who get into trouble with the law and feel they would be avoiding some measure of disgrace if somehow the information is kept out of the newspaper columns. We have come more and more to question the advisability of this course of thought, even in so-called juvenile matters, but it has done us little good through the years to point out that where arrests are kept secret there is the ever-closer possibility of the gestapo and the spiriting away of the citizen on the q.t. to an unknown and unheralded, but nonetheless catastrophic fate. From little infringements of liberty, mighty repressions grow."

NOW IS THE TIME . . .

Max Smith
County Agr. Agent
Telephone 394-6851



To Be Careful With Alfalfa Cuttings

There is some confusion concerning the best time to cut alfalfa during the fall; we have reference to the removal of the third or fourth cutting and the possible damage to the plants for maximum yields the following summer. Current research work reveals that in the southeastern part of Pennsylvania the alfalfa should not be cut during the first half of September; it is during this period that the plants are developing crown buds and rhizomes for the following year's stems. Harvesting during late September and early October has done less damage to the plants than the early September cuttings. Work in West Virginia reveals that crops cut in the immature stage (before blossoms) in early September showed more damage than mature crops (30 to 50 percent blossom) cut at the same time. We urge alfalfa growers to give some attention to these facts at this time of the year if they are interested in keeping their alfalfa stands for another year.

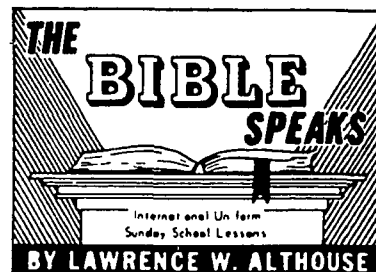
To Beware of Silo Gas

Silo filling time is at hand and many acres of corn will be ensiled in huge tower silos. This great concentration of silage creates a larger problem for dangerous silo gases. Prior to filling the silo it is difficult to

know whether or not gases will develop; however, corn from heavily fertilized fields, or corn that has been slowed down by dry weather, could produce larger amounts of gas. Farmers and custom silo fillers are urged to use extreme care in and about the silo at filling time and for at least 10 days thereafter. All members of the family should be urged to stay away from the silo.

To Apply Lime in Winter Grain

Fields that are to be seeded to winter grain this fall and then seeded down to alfalfa or clover next summer, should be limed this fall if they need more alkalinity. A complete soil test will reveal the needs both for lime and for fertilizer elements. If the lime is worked into the topsoil this fall before seeding the winter grain, the small legume plants will get off to a better start next spring or summer. Time should be allowed for the lime to sweeten the soil. When it is worked into the topsoil, it will be much more useful than if it is broadcast on top of the ground next spring or summer. Lime is still needed on many of our soils to continue to grow profitable crops of clover and alfalfa. In many cases the stand of alfalfa is not lasting long enough because the soil is not sweet enough. Legumes like a sweet soil and will be more profitable when it is provided.



BECAUSE OF A BOOK

Lesson for September 3, 1972

Background Scripture Joshua 1:1-9, Isaiah 40:6-8, Daniel 1, John 8:12
Devotional Reading Psalms 119:17-27

Somewhere I heard of an old man who saw a little boy carrying a Bible to Sunday school and said to him "Carry that book when you are young, son, and it will carry you when you are old."

At forty-two, I'm not sure into which of those age categories I fit, but I have already learned the truth of what the man said: that Book has often carried me. Because of that Book I have gotten through some tight places and endured some fearful storms. In the midst of defeat, disappointment, death, sorrow, fear, danger, temptation it has spoken to me when I have allowed it to do so. Although it is not reflected in my life nearly so much as it ought to be, it has, nevertheless, shaped its course.



Rev. Althouse

"Think on these things"

I have always counted it fortunate that as a ministerial student I had to study the Bible. Forced to plumb its depths by academic requirements at seminary, I learned to love this Book and feel for it that same, subtle

passion of which so many of the Bible writers themselves spoke. I know the tremendous benefit that comes from meditating "on it day and night," and I wish so desperately that I could persuade others to make this discovery for themselves.

Unlike myself and other clergymen, most people do not have to study the Bible, and, because they don't have to, they don't. If they read it, it is often with a sense of painful obligation. For the fact is that you cannot prove the Bible's worth to another person; they can only discover this for themselves.

The promises seem rash: "for then you shall make your way prosperous, and then you shall have good success" (Joshua 1:8). Yet, if we rightly understand prosperity and success in their deeper sense, it is true: study of the Bible does bring us this fullness of life that goes beyond sheer material wealth and social success.

The word stands forever

One of the indications of the Bible's value is the way that it stands the test of time. To be sure, its language and thought-forms are often archaic and outmoded, but the basic ideas and issues in it seem never to grow out of date. It has an amazing capacity for remaining contemporary.

Despite its apparent antiquity—an antiquity more apparent than real—the Bible is a book for just such a complex in which nothing seems to endure. "The grass withers, the flower fades; but the word of God will stand for ever" (Isaiah 40:8). Because of this Book, men today can find the strength to endure.

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