

Grain exports

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comment on the sales at all, but I began to sense that there may be a kind of sympathy among farmers when it comes to market prices which makes it hard for the farmer buying feed to take a stand against the sales which will obviously benefit so many other farmers. Finally, Richard Hoppes of Windsor Castle put it into words, "As a buyer I want to get grain as cheap as I can, but I can see the point of view of the guy growing it. I believe the grain business right now is about at the break-even point, and if the farmer doesn't do more than break even, he isn't going to be in business very long." This same idea came from Donald Duncan of Robesonia who grows grain to feed his dairy herd as well as to sell, "What the farmer who has to feed must realize is, if the farmer who produces the

grain doesn't get paid, he will stop producing it."

Although Duncan's statement confirmed my original idea, that some farmers might not be in favor of the exports, I was not able to find even one who would speak out as directly against them. Listening to County farmers, it appears that the real conflict over the matter exists, not between farmers, but between the farmer and the consumer with his eye on that loaf of bread. Most farmers felt as Duncan did, that the consumer is often misinformed as to the real issue at hand or simply unwilling to see the farmer get his due. As he explains it, "The United States is the largest and best producer of grain in the world—it is what we have to bargain with, and if we don't get a good return to the grain farmer, he will not produce. He has got to get a return above what it costs him."

Pointing out the high operating costs and the gamble the farmer takes on the weather, he believes that the shortage the consumer worries about "will be created by not exporting," because the farmer will just stop growing it. He is definitely in favor of the exports "if kept in hand" so that they do not create a hardship in this country but so that growing grain "is a profitable business for the producer." As to the consumer's concern with the price of bread, he noted that although the amount of wheat in a loaf of bread represents a very small percentage of its costs, with the announcement of a new sales agreement with Russia, "the manufacturers of bread get on the bandwagon and the farmer gets blamed."

A similar concern with the image of the farmer that is created by the soaring bread prices which accompany the Russian sales was expressed by Roy Christman, Hamburg R1. The problem as he sees it is that "there is no understanding between the consumer and the farmer." He feels that the consumer doesn't consider why the price of bread goes up so high when grain is raised a trifle, particularly when the experts tell us that "the cost of wheat is represented by only about two-and-a-half slices of a loaf." He also mentions that consumers do not realize that "the price of bread goes up when grain prices do but it does not come down with grain prices." On the danger of a shortage in this country, he points out that recent reports he has read indicate that the percentage of loss due to the

droughts in the Midwest is expected to be small. He favors keeping the grain bins "low but not empty." According to Christman, it is the wildly fluctuating market that hurts the farmer so "if we have the grain and have a market for it, let's sell it, but keep an even keel."

Wilbur Lutz, one member of a family corporation which deals in grain and hogs, says he approved of the original Nixon wheat deal with Russia because "it got the government out of the business of buying grain and that is the best thing that ever happened." But he suggests taking it a step further and favors "letting private enterprise store it and sell it." He feels that the agreement that the United States made with Russia for advance notice of how much wheat they want to buy is not only no agreement at all since it allows either side to back out, but that it could actually hurt the farmer's price by creating another surplus if Russia did back out. He feels that the proposed 3.5 million metric ton figure for the upcoming sale would probably be

higher if it were not for public reaction to the sales in the past. In his opinion, "when he's campaigning, the politician tells the farmer this and that, but when it comes right down to it, both political parties operate on a cheap food policy." Also, it is obvious to him that "the consumer wants everything ready to eat and there are a lot of hands touching it before it gets to the consumer. Even when the farmer's prices are dropped, it takes a long time for the consumer to realize it." As an example, he cited the drop in the price of hogs last spring which took four months to begin to show up in the supermarkets' price of pork. As to the question of shortage, Lutz believes that the loss due to recent droughts "will probably be less than predicted." He questions the government's method of crop prediction anyway and wonders why no one ever comes around asking farmers how the crops will be and what he plans to do. It appears to him that it's "more a matter of politics than accuracy. Predictions are already started and farmers haven't even planted yet." On the matter of the embargo last Fall, Lutz explained that "expenses (for the farmer) were at their peak last spring and when they put the embargo on it really hurt the farmer. Exporting is the best thing we can do right now." As for the Russian grain sales specifically, he points out that they are "just a drop in the bucket" compared to the amount of grain the U.S. exports to other nations, but grain exports are important, "they are really the only thing we have to help maintain our balance of trade."

A slightly different point of view concerning grain exports specifically to Russia was expressed by Joe Ruth,

Fleetwood R2, who grows most of the feed he needs for his dairy operation. Although he favors exporting grain, he feels that "there are other places in the world where it could be sold." In his opinion, "the government is using the sales for return favors and not for the benefit of the farmer." He would support continued exports "if they're not used for political purposes" at the expense of the farmer.

There may be some difference of opinion among Berks County farmers regarding the U.S. grain deals with Russia, but in measuring the reactions of those I spoke to, I would have to say that the overwhelming majority are in favor of the sales. Many pointed out that grain is important to our country's economy. As one man put it, "grain, soybeans and scrap metal are all we have left to export. We've priced ourselves out of all the other markets." One point nearly everyone commented on was the consumer's reaction to the sales, and there seems to be general agreement among County farmers that the consumer just does not understand the farmer's problem. A reply I got to a question about last Fall's embargo which was in effect — "just another case of union and consumer groups getting together to rip off the farmer again" — may be a little too strong for most farmers to agree with. But I do not think any of them would disagree with Donald Duncan's statement: "I'm sick and tired of the farmer subsidizing the American consumer and the rest of the world."

Labor

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decision which found that union pickets may not invoke free speech provisions under the Constitution as a right to picket a privately-owned shopping center. The high court ruled that unions must seek other federal statutes for support.

Even though the ruling came in a case not farm-related Grant said he saw its effect as directly applicable to tactics long used by United Farm Worker (UFW) food boycotters who have often claimed free speech provisions for acts of picketing and handbilling on private properties.

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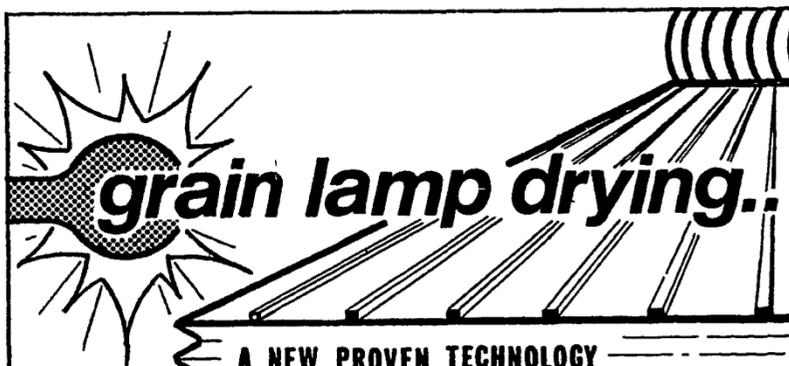
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