Economic surge not helping agriculture; Pa. not hurt as bad

By JAMES A. STEWART Collegian Staff Writer

Recent improvement in the economy, beneficial to consumers and most industry, has hurt the agriculture industry, a professor of agriculture economics extension said.

"Agriculture was completely bypassed in our current economic recovery," Louis Moore said at an Ag Student Council meeting last night.

However, Moore said problems in Pennsylvania's agriculture industry have not been as severe as in the rest of the country.

He said this is due to the diversity of farm products in the state, financial conservatism on the part of Pennsylvania farmers and the benefits of reduced grain prices on the dairy industry, Pennsylvania's largest agricultural field.

Pennsylvania has risen from 17th to 12th in value of farm products sold since 1980, Moore said.

'Today's agricultural problems have been caused by excesses of farmers and their lenders which were created by the inflationary spiral of the 70s," Moore said.

He said farmers borrowed heavily then because of the rise in farm values due to inflation. This increase gave farmers more collateral for loans, and banks were more willing to lend money, he said.

In the 1980s, inflation has dropped, bringing farm values down also, Moore said. Farm values in the Midwest, the hardest hit area. have dropped 36 percent since 1981, he said. Pennsylvania farm prices, he added, have only dropped 5 percent since 1981.

With the decrease in farm values, he said, banks have based recent loans on cash flow rather than land collateral, making loans harder to

Another problem facing farmers is the "perennial surplus problem," Moore said. At the end of 1985, he said. 120 million metric tons of surplus crop is expected. This amount is about equal to half a ton of surplus crop for every person in the United States, he said.

"Farmers produce more as prices. go down," Moore said.

As they try to pay off their bills, farmers increase production, further lowering prices, Moore said. Since 1960, corn, soybean, and wheat production has more than doubled.

on food, as opposed to 20 percent in Agriculture, which is 15 percent of

As a result, he said, consumers now

Reasons for this decline are the increased strength of the dollar and export subsidies by other governments, he said.

Also, new exporters such as India and China have taken a large portion of export trade away from the United States, Moore said.

"Unless there's a crop failure in the Soviet Union," Moore said, "the surplus will remain through the end of the century.

Another disadvantage, Moore said, is the trend toward mergers among major agriculture-related corporations. This includes recent buyouts of food companies such as General Foods and Nabisco by tobacco companies, he said. This consolidation benefits larger farms which deal in volume, he said.

Moore said possible solutions are a totally free market, mandatory controls, voluntary production controls, and a dual price system.

A totally free market, favored by President Reagan, would eliminate government subsidies and force prices down to improve competition spend only 15 percent of their budgets on the international market, Moore

Increased U.S. competitiveness on the world market would force other total U.S. exports, accounted for 70 nations to reduce agricultural prices, percent of the decline in exports last he said, resulting in a global price

would place strict limits, with government enforcement, on agricultural sales, Moore said. Higher prices and a reduction in national and world agricultural surpluses would result, he said.

Under voluntary production controls farmers would reduce production as a result of reduced prices and crop surpluses, Moore said.

A dual price system, Moore said, means a normal domestic price combined with a reduced export price paid for by government subsidies.

Farmers' preferences, based on a survey in Oklahoma, point to mandatory controls as the most popular solution, Moore said. The greatest support for these controls, he said. comes from grain farmers.

"Grain farmers are more desperate because they have suffered the most," Moore said.

Moore said he expects voluntary production controls and the dual price system to be used as short-term

Immediate aid may come from a farm bill being discussed in Congress, Moore said. The bill calls for reduced acreage in use, a 5 percent decrease in farm loan interest rates and a freeze on target prices for and Senate have yet to reach a com- Moore said.

Mandatory production controls promise on the bill. Moore said he expects the final bill to be passed early next year.

In the long range, Moore said the industry will see a consolidation of crops into certain geographic regions, and lower returns on capital investments for farmers and farm equipment suppliers. Increased emphasis on marketing and management, a decreased margin between prices and costs, and a trend toward fewer and larger farms will also result, he said.

Moore listed several steps to help area farmers plan for the coming

"Farmers must dig in to be survivors," Moore said.

They must become more efficient in financial areas, he said. To do this, they need to improve record-keeping, develop long-term expansion and improvement plans to present their bankers, arrange needed loans early, and use old equipment longer to avoid new debts while paying off current debt. he said.

Farmers should also improve marketing know-how, Moore said, considering the market before crops are harvested.

"Pennsylvania farmers need to take an active role in developing crops. However, he said, the House (government) farm programs.

Land mine explosions:

South Africa blasts injure one, anti-apartheid groups blamed

By JAMES F. SMITH **Associated Press Writer**

JOHANNESBURG, South Africa -

Two land mine explosions damaged two farm trucks and injured a black driver near the Zimbabwe border yesterday in what was thought to be the first mining of roads in South Africa by anti-apartheid guerrillas, authorities said.

A statement from Defense Force headquarters said the black driver suffered leg wounds in the first explosion on a dirt road. A white farmer's pickup truck was damaged in the second blast, but he was unhurt.

Three Blacks, "presumably African National Congress terrorists," were seen in the area before the rioting against the apartheid system South-West Africa. blasts and were believed to have fled back into Zimbabwe after planting the mines, the statement reported.

It said two more mines were found and rendered harmless by mine- thirds, most of whom were black,

the area west of Messina.

ported persistent scattered rioting in black townships around South Africa. A black councilman shot one man dead in Huhudi township, near Vryburg in Cape Province, when a mob of make black areas "ungovernable." Blacks attacked his house, the police report said.

In Chesterville, a black township near Durban, two rival bands of Blacks battled on the street yesterday, and one black man was killed

and two houses set afire, police said. In all, police reported 17 incidents of unrest from Monday evening to

last evening. The government has confirmed more than 800 deaths in 15 months of of racial segregation. A private monitoring group puts the death toll at more than 900. According to the government, its forces-killed about twosweeping vehicles on other roads in while the rest were Blacks killed by

other Blacks who suspected them of South Africa say they will not allow Meanwhile, police headquarters re-collaborating with the white minority

> The government accuses the outlawed African National Congress of stirring up the unrest in an attempt to

A police spokesman said yesterday's incidents were believed to be the first time ANC guerrillas mined roads in South Africa. Most ANC sabotage is carried out against government buildings in urban areas, not in farming districts.

Land mines planted on remote roads have been a common weapon in other guerrilla wars against white rule in southern Africa, especially in Rhodesia, now Zimbabwe, and in

Officials of the African National (Spear of the Nation). Congress have expressed reluctance reprisals against neighboring black states. All black countries bordering from prostate gland surgery.

attacks against South Africa to be launched from their soil.

The military said three black men crossed the Limpopo River from Zimbabwe late Monday night and returned early yesterday, according to information from black residents of the area. The mines were of Czechoslovak origin.

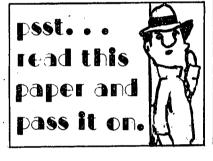
The mining followed government denials of renewed speculation that the nation's white rulers were about to release jailed ANC leader Nelson Mandela from a life sentence. He is widely regarded as the most important black leader in South Africa, 21 years after he was convicted of plotting sabotage as head of the ANC's armed wing, Umkhonto we Sizwe

Speculation about Mandela's reabout staging attacks near South lease rose last week because of his Africa's borders for fear of inviting three-week stay in a Cape Town hospital, long after he had recovered

Service

(sur•viss)n. 1. work done for others 2. helpful or useful action 3. benefit, advantage 4. friendly help 5. Kinko's

256 E. Beaver Ave. 224 W. College 238-2679 237-1317



FOOD



PERFECT

The area's only steakhouse with its own in-house butcher.

FRESH-COOKED Shrimp, scallops, haddock,

PEPSICOLA and langostinoes. Over 21 steaks and seafood entrees, including

flounder, crab cakes,

our famous 12 oz. #1 only \$8** Giant baked potato, French

fries or a vegetable with every Dinner entree. Fresh salad bar and homemade soups with your entree.

Warm-from-the-oven, freshmade bread and icing-

covered raisin bread.

Daily 10:30 a.m. to 9:30 p.m. Friday and Saturday to 10:30 p.m.

STATE COLLEGE

1450 N. Atherton St. (Rt. 322) ALTOONA **SELINSGROVE DuBOIS** CHAMBERSBURG **NEW CASTE GREENSBURG** INDIANA REDFORD **DUNCANSVILLE**



MHID GRIN

Bring the family for a relaxed Thanksgiving Dinner at the Grinder Tavern

Complete traditional holiday dinner includes:

TRADITIONAL·ROAST TURKEY WHIPPED POTATOES & GRAVY HERB STUFFING served with Green Salad and Choice of Dressing Candied Yams • Peas & Carrots Cranberry Sauce • Dessert

> Adults \$7.95 Children \$3.95 Thanksgiving dinner served 1:00 to 7:00 p.m. Regular menu available 11 a.m. to 10 p.m. ENTERTAINMENT NIGHTLY

825 cricklewood drive • toffrees • 237-1049



With the dawn comes the Collegian



slightly irregular



 in shades of brown, blue, gray, burgundy, plum, etc.

Sorry no rainchecks-MC/Visa welcomed

Wholesale Stores, Inc.

906 W. College Ave. (across from O.W. Houts on bus route F)

> Store Hours: Tues.-Fri. 10-8 Sat. 10-5

237-2120

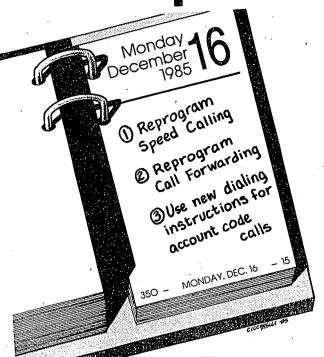
Hyde, PA

ROY'S 99¢SALE



322 West College Avenue & 310 East College Avenue

Telephone Changes



If you use these telephone features remember to reprogram them and begin using new dialing instructions on Monday, December 16.

For more information, call the Office of Telecommunications at 5-1940