

The combination of surplus agricultural products and abundant shipping facilities makes Michigan a strong competitor in overseas agricultural marketing.

Exports Vital to Entire Economy

By **Kathleen M. Jenuwine**

According to the director of foreign export promotion in the U.S. Department of Agriculture, farm exports are "of vital interest" to the entire economy of the United States.

William Scholtz, director of the Export Promotion Division of the Foreign Agricultural Service (FAS), said that agricultural exports represent 40 percent of total U.S. farm commodities, and that Michigan ranks third among all states in this export production. However, he added that inflation and foreign trade barriers hinder the full success of agricultural exporting.

Scholtz was one of several agricultural representatives at the International Trade and Export Conference held Sept. 16 in Detroit. The conference, sponsored by U.S. Sen. Donald Riegle, was held to acquaint small and medium-sized businesses with opportunities in the exporting industry.

During his presentation on world food markets, Scholtz stated that an FAS program, the Trade Opportunity Referral System, has pushed U.S. agricultural export sales to \$100 million by bringing American exporters and foreign importers together. In addition, FAS publications listing exporters and commodities have helped generate exposure and agricultural contacts abroad.

According to Scholtz, Michigan agricultural exporters actively participate in FAS programs. On Sept. 23, five Michigan exporters will join 23 other U.S. agricultural exporters in seeking trade contacts at an export show in Lagos, Nigeria. Michigan is also an active member of the Mid-American International Agricultural Trade Council (MIATCO), a cooperative comprised of 12 midwestern states working as a regional unit in foreign trade.

Food deficits in Third World countries have helped increase

sales of U.S. agricultural products abroad, but inflation and foreign trade barriers remain major problems in trade, Scholtz said.

Inflation, which has pushed U.S. agricultural prices up 10 percent from last year, and trade barriers designed to protect foreign domestic producers, are two problem areas constantly under review in the USDA, he added.

Trade representatives and officers from the FAS are working to avoid international commodity agreements that attempt to fix prices and allocate markets, but Scholtz said that he is not opposed to countermeasures against countries which discriminate against U.S. agricultural products.

Export Future Favorable

Edward R. Powell, executive vice-president of the Michigan Elevator Exchange, said that Michigan is in a good position to capitalize on food shortages

in developing nations. The combination of surplus agricultural products and abundant shipping facilities make Michigan a strong competitor in overseas agricultural marketing, he said.

Agricultural forecasters at Michigan State University have estimated that in the next 20 years, the economic and population growth rates of these Third World countries, as well as their potential for agricultural expansion, will increase our state exports of corn, beans, and feed grains by more than 40 percent.

Based on his successful export experience at MEE, Powell advised potential farm exporters to familiarize themselves with essential components of farm export strategy. The selection of a compatible market, awareness of shipping and payment terms, and knowledge of available assistance, are crucial matters in agricultural exporting.

Market and commodity statistics provided by the FAS have greatly assisted MEE in its marketing of grain and beans for Michigan farmers, Powell said.

Marketing assistance provided at the level of federal agencies is also being supplemented by legislative movements to assist agricultural exporting. Recent legislation now allows cooperative banks to finance their own export sales, a matter once controlled exclusively by traditional financial institutions. Powell believes that legislation of this kind is a good first step toward bringing export control closer to individual agricultural producers.

The 1981 farm bill, now being debated in the U.S. Senate, proposes that a revolving fund be established to finance agricultural exports and suggests that foreign governments be discouraged from adopting policies detrimental to U.S. trade.

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From the Desk of the President

We Must Not Retreat!

When Farm Bureau members develop policy for their organization, the process results in more than just a slate of position statements to be filed on a shelf. Once a policy has been adopted, whether it involves a local, state or national issue - it is a commitment, and it remains our commitment until that policy changes.

Our organization came out in strong support of President Reagan's economic recovery program because his plan was in line with policy adopted by voting delegates at the American Farm Bureau Federation annual meeting last January. Since that time, Farm Bureau members, at the grassroots level, have illustrated their commitment to that policy and have had a tremendously effective impact on the tax and spending victories in Congress.

We were elated with those victories because it meant, at long last, recognition of the crucial problem of inflation and willingness to take steps to solve it. We did not expect any overnight miracles; we knew it would be a long, slow, sometimes painful, trip back down the road toward economic well-being for our nation. But it was a start - and we had a part in making it happen.

The president's plan is like a four-legged stool, calling for spending cuts, tax cuts, less government regulation and a stable monetary policy. He's involved now in fighting for the stable monetary policy and it appears as though this is where he will receive the strongest resistance.

Our policy on this "leg" of the stool is clear: "To control inflation will require a sustained long-term monetary policy approach which brings the nation's supply of money and credit into line with the supply needed to support real productive and economic growth."

We did not make that commitment in our policy to deal with inflation with the qualification that we'd support it only until

it became uncomfortable for us. And it is uncomfortable now for farmers with high interest rates and low commodity prices.

When I travel around the state, I have farmers ask me: what is Farm Bureau doing about high interest rates. I have had others ask that Farm Bureau join in a rally to protest high interest rates and call for the resignation of the Federal Reserve Board chairman.

I tell them that interest rates WILL come down when inflation - and inflation expectations - come down and we can't afford to desert the ship now before the new spending and tax measures have even taken effect!

And, I remind them that government borrowing really is the cause of high interest rates. We must recognize that competition has the same influence on the price of money - called interest rates - that it has on any other commodity. When government is competing to borrow to finance deficit government spending, then interest rates go up. Cutting government spending, a part of the president's economic recovery plan, is one solution.

The other alternative is to allow the printing presses to roll out more money - the basic action taken for the past 40 years. That can only lead to more inflation. This option, currently, is intolerable to the Federal Reserve Board, so we have high interest rates.

When people call for a reduction of interest rates by some simple action, they are treating the symptom rather than the disease. The disease in our society is inflation. The remedies are sound fiscal policy, stable monetary policy and wise use of regulation. These remedies are not like some of the miracle drugs of medicine; they take months and years to take hold of - and cure - the disease. We must give them time to work.



Some of you had the opportunity to meet John Hosemann, AFBF's senior economist, at our statewide cabinet meeting where he shared his knowledge on this subject. John says that "higher interest rates, painful as they are, will not break the republic or the financial markets. Higher inflation rates most assuredly will. High interest rates simply cannot last forever, since it is these same rates which will attract the savings and investment needed to put our people, factories and farms back to work on a profitable basis."

He also reminds us that now is an excellent time to see what adjustments we can make to higher-priced credit (like higher-priced everything else) and find ways to use less of it. If enough users say "no," the rates will come down.

We're at the crossroads in the fight against our worst enemy - inflation. We've been there many times in the past and have not had the courage and political will to stick to our guns. We must not retreat this time. If we do, farmers, and everyone else, will lose.

Elton R. Smith



DONNA

In a meeting the other day, someone made the point of taking a lemon and turning it into lemonade - in other words, turning what seems to be a negative into a positive.

It reminded me of how your Farm News editors used to mumble and fuss every time we got a letter addressed to "Dear Sir." And how, now, we take it

At Long Last, A Recipe For Ken

as a compliment that it isn't blatantly obvious that this publication is edited by three women.

When we took over the job, it was a first for Michigan Farm Bureau and still unusual for any state Farm Bureau in the federation. I suppose, in our attempts to prove we could do the job, we made an extra effort to keep it from resembling, in any way, a "Woman's Day" publication. We stuck to the hard stuff and resisted any pressures for a recipe page, for example.

Ironically, one of our strongest proponents of a recipe page has been of the male gender. Seldom does a month go by that Ken Wiles, manager of MFB's member relations department, doesn't call to our at-

tention the attractive, mouth-watering recipe pages of other publications and the readership appeal they must surely have.

If you're a member of a Community Action Group, belong to the Van Buren or West Central county Farm Bureaus, enjoyed an MFB-sponsored tour, or worked at the State Fair booth, you probably know Ken. He's responsible for the administration of the Community Action Group Program and writes the Discussion Topic that appears in every Farm News issue, and a lot of other good things.

He started his Farm Bureau career as secretary for the Van Buren County Farm Bureau and was later regional representative for the West Central Region.

I guess one of the reasons Ken doesn't have any qualms about nagging us to publish a recipe page is because he was "liberated" long before it became fashionable. Being a male county secretary was as

unique as being a female Farm News editor.

Ken was busy overseeing the MFB booth at the State Fair, making sure the volunteers

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Kindinger Moves to MSU Post

Dr. Paul Kindinger, assistant director of the Michigan Department of Agriculture, will become assistant Extension director for agricultural marketing programs at Michigan State University effective Nov. 1.

In making the announcement, Dr. Gordon Guyer, director of Extension and assistant dean of MSU's College of Agriculture and Natural Resources, said the appointment is subject to approval by the board of trustees.

Kindinger replaces Mitchell Geasler who is now associate director of Extension at Virginia Polytechnical Institute.

Kindinger, who served as director of Michigan Farm Bureau's Commodity Activities and Research Division for four years, joined MDA in September 1979 as chief of the department's Marketing and International Trade Division. He was appointed assistant director of the MDA in June 1981.

A native of Michigan, Kindinger received his bachelor's and master's degrees in agricultural economics from MSU and his doctorate from Cornell.

MSU Receives \$10 Million Ag Research Grant

A \$10 million grant from the W. K. Kellogg Foundation will allow Michigan State University to develop the Kellogg Biological Station at Gull Lake into a world center for research in agriculture, natural resources and the biological sciences, according to MSU President Cecil Mackey.

The grant, presented at MSU's Kellogg Center on Aug. 26 by Kellogg Foundation President Russell Mawby, is the largest ever made by the Kellogg Foundation since it was formed in 1930, and the largest ever received by MSU from any foundation.

"Michigan is in a good position to take advantage of the world-wide shift from resource-based agriculture to science-based agriculture."

Gov. Wm. Milliken

In accepting the grant, Mackey said, "Much of our future depends on the ability of this nation to manage, access and adjust its research and management policies in agriculture and natural resources to an environment where energy issues are of critical importance and

where the quality of our environment is of major significance.

"The work that we will be able to undertake, the instruction that we will be able to offer, the demonstration projects that will be possible at the Kellogg Biological Station with this grant from the Kellogg Foundation, will allow us to continue our leadership in advancing our knowledge in these critical areas.

"We are delighted with the expression of confidence in the future of Michigan State that this grant represents," Mackey said.

Mawby called the grant "a reflection of the foundation's belief that Michigan State continues to be a leader among the world's great universities. Its pioneering studies in agriculture and the biological sciences are indeed pacesetters in the world and increasingly serve as a standard by which similar efforts are measured.

"This project at the biological station brings together the functions of teaching, research and Extension in the unique approach that seems to say, 'we're working together to solve some of society's most pressing problems.'



Kellogg Foundation President Russell Mawby (left) presents the first installment of the \$10 million grant to MSU President Cecil Mackey.

"We are confident that this project will have a profound impact, not only in the immediate area and our state, but indeed the nation and the total world," Mawby concluded.

The land and the facilities for the Kellogg Biological Station were originally given by W. K. Kellogg and then subsequently assisted by the foundation he established.

The grant, to be administered over a five-year period, will be used to research ways of increasing farm production while also conserving energy, protecting natural ecosystems and achieving a high level of environmental quality. The grant provides funds for constructing and equipping new facilities for the new program.

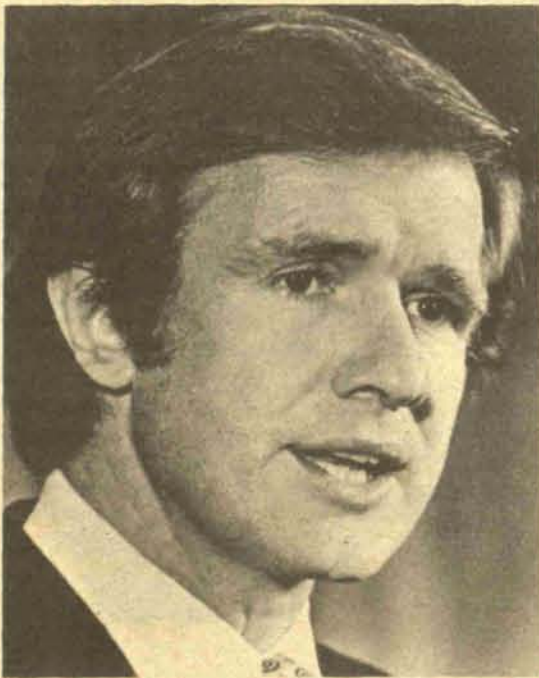
Reinforces Ag Potential Governor Says

Gov. William Milliken said the Kellogg grant emphasizes the growing importance of agriculture in Michigan's economy and its increasing role in the future.

"Michigan is in a good position to take advantage of the world-wide shift from resource-based agriculture to science-based agriculture," Milliken said.

"Michigan has had remarkably high returns on investments in agricultural research. This grant, coming as it does when agriculture is an expanding segment of the state's economy, serves to reinforce the enormous potential of agriculture in Michigan," he said.

Farm Exports Vital to Economy



SENATOR RIEGLE

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Sen. Riegle said Michigan must pursue every reasonable avenue to help cure the "severe economic sickness" in the state and that the export business was one of those avenues.

"We've been making substantial gains in Michigan by developing foreign markets," he said. "That's one way to try to improve the demand side of agricultural usage and, hopefully, put more money back in the system and more money



EDWARD POWELL

back to our farmers."

The conference was not a "cure-all," he said, but an effort to bring those people together who need to know one another and work together.

"When we look down the road, both in terms of the need for agricultural products in this country and increasingly in the world, Michigan has an outstanding situation in its ability to provide for more and more production. We need an ag-

gressive strategy to do that," he said.

He added that processing facilities are essential components of such a plan for Michigan. Processing plants would not only assist existing farm operations, but would also permit further expansion of Michigan's export trade.

Kathleen Jenuwine is a freelance writer and broadcast newscaster. She is a graduate of Michigan State University and holds a bachelor's degree in journalism.



Straight Talk about Thanksgiving

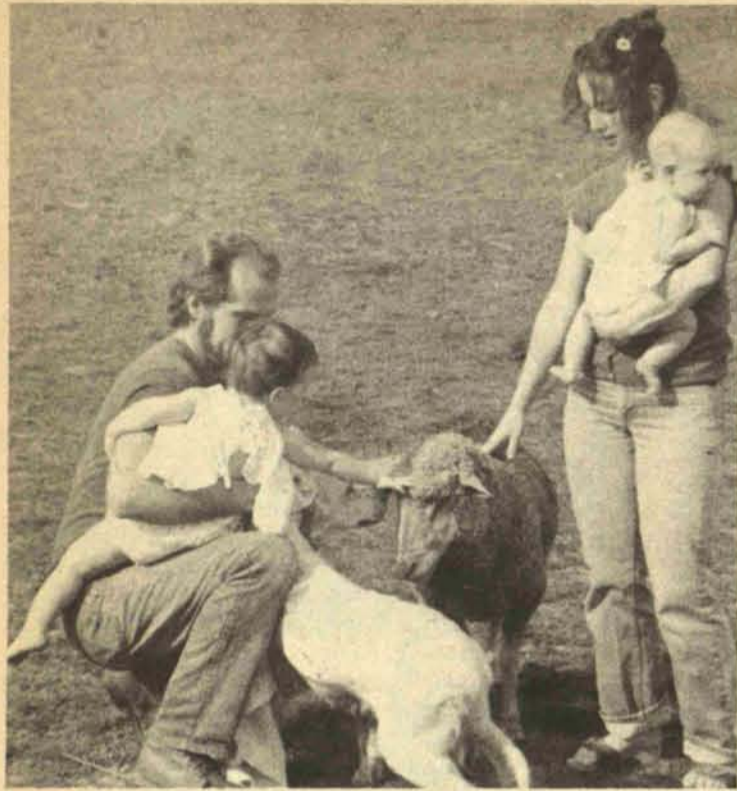


It's that time of year again. The end of another season. The harvest is in, the equipment is put away, the land lies silent for its long winter rest. It's Thanksgiving time. A time for giving thanks for our many blessings, for the bounty of our farms and ranches, for the good life that we enjoy. But it's so easy for Thanksgiving to go by as just another holiday. Just a day for a good meal and a good game. So easy to forget what the real meaning of the day is: thanks giving. We've so much to be grateful for. Let's make it a real day of Thanks Giving this year.

Production Credit Associations of Michigan

A Young Farm Family Looks to the Future

A Time for Decisions . . . A Time for Dreams . . .



Being a Farmer Not in Original "Blueprint"

By Donna Wilber

To a casual observer, it might appear that Jim Koan of Genesee County is a young man who, early in life, sketched a perfect blueprint for his life and then the "Great Architect in the Sky" followed its specifications:

A master's degree for an exciting, fulfilling career; a lovely, sensitive, supportive wife; two beautiful, healthy daughters; a charming, even though unfinished, home with gold bathroom fixtures; a partnership with his father in a successful orchard business.

Even though Jim has all those things today, they didn't happen according to specifications he'd drafted; in fact, being a farmer was not in his original blueprint for life.

"I always hated farming," says Jim. "My dad had to scratch for everything he accomplished and he was so busy proving to the world that he could be a successful businessman, even though he didn't have an education, that he had no time to communicate with me, no time to teach me the business. I couldn't wait to leave home."

He did leave home, right after school, and worked his way through college. It was during his senior year that he met Karen, his future wife. Even though she was a "city slicker" and his roots were firmly implanted in farm soil, they had a positive impact on each other's lives almost from the beginning. Jim told Karen he wouldn't marry her unless she went to college, and Karen convinced Jim that he should mend the relationship with his father.

Karen and Jim began spending weekends on the farm, located outside Lennon, help-

ing in the storehouse his father built that would grow into the attractive farm market it is today.

"We got free meals and sometimes dad paid Karen \$3, sometimes \$5 - one time it was \$10 - to work for the weekends," Jim recalls. "We thought it was great because we were almost starving to death while I was getting my master's and Karen was finishing her B.A."

A Time for Decision

Jim had been teaching school, working with special education students, for six years, plus working at the orchard on weekends and two or three nights a week, when he realized it was time to make a decision about his future.

"I loved teaching. I loved the kids, especially since we didn't have any of our own. Yet, I loved the orchard business and working with the fruit. I went through a year of hell coming to a decision . . . and then I said to myself, this is stupid! I know what I want to do!"

He left teaching and went to work for his dad full-time for a year and a half. Then came the day when his dad inquired, "What would you think about going into partnership?"

"I've been waiting for you to say that for 35 years," was Jim's response.

A Chance for the "Disadvantaged"

That was five years ago and since that time, Jim has combined his two areas of expertise - farming and working with the "disadvantaged" people (as Jim calls them) on the Koan farm - people with severe emotional problems, retarded "kids," alcoholics, a former Laotian mountain soldier who doesn't speak a word of English

and couldn't find a job to support his family.

"For menial tasks, you just can't beat these people," Jim said. "Once a person takes time to coach them along so they have skills in handling a particular job, you'll never find anyone who can do a better job and there is less absenteeism. They're just marvelous people and you can bring them up to where they are productive citizens rather than a burden on society."

Jim has dreams of eventually making his orchard a sort of "halfway house" to give more disadvantaged people work skills and consequently, a feeling of self-worth.

Karen explains that they don't advocate every employer hiring handicapped people.

"Jim has the background; he's not afraid of them . . . and I do think there's a degree of fear involved in being around people who are emotionally or mentally handicapped. There is a responsibility on the employer who will hire such people," she said.

"When a person of normal intelligence isn't doing a job, you determine that he doesn't really want to work and you can sever the relationship. But when a person of limited intelligence isn't doing the job, it's a reflection on the employer. You have to consider that maybe you've skimped on the time and effort you've spent training them or haven't followed through. This is a big test for Jim and for me."

It does take more supervision working with these special-needs people, she explained, and this is difficult during peak work periods when time is precious.

"We're not a 'Good Will' operation. We're still a profit-making operation and this means we can only take on a small number of these people who need more supervision and time," she said.

"Maybe Next Year"

Time is a precious commodity on most any farm operation and Jim has trouble squeezing out a few hours to work on the home he's been building himself for "going on eight years." It's a special kind of home made of wood from their own farm, with open beams and a stone fireplace. It's evident throughout the house that it's been built and furnished with love and reflects the personalities of the owners. Because Jim has done all the work himself, they've been able to add some real touches of class, like gold

plated fixtures in the bathroom.

Even in its unfinished state, the home looks good to the two people who lived, for several months, in a trailer parked in the front yard, took their soap and towels with them when they went visiting because there was no water, and studied by the light of kerosene lamps.

"Maybe next year" has become a familiar household phrase and doors for the kitchen cupboards fall into that category. But Karen hasn't lost patience.

"It's hard for some people to understand," she said. "But I tell them, when I do get my cupboard doors, they're going to be so beautiful, you'll know why I waited."

Waiting was also the name of the game in regard to their family. After 10 years, they were ready to face the heartbreak of not being able to have children of their own and had filed for adoption. Then, Karen's "flu" was diagnosed as pregnancy. This long wait has made their two daughters especially precious to them.

How Much Should We Grow?

Like many farm families, the Koans are faced with the decision of how much their business should grow. There's ambivalence and a degree of controversy involved in this decision.

Both Karen and Jim agree that it's important to retain the personal relationship they have with their customers.

"Before the Industrial Revolution, everyone had a trade and they dealt directly from the raw product to the people," said Jim. "The blacksmith, the cobbler, the seamstress, the cabinet maker . . . they took pride in their work and they got direct feedback from their customers on whether their product pleased them. That's where I am in my business. I make my own product and sell it directly to the people. I put out the best quality I can and I get a lot of feedback and recognition for that."

Karen agrees. "It really means something when customers patronize your place of business and know that if they want to say something good about our product, or if they have some complaints, they can talk right to the man who raised the product - the man who pampered it until it got to their table. This is very comforting to people in an age where everytime you walk into a large department store, there's a line of authority, and people can't

seem to get to the person they feel had a hand in getting the product to them."

But Karen also recognizes that her husband, who considers his business "something that's very, very exciting," will have difficulty reaching a plateau where he's satisfied the business should stay.

"He can see himself always pushing straight ahead and to the sides, and I can see us slowing down," she said. "I think there's a time when expanding any more would be detrimental to our business, when we would not be able to give our customers the individual attention and service they want and, by rights, should have. When you keep expanding, you have to get help other than family and sometimes those people don't have the same amount of feeling for the fruit or the concern for the customers."



Jim Koan was recently honored as "Farmer of the Week" by Farm Bureau Insurance Group and the Michigan Farm Radio Network. The Koans are active members of the Genesee County Farm Bureau.

"I love putting in a full day's work. I love to come home after I've worked all day with Jim in the orchard and we're tired but there's that feeling of satisfaction. The difference in our philosophy is that Jim tends to be almost to the workaholic stage, where sometimes I think he forgets . . . forgets to sit down for a minute and enjoy a cup of coffee . . . or, as they say, to take time to smell the flowers."

A problem that's not unique, it seems, to farm families, young or old. What is unique about the Koans is that they have identified the problem - and are working together to solve it.

Understanding Price Later Agreements

Part I: How and Why They Are Used

The use of price later agreements as a means of marketing grain has become a controversial issue over the last few years in Michigan, especially around harvest time.

Attitudes expressed about price later agreements range from "it's the biggest rip-off ever devised" to a neutral "it's a necessary evil" to "it's an efficient and effective grain marketing tool."

Using Price Later Agreements

As defined by the Grain Dealers Act of 1976, a price later agreement means "a written agreement by which a grain dealer takes title to farm produce for a sale price which is not fixed at the time of delivery." In other words, it is a marketing method that permits a farmer to separate his delivery and pricing decision.

Price later agreements came into existence in the 1950s under the terminology of delayed pricing. It was first used by The Andersons in Ohio when their grain facilities were small and the use of delayed pricing improved their elevator efficiency.

To date it is estimated that price later agreements are used in about 20 states, with greatest use in Ohio, Illinois and Indiana. In Ohio, the largest user of delayed pricing, this marketing method is used for less than 25 percent of the total grain crop.

in the early and mid-1970s which stimulated the development of the price later concept.

First, the acreage and production of grain outgrew available storage. This was compounded by modern, rapid harvesting techniques for grain. The available elevator storage space was tied up early if farmers were reluctant to accept low harvest time prices. If this happened, elevators were unable to handle additional grain unless it was sold for cash. This was especially true in a multicrop state such as Michigan, where the harvest of one crop is quickly followed by another.

Second, exports of grain began to increase in response to the devaluation of the dollar, increased world demand for grain, and the opening of trade with communist countries. As these markets began to become more important the logistics of grain movement became more complex. The unit trains and ships involved in moving grain to export markets had to be scheduled months in advance and the industry needed flexibility to meet those transportation commitments.

These factors pointed to the need for more orderly marketing of grain and an increased flexibility in handling grain.

Price later agreements overcame these problems by permitting farmers to deliver the grain and pass title to the elevator, but maintain control of pricing until a later date. By doing so, the producer who could not attain storage was able to share in expected post-harvest price increases and basis improvement.

At the same time, this allowed the grain handler the flexibility of efficiently utilizing his facilities, transportation resources, and marketing skills.

Several things must happen when a producer delivers grain to a licensed elevator and places it under a price later agreement. The farmer should be provided with a price later

agreement contract. As required by the Grain Handlers Act of 1976, the agreement shall contain the following:

- The class and grade of the grain received, the quality received and the date received.
- Charges for handling, if any.
- The signature, name and address of the grower or owner and the signature of the grain dealer or his or her authorized agent.
- A serial number.
- The words "not a storage warehouse receipt" in prominent print.

A copy of the agreement must be available for examination in the grain dealer's facility for one year after its cancellation or expiration. All the forms must be issued in numerical sequence.

If the producer is given an acknowledgement form or sale ticket in place of a price later agreement, the grain dealer must provide the grower or owner with a price later agreement within 30 days. In most cases, the agreement will have an expiration date, by which date the producer must price the grain.

Once the elevator has received the price later agreement grain, it has title to the grain and may store or sell the grain as it sees fit. Regardless of what the elevator does with the grain, it must satisfy one of the following:

- Procure a commitment for a future purchase price for the amount of farm produce.
- Keep the farm produce, or fungible farm product, on hand as the dealer's own property.
- Have farm produce certificates representing equal value in farm produce.
- Have an irrevocable letter of credit or money in escrow to cover not less than 50 percent of the value of the farm produce.

In most cases, when the elevator sells the grain, the elevator will then buy futures to protect itself against upward price movements. The elevator then sells the future contract when the farmer prices the grain.

But this hedge may not fully protect the elevator against adverse changes in the basis (the basis is the difference between cash prices and any futures contract price). The problem is that elevators sell the grain at harvest time when the basis is generally at its widest under futures. The basis then usually narrows during the marketing year. When the farmer finally prices his grain, the elevator loses or is "short" this change in the basis. This is why the elevator must protect itself by charging a handling fee



AGRINOMIC UPDATE

Report of the Commodity Activities & Research Department

which will reflect the anticipated narrowing of the basis.

Some elevators have not protected themselves adequately through handling fees for price later agreements. This may be due to the lack of understanding by elevator management of the effect of the basis change on the return of price later agreements. Also, farmers may not understand that this is a service charge and not a storage fee, even though it may be the same amount as the storage fee.

A limited amount of information is available on the actual use of price later agreements in Michigan.

According to the Michigan Agricultural Reporting Service, of the 1979 Michigan corn crop which was sold, only 8 percent was sold under price later agreements. However, of the 1979 corn crop which was stored off the farm for later sale, 40 percent was secured under price later agreements. This would indicate that price

later agreements are a very important factor in marketing corn. Unofficial estimates indicate similar use of price later agreements for soybeans and wheat.

It is estimated that between 80 and 95 percent of all Michigan elevators offer or have offered price later agreements as part of their marketing options to farmers.

Several issues surround the use of price later agreements and their effect on farmers and the grain handling system. These issues will be explored in next month's Agronomic Update.

(This article is taken from "A Study of Price Later Agreements." This study was recommended by the MFB Feed Grains and Oil Crops Advisory Committee and authorized by the MFB board. If you would like a copy of the study, write: Commodity Activities and Research Department, Michigan Farm Bureau, P.O. Box 30960, Lansing, Mich. 48909.



With increased competition from Ohio, the grain dealers in Michigan adopted the use of price later agreements in the early 1970s. The use of price later agreements in Michigan has increased in subsequent years.

In addition to competition from neighboring states, several other factors came together

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Agriculture to Play Big Role in State's Economic Redevelopment

On Sept. 17 Gov. William Milliken delivered a rare address to a joint session of the newly convened fall legislative session. His address outlined his economic redevelopment and property tax cut plans. The 29-page formal speech contained dozens of recommendations to help solve Michigan's economic crisis.

Just prior to the joint session, an executive order was issued to further cut the present year's expenditures by another \$125.9 million. All departments, along with K-12 school aid and colleges throughout the state including community colleges, will be affected. The cut is required by the constitution in order to achieve the required balanced budget.

Some of Milliken's key proposals include:

Agriculture - Milliken said that one of the greatest boosts to Michigan's economy would come from agriculture. Agriculture has grown at least 10 percent per year since 1970 and contributes more than \$16 billion to the economy. Foreign exports of ag products increased more than 50 percent in the last year alone. The total is nearly \$750 million. Five goals for the coming year are:

- Establishing a soybean processing plant, increasing pork production, re-establishing the poultry (broiler) industry, establishing a regional beef processing plant, increasing hard cheese production, and developing and promoting the renewable energy industry as it relates to agriculture. (Progress is already being made on the possible development of a soybean and beef processing plant as well as increasing the use of

agricultural products for energy.)

- Accelerated agriculture research through Michigan State University. This will include a timetable for construction of the proposed Plant and Soil Science Building as well as increased support for veterinary medicine, biological research for animal disease and research on agricultural production problems.

- Strengthening MSU's Cooperative Extension Service which plays a vital role in transferring research findings into actual use on Michigan farms.

- Regulatory and tax relief for agriculture. In other portions of the message, the governor made it very clear that many regulations and rules need to be studied and eliminated in many cases.

- Expanded international trade for agriculture. The 50 percent increase in agriculture exports is dramatic when compared to the national increase of 27 percent. Michigan exported a portion of nearly all of the 50 or more crops grown in Michigan.

Property Tax Relief - The governor said that studies have shown that Michigan has one of the most equitable tax structures in the nation. This is primarily due to our tax rebate system which has returned more than \$460 million to Michigan property taxpayers, including farmers, this year (farmers also have P.A. 116). He said, however, that other relief measures should be taken. These include:

- A 10 percent cut this year in both summer and winter property taxes, including taxes for bond retirements. The tax

cut in 1982 would be 15 percent and 20 percent in 1983.

- Residential and agricultural property taxes would be eligible for the cut and there would be no ceiling. Renters would also receive an increased benefit from the present 17 percent up to 20 percent.

- Local units of government would be reimbursed for 65 percent of the tax reductions. This means that local units would also be required to cut property taxes for local uses.

- Senior citizens and low income families and the handicapped would receive additional property tax relief. Households with less than \$5,000 income would have a total exemption.

- Truth in taxation - the county, township, city, village, school districts, intermediate districts, community colleges, and all types of local units, would be required to reduce their tax rates each year so there is no increase in revenue from inflation-caused assessment increases (equalized valuation). The local governing board would be required to hold a public hearing to explain its need for additional revenue if it wishes to use the additional taxes that result from increased assessments in part or in full. The majority of the board members would have to approve any action after the public hearing. In this manner, the responsibility for increased local spending would be squarely upon local elected people. The fact is that every dollar of property tax goes for local use, either township, school, county, etc.

- Promotion of better understanding of how the tax process



CAPITOL REPORT

By
Robert E. Smith

works especially the assessment process, such as the individual's right to appeal and that the Legislature should explore ways in which we can develop understanding of the tax assessment process and collection.

Single Business Tax - Milliken made numerous recommendations modifying this tax as it affects small business. It was enacted in 1975 and replaced eight previous business taxes. A study has shown however that out of 145,000 businesses required to file a return, more than 70,000 had no tax to pay. Of those who paid a tax, 81 percent paid less than \$5,000.

Agriculture, through efforts of Farm Bureau, was exempt from the tax about a year or two after it was enacted.

Many small businesses will be helped if the governor's recommendations are followed. For example, the present exemption would be raised from \$40,000 to \$60,000 and the cost of workers' compensation and unemployment insurance would be removed from the tax base. This would be a \$42 million saving alone.

Other provisions would be made to encourage new businesses and new capital investment in Michigan.

Worker's Compensation - The governor said that the single most critical problem affecting Michigan is workers' compensation and that it "does

more to discourage the creation of new jobs than any other issue."

He pointed out, however, that a workers' compensation reform bill was passed last year but does not take effect until Jan. 1. However, more reforms must be made and he has directed the Department of Labor to insist on vigorous enforcement of the rehabilitation requirements of the current law.

Other reforms suggested included coordination of workers' compensation with employer-paid pension plans and that the computation of the average weekly wage be limited only to the actual wages paid, fringe benefits would not be included, and a more stringent standard for proving disability was suggested. Employees with a minor injury often are drawing benefits more than three years after the injury has occurred.

He suggested changes in the Michigan Insurance Code as it applies to the rate making process and also a better system to inform employers of their rights to appeal ratings and classification decisions. There were numerous other recommendations in this area. The message contained a table to show the very large differences between the cost of workers' comp in Michigan as compared to surrounding states.

(continued on page 13)

Kindinger Reports

Agri-Marketers Updated on Governor's Conference



MDA's assistant director, Paul Kindinger, told the Great Lakes Chapter of the National Agri-Marketers Association that the governor is committed to making agriculture strong in Michigan.

In his speech to the Great Lakes Chapter of the National Agri-Marketers Association, Sept. 17 at East Lansing, Assistant Director of the Michigan Department of Agriculture Paul Kindinger updated the progress of the Governor's Agricultural Conference held last spring.

The conference hosted representatives from all segments of production agriculture and agribusiness. Eight steering committees were formed, by commodity, to study the growth potential for agriculture in Michigan.

Dr. Kindinger told the NAMA group that the governor is committed to making agriculture strong in Michigan. Kin-

dinger excerpted several quotes from the Governor's address on economic redevelopment presented earlier that day before the Michigan Legislature.

In that special message, the governor said that Michigan has long been identified in the minds of people throughout the country as an industrial state. "What is too often unrecognized is the fact that agriculture is a major and irreplaceable part of Michigan's economy," he said. "As we develop our plans to revitalize Michigan's economy, one of the greatest boosts will come from agriculture: a growth industry both in its original sense and in a sense of modern day economics."

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Porkburgers Are Big Success With Michigan State Fairgoers

If the Senate passes the bill soon which would make Michigan the first state in the nation to have standards for fresh ground pork, pork producers will have special reason to celebrate "October - Pork Month."

The Michigan Pork Producers Association introduced the new product to the public at the Michigan State Fair in the form of "porkburgers" and indications there were that ground pork will enjoy good consumer demand.

Before the Legislature's summer recess, the House passed a bill amending the Michigan comminuted meat law to provide standards similar to those for ground beef. The legislation would require that only fresh pork be used, with no more than 25 percent fat and would prohibit the addition of various other parts of the animal. There are no federal standards for ground pork.

LaVerne Fredrick, state executive for the Michigan Pork Producers Association, hopes that the Senate will also pass the bill soon.

One of the needs for the bill, according to Fredrick, stems from some stores responding to the demand for ground pork by simply withholding the spices from sausage and selling it as ground pork.

"Then, when the home-maker cooked the so-called ground pork and it ended up the size of a silver dollar, she wondered where it went. Ground pork won't fry away. If the bill passes and is signed by the governor, the product the stores sell will have to be at least 75 percent lean," he said.

Over 180 pork producers from throughout the state participated in the new product promotion at the State Fair.

"We sold over 2,800 pounds, plus another 270 pounds to people who wanted

to take some home," Fredrick said. "We also passed out 400 pounds of samples and gave away about 26,000 pork recipe books."

The pork producers rented a barbecue machine to cook their porkburgers over charcoal. About 8 feet wide and 16 feet long and made of stainless steel, it had an endless chain which carried the porkburgers in baskets. It took five minutes to make a revolution and each time the burgers were dipped into a barbecue sauce. Cooking time was about 30 minutes.

Originally, the pork producers planned to have a "pork chop tent" similar to the successful project undertaken by Indiana producers at their state fair, that would have included pork chops and ribs in addition to the porkburgers.

"At the Indiana State Fair, that IS the place to eat," said Fredrick. "This year, they served 200 pounds over 20 tons of pork during the 10-day event."

That's what the Michigan producers had in mind until they were informed they would be limited to promoting one commodity product. Next year they hope they can go with their original plan.

Fredrick said that the response to the pork producers promotion was especially good at the fair's "senior citizen day."

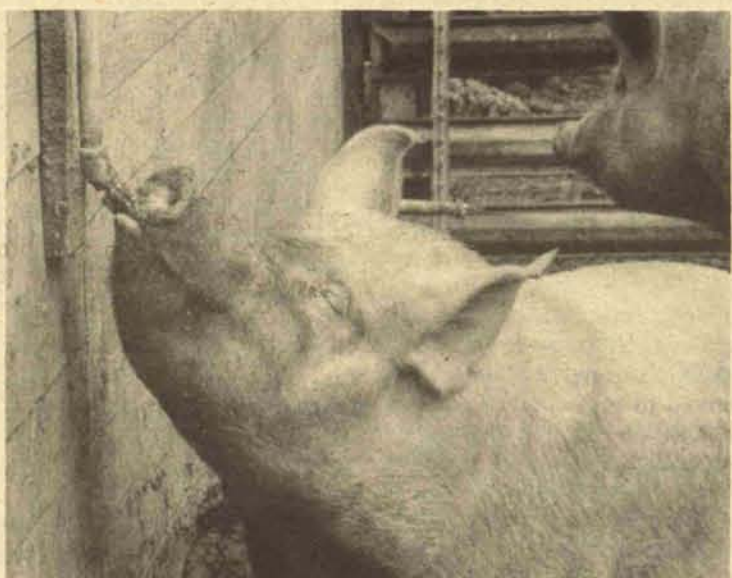
"They're probably more aware of the few dollars they have to spend. A lot of them have been very leery of pork. Some still worry about trichinosis. Many said they enjoyed ham, bacon and pork chops - but never ate pork. They didn't hesitate to say that! Those people would try it, buy one and come back to take a couple porkburgers home. It opened up something new for them," he said.

Fredrick said the new product will help solve a problem for producers.

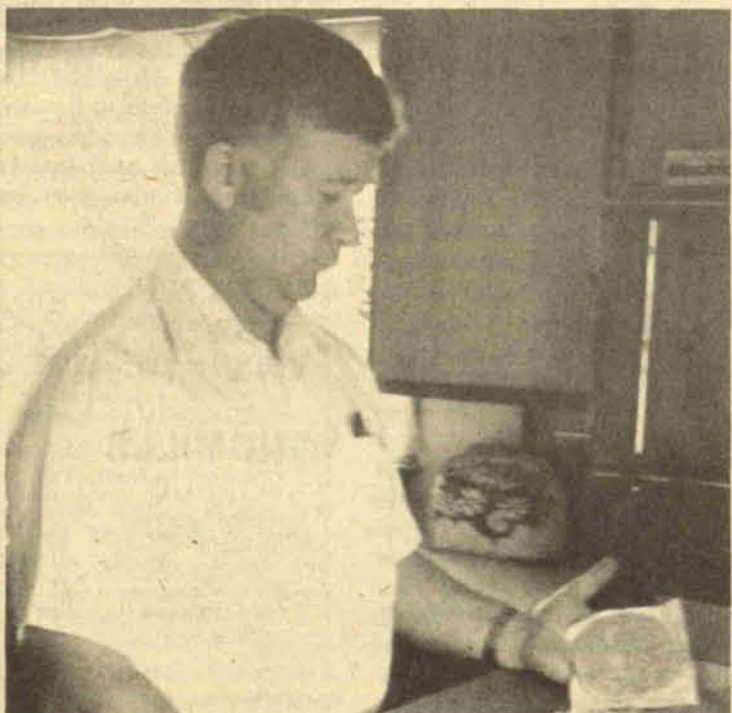
"The meat industry says to us, 'we can sell your ham, we can sell your loins, your bacon and ribs, but front shoulders are a problem.' People who make ground pork use the front shoulders. By using the whole animal, possibly it will give us more money for our pig."

Other new products are being tested, according to Fredrick, including "restructured pork, chunks of pork shaped like ribs only with no bones, and served on a bun."

Pork producers are hoping the new products will give some competition to the traditional beef burgers and chicken sandwiches that are big sellers in fast-food restaurants.



Fresh water is always on tap for thirsty hogs at the LaVerne Fredrick farm near Yale. Fredrick is state executive for the Michigan Pork Producers Association.



If the Senate passes legislation setting standards for ground pork, patties such as these shown by Fredrick will be available in stores. The porkburgers served at the State Fair were well-received by the public.

DONNA

A Recipe for Ken

(continued from page 2)

were lined up for work shifts and supplied with hand-outs, etc., when he had to be taken to the cardiac care unit of a Lansing hospital. He's doing fine now and recovering at home.

If you'd like to wish him well, send your messages to him in care of *Michigan Farm News*, P.O. Box 30960, Lansing, Mich. 48909, and we'll see that he gets them.

To let Ken know just how much we miss him, we're going to print a recipe!

It's one using a new product, ground pork, which should be on the market soon (see story, this page). In honor of Ken and National Pork Month, here's a recipe for:

Pork Tamale Casserole

1 lb. ground pork
1 cup yellow corn meal
4 cups water
2 tsp. salt
1 cup chopped onion
1 cup chopped green pepper
1 clove garlic, minced
1 can (1 lb.) tomatoes, cut up
1 can (8½ oz.) cream-style corn
2 to 3 tsp. chili powder
¼ tsp. pepper

Combine and mix corn meal and 1 cup water. Place remaining water and 1 tsp. salt in large saucepan; bring to a boil. Add corn meal mixture, stirring constantly. Cook until thickened, stirring constantly. Cover and cook slowly 15 minutes, stirring occasionally. Cool slightly. In skillet, lightly brown ground pork. Add onion, green pepper and garlic; cook until onion is tender, but not brown. Add undrained tomatoes,

corn, chili powder, pepper and remaining 1 tsp. salt; stir well. Simmer uncovered about 5 minutes. Spread ⅓ of corn meal mixture (about 2½ cups) evenly over bottom of greased shallow 2-quart casserole. Top with pork mixture, spoon remaining corn meal mixture over pork. Bake in 350°F oven until hot and bubbling around the edges, about 30 minutes. Let stand 10 minutes before serving. Makes 6 to 8 servings.

I'm convinced, after a recent weekend, that one way to avoid a visit to the cardiac care unit is The Great Escape - running away from home for a couple days.

Take 10 tired working women, remove makeup, panty hose and all remaining traces of worry frowns caused by husbands, children and bosses.

Grease generously with sun-tan oil, place in inner tube on quiet lake and let bake in warm sunshine for two days. Turn occasionally for even brown.

It took less than an hour after arrival at the cottage for these 10 mature women to revert to carefree, giggling campfire girls. Yours truly had a longer journey than most to make the conversion, but it was an easy trip.

I did think, since we were dedicated Farm Bureau employees, that one of our campfire songs should be the Farm Bureau Spirit. However, I got no further than "there's a guiding ray that leads the way," when I was thrown in the lake!

Great recipe... try it - you'll like it!

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Setzlers Are A Winning Team

By Donna Wilber

The Farmer of the Week program, co-sponsored by Farm Bureau Insurance Group and the Michigan Farm Radio Network, is six years and eight months old. That means that over 350 Michigan farmers have been publicly recognized for their contributions to their communities and the agriculture industry.

Who are the farmers who have earned the privilege of being named Farmer of the Week?

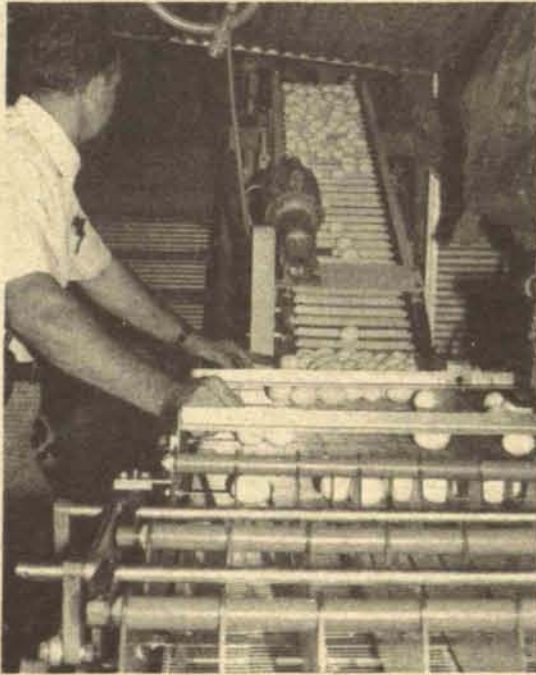
According to Luke Schafer, FBIG's community relations coordinator, "They are a diverse lot. We have honored dairymen, cash crop producers, hog farmers, fruit growers, livestock farmers, potato growers and many other types of producers.

"They've been as young as 21 and as old as 70-or more. They have included unmarried farm people, as well as farmers with as many as 13 children. Some Farmer of the Week award recipients farm as few as 100 acres, others as many as 3,000 acres," Schafer said.

"But they all have one thing in common - they are people involved in their community, people willing to participate in ways that benefit others in their area. They are people who demonstrate that the Michigan farmer can run a quality farming operation and still devote time to community and agricultural organizations," he said.

Ralph and Jean Setzler, egg producers from LaSalle in Monroe County, certainly met that criteria. But what makes them different from all the

First Couple to Receive Individual Farmer of the Week Honors



The Setzler operation is completely automated with eggs going from the chickens to the carton without being touched by human hands.



Jean was the second woman to be recognized as a Farmer of the Week since the program was initiated six years and eight months ago.

other Farmers of the Week is that they're the only couple to each receive the honor - Ralph in April and Jean in July. Jean also has the distinction of being one of only two women in the Farmer of the Week gallery.

Award Means . . . 'I'm an individual'

Local Farm Bureau Insurance agents submit nominations for the award and according to Jean, "When our insurance agent interviewed us, it was as a couple because we really do work together completely and I never for one min-

ute thought I'd get a separate honor.

"I still don't know how to really accept it," Jean said. "It's done one thing for me. All through my life, I've always associated myself with others. I had a twin sister and then when I married, I had my husband. So receiving the honor has made me realize I am an individual."

Jean has always been actively involved in the Setzler's farm operation; in fact, it was her \$500 "nest-egg" that made the down payment on the 120-acre farm they purchased soon after they were married. Their farm has grown to 290 acres and their family to six sons. Of the six sons, ages 13 to 29, two are in partnership with Ralph and Jean, and three work part-time on the farm operation.

"Since 1951, eggs have represented a part of the income of our farm," Jean explains. "That year we started with 200 baby chicks. In 1953 our flock was expanded to 700 laying hens and in 1962 our first commercial laying house was built to hold 4,000 laying hens. Those hens were allowed to run at large on a slated floor.

"In 1964, we added a wing to hold 6,000 laying hens in cages, and in 1969 we remodeled our first building making it a cage house holding 6,000 hens. In 1976 we again made plans for what we call egg-expansion. Our first change was to convert one wing from a laying house to our office, cooler, processing and storage rooms. A high rise building housing

36,480 laying hens was completed in 1977. Now we have another high rise building which house 40,320 hens, bringing our total capacity to 76,800."

Each cage houses five hens, contains fresh feed at all times, fresh water and a disposal system. Under maximum summer ventilation, there is a complete air exchange in the building every minute. Six cubic feet of air per minute passes over each hen.

The Setzler's operation is highly automated. The egg moves from the chicken onto a conveyor belt which takes it to be washed, candled and weighed, then placed in a carton - all without being touched by human hands. They market their eggs within a 50-mile radius of their farm.

Animal Rights Movement Among the Challenges

The egg business has become a highly specialized industry and according to Ralph, keeping up with the technology is sometimes kind of baffling.

"Keeping up with technology, but not keeping up so fast that we can't afford it, and recognizing where the line between them lies, is a challenge," he said.

"Decisions on whether we can afford some of the new things or whether we can't; where we should go, for example, in the area of packaging; whether we should make a change not knowing whether it will work - these are some of the decisions that are hard to make."

As poultry producers, Jean identifies the animal rights movement as another concern. "I don't think we can just sit back and hope it's going to pass over," she said.

The Setzlers open their operation for tours from January through Easter and many schools take advantage of this learning experience. A slide presentation and a coloring story book on "The Chicken and the Incredible, Edible Egg" are a part of the tours.

"We work constantly to give a positive picture to the children who tour our facilities on how well our chickens are cared for," Jean said. "Really, the chickens today are better off than they were when we started in 1962. For one thing, we've learned how to feed them so they don't have so much fat. We were losing chickens when we first started because they had too much fat around their hearts."

The Setzlers are a strong, Christian family and Ralph can find some good coming from the movement.

"I'm sure the good Lord gave animals to us with the intent that we respect their rights and I think that's kind of written into the scriptures as He told us to take good care of them," Ralph said. "Therefore, it becomes a definition of what is good animal care, good animal husbandry. It's good for us to be challenged because it makes us ask some questions of ourselves."

"The animal rights movement is a bandwagon that some people who want to beat a drum can get onto today. I'm not worried about what they can do that will keep me from producing meat or eggs. I think probably, in the long run, it's going to make us more aware of what we're doing and how and why we're doing it - and we're going to produce more and better meat and eggs for people to eat than ever before."

America and Me Contest Open to Eighth Graders

For a four-week period this fall, more than 10,000 Michigan eighth grade students will experience a little closer relationship with America, thanks to the 13th annual America & Me Essay Contest sponsored by Farm Bureau Insurance Group.

The contest, which encourages Michigan youth to explore their roles in America's future, will be held Oct. 19 to Nov. 13 in junior highs and middle schools throughout the state. Any eighth grader in Michigan may enter.

In last year's contest, about 10,000 students from 400 Michigan schools, both public and private, wrote essays.

Gov. William Milliken will head the team of finalist judges who will determine the top 10 statewide winners. Prizes for

local schools include award certificates and plaques, while the top 10 winners in the state will share \$4,000 in top prizes and will visit the governor in Lansing for his personal congratulations.

Conducted with the help of Farm Bureau Insurance agents across the state, the America & Me Essay Contest has earned 10 national awards since 1968 from the Freedoms Foundation at Valley Forge.

Each year, hundreds of excerpts from the essays are compiled into booklet form and distributed to schools, the public and to visitors at the State Capitol in Lansing. To request copies of the most recent booklet, or to learn more about the contest, contact the local Farm Bureau Insurance agent.

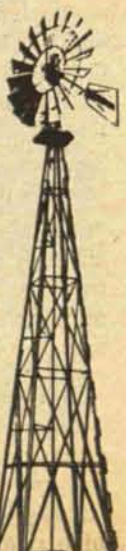
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Rough Roads Ahead for State Travelers

The MFB board, meeting in Lansing Sept. 2 and 3, was told that Michigan is "on the brink of disaster" as far as its transportation system is concerned.

Earle Rodgers, engineer director of the County Roads Association, called the current situation "deplorable" and said the outlook for improvement was bleak.

The county road system areas are the first to feel the crunch of inflation and budget pressures, he said.

"In the county road commission area, we're seeing it first in the Upper Peninsula counties, which have obtained some publicity by closing down their operations almost completely. It's also being felt in the north central part of Michigan and I expect that the same situations will be confronting transportation agencies in lower Michigan next year," Rodgers said.

"What happened last year was that gasoline and weight taxes declined by 6 percent. This year, they're going to decline 10 percent. In the meantime, the costs have been increasing and they're going to increase in the future regardless of whether the inflation level declines. Our revenues, on the other hand, are going to continue to decrease.

Budget pressures will cause most counties to cut back on their local road snow and ice removal this winter, Rodgers predicted, but believes that main roads will remain clear.

"However, while we're doing that, we are not replacing equipment and we are not maintaining the surfaces in the manner in which we should."

No Kangaroo in Michigan Beef, Says FB Director Eisenmann

Kangaroo and horse meat, labeled "boneless beef" and shipped into the United States from Australia was "a fraud on American consumers and unfair competition against domestic beef producers," says Lowell Eisenmann, Lenawee County beef producer and MFB board member.

Eisenmann referred to the recent discovery and impounding of Australian beef in which kangaroo meat had been substituted. The presence of horse meat in boneless beef shipments from the state of Victoria was also confirmed.

"It's particularly unfortunate because it hurts an industry that is already suffering and is trying to improve its position by encouraging the consumption of high quality, nutritional beef,"

New Farm Bill Expected to Pass in Mid-October

One of the first orders of business for this session of the U.S. Congress will be passage of a new farm bill to replace the 1977 bill which is due to expire Sept. 30. Al Almy, director of the MFB public affairs division, predicts that a new farm bill will be ready for the president's signature around mid-October.

According to Almy, legislation which is being considered is not too much different than the current act of 1977.

"It contains a provision for target prices, provisions for a farmer-held grain reserve program, provisions regarding a dairy price support, price supports for wheat and feed grains. Also, for the first time in terms of Michigan products, it contains a provision for sugar," Almy said. "Sugar has always been a separate piece of legislation and not included in the overall farm bill."

Help Set Right to Farm Policy

Michigan's 83 Soil Conservation Districts are being asked to hold public meetings to invite comments and recommendations which can aid the Michigan Department of Agriculture in developing a right to farm policy, according to Dean M. Pridgeon, MDA director.

The Right to Farm Act, signed by Gov. Milliken in July, says no farm or farm operation which follows generally accepted agricultural practices can be found to be a public or private nuisance.

"Since MDA has been charged with administering the Right to Farm Act, we want to make certain the policy developed will encompass all facets of agriculture," Pridgeon said. "It's

In terms of Farm Bureau's position on the pending legislation, Almy says there are some provisions that go against the market-oriented agriculture which the organization advocates.

"The provision and the formula by which support prices would be figured, for example, is largely left to political determination rather than a market-oriented formula," he said.

"The provision for target prices remains in the bill and it is felt that the assurance of deficiency payments does not tend to discourage farmers from looking to the marketplace as a fundamental factor in their production decisions."

Almy said if the current act of 1977 is allowed to expire on Sept. 30, the basic provisions of the act of 1949 would prevail until they are replaced with new legislation.

important we accurately define what are generally accepted agricultural and management practices."

MDA has asked Soil Conservation Districts to hold public meetings of agricultural organizations, farmers and other interested citizens during the fall and to submit recommendations by Dec. 5.

MDA's soil conservation division staff will work closely with local Soil Conservation Districts on arrangements for the meetings, and will compile all suggestions and comments received.

The department hopes to have the policy finalized by Jan. 1, 1982, Pridgeon said.

"They'll never find any kangaroo in their Michigan beef," he said.

Peter Nixon, Australia's minister for primary industry, is expected to announce a trip to the United States to calm concern about the meat substitution scandal.

Australian press reports indicate that the growing scandal has rocked Australia's billion dollar meat industry and has pitted Australian state against state in attempts to isolate Victoria as the center where horse and kangaroo meat was substituted for beef.

The USDA has accepted Australia's proposal for species testing of export beef before shipment to prevent further shipments of adulterated or mislabeled meat to the U.S. market.

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WATCH FOR PRICE AND ORDER INFORMATION IN THE NOVEMBER ISSUE OF FARM NEWS

County FBs to Sponsor Cherryland Mall Display

"Life on the Land - The Four Seasons of Farming," will be the theme of the second annual agricultural display at the Cherryland Mall in Traverse City. Scheduled to run during regular mall hours on Oct. 23, 24 and 25, the show will feature many agricultural commodities of northern Michigan.

According to Judy LaCross, publicity director for the event, the goal of the show is to help area residents gain a better understanding and appreciation for agriculture. Emphasis of the exhibits will be on the economics of farming.

"We are attempting to impress upon visitors to the mall that the farmer must be more than just attuned to the land and nature. He must be a keen businessman as well," LaCross says.

The mall show is sponsored by Farm Bureau groups in six counties: Grand Traverse, Leelanau, Benzie, Charlevoix, Antrim and Wexford. Exhibits will feature apples, asparagus, beef, beans, cherries, Christmas trees, dairy, eggs and poultry, goats, grapes and wine, grains, honey, maple

syrup, pork, potatoes, strawberries, sunflowers, sheep and wool. In addition, several area equipment dealers will display new farm machinery.

There will be special attractions for the children, also. Miss Piggy, Big Red the Dog and the Magic Cow will be in the mall to invite children to visit the small animal petting pen and the pedal tractor riding arena. A miniature farm scene will also be on display. Children may take part in a pumpkin carving contest and will have a chance to win toy farm machinery in raffles to be conducted during the show.

Heritage demonstrations were a popular part of last year's show and will be repeated again. Demonstrations will include quilting, chair caning, rug braiding, square dancing, butter churning, meat cutting, cider pressing, spinning and weaving, fruit and vegetable drying and various hand stitchery.

Other attractions will be a farm market and pedal tractor relay contest with area disc jockeys participating.



Open House Will Commemorate Kettunen Center's Twenty Years

By Connie Turbin

Standing in the circle drive of Kettunen Center, bathed in the golden, lazy sun of an Indian summer afternoon, it is possible to imagine this same setting, the building and the trees, in every season: leaf-strewn walkways beneath the fiery red domes of autumn trees, the warm brick of the main lodge and the dormitory buildings mantled with snow.

You sense that the tranquility you feel here is not lost with the change of seasons, but renews itself in the ever-changing setting of Kettunen Center. There is a sense, too, that for the persons who will open themselves to the natural beauty which surrounds them, a discovery is awaiting. For some, it will be the discovery of self; for others, the joy of service.

When I visited Kettunen Center, I met someone who had made both of these discoveries and had kept them as a treasure to be shared with the thousands of persons who visit there each year.

Faye Anderson is the conference coordinator at Kettunen Center, though she doesn't make much of the title and says that she "just helps the conference leaders with their arrangements." Her face is soft, expressive and the quick songlike voice is paced into the rhythms of business for me, a visitor from the outside.

I listen as she begins to speak of 4-H workshops, the young people who visit here, the 4-H leaders, the center itself... and beneath the talk of conferences and workshops, I hear a subtle change. The voice slows and softens and a personal dream of her own youth and young people speaks to me without words.

There is something cherished in her voice and I am suddenly embarrassed to have learned something so private, so personal.

Self-consciously, I look around the neat, orderly lobby and remind myself that the story of Kettunen Center is not in these buildings or the natural beauty of the setting. The real stone and mortar, the true natural beauty of Kettunen Center is here in this woman and the other men and women who have served in 4-H.

Adult and teen leaders have come here for twenty years to train themselves to become better youth leaders. It is their hope, faith and understanding of the need for young people to achieve, to learn, and to be guided, that has built Kettunen Center.

It is their discoveries and their strengths that will be celebrated at the rededication of the Kettunen Center on Oct. 4.

Dream Comes True

Kettunen Center was the dream of the late Arne G. Kettunen, who was Michigan 4-H Club director for 31 years and founder of the Michigan 4-H Foundation.

"Kett," as he was known throughout the state and national youth leadership circles, began his first 4-H work in Houghton County in 1917 after graduating from Michigan Agricultural College. In 1925 he came to East Lansing to become the state leader of the 4-H club program and held this position until his retirement in July 1956.

On Kettunen's retirement, the Michigan 4-H Foundation announced it would name its proposed leader training center "Camp Kett" in his honor.

Back in 1960, Farm Bureau Women and Farm Bureau Young People sold 50,000 "I am a Camp Kett Booster" buttons to help finance the building of that leadership training facility now known as Kettunen Center.

Many Farm Bureau members followed through on that original investment by regularly

contributing funds to improve the conference facility.

While the old buttons could be considered in the "collectibles" category today, there may be a few proudly worn during a special open house scheduled at Kettunen Center on Oct. 4 to commemorate its 20th year of operation and service to the 4-H program.

Highlights of the celebration will include demonstrations of various 4-H projects and activities, refreshments, tours of the facility and grounds, and entertainment.

The center is located near Tustin in northwestern lower Michigan south of Cadillac on Osceola County's Center Lake.

Donations Support Center

Owned and operated by the Michigan 4-H Foundation, the facility is used by thousands of 4-H members and leaders each year. The conference center buildings, dedicated in 1961, are modern and comfortable. Recent remodeling has added facilities for the handicapped. The main lodge features conference rooms, a library and a cafeteria. Two dormitory-style buildings nearby can house up to 150 people.

Donations to the Michigan 4-H Foundation from individuals, corporations and organizations make the center's operation and activities possible.

The 4-H Foundation recently announced a new deferred gift program which allows individuals to make a planned gift to the 4-H Foundation over a period of years or from an estate in the form of a will, trust or life insurance policy. Such gifts may be designated for support of Kettunen Center or for 4-H training workshops.

Further information on the Oct. 4 open house may be obtained from county Cooperative Extension Service offices.

Connie Turbin, associate editor of Michigan Farm News, recently visited Kettunen Center for the first time.

Your Membership In The
MICHIGAN FARM BUREAU
Now Makes Available

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Designed to provide daily money market income with **Two Portfolios:**

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A prospectus containing more complete information including management fees and expenses, will be sent upon receipt of the attached coupon. Send the coupon to Michigan National Bank, Trust Department, 77 Monroe Center, P.O. Box 2804, Grand Rapids, Michigan 49501. Read the prospectus carefully before you invest or send money. For current yield information call toll free 800-621-2550.

Please send me a prospectus.
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City _____ State _____ Zip _____

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Mail to: Money Market Fund Program
for Michigan Farm Bureau Members
Michigan National Bank, Trust Department
P.O. Box 2804, 77 Monroe Center
Grand Rapids, MI 49501



Farm Bureau Insurance Group, Michigan Farm Radio Network Honor 'Farmers of the Week'

The Farmer of the Week Award, sponsored by the Michigan Farm Radio Network and Farm Bureau Insurance Group, recognizes Michigan farmers for their contributions to the agriculture industry and the community.

Award recipients for August 1981 were:



ED BERTALON

Week of Aug. 3 - Ed Bertalon, 36, a dairy and cash crop farmer from Pittsford who farms 400 acres and milks 56 cows. He is a 4-H dairy leader, a Hillsdale County FB member and he served on the FB board for four years. He is a member of the MMPA, the MABC and the County Line Community Action Group. He and his wife, Donna, have three children.



CLIFF POEHLMAN

Week of Aug. 17 - Cliff Poehلمان, 50, a cash crop farmer from Cassopolis. He farms over 400 acres with the help of his family, raising corn, soybeans and hay. He is a community committeeman with the ASCS; is serving his second term as president of the Cass County FB; is very active as a farm leader in the county and was instrumental in eliminating a grain fraud scheme that was operating in the county last year; and is currently very active in taxation issues, initiating meetings and information letters for the public. He and his wife, Mary, have four children.



THOMAS HEBNER

Week of Aug. 10 - Thomas Hebner, 30, who farms 200 acres and milks 40 registered Guernsey cows at his farm near Bad Axe. He is active in the First United Methodist Church and served on the church finance board. He is a member of the DHIA and the Michigan Guernsey Breeders Association; is active in the Masonic Lodge in Bad Axe and held each office in the lodge, including past master; is a member of the Huron County FB, the Michigan Sugar Growers, and the Lake Central Breeding Syndicate. He and his wife, Paulette, have two children.

Week of Aug. 24 - Thomas Irer, 38, a cash crop and specialty crop farmer from St. Johns. Irer farms 1,200 acres, including 500 acres of spearmint and 75 acres of peppermint. He is Clinton County FB president, area Federal Land Bank board member, St. Joseph Catholic Church member, local Jaycees member, and local community action group officer. He has a bachelor's degree from Michigan State University and a master's degree from Purdue University, both in agricultural economics. He and his wife, Marilyn, who is a township supervisor, have four children.



RICHARD KESSLER

Week of Aug. 31 - Richard Kessler, 32, a dairy farmer from Montague who farms 850 acres and milks 165 cows. Kessler is secretary-treasurer of the Muskegon local of the MMPA, a 4-H leader, a Lakeshore Milk Haulers board member, a St. James Lutheran Church member and an Oceana County FB member. He is a recipient of the American Farmer Award and the Farm Family Award. Kessler and his wife, Wendy, have four children.

October is Co-op Month

Over 40,000 cooperatives and their 50 million members nationwide will observe October as Cooperative Month by holding special meetings, open houses and media promotions.

An official declaration of Cooperative Month in Michigan was signed Sept. 24 by Gov. William G. Milliken.

In the declaration, the governor stated that "through cooperatives, members are able to secure benefits and services for themselves and their neighbors as well as to stimulate a significant segment of the state's economy. In addition, the cooperative movement provides the opportunities for members to develop their talents and leadership abilities and establishes a group of people capable and willing to serve the community at the local, state and national level."

Newton Allen, chief executive officer and executive vice president of two major Farm Bureau cooperatives, Farm Bureau Services, Inc. and Farmers Petroleum, said that the managers and sales representatives at Farm Bureau Service Centers statewide will be encouraged to conduct open houses at their facilities and to make presentations to civic groups and youth such as the 4-H and Future Farmers of America chapters in their areas.

Allen said that throughout the month cooperatives will be recognized as a basic part of the

BC-BS Honors FB Secretaries

Twelve county Farm Bureau secretaries have been recognized for having the largest increase in new subscribers over last year in a contest sponsored by Blue Cross-Blue Shield of Michigan.

FB secretaries from throughout the state participated in the contest which ran from September 1980 to August 1981. One winner was chosen from each Farm Bureau region.

BC-BS Account Representative Joe Karam said that all FB secretaries should be complimented on their outstanding efforts in the Blue Cross-Blue Shield program that serves Farm Bureau members.

Karam presented gift certificates to the winners: Carolyn Hesselink, North; Wendy Honkala, Upper Peninsula; Terri Robinson, Saginaw Valley; Marilyn Batkie, Thumb; Ann Conrad, West Central; Gloria Schultze, Northeast; Diana Keck, Southwest; Cecilia Norush, Southeast; Sandi Frick, South; Shirley Tolles, West; Marilyn Knight, Central; and Sheryl Guenthardt, Northwest.

American business system and he emphasized that "too many leaders still do not understand how the citizens of this country use cooperatives to handle their own businesses and provide themselves with needed services."

"These services include marketing, farm supplies and farm credit, credit unions, consumer cooperative banks, housing,

consumer goods, insurance, electric utilities and telephone services as well as other needed services," he said.

The theme for this year's observance is "Cooperatives - Building a Better America."

The sponsoring organizations for 1981 are American Institute of Cooperation, Cooperative League of the USA,

(continued on page 13)

FBIG Increases Annuity Interest to 12.5 Percent

Farm Bureau Insurance Group has announced that the interest rate paid on its tax-sheltered annuities has increased to 12.5 percent, increasing their value as high-yielding retirement plans for farmers and other self-employed people.

The new rate, effective Sept. 1, 1981, applies both to accumulated funds already on deposit as well as to new deposits.

Because they are self-employed business people, farmers must set up their own retirement plans. The individual flexible premium annuity from FB Annuity Company, a subsidiary of the Farm Bureau Life

Insurance Company of Michigan, provides a retirement plan suited to the needs of farmers.

Besides offering a guaranteed retirement income for life and a high interest rate, FB Annuity Company's tax-sheltered annuity saves tax dollars, since money paid into the plan is tax deductible.

The features of the annuity - including the immediate tax saving advantages, the 12 percent interest and a lifetime retirement income - and how you can benefit from them, can be explained in detail by your Farm Bureau Insurance Group agent.

Camp Kettunen 20th Anniversary OPEN HOUSE

October 4

For more information, contact the Cooperative Extension Service office in your county.

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QUALITY • SERVICE • DEPENDABILITY • ECONOMY

Music and Farming: Both Take Creativity

Dear Jean,

As a fellow musician and a good friend, you questioned my sanity when I left a culturally endowed area for the rural Thumb.

"What are you going to do without concerts, lectures, plays and all the opportunities a wealthy suburb can provide a musician?" you asked. I can answer you honestly that there are cultural opportunities everywhere. The only difference is that where you live opportunities come pre-packaged and gift wrapped. Here, you have to make your own.

You also were concerned that farming, being a basically

uncreative and monotonous pursuit, would be boring and unsatisfying to someone whose main interest was the creative arts. I thought it was time I wrote you an update on the situation.

I read a book a year ago which has changed my attitude toward the arts and the whole process of creative thinking. It is entitled *Drawing on the Right Side of the Brain* by Becky Edwards. The book is intended to be a guide to drawing and sketching, but it has implications beyond the drawing board.

Edwards explains that the human brain separates creative function from language, math and logic. When a person is

drawing or engaged in other creative pursuits, she is using the right side of the brain. In order to use speech or be mathematically precise, she must engage the left side of the brain.

From what I can gather from other articles on the subject, people who exhibit creative tendencies such as musicians, artists and writers, excel in the use of the right side. Accountants, engineers and mathematicians are adept at using the left side of the brain.

No doubt you are wondering what this has to do with farming and me. I suspect that a good farmer needs to use both brain functions. It's true that the daily routine requires little creativity. But the unexpected can strike at any time and that's when the farmer, with that extra added dimension, that right brain capacity, can solve the thorniest problems.

When we first began to harvest pinto beans last year, the vines tangled on everything. For several days Ken and his dad experimented with different set-ups to solve the problem. That process, staring at that pile of nuts, belts and steel rods in an attempt to visualize the path and behavior of the wiley pinto bean vine, had to be a creative function. It was necessary to conceive the structure of a nonexistent apparatus and then construct it.

The ability to adapt common farming practices to one's own soil conditions and the lay of the land is a creative pursuit. A good farmer allows his creative intuition to enter into decisions about tillage practices, rotations and timing.

My husband's intuition was to harvest our beans a little early this year. We had a high, dry August until the last week and intuitively he knew that the rains were due. Alas, though he wanted to follow the nagging voice from the right, the left reminded him that the puller wasn't ready and the beans still had a few green leaves on them. Five inches of rain later, his intuition proved to be correct.

I admit that after several hours of plowing or disking, there is something crying out for attention. And I am not referring to just my aching back or other parts. I begin to write letters, compose songs and wax eloquently about the wonders of nature, all to the detriment of a straight furrow.

It may be a case of simple boredom. But perhaps it is a reversion to the side of the brain that functions best for me. Music has always come easily to me. So has poetry, drawing and dancing. But math and the whole concept of logical systems for daily living eludes me.

OPEN LETTERS

Andrea Hofmeister
1980 Outstanding
Young Farm Woman



So does spelling, part numbers and straight furrows.

Perhaps in farming, where a marriage is both a loving bond and a business proposition, it is useful to have a person who is inclined toward left-brained thought and a spouse who is comfortable in the right brain function.

My husband is logical and calculating, but with a special kind of creativity to design a vine divider when the need arises. He can also keep the books, calculate gallons of spray per tank and plow a straight furrow.

While my creative talents are much less useful when attempting to make a household or a business run smoothly, my position requires creative mother-

ing, problem solving and teaching ability. I venture into the mysterious world of precision only when I'm farming, and I find this stretching exercise exhausting.

Now perhaps you are wondering why I bother to stretch. Why not stick to the areas which are comfortable? The general consensus by the experts is that the highest level of achievement, and hence satisfaction, comes from the integration of both sides of the brain. To be logical and creative, precise and intuitive at the same time is the ultimate goal we should strive for.

It sounds like fun to me. It also sounds nearly impossible. I guess the first step is to learn to plow a straight furrow.

1981 County Annual Dates

County	Date	Time	Place
Alcona	Oct. 19	7:00 p.m.	Mikado Community Hall
Allegan	Oct. 15	8:00 p.m.	Griswold Auditorium, Allegan
Alpena	Oct. 14	8:00 p.m.	Long Rapids Hall
Antrim	Oct. 14	8:00 p.m.	John Rogers Elementary School Bellaire
Arenac	Oct. 27	7:00 p.m.	4-H Building, Standish
Barry	Oct. 27	7:00 p.m.	Moose Lodge, Hastings
Benzie	Oct. 12	6:30 p.m.	Blaine Christian Church, Arcadia
Berrien	Nov. 4	6:30 p.m.	County FB Office, Berrien Springs
Calhoun	Oct. 5	6:30 p.m.	B. E. Henry Building, Marshall
Cass	Oct. 21	6:30 p.m.	Cassopolis High School
Charlevoix	Oct. 7	8:00 p.m.	Whitting Park, Boyne City
Cheboygan	Oct. 22	7:30 p.m.	Wesleyan Church, Cheboygan
Chippewa	Oct. 5	8:00 p.m.	Rudyard High School
Clare	Oct. 16	7:00 p.m.	Clare Elementary School
Clinton	Oct. 13	7:00 p.m.	St. Johns High School Cafeteria
Copper Country	Oct. 9	8:00 p.m.	Pelke Fair Building
Eaton	Oct. 7	7:00 p.m.	4-H Building, Charlotte
Emmet	Oct. 5	7:00 p.m.	4-H Center, Petoskey Fairgrounds
Genesee	Oct. 15	7:00 p.m.	Mundy Township Hall, Rankin
Gladwin	Oct. 6	7:30 p.m.	Gladwin Intermediate School
Gratiot	Oct. 7	6:00 p.m.	Camp Monroe, St. Louis
Hiawathaland	Oct. 7	6:30 p.m.	Congregational Parrish Hall Rapid River
Hillsdale	Oct. 13	7:00 p.m.	4-H Building, Fairgrounds
Ingham	Oct. 14	7:00 p.m.	Harley House, Lansing
Ionia	Oct. 5	7:00 p.m.	Rather School
Iosco	Oct. 28	7:00 p.m.	Masonic Temple, Tawas City
Iron Range	Oct. 30	7:00 p.m.	Crystal Falls Township Hall
Isabella	Oct. 15	6:30 p.m.	West Intermediate High School Mt. Pleasant
Jackson	Oct. 10	7:30 p.m.	Hanover-Horton High School
Kalamazoo	Oct. 13	6:30 p.m.	Kalamazoo County Center Bldg.
Kalkaska	Oct. 15	7:00 p.m.	Carol's Hall, M-66 south of Kalkaska
Kent	Oct. 6	8:00 p.m.	Sveden House Restaurant Grand Rapids
Lapeer	Oct. 8	7:30 p.m.	American Legion, North Branch
Livingston	Oct. 28	7:00 p.m.	First United Methodist Church Howell
Mac-Luce	Oct. 8		Garfield Township Hall
Macomb	Oct. 8	7:00 p.m.	Romeo Masonic Hall, Romeo
Manistee	Oct. 19	6:30 p.m.	Farr Center, Onekama
Mason	Oct. 6	7:30 p.m.	Scottville Bank, Scottville
Mecosta	Oct. 5	7:30 p.m.	Morley-Stanwood High School
Menominee	Oct. 8	7:30 p.m.	Hersh's Restaurant, Daggett
Midland	Oct. 20	6:30 p.m.	Homer Township Hall, Midland
Missaukee	Oct. 8	8:00 p.m.	Cadillac State Bank, Falmouth
Montcalm	Oct. 28	6:30 p.m.	Middle School, Stanton
Montmorency	Oct. 15	7:00 p.m.	Senior Citizens Hall, Hillman
Muskegon	Oct. 15	7:30 p.m.	Doo Drop Inn, Muskegon
Newaygo	Oct. 8	7:30 p.m.	Fremont Christian School
Northwest Michigan	Oct. 7	6:30	Twin Lakes 4-H Gilbert Lodge Traverse City
Oakland	Oct. 22	7:15 p.m.	Clarkston United Methodist Church
Oceana	Oct. 19	7:30 p.m.	Shelby High School
Ogemaw	Oct. 29	7:30 p.m.	Ogemaw Township Hall, W. Branch
Osceola	Oct. 20	8:00 p.m.	Marion Bank, Marion
Otsego	Oct. 20		
Ottawa	Oct. 8	7:45 p.m.	Allendale Christian School, Allendale
Presque Isle	Oct. 6	8:00 p.m.	Bellnap Township Hall
Saginaw	Oct. 8	6:30 p.m.	K of C Hall, Williams Street
St. Clair	Oct. 6	7:30 p.m.	Community Building, Goodells
St. Joseph	Oct. 12	7:00 p.m.	County FB Office, Centreville
Sanilac	Oct. 7	7:15 p.m.	Sanilac Career Center, Sandusky
Shiawassee	Oct. 5	7:00 p.m.	Rod & Gun Club, Corunna
Van Buren	Oct. 24	6:30 p.m.	County FB Office, Paw Paw
Washtenaw	Oct. 1	6:30 p.m.	County FB Office Council Grounds
Wayne	Oct. 13	6:30 p.m.	Cooperative Extension Service Bldg.
Wexford	Oct. 13	7:00 p.m.	Sweitzers Restaurant, Cadillac

American Farm Bureau Federation 1982 Annual Meeting



Located near the Michigan delegation's hotel in San Diego, this restored merchant ship is part of a maritime museum open to the public.

Start making your plans now for the American Farm Bureau Federation Annual Meeting to be held in San Diego, California, Jan. 10-15, 1982.

In the interest of providing the best possible service for Michigan Farm Bureau members, a United Airlines charter will operate between Lansing and San Diego, departing on Jan. 9 and returning on Jan. 15. Space has also been reserved on regularly scheduled flights between various points in Michigan and San Diego on appropriate dates. In addition, complete arrangements have been made for tours which include, among other features, visits to the famous San Diego Zoo and Tijuana, Mexico.

San Diego's climate has been described as the most nearly perfect in America and will afford an ideal locale for this important AFBF meeting. The lifestyle is casual as is the Holiday Inn Embarcadero, the hotel selected for Michigan. It is conveniently located close to the harbor with a glorious view and interesting activities including fine restaurants and bay cruises. It is just a few short blocks from the restored historical area of Gaslamp that features boutiques, eateries, charming shops and a resident kite flyer.

Complete information, including enrollment forms and description of tour inclusions, can be obtained from your county Farm Bureau secretary or by sending the following coupon to the address indicated.

I am interested in attending the 1982 AFBF annual meeting in San Diego, California. Please send me complete information:

Name _____

Address _____

Home Phone _____ Office Phone _____

Mail to: Washburne Travel Center, Inc., Attention: Group Department, 228 Abbott Road, East Lansing, Mich. 48823.

Milliken: 'Time is Short. . . Task is Substantial. . .'

continued from page 6

Unemployment Compensation - The governor was very strong in his insistence that further reforms be made in the unemployment compensation, as it is used in Michigan, including requiring a "waiting week" to delay the beginning of benefits after a person is laid off and also to require that to be eligible for unemployment compensation a person should work 20 weeks instead of the present 18-week requirement.

Transportation - The governor pointed out that the Michigan freeway system is nearly complete and that we are considered to have one of the best transportation networks in the Great Lakes Region including air, rail, shipping and highways. Agriculture and industry are highly dependent upon a good transportation system.

However, he also indicated that the waterways and port facilities could be used to better advantage by the use of the St. Lawrence Seaway.

He did not, however, comment on the fact that the highway system is deteriorating very rapidly and that legislation has been introduced to adjust the gas and weight taxes to maintain roads and avoid closing down many road commissions.

Water - His formal message devoted considerable space to water and its importance to Michigan and that many industries must have a great deal of water. Michigan has a plentiful supply at the time many states are finding a shortage of water. He pointed out that agriculture and processing of agricultural products can increase in Michigan at a time when many of the areas in the U.S. are finding a declining water table.

Regulatory Review - The message was most concerned over over-regulation. A task force has been appointed, headed by Lt. Gov. Brickley, to eliminate and modify those rules and regulations that limit economic growth.

Foreign Trade - The governor expressed continued support of Michigan's trade offices

Co-op Month

(continued from page 11)

Credit Union National Association, USDA Agricultural Cooperative Service, Farm Credit Administration, National Consumer Cooperative Bank, National Council of Farm Cooperatives, National Milk Producers Federation, National Rural Electric Cooperative Association, National Rural Utilities Cooperative Finance Corporation, National Telephone Cooperative Association, Rural Electrification Administration and USDA's Science and Education Administration-Extension.

in Toyko and Brussels. Total exports have increased from about \$3 billion in 1972 to about \$14 billion in 1980.

High Technology - Milliken made more than a dozen specific recommendations to take advantage of the opportunities in this field such as robotics, research and technical development.

Mining, Forestry, Oil, Gas and Energy - A \$78 million new copper refinery is being built at White Pine in the Upper Peninsula, a \$500 million pulp mill at Quinnesec and a \$300 million paper mill expansion at Escanaba.

Forestry can be expanded. Even with the new mills, forests are growing three times faster than they are being harvested with enough raw material to add about \$3.4 billion annually to the economy.

With federal deregulation, oil and gas exploration is booming and can help decrease Michigan's almost total dependence on other states and countries for energy.

Tourism - Michigan is the fourth in the nation in outdoor recreation and sixth in vacationers. Tourism is a \$9 billion industry. Expanded promotion was proposed.

Promotional Efforts - The governor pointed to the successful promotion campaigns of New York and Ontario and proposed an "extensive and long term" promotion program.

Other Major Areas of the address include various business assistance programs, finance, film industry, regulatory review, target industries, etc. Gov. Milliken discussed the present budget issue and the deep cuts that have been made. He quoted Gov. Lewis Cass, speaking in 1824 to the first elected Legislature: "The

pecuniary situation of the country imperiously requires a system of rigid economy . . . (and) a retrenchment of the public expenditures." However, Cass predicted a bright future for Michigan because of "the enterprise and industry of our citizens . . . (and) the varied products of extensive and fertile regions."

Those words of more than a century and a half ago also apply today.

Milliken closed by saying that to "get Michigan moving again . . . we must act this fall . . . our time is short . . . and the task is substantial . . ."

SAVE 3 WAYS WHEN YOU FERTILIZE NOW!



Fall is the time to put Farm Bureau fertilizer on your fields.

Save Money! - You can beat the cost of rising inflation by buying your fertilizer now . . . at lower '81 prices! You may want to use this deductible expense for your '81 tax statement.

Save Time! - Your time is money. Use it wisely by fertilizing now during your slower season. You'll be ready earlier next spring!

Save Problems! - You can get the fertilizer you want now, without waiting, and use it when you're ready . . . right now!

Research indicates Farm Bureau fertilizer is ideal for fine and medium textured soils.

Apply at temperatures below 50°F on fields with slopes of 8 percent or less.

Get The Most From Your Anhydrous Ammonia With N-Serve®!

You can harvest up to 25 bushels an acre more when you use N-Serve Nitrogen Stabilizers! Apply N-Serve when you fertilize to slow nitrogen loss through leaching and atmospheric escape . . . keeping nutrients in the soil where they can benefit your crops the most!

Farm Bureau Services, Inc.

AgriPac Update

DISCUSSION TOPIC

by **KEN WILES**
Manager, Member Relations

Introduction

With less than 3 percent of our country's population now directly involved in farming, it's more important than ever before that farmers become involved in our political system. In many closely contested elections, an effectively organized farm vote can be the deciding factor. Farmers have a tremendous opportunity to affect the outcome of political campaigns and ensure the election of candidates who know and understand agriculture.

The political action program of Michigan Farm Bureau is operated by a Political Action Committee known as AgriPac. As AgriPac prepares for the 1982 elections, it will be operating with two modifications from previous years. One change requested by voting delegates at last year's MFB annual meeting will make it easier for members to contribute to AgriPac. The other change will provide greater opportunity for county Farm Bureaus to provide input and information to AgriPac regarding candidate endorsements.

Background Information

Farm Bureau members for many years had been served by the Farm Bureau Political Education Program. Although the program proved to be effective, changes in state and federal election campaign laws in the mid-1970s allowed Farm Bureau to become more politically active.

Delegates to the 1977 MFB annual meeting adopted a policy to develop a political action program, which would include the formation of AgriPac. The program included analysis of voting records and legislative efforts of elected officials and designation as "Friends of Agriculture" for those incumbents who had established a satisfactory record of supporting MFB policy. In 1978, the first year that AgriPac endorsed and supported candidates, 73 individuals were designated as "Friends of Agriculture." Of these 73 candidates, 66 were elected. This gave AgriPac a 90 percent winning average for its first election campaign.

In 1980, one of the elections that AgriPac concentrated on was for the Michigan State University Board of Trustees. MSU was the only land grant institution in the nation with no trustees from the agricultural sector. With two vacancies to be filled, AgriPac supported two persons familiar with agriculture: Tom Reed (R-Dewitt), assistant manager of the Michigan Live Stock Exchange; and Bill Byrum (D-Onondaga), an Ingham County farmer. Reed

won a seat on the board in the November General Election. Altogether, 81 candidates were endorsed and supported in the 1980 election; 75 were elected, giving AgriPac a 92 percent success rate.

The committee currently consists of Chairman Jack Laurie of Cass City, Vice Chairman Ronald Wood of Scottville, and members Dave Conklin of Corunna, Joe Kreusel of Fairhaven, George Mc Manus III of Traverse City, George Stover of Berrien Springs and Mike Wicke of Hemlock. Albert Almy, MFB public affairs division director, serves as secretary to the committee and Robert Braden, MFB administrative director, is AgriPac secretary. Both of these individuals are ex-officio members without vote.

Other PACs in Michigan

Currently there are over 200 political action committees registered at the state level. These PACs have been formed by various interest groups such as doctors, plumbers, bankers, Chambers of Commerce, food dealers and realtors. These PACs raise money from contributions by their members to help elect public officials who will be friendly toward their positions on key issues. It is important that agriculture be competitive in electing "Friends of Agriculture" and AgriPac is making significant progress in this direction on behalf of Farm Bureau.

AgriPac Changes

For the first time, MFB members can contribute to AgriPac at the same time they pay their 1982 Farm Bureau dues. As can be seen from the membership dues notification reproduced in this issue of *Michigan Farm News*, members may check the box at the upper left to indicate they wish to voluntarily contribute \$1 to AgriPac. Members then write in the amount contributed directly beneath the amount shown for the 1982 dues.

Members then total the AgriPac contribution and the Farm Bureau membership dues and either write a check for the total amount or pay the amount in cash to the county Farm Bureau. The county secretary will forward the AgriPac contribution to Michigan Farm Bureau's AgriPac.

Members may contribute any amount of \$1 or more. However, it is important to remember to write the amount of the contribution in the space provided, as no Farm Bureau dues can or will be used for AgriPac's activities. Contributions to AgriPac will be used exclusively to help elect "Friends of Agriculture" in the 1982 elections.

Contributions are deductible in accordance with IRS regulations.

The other change approved by AgriPac involves the process of selecting candidates for endorsement as "Friends of Agriculture."

County Farm Bureaus will be asked to appoint *candidate evaluation committees*. The committees will consist of not more than five Farm Bureau members and will be chaired by a county board member. The committees will be asked to evaluate incumbent candidates who are seeking re-election and forward that evaluation to AgriPac. In addition, the committees will be asked to evaluate and provide information and challengers or new candidates.

This information will be used by AgriPac as part of the process of selecting "Friends of Agriculture" for the 1982 election. The deadline for submitting these evaluations to AgriPac is July 1, 1982.

Recognition Program

AgriPac has set a fundraising goal of \$35,000 for the 1982 elections. To help reach this goal, a recognition program has been established.

The program provides that a member contributing between \$10 and \$49 during the calendar year will be designated as an "AgriPac Supporter" and will receive a recognition card.

A member contributing between \$50 and \$99 will be designated an "AgriPac Booster" and will receive a lapel pin.

A member contributing between \$100 and \$199 will be known as an "AgriPac Diplomat" and will receive a jeweled lapel pin, special reserved seating and recognition at the AgriPac Breakfast at the MFB annual meeting, and quarterly newsletters on political events.

A member contributing \$200 or more will be designated as an "AgriPac Ambassador" and will receive a distinctive jeweled lapel pin, special reserved seating at the AgriPac Breakfast with dignitaries, special recognition at the AgriPac Breakfast, and a quarterly newsletter on political events.

No AgriPac contributions will be used to fund this recognition program.

Role of Farm Bureau Member

These changes in the AgriPac program should result in even more MFB members becoming actively involved in the political process. Through AgriPac, farmers can make the most of their numbers and have a significant, positive impact on the political decisions that affect their way of life.

Discussion Questions

In a straw vote of your Community Action Group members, what percent of the members indicate they may contribute to AgriPac when paying their 1982 Farm Bureau dues?

Is the procedure clear for contributing to AgriPac when paying 1982 Farm Bureau dues? If not, what information is needed?

Do you feel that the recognition program for 1982 will encourage members to contribute to AgriPac?

Do you feel that you know enough about the candidates' positions and philosophy before you vote?

Yes, I voluntarily contribute \$1.00 to the Michigan Farm Bureau Political Action Committee (AgriPac).

* Please Check Box.

YOUR FARM BUREAU 1982

MEMBERSHIP DUES NOTIFICATION

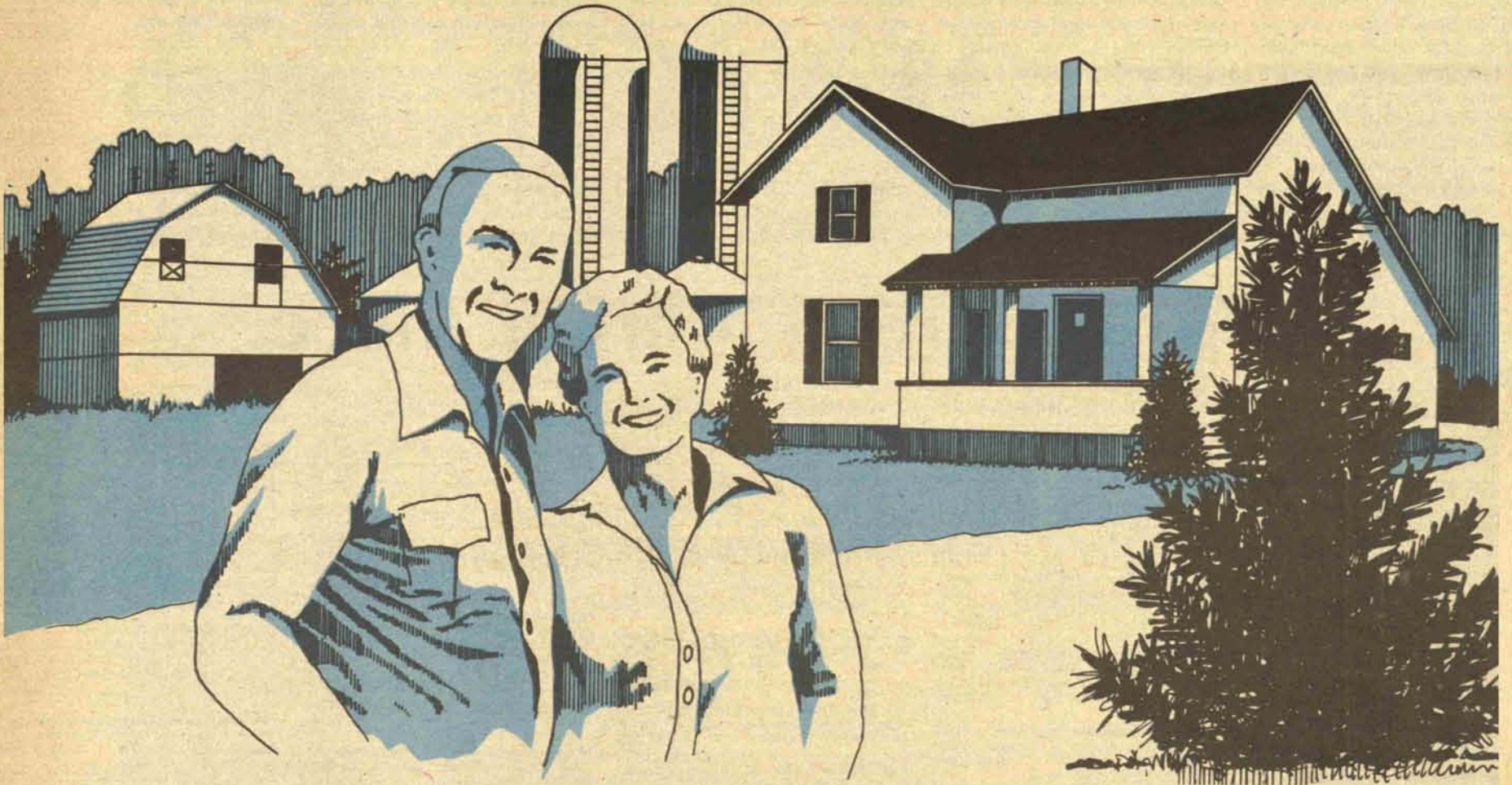
SEND YOUR PAYMENT TODAY

PLEASE PRINT NAME, SURNAME, TITLE, PHONE NUMBER, COUNTY AND COUNTY PUBLICATION

FARM BUREAU	
MEMBERSHIP DUES	
AMOUNT OF YOUR 1982 CONTRIBUTION	
PLEASE TOTAL IN \$1.00 INCREMENTS	

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PLEASE COMPLETE REVERSE SIDE AND RETURN THIS FORM WITH YOUR REMITTANCE
YOUR CANCELLED CHECK IS YOUR RECEIPT



Tax Savings and 12 1/2% Interest now, and a Lifetime Retirement Income later... Our Annuity does more than just wait for you to retire.

As self-employed business people, farmers need to set up their own retirement plans. The individual flexible premium annuity from FB Annuity Company will provide a guaranteed retirement income, while offering immediate tax-saving advantages and high interest rates besides.

As of September 1, 1981, our tax-sheltered annuity is paying 12 1/2% interest. Couple that with the fact that the money you pay into this retirement plan is tax deductible, and you have a plan that not only keeps you ahead of inflation, but also keeps your taxes down. And at retirement time, you will have a generous monthly income for as long as you live.

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