



OPINION

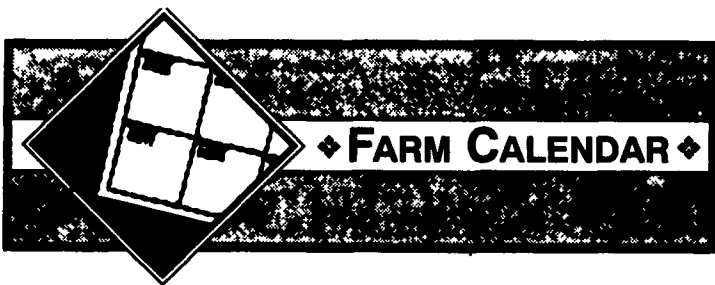
The First Signs Of Food Shortages

If you think consumers were astonished by the sudden sharp increase in the retail price of butter, you should hear the farmers talk, especially when these consumers are being told that it is because the raw milk prices to dairy farmers have escalated dramatically.

First of all, this supposed raw milk price increase has not hit the farmer's pockets yet. They are being told they will likely see increases in their milk checks starting in August. And that prices at the farm gate should be good throughout the rest of the year and maybe into next year. But in stores, butter has increased by over \$1.00 per lb. and is selling for \$2.50 in some stores.

According to Arden Tewksbury, manager of Pro Ag, in January of 1996 the wholesale price for double AA butter on the Chicago market was 80 cents per lb. In early July the price went to \$1.50. This is 70 cents per lb. increase. Over the same period the cost of the raw product paid to dairy farmers to manufacture this butter increased 12 cents per lb. (See Farm Forum column starting on this page for Tewksbury's deductions.)

The cost to eat in America will increase and so will the percentage of disposable income spent for food. But if we are going to have anything to eat, the food distribution industry must find a way to pass back to the farmer a sizable part of the food price increase or we will lose the farmers in bankruptcy and have no food supply at all. We may be seeing the first signs of this already.



Saturday, July 20

- Annual Cattlemen's Field Day, Low Hill Farm, Brownsville, 9 a.m.-3:30 p.m.
- Frederick/Montgomery Brown Swiss Field Day, Frederick Fairgrounds, 10 a.m.
- Frederick/Montgomery Jersey Field Day, Frederick Fairgrounds, 10 a.m.
- Goat Field Day, Jacob Fisher's, Manheim, 1 p.m.-4 p.m.
- York County Beekeepers' Assn. annual picnic, John Rudy Co. Park, 9:30 a.m.

Sunday, July 21

- Ag In the Classroom Teacher Workshop, University Park, thru July 26.
- Clarion County Fair, thru July 27.
- Shippensburg Community Fair, thru July 27.

Monday, July 22

- Troy Fair, thru July 27.
- Jefferson Township Fair, thru July 27.

Tuesday, July 23

- Vegetable Small Fruit and Tree Fruit Field Day, Horticulture Research Farm, Russell E. Larson Research Center, Rockspring.
- Kent County, Md. Greenhouse Management Short Course, also July 24, 25, 30 and Aug. 1 and 6.

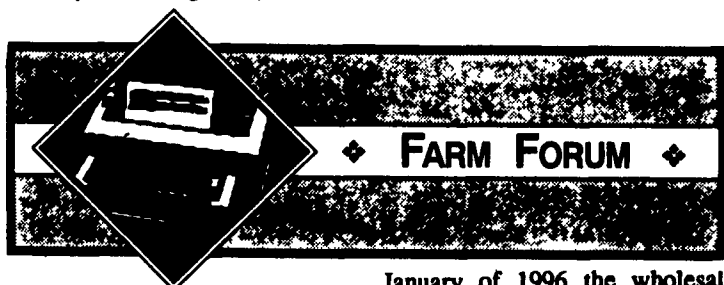
Wednesday, July 24

- Jacktown Fair, thru July 27.
- Plainfield Farmers Fair, thru July 27.
- 1996 Penn State Agronomic Field Diagnostic Clinic, Russell E. Larson Ag Research Center,

Rockspring, also July 25, 9 a.m.-4 p.m.

- Promoting Tree Health: Diagnosing Insects, Disease, and Hazards Workshop, Penn State Beaver Campus, Monaca, 9 a.m.-3 p.m.
- Grazing Maze Pasture Walk, Gil Richard Papa Farm, Strausstown, 7 p.m.-9 p.m.
- No-Till Vegetable Transplanter demo and field day, Steve Groff Farm, Holtwood, 1 p.m.
- Crops Field Day, Lebanon Valley

(Turn to Page A30)



Editor,

The American consumers and dairy farmers are astonished by the sudden sharp increase in the retail price of butter.

In many stores butter has increased by over \$1.00 per lb. and is selling for at least \$2.50 in some stores.

In many cases your local store owner is not at fault for the sharp increase. One store owner showed me his cost, which was \$1.80 per lb. He was selling the butter for \$1.79. Some store owners are now selling butter for \$1.39 per lb., but in most cases the price to consumers has shot up well over \$2.00 per lb.

Many consumers have been told that a butter shortage exists and the raw milk prices to dairy farmers have escalated dramatically.

Who is at fault?

Let's examine the facts. In



Now Is The Time

By John Schwartz

Lancaster County Agricultural Agent

To Grow Your Business

Today most companies expect their management to increase sales each year by at least 15 percent.

This is done by using a variety of techniques. These include increasing productivity, building more production capacity, buying other businesses, etc.

In addition to increase sales, management is expected to increase profits every year. This is done by controlling costs, evaluating all segments of the business and reducing or closing out areas that do not meet sales and profit goals and reorganizing the business.

When was the last time you sat down and set financial goals for your farm?

Farming is no longer a way of life unless you are farming as a hobby. Farming is a business like any other business. As the manager/owner you need to set the same sales and profit goals that other businesses have.

You need to develop a business plan that will outline how you will grow your farm's sales and profits. Now is the time to sit down and set financial goals for your farm.

To Participate in Public Policy

With decreasing public funding for cooperative extension, agricultural research, education, etc. it becomes very important for farmers and agribusiness people to participate in advisory committees and trade associations.

January of 1996 the wholesale price for double AA butter (grade A) on the Chicago market was 80¢ per lb. In early July the price went to \$1.50. This is a 70¢ per lb. increase.

In January of 1996 the price paid to dairy farmers for milk used for manufacturing was \$12.76 per cwt. The June price was \$13.81. This is only a \$1.05 per cwt increase (9¢ per gallon).

When a processor converts milk into butter the normal yield is 4½ lbs of butter from each 100 lbs of milk (11.6 gallons). When you divide the 4.5 lbs. of butter into the \$1.05 per cwt increase to farmers since January, then the price increase of butter should only be 23¢ per lb. or a wholesale price of \$1.03. The other 47¢ per lb. increase did not go to dairy farmers.

The rest of the story.

Actually, when processors (Turn to Page A39)

With declining dollars, universities are examining ways to reduce expenses while better meeting the needs of the clientele.

This means there will be major changes taking place. To guide this change farmers and agribusiness people need to take an active role in these discussions to make sure their priorities are expressed. They also need to communicate these priorities to public policy makers.

This communication is very necessary if adequate funding is to be provided.

Groups that are not actively communicating the importance of programs and institutions will see these programs and institutions eliminated. Thus, it is very important to participate in discussions and take an active role in maintaining the infrastructure you need to keep your businesses growing and profitable.

To Be Safe Around Electricity

Electrocutions rank among the

hazards that claim farm lives every year.

The more obvious incidents include making repairs on electrical equipment without disconnecting the circuit. But unexpected contact with power lines claims victims, too.

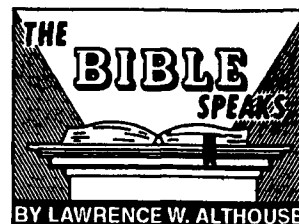
Raised truck beds, grain augers and raised tractor loaders can contact power lines with fatal results.

Lightning is a hazard for anyone outdoors during threatening weather.

Electrical safety tips on the farm include:

1. Keep all farm wiring in good condition.
2. Disconnect circuits before attempting repairs.
3. Do not attempt electrical work beyond your abilities; and
4. Avoid contacting power lines with equipment such as grain augers, raised truck beds, tractor loaders and silo blower pipe.

Feather Prof.'s Footnote: "Let the vision of your goal lead you to success."



GIVE HIM A TRY
July 21, 1996

GIVE HIM A TRY
July 21, 1996

Background Scripture:
Psalms 34

Devotional Reading:
Psalms 121:1-8

In Psalm 105 the Psalmist proclaims: "O magnify the Lord with me, and let us exalt His name together" (34:3). What's the reason for his song this time? In Psalm 104 he praised God when he contemplated his creation. In Psalm 105 his praise was occasioned by his recounting of God's mighty acts in the history of Israel. And now he finds another reason to praise the Lord: "I sought the Lord, and he answered me" (34:40).

This is a personal testimony. "I sought the Lord, and he answered me, and delivered me from all my fears" (34:4). He has reflected upon his personal experience of God's help in the midst of trouble. "The poor man cried, and the Lord heard him and saved him out of all his troubles" (34:6). He tells us simply that he needed help and the Lord responded. So he cannot help but resolve: "I will bless the Lord at all times; his praise shall continually be in my mouth" (34:1).

BLESSING, NOT BURDEN

I cannot think of a more transforming resolve than that: to "bless the Lord at all times" and for his praise to be "continually in my mouth." As I said last week, it is not God who needs our Praise, but we do. When we praise God our lives are lifted up and renewed. Praise changes us. So, if I resolve to try to "bless the Lord at all times," it is not a burden for me to assume, but a blessing.

The Psalmist knows that this blessing is available to everyone who praises God: "... let the afflicted hear and be glad" (2b). This is good news and he wants to share with others this wonderful discovery. Note, that he does not say that the Lord keeps us from experiencing afflictions, but that he helps us in the midst of them.

"The Lord is near to the broken-hearted, and saves the crushed in spirit. Many are the afflictions of the righteous; but the Lord delivers him out of them all" (34:18, 19).

So, he invites us to join with him: "O magnify the Lord with me, and let us exalt his name together! When we magnify God, we are magnified by his grace and he invites all of us to find it out for ourselves: "O taste and see that the Lord is good! Happy is the man who takes refuge in him!" (34:8).

ASPIRIN OR THE ALMIGHTY?

To "taste" is to learn by personal experience. The Psalmist first testifies to what he has found and then he invites us to find out for ourselves. If we are dubious or unsure about the Psalmist's experience, why not try God ourselves? The next time you find yourself in trouble, faced with a predicament, crisis or experience of affliction, try trusting in God and not all those other things we turn to instead of Him.

This is not a suggestion to forsake your prescribed medicines or fail to seek whatever tangible help you can. It is just an observation that many of us trust more in aspirin than in the Almighty; in things more than in the Creator of all things. That's why God is able to get through to us so much better when we are down and out: we've experienced that everything else has failed!

We need to say a word about the Psalmist's use of two terms, "fear" and "saints." "O fear the Lord, you his saints, for those who fear him have no want" (34:9). "Come, O sons, listen to me, I will teach you the fear of the Lord" (34:11). "Saints," as the Psalmist uses the term, means simply "believers" and "fear" is not fright, but reverence. If we are to try out the Lord, it must be in a spirit of belief and reverence, not manipulation.

But don't take my word for it or even the Psalmist's. "O taste and see that the Lord is good!"

Lancaster Farming
Established 1955
Published Every Saturday
Ephrata Review Building
1 E. Main St.
Ephrata, PA 17522
- by -
Lancaster Farming, Inc.
A Steinman Enterprise
Robert G. Campbell General Manager
Everett R. Newslinger Managing Editor
Copyright 1996 by Lancaster Farming