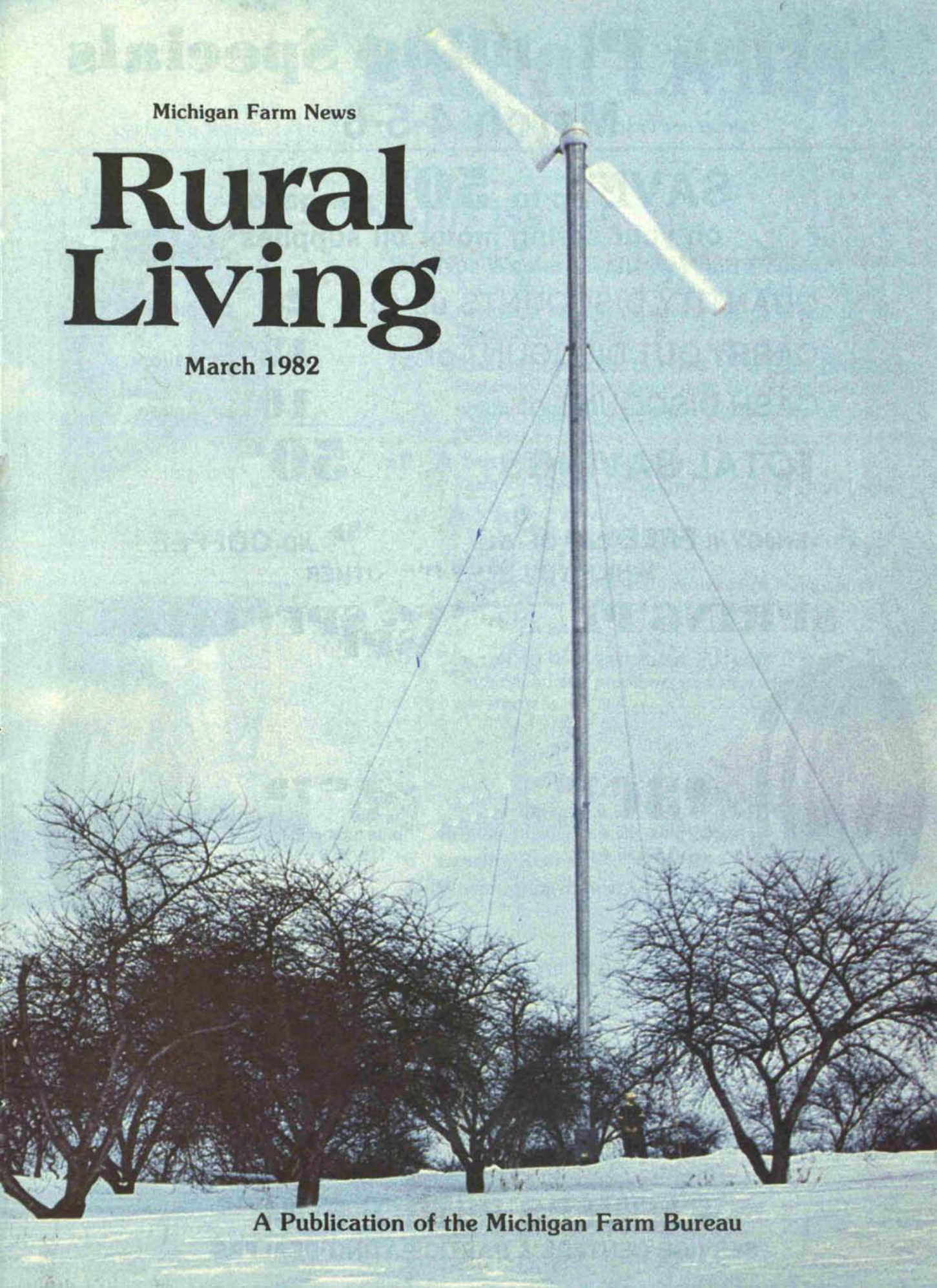


Michigan Farm News

# Rural Living

March 1982



A Publication of the Michigan Farm Bureau

# Spring Planting Specials

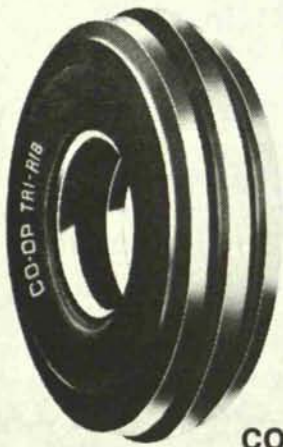
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March 1982  
Volume 61, Number 3

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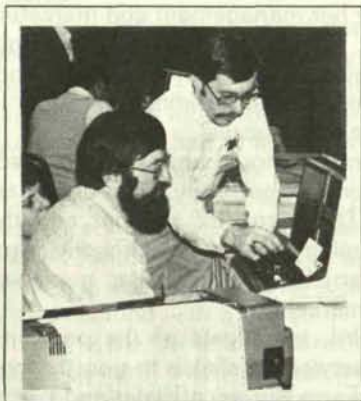
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# Rural Route

## Members Are Working Together on Many Fronts

**Real net farm income is the lowest it's been since 1933, interest rates are high, export demand is lower than a year ago, talk of an embargo looms over our heads, and there are predictions of continued low commodity prices and record crops. What can Farm Bureau do to help farmers in this kind of situation?**

### Question from several Community Action Groups

A good question! There's no doubt that farmers do need help and it would be nice to be able to wave a magic wand and take away all the obstacles that stand in the way of sufficient profits for the people involved in the most productive, efficient industry in the world. Unfortunately, there is no magic wand.

The only magic we have is membership, and we've been using that power on several fronts to improve net farm income.

For example, Farm Bureau members across the nation were responsible, in large part, for acceptance of President Reagan's economic recovery program.

The law provides for a three-year 25 percent tax cut worth over \$120 million to Michigan farmers and substantial federal estate tax exemptions (\$600,000 in 1987, total exemption for spouse, and others) as well as indexed tax rates to prevent bracket creep beginning in 1985.

Another key component of the president's program is a stabilized monetary policy. That objective, when combined with the increased savings and investment, should cause interest rates to begin to decline.

In order to bring interest rates down further, the federal government's huge deficits must be substantially reduced and the Federal Reserve Board must stabilize the money supply. Our long-term goal is a balanced federal budget. But the question is how will the budget be balanced - through higher federal taxes or through lower government

spending? Farm Bureau has said, loud and clear, "only through less government spending, especially in the entitlement programs."

Also, Farm Bureau supported the 1981 Farm Bill and while it did not comply in every case with our AFBF policies, we felt that it was the only alternative to having antiquated legislation become effective and have the debate drag on for many months. Commodity prices did increase after the farm bill was signed into law. I don't believe that it was a coincidence because the same thing has happened every time for the past decade when the farm bill was enacted. We all agree that farm prices are still far too low, but without the basic legislation in place, the commodity price picture would have been much worse.

To help bring down supplies and bolster farm income, Farm Bureau proposed an acreage set-aside program with cash incentives for participation. We don't always win and the USDA announced a program that did not include those incentives. I encourage you to read the analysis of this program in *Agronomic Update* on pages 24-26.

On the state level, Michigan Farm Bureau has done much to improve net farm income through tax savings, credits and exemptions such as P.A. 116 farmland and preservation tax credits that totaled over \$24 million in 1981, and sales tax, fuel tax and single business tax exemptions for agriculture. The list goes on and on.

These are all things we've already done through Farm Bureau to help raise net farm income, so let's look ahead to what remains of our challenge . . .

First, we're going to have to keep reaffirming our support of the economic recovery program. We're going to have to keep expressing our concern that a bloated grain reserve may be abused as election pressures build. We must convince the Washington decision makers that farmers must

have access to world markets without embargoes or sanctions that damage our reputation as reliable suppliers.

We need to seriously consider the need for national marketing and bargaining legislation and make the same total commitment to its passage as we did for our state legislation.

Our industry, here in Michigan especially, is currently enjoying a new recognition by the governor, the Legislature and the general public. We need to take every opportunity to make certain that this recognition translates into real growth opportunities for agriculture.

Second, each individual farmer who is committed to staying and prospering in his chosen vocation must sharpen his or her management and marketing skills. Marketing strategy and tight management control of assets, land, machinery and buildings are keys to future farm success.

Farmers should be taking every educational opportunity (such as our recent Discovery '82 seminar and the upcoming Farmers' Week workshops) to learn how to be better managers and marketers.

Third, investigate all the programs and services available to you through your Farm Bureau affiliates and participate in those which are of benefit to you, your family and your farming operation.

Things look pretty bleak right now and there's little that one person can do to brighten the outlook. But the future holds much promise if we work together now to make things better.

*Elton R. Smith*

President  
Michigan Farm Bureau

*If you have a question or opinion that you would like to share in Rural Route, send it to Rural Living Magazine, Michigan Farm Bureau, P.O. Box 30960, Lansing, Mich. 48909.*

## God Sure Makes It Tough Sometimes

People react to stress in different ways. I get uncommunicative, sleepy, lose my appetite, itch, and on a couple occasions (when there were deadlines I believed were physically, mentally and emotionally impossible to meet), I chose pneumonia as an out.

I didn't recognize then that stress, not some Alka Seltzer-Plus immune germs, may have caused the pneumonia, but since I attended the Discovery '82 seminar, I'm a lot smarter about things like that.

Stress management was one of the workshops at the Farm Bureau-sponsored farm management seminar in February, and it seemed to be one of the favorites of the farmers who attended. With my background, it shouldn't have surprised me that farming is a stressful occupation and that those involved in it felt the need to learn how to manage stress. I guess probably the reason I was surprised by the attendance and enthusiastic participation in this particular workshop was because the word "stress" wasn't in my mom's vocabulary when we were on our ranch in South Dakota.

Crops lost to hail and sand storms and grasshoppers, and livestock lost to blizzards and coyotes, were character-building experiences - not stress. So was the traumatic move to Michigan when those character-builders came with such frequency that we had to leave our little house on the prairie.

Throughout this stress (known to our family as character-builders), my mom never got pneumonia but, then, she prayed a lot. I pray, too, but evidently she's got this clear channel without any static. It wouldn't surprise me at all, when she gets on her CB for local information, to have The Voice respond with a Big 10-4.

Most of the farmers I've come in contact with pray, too. It would be hard, when you watch a little seed turn into an ear of corn and witness a fresh plowed field change from brown to green to gold, to remain an atheist. They can't help but wonder, too, what the Big 10-4 in the Sky is trying to tell them when an untimely frost or torrential rains take their toll on crops in which they've invested labor, money and dreams.

I've shared with you before the profound wisdom of my 5-year-old grandson. He's still at the stage where he's sorting out what God makes and what factories make; he figured out for himself that God and farmers work together.

The other night, when I picked him up for his weekly visit, he came up with another pearl. The inclement weather had left the streets slippery, threatening to bog us down in a snowdrift and make us late for the "Dukes of Hazard."

"Boy, Nonny," he said. "God sure makes it tough sometimes, doesn't He?"

What can you say? Out of the mouths of babes. . . Yes, He makes it tough sometimes. Whether you call it stress or character-builders, the "tests" go on and on and on.

Donna Wilber is a contributing editor to Rural Living.



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## Economic Issues Dominate Spring Session

**Prompt Pay** - A year ago, five bills were introduced to help avoid bankruptcies in agricultural businesses. Current status of these bills follows:

S.B. 112 amends the Grain Dealers Act to require more financial information, increase some of the bonding requirements, tighten requirements for price later agreements and require dealers to do other things to assure, to the degree possible, that the producer will be paid. It has passed the Senate and is on the House floor.

S.B. 111 and S.B. 338 tighten the present dairy payment laws. These are now substitute bills and are ready for a Senate vote.

S.B. 110, increasing bonding requirements for potato dealers, has been passed by both houses.

S.B. 113 would provide payment

protection for fruit and vegetable growers. It has been sent back to the Senate Committee to be rewritten.

**Grain Moisture Testers** - H.B. 5348 requires elevator grain moisture testers to be inspected for accuracy. The House Agricultural Committee has sent the bill to the full House for consideration.

**Truth in Taxation** - Gov. Milliken has signed S.B. 350 into law. It requires local units of government (schools, townships, counties) to reduce property tax millage rates so that tax revenues do not increase over the previous year unless a public hearing is held to prove the need for any additional tax revenue. The local elected boards would also have to vote

to collect any revenue resulting from increased equalized assessments.

**Governor's Budget Message** - Contary to general belief, total state revenue as a percent of personal income is the lowest in 10 years or more. It is now 7.4 percent compared to 8.2 percent in 1979. The inflation rate has dropped from a high of 15.7 percent in 1980 to 6 percent in 1982 and an expected 8 percent in 1983. Unemployment is the highest in the nation, nearly 14 percent.

Revenues for the 1982 General Fund budget are \$4.348 billion. Appropriations were \$4.588 billion, plus interest and supplements, such as school aid, welfare, etc., of \$373.4 million. There have had to be several cuts throughout the year and there will need to be additional cuts in the present 1982 budget of \$136.7 million for colleges and universities, \$30.2 million for community colleges, and \$58.1 million for revenue sharing with local units of government. In addition, there will be another 4 percent cut across the board for the various departments, totaling \$51.6 million.

MSU's additional 1982 cut is \$38.1 million. Of this amount, there is an \$3 million cut for agricultural research and a \$2.6 million cut for Extension. These cuts are supposed to be made up by an increase in the 1983 budget.

The 1983 recommended MSU budget will have an 18 percent increase for agricultural research and a similar increase for Extension, amounting to about \$5.366 million for research and \$4.7 million for Extension. It includes the replacement of 1982 fourth quarter budget cuts. In addition, there is \$1 million for the Plant and Soil Science Building.

For the Department of Agriculture, the governor recommends an additional \$45,000 for international trade, an additional \$152,200 (total \$406,000) for the Gypsy Moth Program, an additional \$66,000 for peach virus and training for fruit and vegetable inspectors, and an additional \$60,000 to expand the parimutual race days. The total 1983 recommended budget is about \$37

## Grassroots Support Needed for Statewide Petition Drives

**FB Supports Petition Drives** - Voting delegates at the MFB annual meeting in December adopted policies in favor of three petition issues proposed for the November 1982 ballot.

**Citizens for an Improved Ballot:** Petition supporters favor a constitutional amendment to shorten Michigan's long ballot by appointing Supreme Court justices, Court of Appeals judges, state Board of Education members and the boards of Michigan State University, Wayne State and the University of Michigan. Appointment would remove candidates for these positions from campaign and political party pressures. At the end of each term, judges would be subject to a "retention" election. The voters would vote to retain or reject each justice or judge by a simple yes or no vote.

**Welfare Limitation Petition:** Supporters of this petition drive favor amending the present state law to limit welfare payments in Michigan to an average of benefits paid in the surrounding states. Michigan average AFDC benefits in October 1980 were 56% higher than Ohio; 9.1% higher

than Indiana; 41% higher than Illinois; 1% higher than Wisconsin; 12% higher than Minnesota. In 1979, Michigan benefits were 52% above the national average.

**Mandatory Sentencing for Crimes Against Seniors:** This petition proposes a minimum of five years in prison for any felony committed against persons over 60 years of age. Longer sentences could be imposed, but such a criminal would be sentenced to at least five years. Senior citizens, in particular, have been targets for serious crimes. The policy passed by the delegates states, in part, "We support attempts to create mandatory penalties for certain crimes." Therefore, the MFB Board of Directors voted to make this petition available to Farm Bureau members.

A copy of all three petitions will be sent to Community Action Groups with a request that they be circulated. Anyone who wishes to receive copies of these three petitions may obtain them from the Public Affairs Division, Michigan Farm Bureau, P.O. Box 30960, Lansing, Michigan 48909.

million (about \$20 million from General Fund). The 1982 total budget was \$41.8 million, but \$7 million was cut out during the year. The Department of Agriculture budget now includes \$800,000 for the Silver Dome and \$3 million for cities with race tracks.

In terms of the total budget, 1983 General Fund projected revenues are \$4.983 billion. The projected total state budget revenues are \$11.584 billion. The General Fund budget will be up 8.7 percent, however, in 1980 dollars it is actually down 13 percent. The total federal cut to the state is about \$1.2 billion, however, the federal tax savings to state residents will total about \$2 billion.

**Unemployment Compensation** - By next January, Michigan will owe the federal government at least \$2 billion. Penalties will take effect next November or January, which will be \$18 per employee, and will increase \$18 per year for the next nine years. There also will be other penalties plus interest. Several reforms were achieved in 1980, but benefits also were increased. Legislative proposals include requiring a waiting week before unem-

ployment compensation is available (saving \$76 million); increasing the present 18 weeks to qualify to 20 weeks (\$30 million); and raising the tax base from \$6,000 to \$7,000 (\$100 million). Others are being considered.

**Single Business Tax** - While farmers are exempt from the Single Business Tax, reforms are necessary for agribusiness. Two reform bills have passed the Senate: S.B. 360 would remove up to 50 percent of the Workers' Compensation and Unemployment Compensation costs from the tax base; and, S.B. 240 would increase several exemptions, which would be very helpful to business. A proposal (S.B. 315) was tie barred to the Single Business Tax reform bills which makes military pay for those on active duty subject to Michigan's income tax.

S.B. 533 now in the Senate, provides for further reform, including exemptions for increased exports. The bill presently would apply only to "manufactured and assembled" products. Farm Bureau is offering amendments to include agricultural exports. There is some opposition in the Department of Commerce on this suggested amendment.

## Governor Praises Cooperation for Farmland Preservation



Over two million acres of Michigan farmland have been voluntarily enrolled in the state's land preservation program (P.A. 116), administered by the DNR. On Feb. 10, Gov. Milliken signed a Farmland Development Rights Agreement with Cass County Farm Bureau members John and Susan Rice of Dowagiac, entering the two millionth acre into the program. The Rices' 365-acre farm, located in Silvercreek Township, produces cherries, apples, plums and asparagus.

"I wish to thank the Rice family, as well as all the other participating farm landowners, for making a commitment to agriculture through the retention of the resource base in Michigan," Milliken said.



**MICHIGAN'S  
FARM BEST**

### New Mid-Winter Citrus Prices

Citrus prices were not available at the *Rural Living* deadline last month because of market uncertainties caused by the recent freeze in Florida.

Please note: the price of orange juice concentrate was increased due to the freeze but the grapefruit concentrate price remains the same.

For further information, contact your county secretary or member-to-member chairperson.

#### New prices are:

Valencia Oranges, 4/5 bu. (replacing Temple oranges)	<b>\$10.90</b>
Pink Grapefruit, 4/5 bu.	<b>\$10.60</b>
Orange Juice Concentrate	<b>\$33.50</b>

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1975 GMC 16' grain dump, 15 ton hoist	\$9,400*
1977 Chevrolet, 16' grain body, 18 ton hoist	\$9,800*

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1974 Ford LNT900 tandem, 20' grain body, 25 ton hoist	\$14,800*
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## Deficit Undermines Recovery Effort

At their February meeting, the Michigan Farm Bureau board of directors passed a resolution supporting the basic principles of President Reagan's proposed budget, but urging a reduction in the deficit.

"Michigan Farm Bureau supports the basic principles outlined in President Reagan's proposed budget for the coming year," the 16-member board said in a statement which was sent to the president and Michigan congressmen. "We endorse its thrust of reducing the rate of increase in spending and its reduction in the size of government. We support the 'New Federalism' approach of returning responsibilities back to state governments which are closer and more controllable by citizens."

The farm leaders expressed alarm at the size of the projected deficit and said it should be reduced by cutting government spending in the "so-called uncontrollable budget areas," including interest on the national debt and the entitlement programs.

"Entitlement programs, indexed to the past rate of inflation, can be brought in line through a reduction in the level of indexing," they said. "It is not fair for the recipients of these programs to have increasing benefits, while the taxpayers funding the programs are suffering a decrease in wages. This does not imply that entitlement programs should be eliminated, but costs must be contained." Farm Bureau policy is in favor of indexing these programs to 75 percent of the increase in Consumer Price Index rather than 100 percent.

The board did not favor a tax increase, which they said would be a disincentive to cut government spending and would cause a decrease in savings.

"Savings provide capital necessary for investment in productive enterprises to create greater employment. The economy of this nation needs an increase in productivity to once again gain its vigor. We consider government as a consumer of productivity. In the mid-1950s, government consumed about 17 percent of the Gross Na-

tional Product. In 1981, that figure stood at 23 percent.

"If costs to businesses complying with federal regulations are added to direct government spending, that figure stands at nearly 30 percent of the GNP. The private sector is the economic strength of this nation. It will provide jobs by producing goods and services desired by consumers.

"The American economy will strengthen when government stops competing for capital to finance the national debt, stops artificial regulation of the economy, stops deficit spending, and provides a fiscal policy to encourage saving, investment and expansion," the board said.

"We believe that the administration's current economic program is pointed in that direction. We believe, however, that it should contain further cuts in government spending with a goal of a balanced budget, eliminating deficit spending and thereby, reducing the national debt," they concluded.

### Agricultural Programs Halved

In the proposed 1983 federal budget, funding for agricultural programs have been sliced in half, down \$4.1 billion from the 1982 level of \$8.6 billion for agricultural programs.

The largest decline is projected for price support programs, at \$1.8 billion for fiscal year 1983, compared to over \$6 billion for 1982. Other major program reductions include loans for rural housing, business and assistance utilities cuts of \$4.3 billion, and food stamp program reductions of \$1.7 billion. Cost sharing programs for water resources and conservation would also be cut back \$220 million.

Despite the overall sharp reductions for agricultural programs, increases are proposed for these agriculturally-related programs:

- A \$54 million increase for agricultural research activities. Emphasis will be placed on plant and animal production and soil and water conservation research, key elements to sustaining agricultural production growth in future years.



Smith tells Michigan press federal entitlement costs must be limited.

- A \$4 million increase for export market development activities which will be concentrated on countries that have the greatest potential for significant growth in their needs for agricultural products; continuation of the \$2.5 billion export credit guarantee program; and \$859 million in P.L. 480 (Title I - Food for Peace) export credit sales.

- A \$155 million increase for the continued expansion of the National Crop Insurance program. This increase will allow crop insurance to be offered in all 3,000 agricultural counties of the nation. Participation is estimated at between 40 and 50 percent of the potential insurable acreage for crop year 1983.

- An increase of \$105 million for forest resource production activities. This level of funding provides for timber sales offerings of 12.3 billion board feet, an increase of 1.3 billion board feet over projected sales for fiscal year 1982. Special emphasis will also be given to eliminating the backlog of mineral exploration and development lease requests on the national forests. The budget request for mineral activities of \$25 million represents a 35 percent increase above the amount appropriated for 1982.

- A \$135 million increase in farming operating loans to enable the USDA to cover higher production costs to farmers.

Washington Report is prepared by the MFB Public Affairs Division.



# When it comes to finding ways to hold down health care costs, nobody beats Blue Cross and Blue Shield of Michigan.



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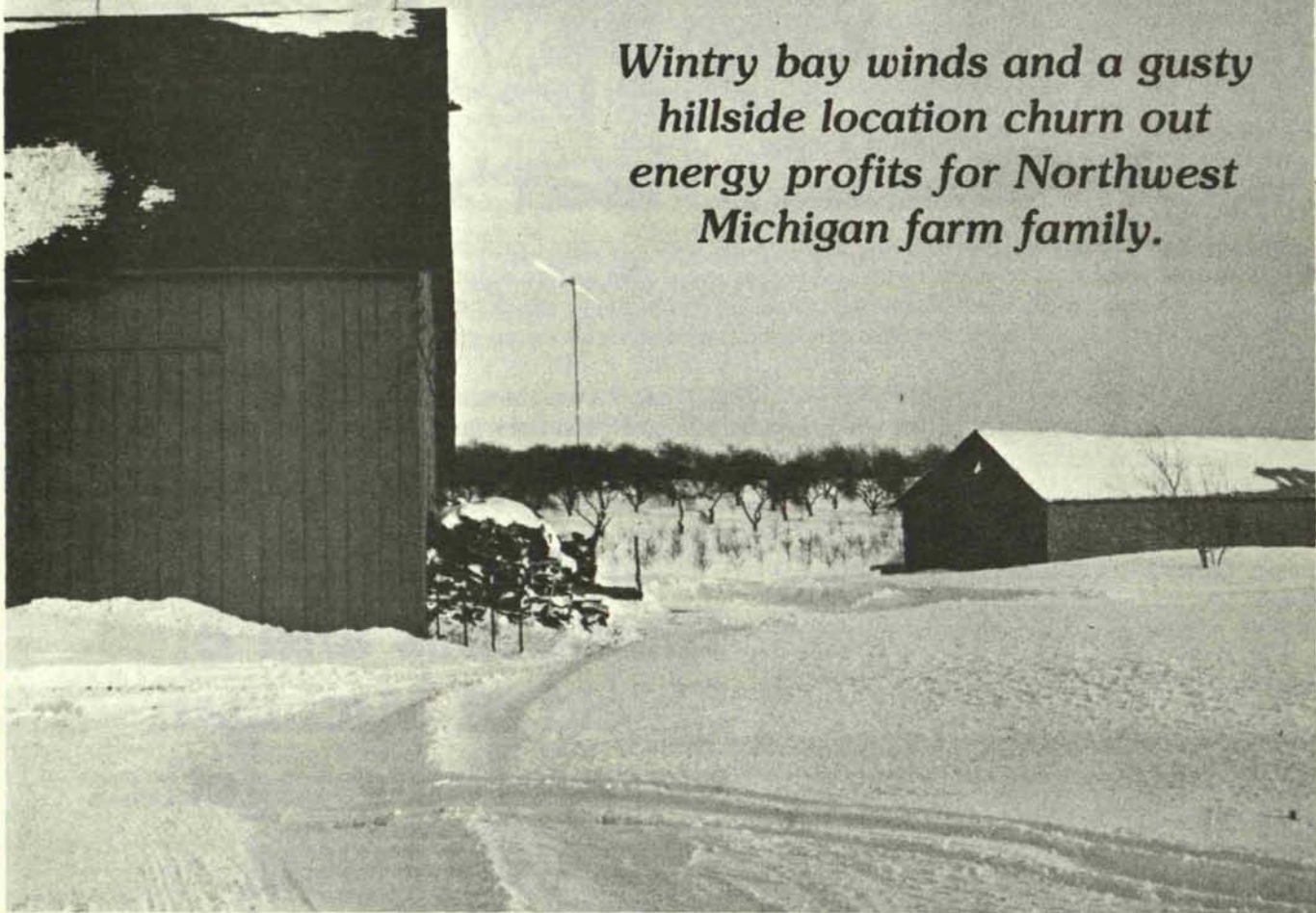
Mr. Lee A. Iacocca  
Chairman of the Board  
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It's good to belong.



# Nor'Wester Captures Wind Power

*Wintry bay winds and a gusty hillside location churn out energy profits for Northwest Michigan farm family.*



**By Deni Hooper**

After just 48 days of operation, the giant windmill erected on the David Amon farm in Acme, just north of Traverse City, had generated 56 percent of the family's electricity and a \$70 check to Amons for excess electricity sold to the utility company.

The windmill is located on an orchard bluff and, with over seven feet of snow covering this area, is accessible only by snowmobile. On the day Amon and I visited the tower, it was a clear, sunny day with temperatures at 16 degrees and very little wind.

The tower is the largest in the Midwest with a total height of 96 feet (846 feet above sea level). The slender pole soars 80 feet in the air with rotor blades extending 16 feet above the tip.

Four guy wires firmly anchor the unit in the ground. A cable pulley facilitates maintenance or repair by lowering the tower onto a platform just above the ground.

Amon says the mill replaced about five trees in his tart cherry orchard, although three were already missing in the spot chosen.

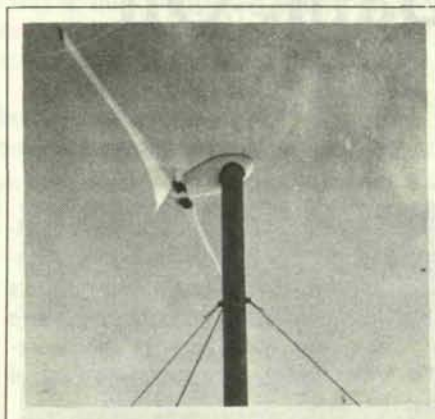
The three most important things to consider for wind power generation, he says, are location, location and

location. This windmill tower, standing at the highest point in Acme, which incidentally means "highest," catches the prevailing wind at its greatest power.

"The wind itself is the variable," says Amon, "depending on barometric pressure, temperature, height and content. More dense air will push harder; colder air is denser than warm and lower air is denser than high. A clear wind sweep across the lakes and Grand Traverse Bay picks up water to become heavier. The bay is about 547 feet above sea level or approximately 300 feet lower than the windmill."

On the day of my visit, meters at the

base of the tower showed that there have been 1,169.1 windmill hours available and that the unit has been generating power for 54 percent of that time. Since the unit has been "on line," meters have registered 10,073 miles on the windmill with an average wind speed of 10 mph, clocked at the the 30 foot level where the wind indicator is attached.



Sixteen foot mill blades catch prevailing bay winds for power generation.

It was a very quiet day and the red numerals on the digital read-out showed that the mill was almost in a state of equilibrium, switching back and forth every few minutes. Amon calculated the wind at about 8 mph. The mill made very little noise, a slight creaking - considerably quieter than most car motors.

On the snowmobile trip back through the orchard we crossed most of the 1,000 feet of electric line buried four feet deep. This was a major part of the initial cost since larger and more expensive line is required to cover that distance.

The Maypole stands close to the road near the Amon garage, carrying the transformer, which looks very much like a small garbage can on the telephone pole. Amon pointed out that there had been an upgrade in all lead-in wires and service, plus the transformer.

From the Maypole a wire runs directly to a small utility building behind the Amon home. There the alternating current, typically a 120/240 in 60 cycle intervals, moves through

both the buy meter on the outside of the building and sell meter inside. It is set up this way so that the meters, ratcheted in opposite directions, catch and charge the electricity whichever way it is going.

Most of the electricity generated by the tower has been sold to the power company, a total of 73 percent, or 3701 kilowatt hours. The utility pays 2.5 cents for each kilowatt it buys, says Amon, which pays for the amount of fuel that the mill production displaces. No one has yet devised an efficient method of storing electricity on the farm.

When the windmill rose slowly to its present position with the cheers of a small crowd last Dec. 23, it was the culmination of well over a year of preparation and waiting for the Amons. Dave had checked out every windmill manufacturer in the country. Finally he chose a mill constructed by the Jay Carter Enterprises in Texas, primarily for the dependability of both the mill and the company.

Carter Enterprises is in constant touch with its windmill customers in a continuing effort to improve mill efficiency. During my visit Dave returned a call to the company to hear about an improved method of inter-connecting.

Connecting with the power company is one of the most important things that Amon has worked out. He spent a lot of time with the utility company checking all details of lines, poles and sales.

One of the things in his favor, he says, is that this mill generates alternating rather than direct current, which the company can pick up far more easily and safely than direct current.

Michigan State University is expected to set up a monitoring device on the north wall of the utility building soon. An impulse meter in the monitor will be triggered every five minutes to record all other meters, gathering information for MSU, the Department of Energy and the utility company.

At the end of the test period, after six months to a year of operation, the experience will be evaluated.



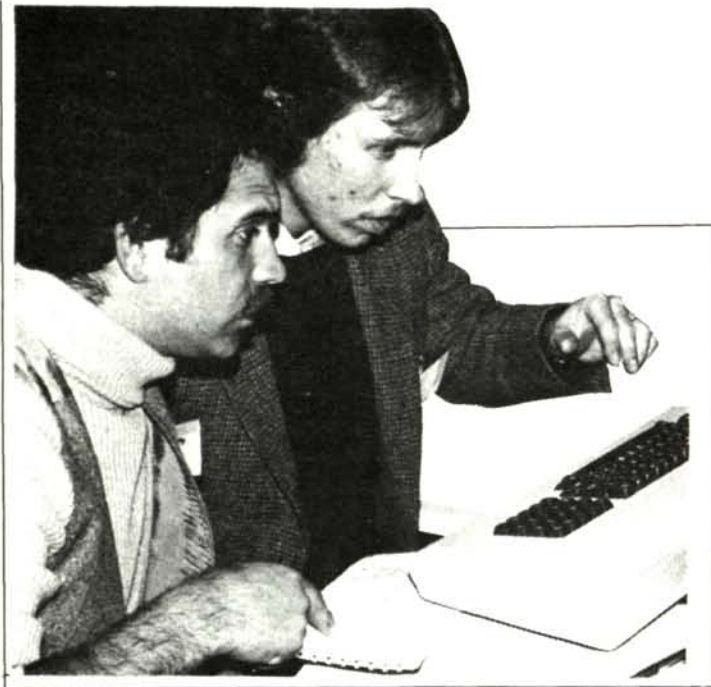
Meters on the Amon farm record wind variables and keep track of kilowatt hours sold the utility company.

In the meantime, David and Judith Amon are enjoying the experience and the savings. In order to realize the greatest savings from the wind-generated electricity, they have implemented an energy management plan for the home and farm. When the mill is generating, the Amons utilize the free electrical energy to perform operational and energy consuming tasks such as laundry, baking or charging batteries.

The couple admits that there are times when energy management interferes with time management, especially with their year and a half old toddler, Michael, who has his own "management" schedule, or when a large Farm Bureau group is expected, as was the case the afternoon we were there.

Still it looks as though the mill is more than paying its own way and the Amons are excited about it. Amon suggests that anyone planning a similar project spend time investigating and discussing working windmills with an owner.

*Deni Hooper, Northwest Farm Bureau member, is a farm partner in Grand Traverse County. She is also hostess of the "Accent Agriculture" program on WPBN, channels 4 and 7.*



## Management Discoveries You Can Bank On

### *Participants at Discovery '82 gain new farm management skills, set new goals*

Nearly 300 people attended Farm Bureau's first farm management seminar, called Discovery '82, held at the new Hyatt Regency in Flint Feb. 2-4.

The event was a combination of the annual Michigan Farm Bureau Spring Commodity Advisory Committee Conference, farm management workshops and an agricultural computer conference and trade show.

Discovery '82 offered participants the opportunity to learn about a variety of topics, including: risk management; tax law and tax management; how to negotiate; stress management; estate planning; livestock marketing; grain marketing; computer applications for dairy, fruit, field crops, livestock and machinery; and many more computer-related programs.

Seminar participants Mark Smuts and his wife, Jeaneen, cash crop farmers from Eaton County, belong to Farm Bureau's pilot computer marketing and information system, AgriCom.

"Discovery '82 has not only helped me with some decisions as far as computers go," Smuts said, "but some of the management courses and classes

that we've taken have been excellent; and we've learned much about finance management and personal management, in our lives and in our business, both.

"I think the class we took on risk management is going to be very helpful in some of the decisions that we make, even this coming spring," Smuts said. "Also, the personal finance management course that we took is going to shed some new light on some financial alternatives which I hadn't thought of before, and I'm sure we will use those this spring, too."

The Smuts plan to purchase a computer for their farm operation in the next two years. "We don't know what kind; that's why this seminar has been so good for us. It's really helping in some of the opinions we're forming and the decisions we'll have to make," Smuts said.

"This kind of a seminar is something that is going to give people who are at Discovery '82 a little edge on other farmers, because they're going to be just that much ahead in their knowledge of why things are happening the way they are.

"Every penny you can save is a penny you can put in your pocket. Because there aren't very many pennies going in, you've got to cut every place you can," he said. "Management seminars like this help you find some of those ways."

Before attending the seminar, Smuts was intrigued by the title. "I think when you came up here, you had preconceived ideas of what you were going to learn. I learned many different things than what those preconceived ideas were. So it was a discovery to me; it was new and it was innovative," he said.

Sharon Steffens and her husband, John, fruit growers from Kent County, agreed that the seminar was a learning experience.

"I learned some new approaches to problem solving," Steffens said. "You could gain something even if you picked up one or two ideas out of each of the sessions. It was worth your time."

She said one of the most important things she learned was in the session on estate taxes. Glen Borre, a tax planning attorney, told the participants that in order to take advantage of the "widow's tax" (exclusion of tax on an estate for the spouse), you must actually state in your will that you want that done.

"It would be a terrible loss not to be able to take advantage of that, because you're talking about the difference between 50 percent and nothing," Steffens said.

Another area she learned about was college scholarships. "A great many farmers, because of the assets they own, are not eligible for financial aid for their children (or themselves). One of the things I got out of the personal finance session was the possibility that you no longer declare them as dependents and they stand on their own."

She also learned that "you should negotiate from strength. You don't have to take everything that the banker says. It doesn't hurt you to do some questioning in a positive manner."

"Personally, the seminar gave me a better understanding of the whole business aspect of farming and I think

that it should help any farmer to analyze where he's at and where he wants to go and what steps he needs to take in order to analyze it on paper."

Steffens said the speakers emphasized that "the farmer who is looking at this kind of thing today, the one who is pushing a pencil and seeing where he can be more cost efficient, is going to be the one who is able to make the margin of profit in the future."

"The farmer who just goes totally by instinct, never pushes a pencil, is going to find it increasingly more difficult to make it."

## Low Prices, Inflation, Embargoes, High Interest Rates Spell Stress for Farmers

The farmers who participated in Discovery '82 had one thing in common - a realization that they needed to fine-tune their management skills if they were going to make it in their chosen profession.

So it wasn't surprising to see them form long lines to sign up for workshops in advanced marketing, risk management, how to negotiate effectively, and how to best use tax laws to their advantage. But one of the most popular classes turned out to be on how to manage stress.

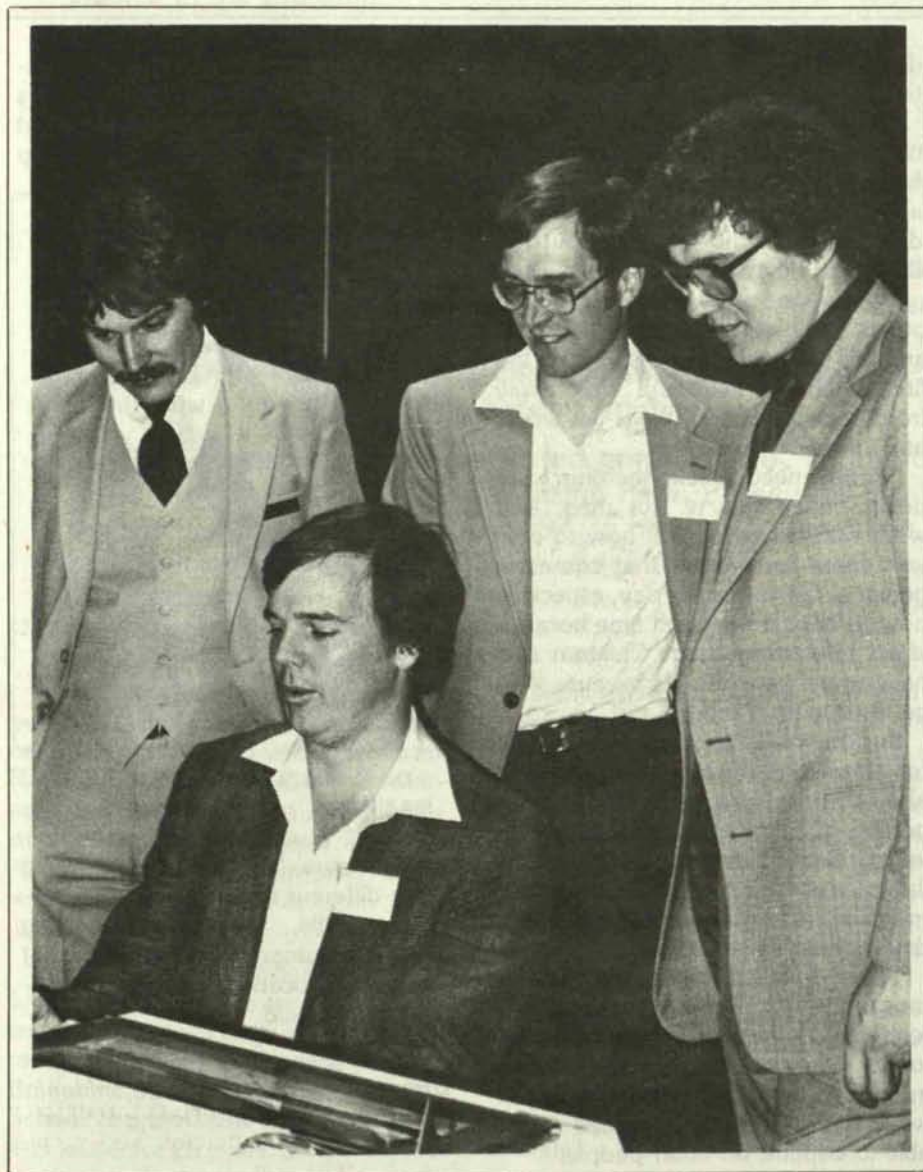
It was in this class that a farmer, through a joke, illustrated why so many were interested in this particular subject. He asked the instructor if he had seen the newest model tractor. Then he explained that it had no seat and no steering wheel. When the instructor asked why, the farmer explained it was because farmers had lost their butts and they don't know where they're going.

The joke brought laughs from the workshop participants, but beneath the levity of the moment was a deep concern for the future of their farms. Prices paid to farmers for raw farm products did not rise once in 1981, the first time that's happened since 1933.

Inflation, embargoes and talk of embargoes, high interest rates, government intervention in the marketplace, worry over whether there would be enough money to pay off loans . . . put it all together and it spells STRESS.

"When you figure on so many bushels per acre to pay your bills and your taxes - and you don't get that many - you've got stress," said Arlie Pickles of Lenawee County, who added weather to the list of stress-causers for farmers.

A victim of low blood sugar, Pickles has learned to pace himself on the 420-acre cash crop farm he operates with his wife, Bev. He said the workshop instructor, Dr. Robert Ward of Michigan State University's College of Osteopathic Medicine, verified much of the advice of his own physician.



# Economic Worries Create Stress in Families

Bev, in addition to helping on the farm, is also a court reporter and according to Pickles, this job, too, carries a certain amount of stress. When they're both under stress, they make a special effort, he said, to avoid the usual reactions identified by Dr. Ward - "taking out frustrations on the people we care about most."

Pickles has seen evidence of the damaging physical effects of stress on other farmers. "One always gets physically sick during planting time. He gets so nerved up that he's sick to his stomach and only sleeps two or three hours a night. He can't seem to sleep until it's done. It's the same way in the fall when it's time to get the crops out," Pickles said.

Another neighbor, when the stress gets heavy, simply goes to the nearest tavern "and hangs one on," he said.

Pickles believes the current economic situation has increased the stress experienced by farmers. "It's taken the fun out of farming, but I think most of us will hang in there simply because we're bullheaded and independent," he said.

## Your Income: It Can Make You Sick

According to Dr. Ward, economics is also the major cause of everybody else's stress, too.

"The bottom line is your income - and you can get sick on that basis. It changes people's blood pressure, it changes the way you digest your food, it changes whether you have headaches, it changes your sexuality, it changes whether you drink too much - all of these things are directly a consequence of your income," he said. "Right now, for farmers, high interest rates mean less food on the table for their kids.

"What happens when we worry about economics is that we tend to ignore, or to take out our frustrations, on the people we care about most - our families, or our business partners, and that increases the stress. It's the old 'pebble in the pool' effect.

"When one person in that network gets upset, it has a profound impact on everyone else. There's a tendency to end up drawing lines and playing

'good guys-bad guys' games rather than learning how to deal with what you have to deal with. Or, saying I can't deal with it any longer and turn your back on it and walk away, which has to be one of the options," he explained.

In a farming situation, Ward said, where the various members of the operation may work at different locations

"One of the workshop participants related how he helps his neighbors as just part of his normal behavior. That should really be encouraged because that kind of interaction, it has been clearly demonstrated, is health-enhancing. You can even have a negative interaction with a neighbor and stay healthier than if you don't have any interaction at all," he said.

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## Having a negative interaction with a neighbor is "healthier" than no interaction at all.

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doing different jobs, there is real potential for a stress-caused explosion.

"As they come together at the end of the day, they may be feeling 'I'm so full of frustration and my concern about everything that went wrong today that I need to just get it out and dump it all over everyone else.'

"When one person does this, the others can't get their frustrations out and this is like pouring gasoline on the fire. They get mad and walk away from each other and things get worse and worse," he said.

"People need to take the time to sit down, when they're not mad, and work out some rules on how to deal with these frustrations that come together at the end of the day, especially how to handle the meal time because stress upsets digestion. Children also have to be a part of this because they get frustrated at school, too."

In a nutshell, Ward has this advice for farmers: avoid caffeine, avoid alcohol except in very small amounts, get lots of physical exercise (no problem for farmers, he recognizes), establish rules on how to handle each family member's frustrations at the end of the day, and avoid isolation.

"One of the things I feel farmers must be wary of is isolation. There's a tendency, I think, for farmers to be loners - they call it independence. Being independent can be okay, but when stress comes, you need to be able to depend on other people.

Ward has worked with teachers, police officers, physicians and ministers in learning to deal with stress, but Discovery '82 was his first workshop



Dr. Robert Ward: Advice for managing stress.

with farmers. He didn't find them much different than any other group.

"Essentially, what we're dealing with is the human condition - and that transcends vocation, family and economics," he said.

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*Discovery '82 features were written by Cathy Kirvan and Donna Wilber.*

# Front and Center

**Agriculture's contribution to Michigan and Detroit** will be the topic of discussion at the Fisher Building in Detroit on Agriculture Day, March 18. Invited guests to the noon luncheon will include representatives from the major auto companies, the Detroit City Council and the Detroit Chamber of Commerce. MDA Director Dean Pridgeon will be the keynote speaker at the luncheon which will feature Michigan agricultural products.

**A \$600 million emergency loan program** will be tapped for the first time by the USDA, opening up new money for farmers. USDA Secretary John Block's decision alleviates fears that the Farmers Home Administration would foreclose on thousands of farmers who have fallen behind on existing loans. The funds for farm ownership and operational loans will also be available for new loans to farmers unable to get them from conventional private sources.

**Representatives of 16 major wheat producing states** have projected low compliance in the USDA's wheat set-aside. The group, members of the AFBF Wheat Advisory Committee, said that heavy cash financial commitments made by winter wheat producers in seed, fertilizer and other crop expenses, coupled with lack of participation incentives will discourage compliance in the program.

**Guest speaker at a reception honoring Sen. John C. Hertel** is U.S. Rep. Kika de la Garza of Texas, chairperson of the House Committee on Agriculture. The March 25 reception will begin at 8:30 p.m. in the Kellogg Center Lincoln Room, immediately following the Farm Management Banquet. Tickets are \$30 per person and \$50 per couple and can be obtained by contacting the MFB Public Affairs Division, 517-323-7000, ext. 563. Ticket proceeds will be donated to Hertel's State Senate Campaign Committee.

**Farm Bureau Mutual has set a new rate for its agricultural workers' compensation insurance that is 25% lower** than the new state standard rates. FB Mutual's price reduction is retroactive to Jan. 1, 1982. As a result, nearly \$1 million in refunds is being returned to FB Mutual's 1982 work comp policyholders. Most of those policyholders are MFB members participating in the Ag Work Comp Safety Group.

**The Upper Peninsula reported goal on Feb. 18** and became the No. 1 region in the 1982 membership campaign. Michigan Farm Bureau, as this issue goes to press, is at 89.35 percent of goal; District 11 leads at 94.35 percent. Competition in the "Talk of the Town" membership incentive contest continues until March 15.

## Farmers of the Week

The Farmer of the Week program, co-sponsored by Farm Bureau Insurance Group and the Michigan Farm Radio Network, honors Michigan farmers for their contributions to the community and the agriculture industry. Award recipients for January 1982 were:

**Jan. 4** - Rolland Norton, 61, farms 1,000 acres near Bronson. A cash crop and livestock farmer, Norton is a member and past vice president of the Branch County FB; past Sunday School teacher and superintendent; 4-H leader for 25 years; and served on

the township board and the local farm cooperative board.

**Jan. 11** - Gordon Philibeck, 46, a dairy farmer from Menominee, farms 560 acres and milks 50 cows. He is Menominee County Fair Board president; Upper Peninsula Holstein Show director; member and past president of the Menominee County FB; past president of his church's parish council; past director on the State Holstein Show Board; and vice president of the local MABC.

**Jan. 18** - Charles Kleinhardt, 58, operates a 700-acre dairy farm near

Clare. A member and past president of the Clare County FB, Kleinhardt serves on his church's board of directors. He is an MMPA delegate, past treasurer of the local MMPA and served on the MMPA board.

**Jan. 25** - Larry Anderson, 44, a cash crop and hog farmer from Rosebush who farms 380 acres and maintains a large hog operation. He is chairperson of his church's board of trustees; Isabella County Fair Board president; a 4-H leader; county FB board member; local FBS advisory board chairperson; and serves on the ASCS committee.



# County Newsletter

The county Farm Bureau newsletter is published monthly by the Michigan Farm Bureau, P.O. Box 30960, Lansing, Mich. 48909. Subscription price to members, \$1.25 per year, included in the annual membership dues.

## Ag Day - Recognition for a Basic U.S. Industry

National Agriculture Day - March 18 - is much more than another one-day observance.

Agriculture Day is a nationwide, coordinated effort of volunteers from agriculture and agri-business to remind other Americans of the strength of their heartbeat. It is an occasion for sharing with them the facts about working in an industry that shares with only a very few other enterprises this one characteristic: it is absolutely vital to our survival.

Ag Day is also your opportunity, as farmers and agri-business people, to join hands with the consumers who are dependent on you for the food they eat - but may not know just what it takes to provide that food.

In doing so, together we can help bring about a better understanding of modern agriculture and that 2.7 percent of the population which produces food for the other 97.3 percent and much of the world.

You, as an individual, have the power to help bring about understanding in your one-on-one conversations, at that church meeting, with your child's teacher or their classroom. You can make it happen by telling about your farm and your commodity.

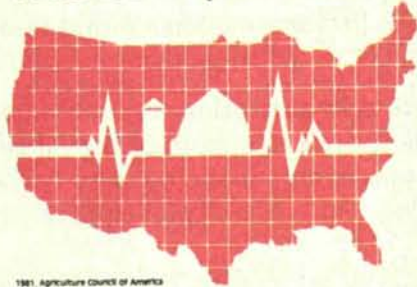
## Your Input is Needed in Township Government

The Michigan Farm Bureau Local Affairs Department encourages all state residents - beginning with Farm Bureau members - to attend their respective township board of review meetings and their township's annual meeting. Check with local newspapers or with township clerks for specific dates and locations.

The township board of review meetings are scheduled to allow property owners the opportunity to voice any questions about why and how assessments have been prepared on their property.

The township is the smallest unit of government, and gives us, as citizens,

## AGRICULTURE DAY THURSDAY, MARCH 18



1981, Agriculture Council of America

## AGRICULTURE: IT'S YOUR HEARTBEAT, AMERICA

We also must get the message across to many who are in the food-industry system and whose jobs are dependent upon production of the raw product. The trucker, the grocery store clerk, and the factory worker making parts for tractors are prime examples. They are a very necessary part of the food-industry system and yet because they lack this understanding of agriculture and the food system they usually don't vote with us.

Here are some facts which should give them some food for thought.

Agriculture... and the food-industry system is the...

...nation's #1 industry - assets of \$101 trillion, 88 percent of the total assets of all manufacturing in the U.S.;

...nation's #1 employer - over 23 million people; one farm worker supplies enough food for 78 people which is three times the number fed in 1960; 75 percent of the farm work is done by the farm family, 81 percent in Michigan.

...nation's #1 exporter - \$45 billion in 1981; ag exports are the most positive factor in the U.S. balance of trade.

Michigan Farm Bureau and county Farm Bureaus will be celebrating national Ag Day (Ag Understanding Day) on March 18.

## Mall Shows Build Ag Understanding



A replica display depicting farm production and agri-business in Michigan attracted shoppers, young and old, at the Genesee Valley Mall Farm Days Show in Flint, Feb. 4-7.



## Ag Lesson Volunteers Go Back to School

County Farm Bureau volunteers are going back to school for a day, but instead of the three R's, they are learning how to present an "agriculture lesson" in schools.

"The agricultural lessons," says Women's Department manager Helen Atwood, who is coordinating the project, "are designed to give 10- and 11-year-old students a better understanding of modern agriculture and the men and women who are producers in this basic industry."

The agriculture lesson also addresses the issue of animal care by showing how farm families feed and shelter the animals raised on their farms.

## Legislators Hear Farm Views

During January and February, county leaders from 10 Michigan Farm Bureau regions traveled to the state capital to attend the Lansing Legislative Seminar for their area. A final seminar for the West and West Central regions is scheduled for March 10 in Lansing.

Seminar participants met with legislators and discussed topics important to agriculture.

The morning session included a briefing on current issues by members of the Michigan Farm Bureau Public Affairs Division staff.

During lunch, seminar participants

Volunteer training for the agriculture lesson project includes a session on public speaking, lesson planning and contacts with school officials and a review of available audio visual aids and information.

Generally, volunteers will present a slide presentation, produced by the MFB Information and Public Relations Division, entitled "Fabulous Food Friends." The presentation "takes children to the farm" where they see how the products for their McDonald's restaurant favorites are raised. Ag lesson volunteers are encouraged to share information about their own farming operation and to follow-up the lesson with an invitation to their own farm.

were seated with their area legislators and aides to talk about issues of particular interest.

In the afternoon, the Farm Bureau leaders were able to attend legislative or committee sessions in the Capitol Building.

"These contacts between farmers and elected officials help to promote understanding of agriculture's special needs and problems," said Al Almy, director of the MFB Public Affairs Division.

A corresponding national seminar, the 1982 Washington Legislative Seminar, will be held March 29 - April 1.

## Be Sure Your Family is Protected

Do you have protection in case of illness? Have you looked at the cost for just one hospitalization? Your Farm Bureau group has three plans through Blue Cross-Blue Shield that should provide a coverage suited to your needs and pocketbook.

Our Comprehensive plan is one of the best. It pays your hospitalization costs, doctors' reasonable charges, and has Catastrophic Master Medical that picks up doctors' office calls, prescription drugs, etc., on a \$100 per person, \$200 per family deductible, co-pay plan.

Our middle-of-the-line Dimension III plan gives coverages with a \$250 per person, \$500 per family deductible, and 20/80 percent co-pay up to \$1,000 co-pay each year. This plan also has a \$3 per prescription or refill card-showing drug program.

Our low cost Econo plan is 30/70 percent co-pay in which you pay 30 percent of each hospitalization up to \$600 maximum and 30 percent of the doctors' reasonable charges. There is no Catastrophic Master Medical with this plan.

People on Medicare can get Complementary coverage of our Comprehensive or Econo plans at a reduced rate that will help fill the deductibles and co-pays of Medicare and even extend some coverages.

If you haven't checked into a health care coverage contact your county Farm Bureau secretary for more complete information and the rates. She can send you brochures with coverages and costs to look at in the leisure of your home, or answer your questions over the phone. The only time to sign up is March 1 through 15 each year.



## Pre-Spring Sale

Order Ahead—Be Ready  
When Spring Hits!

**5% Discount  
on Farm Tires**

Includes:

Multi-Angle Rear Tractor Tires  
Radial Multi-Angle  
Rear Tractor Tires  
Triple Rib Front Tractor Tires  
Rib Implement Tires



**Free Pigskin  
Leather Gloves**

(retail value \$12.00)

**for order of one or more  
pairs of rear tractor tires  
or order of \$500 or more**

**Order Deadline  
March 8, 1982**

**Contact Your Local  
Dealer or County  
Farm Bureau  
for Details**

**THE SAFEMARK MARGIN:**  
QUALITY • SERVICE • DEPENDABILITY • ECONOMY

# OUR AG WORK COMP RATES NOW 25% LOWER THAN STANDARD RATES...



## FARM BUREAU MUTUAL GOES A BIG STEP FURTHER FOR MICHIGAN FARM BUREAU MEMBERS

You've heard a lot in the news lately about the new changes to Michigan's Workers' Disability Compensation Act. Because of changes in the law, the Workers' Compensation Rating and Inspection Association of Michigan announced a new pricing structure that lowered the standard work comp rates for all of Michigan.

But Farm Bureau Mutual Insurance Company of Michigan has gone a big step further for Michigan farmers. Retroactive to Jan. 1, 1982, Farm Bureau Mutual has set its price for agricultural workers' compensation insurance at a rate 25% below the new standard rates for Michigan.

### NEARLY \$1 MILLION IN REFUNDS

Because of the state rate revision and Farm Bureau Mutual's price reduction, refunds totalling nearly \$1 million have been sent to policyholders, most of them Michigan Farm Bureau members participating in our Ag Work Comp Safety Group.

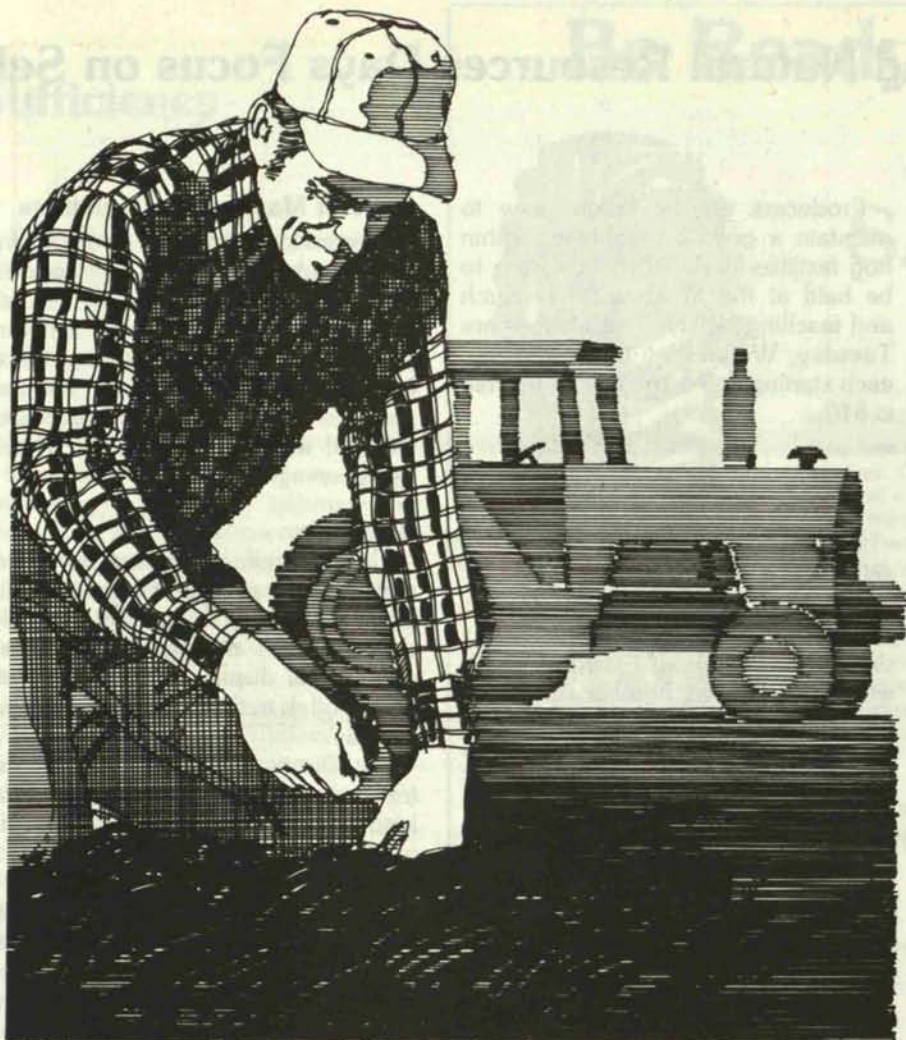
We have always been a leader in holding down ag work comp costs for Michigan farmers. Even prior to the recent amendments to the state's work comp law, our ag work comp rates were far below the standard rates in all agricultural classifications. Lower rates for you...one more reason why we are Michigan's largest and most trusted farm insurer.

**We're Working To Make Your Future A Little More Predictable.**

**FARM BUREAU  
INSURANCE  
GROUP**



FARM BUREAU MUTUAL • FARM BUREAU LIFE • COMMUNITY SERVICE INSURANCE • TR ANNUITY



## A Sure Sign of Spring – Farmers' Week and Natural Resources Days Begin March 22

Michigan State University will open its doors to over 20,000 farm and agribusiness people during Farmers' Week and Natural Resources Days, March 22-26.

Farmers' Week offers farmers the chance to compare notes, see the latest farm equipment and learn new techniques for improving this year's production and profit picture.

"Most of the week's activities are geared toward teaching people to be more resourceful," says Tom Thorburn, program coordinator. "Basically, we offer programs that cannot be effectively conducted outstate. We bring top researchers and Extension people from Michigan and other states, resource persons from government, business and industry, and farmers together for a week-long learning opportunity."

In addition to the educational exhibits and programs, MSU will also be the host facility for 42 association meetings held in conjunction with Farmers' Week and Natural Resources Days.

Complementing the activities will be farm equipment and household item displays valued in excess of \$3 million.

Many of the changes or new programs offered at Farmers' Week were developed from participant comments and from university contacts with county people and agricultural groups, Thorburn says. Advisory groups from the farming community also work with the MSU Cooperative Extension Service to make recommendations and assist in developing programs that will address the issues facing farmers.

Thorburn says that there has been some reduction in program dollars this

year because of the university's budget constraints, but, he adds, "We have identified this event as a priority project. So while we are working to keep expenses at a minimum, we are not sacrificing program quality."

"The Ag Engineering Department, for example, will offer hands-on workshops on farm equipment and facilities repair and our Family Living Department has developed a timely seminar on stress management and farm family communications," says Thorburn.

For some of the new workshops, e.g., Integrated Pest Management Training, fees have been established which will recover some of the costs of conducting the training: materials, equipment and special preparations.

However, there are also many free seminars throughout the week on Michigan's oil and natural gas development, trends in land use, production and marketing of corn, dairy and livestock production, farm management by computer, hobby and commercial horticulture, landscaping, beekeeping, recreation, tourism and other topics.

The public is invited to sessions which will review energy related research at MSU, development and management of crop irrigation, the potential of solar and wind power in Michigan and guidelines for fish and pheasant production.

There is also an afternoon and evening program that will report progress to date from the Governor's Conference on Agriculture held in April 1981. Gov. William Milliken will make a special appearance during a breakfast on Thursday, March 25.

Thorburn notes that the theme of this year's event, "Agriculture and Natural Resources: A Key to Michigan's Economic Growth," expresses the continuing thrust of the Governor's Conference on Agriculture.

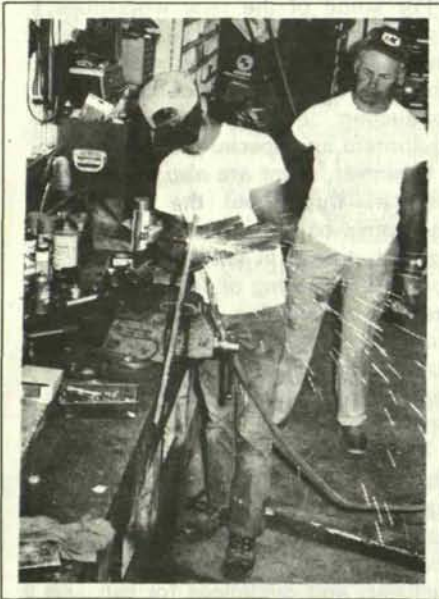
# Farmers' Week and Natural Resources Days Focus on Self

## Farm Equipment and Facility Repair

Farmers can improve their farm equipment and facility repair skills at special Farmers' Week clinics on welding, hydraulics, pesticide application, solving voltage problems and managing swine ventilation systems to be held Tuesday through Thursday, March 23-25. The contents of each clinic will be covered in one day. Each session will limit the number of participants, so pre-enrollment is necessary.

Arc and gas welding of steel, aluminum and cast iron will be taught in two three-hour sessions each day, beginning at 9 a.m. The course fee is \$10.

A hydraulics clinic features actual experience in examining pumps, valves and motors. Hydraulic performance manuals will be provided for



participants in the three-hour sessions, held Tuesday at 1 p.m., Wednesday at 9 a.m. and 1 p.m., and Thursday at 9 a.m. The course fee is \$15.

The adjustment and operation of pesticide application machinery will be taught on Tuesday, Wednesday and Thursday. Each clinic costs \$15.

A workshop on stray voltage will offer solutions to that problem, as well as explain its causes and effects. The sessions will be held at 10 a.m. and 1:30 p.m. each day, and carry a \$10 fee.

Producers will be taught how to maintain a good environment within hog facilities during the workshop to be held at the MSU swine research and teaching facility. The sessions are Tuesday, Wednesday and Thursday, each starting at 9 a.m. The course fee is \$10.

## Crop Pest Identification

Early detection of economic-damaging insects can mean substantial savings for fruit and cash crop producers.

Special week-long technical workshops offered during Farmers' Week will train a limited number of participants in pest management.

"The classes will teach scouts how to identify pests, estimate the size of pest populations, monitor crop development, and identify pests' natural enemies," says George Bird, program coordinator. "The scouts will also learn how to report this information back to the growers and to MSU for use in making predictions and recommendations to other growers."

Scouts can be growers, persons hired by growers, or be members of cooperatives or other organizations having integrated pest management programs.

The field crops pest scouting class runs Monday through Thursday and requires a \$100 fee. The fee for the Monday through Friday fruit scouting class is \$200, which covers five update sessions during the growing season. Both class fees cover registration, the Governor's Breakfast, the President's Luncheon, notebooks, laboratory manuals, supplies, coffee breaks and parking.

"The classes will involve mostly lab work and some limited field work, and all updates will be done in the field," Bird says. "Scouts will also become familiar with the statewide computer pest management system."

For more information on the pest scouting classes, contact your county Extension office or George W. Bird, Office of Integrated Pest Management Programs, 109 Agriculture Hall, MSU, East Lansing, Mich. 48824; phone 517-353-8133.

## Farm Management Seminars

Electronic technology is becoming increasingly important for accurate farm management and will be featured among nine seminars on different aspects of farm management to be offered during Farmers' Week. The sessions will begin on Wednesday, March 24, and will continue through Thursday evening.

### Wednesday:

Using small computers for farm management will be demonstrated in B102 Wells Hall, from 9:30 to 11:30 a.m. Small computer hardware dealers will display and demonstrate their models in C104 Wells Hall during the day.

At 10 a.m., specialists will discuss trends in state and local agricultural land programs, and the strengths and weaknesses of new proposals for Michigan farmland.

A seminar on Michigan's oil and gas boom will highlight the afternoon sessions, including discussions on national policy development, oil and gas regulations, and the future of Michigan's oil and gas exploration. The seminar will begin at 1:30 p.m. in Multi-Purpose Room B, Brody Complex.

### Thursday:

The seminars begin with a discussion on the economics of corn production and marketing at 10 a.m. in the Lincoln Room, Kellogg Center. The morning session includes topics such as corn production storage costs for 1982, and corn vs. soybeans and other crops.

In the 1:30 to 3:30 p.m. session, topics will range from risk management to short- and long-term outlooks for corn markets and prices.

A representative from the Federal Land Bank is among the experts who will speak on farm estate tax planning from 10 a.m. to noon in 104 Kellogg Center. Topics also include important changes in the Federal Estate and Gift Tax.

At the 1:30 p.m. seminar on cash flow planning, 101 Kellogg Center, farmers can learn about the Telplan monthly cash flow computer program.

## Sufficiency

### Dairy Industry Improvements

Dairy farmers will hear some straight talk about improving their business and surviving profitably during the 1980s from experts in the federal government, Michigan Milk Producers Association and others at Farmers' Week.

Specialists from MSU and other universities will present a seminar on minimizing chronic stress syndrome and nutritional environmental stress in dairy cattle and other livestock. The seminar session opens Tuesday, March 23 at 10 a.m. in 109 Anthony Hall.

USDA Deputy Secretary Richard Lyng will discuss government dairy policies at a Wednesday morning program, "Surviving in Dairying in the 80s." The program, which begins at 9:45 in 109 Anthony Hall, will also include information on making marketing decisions, planning for the future and making a profit.

### Corn Production

New production techniques for corn production can mean higher yields for farmers in Michigan. Some of these techniques will be described by MSU agronomists at a crop and soil sciences seminar to be held Wednesday during Farmers' Week.

The seminar, which begins at 9:30 a.m. in B104 Wells Hall, will examine alternatives to conventional tillage, weed control, effects of disease and management practices.

### Farm Family Communications

Two Farmers' Week seminars designed to promote and strengthen communication between farm family members will be held Thursday, March 25.

The seminars, in 106 Kellogg Center, will offer participants down-to-earth, practical advice from experts in communication, decision making and stress management.

Details about all Farmers' Week and Natural Resources Days events are listed in a free guidebook available through county Cooperative Extension offices.

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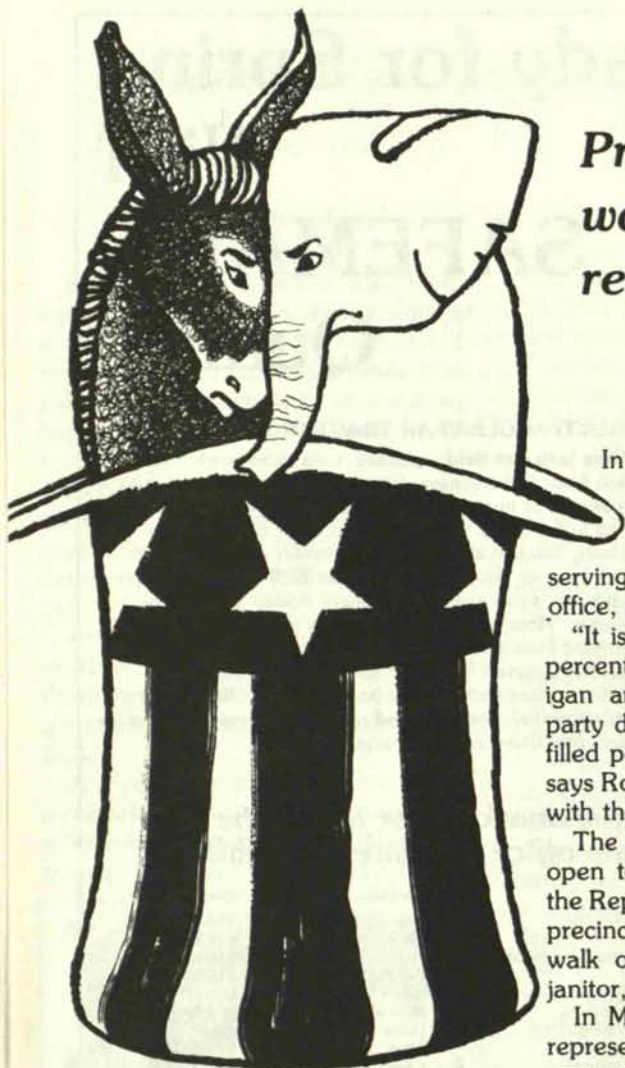


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Branch	Easterday Sales & Service	Union City	517-278-4109
Calhoun	Dave Perrine Implement, Inc.	Marshall	616-781-7971
Chippewa	Rike Equipment Company	Dafer	906-635-1241
Cheboygan	Ormsbee Implement Company	Afton	616-238-9928
Clinton	Fowler Gas & Oil Company	Fowler	517-593-2155
Clinton	Hub Tire Center	St. Johns	517-224-3218
Copper Country	Leonard Ollila	Houghton	906-482-4487
Eaton	DBA The Deer Barn	Grand Ledge	517-627-8451
Eaton	Maurer Repair Center	Charlotte	517-543-4548
Emmet	Herb's Repair Shop	Harbor Springs	616-526-5945
Genesee	Dale Jenkins	Swartz Creek	517-271-8611
Gladwin	Morris Evans	Beaverton	517-435-7491
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Hillsdale	Purdy Ford Tractor Sales, Inc.	Hillsdale	517-523-2185
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Oceana	Rothbury Hardware & Farm Supply	Rothbury	616-861-2418
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Sanilac	Gerald Keinath	Deckerville	313-376-4836
Shiawassee	Steichschulte Gas & Oil Co., Inc.	Owosso	517-723-1995
Tuscola	Tri-Agri, Inc.	Cass City	517-872-4404
Washtenaw	Washtenaw Farmers Oil	Ypsilanti	313-971-7230



**Precinct delegates come from every walk of life: homemaker, farmer, retiree or student.**

**By Connie Turbin**

In this election year, county Farm Bureau members and their volunteer leaders are being urged to take a closer look at serving in an often overlooked public office, that of precinct delegate.

"It is estimated that only 50 to 60 percent of the 7,202 precincts in Michigan are represented by an elected party delegate and most of those unfilled positions are in rural Michigan," says Ron Gaskill, local affairs specialist with the Michigan Farm Bureau.

The position of precinct delegate is open to any qualified voter in either the Republican or Democratic party. A precinct delegate could be from any walk of life, a homemaker, farmer, janitor, retiree or college student.

In Michigan, the precinct generally represents 800 to 1,000 voters, however, state law allows the political party's county committee to write its own formula for electing delegates, so the method of selection and the voter representation may vary. In any case, each precinct is entitled to at least one party delegate.

Election date for precinct delegates is determined by the party rules and is filed with the Secretary of State's Office. In presidential election years, precinct delegates to a county convention may be elected at the Presidential Primary in the spring or at the August Primary. In 1982, precinct delegates will be elected in the Aug. 3 Primary Election.

Once elected, a precinct delegate automatically becomes a delegate to all of his or her party county conventions during the next two years. At county conventions, the delegates decide many policy issues and campaign platform items and elect their party's county executive committee. The delegates also elect other county delegates to attend the party's state convention.

During presidential election years, state convention delegates select delegates to the national convention where the party's nominee for president is selected. State convention delegates also nominate candidates from their party for the offices of lieutenant governor, secretary of state, attorney general, Supreme Court justices, state board of education and trustees for the boards of the state run colleges and universities.

To get on the ballot for precinct delegate, a person must be a registered voter in the precinct, and obtain the signatures of at least 15 registered voters in the precinct. Precinct delegate petitions can be obtained from the county clerk's office. Petitioners should take special care that the nominating petition is filled out correctly. The next step is to *personally* return the petition to the county clerk's office no later than 4 p.m., May 25, 1982. *Mailed petitions will not be accepted.* The county clerk's office will notify you that your petition has been accepted and that your name will appear on the ballot for the position.

Because no one runs for some of the open precinct delegate positions, it is also possible to be elected on a write-in campaign. The law requires that a write-in candidate receive at least three votes to be elected.

To assist Farm Bureau members who are thinking about running for election as a precinct delegate, Michigan Farm Bureau is offering a precinct delegate election kit that contains suggestions on how to get elected, camera ready copies of the precinct delegate campaign brochures, and sample nominating petitions showing the correct and incorrect ways to sign nominating petitions.

The kit contains materials for both the Democratic and Republican parties. To obtain this free kit, write Ron Gaskill, Michigan Farm Bureau, P.O. Box 30960, Lansing, Mich. 48909.

## Precinct Delegate King of Grassroots Politics

# Township Government Affects You

By Marcia Ditchie

Few things have as great an impact on the daily lives of people in Michigan as does local government. The actions, or inactions, of local government directly affect land use, building construction, quality of roads and transportation systems, protection of citizens from fire and crime, exercise of people's right to vote and, of course, taxation.

Problems caused by spin-offs of advanced technology and high mobility, once thought to be urban in nature, have spread to the rural areas of Michigan, according to Kenneth VerBurg, professor of lifelong education at Michigan State University's Institute for Community Development, who has worked with township government since 1957.

"What has happened in recent years is that all the activity on the part of the federal government has expanded the role of township officials. It has brought to their agenda more items than they previously had been concerned about," VerBurg said.

"The expansion of domestic federal programs, plus the advancement of technology, has taken many of the programs the federal government has typically been asked to deal with and delivered those problems, or sensitivity to those problems, to the rural areas of the state as well as the urban areas," he said. Some of those federal pro-

grams include highway safety, ambulance service, toxic waste and solid waste disposal.

VerBurg said the intensity of the problem is slightly different in rural areas, but the rural township must still be able to respond to those problems when they arise.

He says financing of local units of government is a long-term, important issue facing township government.

"Townships have restricted authority to tax and the tendency is for the citizenry to approve things for specific purposes, such as police or fire protection, libraries or recreation programs. I think citizens feel relatively comfortable with that because those taxes then get spent for those specific purposes. However, functions or services which are still necessary, but not popular with the people, tend to get underfunded," he said.

Another aspect of the finance problem, according to VerBurg, is that as an outgrowth of federalism, local units of government rely heavily on the state for federal funding.

"This has been instrumental in getting townships in a position where they must respond to a wide variety of urban problems," he said.

"In addition, with the Headlee Amendment, a certain part of that revenue is guaranteed, but it does tend to put townships in sort of a yo-yo situation. It forces those units to be

caught up significantly with the politics of Lansing, and to a certain extent, the politics of Washington. With that kind of financial linkage, an individual township is more vulnerable to state and federal requirements," VerBurg said.

Township government in Michigan is important, he said, because it is an active, involved unit of government in a large number of program areas.

"The type of decision-making power that townships have impacts our daily living dramatically," he said. "One thing that we maintain with smaller units of government is a closer identification between the citizens and the elected officials. This results in a more responsive attitude on the part of those officials in dealing with township activities."

To provide a better understanding of township government, VerBurg has written a book, *Managing the Modern Michigan Township*, in cooperation with MSU's Institute for Community Development and the Michigan Townships Association.

Written to fill the need for general information about township government and the need for a reference manual on township government, the book deals with township policy-making, financing, public safety, township services, economic development and the future of township government in Michigan.

## Two Important Books for Township Officials and Citizens . . .

**Managing the Modern Michigan Township** is a book for township officers, board members, and interested citizens to read and keep handy for quick reference. The book deals with township policy-making, financing, services and economic development.

The **Michigan Townships Planning and Zoning Handbook** is a guide for all those concerned with the planning process in townships. The handbook describes the principles and legal foundation of planning and zoning for Michigan townships.

### Order Form

Send \_\_\_\_\_ copies of **Managing the Modern Township** (\$21.00/copy + 4% sales tax)

Send \_\_\_\_\_ copies of **Michigan Townships Planning and Zoning Handbook** (\$16.00/copy + 4% sales tax)

Enclosed is a check, made payable to

**Michigan State University**, for \$ \_\_\_\_\_

Ship to: \_\_\_\_\_

Return to: Michigan State University, Community Development Publications, 27 Kellogg Center, East Lansing, Michigan 48824.



## '82 Set-Aside Decisions Will

### Background Information

On Jan. 29, 1982, USDA Secretary John Block announced a 10% set-aside for feedgrains and a 15% set-aside for wheat, cotton and rice. The incentive for participation in the wheat and feedgrain set-aside was a reserve loan for corn 35 cents higher than the regular corn loan and a reserve loan for wheat 45 cents higher than the regular wheat loan. Producers must participate in the set-aside in order to use the loan program, the farmer-held reserve, and to receive deficiency payments under the target price program.

The outlook for wheat, feedgrains, cotton and rice is such that production adjustments are needed. Disagreements have arisen over the incentives to participate in the programs. A set-aside program in which no one participates is, in fact, a detriment to producers. The other provisions of the USDA set-aside announcements are generally acceptable to Farm Bureau.

The USDA announcement places the incentive to participate in the programs for wheat and feedgrains on long-term storage through the farmer-held reserve. Cotton and rice do not have farmer-held reserve programs.

The Farm Bureau proposal puts the incentive to participate on reducing stocks through a paid set-aside program for wheat and feedgrains. Potential deficiency payments and other program benefits should be sufficient to get adequate participation in the cotton and rice set-asides.

Farm Bureau is concerned about the USDA set-aside incentives which use higher wheat and feedgrain farmer-held loans and immediate entry of 1982 crop into the farmer-held reserve. While the higher reserve loans will surely have some financial appeal to producers in cash flow difficulty, the long-term price stabilization implications are substantial. The farmer reserve is already under strain. Our analysis clearly indicates the need to reduce production and stocks, not

increase long-term storage of wheat and feedgrains.

### Farm Bureau Proposal

FB proposed the same 10% feed-grain set-aside and 15% wheat set-aside as USDA, but recommended a cash incentive equal to 10 cents per bushel times the ASCS yield on each acre of corn planted and 30 cents per bushel times the ASCS yield on each acre of wheat planted. This would give about \$100 per acre on the land set-aside on 110-bushel corn land and \$60 per acre set-aside on 35-bushel wheat land.

Under the Farm Bureau proposal, about 45% of the wheat producers were likely to participate with a reduction of about 7 million acres of wheat and about 60% of the corn producers were expected to participate with a reduction in corn acreage of about 5 million acres. The incentive program was expected to cost about \$450 million for corn and \$350 million for wheat.

Acreage reductions of this magnitude would have been sufficient to begin to bring supply and demand into line, strengthen prices and reduce the likelihood of a long summer of congressional farm program debate and possible legislative initiatives which would further damage the market.

### USDA Proposal

Under the USDA set-aside program, participation is likely to be about 15% for wheat and 25% for corn. This would reduce wheat and corn acreage by about 2 million acres each. This would leave most producers outside the program with no use of the loan and reserve and without benefits under the target price program.

Even with this low participation, a substantial amount of the 1982 corn and wheat crops, almost 2 billion bushels of corn and 400 million bushels of wheat, would be eligible for



# Affect Future Farm Incomes

the farmer reserve. If all eligible corn and wheat goes into the reserve, grain market prices would be strengthened enough so that nonparticipants would receive benefits from higher prices caused by the use of the reserve by the participants. Participants would benefit more than nonparticipants only when yields are higher than normal so that the grain entering the reserve would not reduce free stocks enough to force the price of grain higher.

Substantial amounts of grain may be forfeited to the CCC under the reserve loans. Corn entering the reserve at \$2.90 per bushel will incur interest charges of about 30 to 35 cents during the first year in the reserve. If the release price of \$3.25 per bushel is reached and then the market price declines, the producer will forfeit the grain to the CCC and keep the loan rather than pay the loan plus the accumulated interest.

The situation is only slightly less critical in terms of loan forfeitures in wheat. A \$4.00-per-bushel wheat loan will incur about 50 cents of interest over 12 months. The release on the reserve for wheat is \$4.65 per bushel. Loan forfeitures in corn and wheat pose serious long-term implications for government control of grain stocks.

## Long-Term Problems

Even more critical than the participation and loan forfeiture question is the use of the farmer-held reserve as the sole incentive for farm program participation and the long-term market implications of ever-larger reserve stocks of grain and subsequent price stagnation.

The Food and Agriculture Act of 1977 stated rather explicitly that the farmer-held reserve was to be an orderly marketing tool to assist producers to extend the time for marketing during periods of abundant supply. If the farmer-held reserve had not been overworked already, the 1982

crop year would have been a good time to offer the reserve as an orderly marketing tool. The reserve has, in effect, become a catch-all used to offset the effects of embargoes, raise prices to avoid making deficiency payments under the target price program, and now as the major incentive to encourage producers to participate in a set-aside.

The wheat reserve already contains wheat from as far back as the 1976 crop locked away from the market until farm prices reach \$4.48 per bushel; about 75 cents per bushel higher than the current price and substantially higher than the world market is likely to be in the near future. The wheat reserve is becoming more and more like the CCC stocks of the 1950s and 1960s as grain goes in, but never comes out. There never seems to be a "correct" time for returning reserve stocks to market.

The corn reserve does not contain grain from as far back as wheat does, but it has been allowed to grow in 1981 and 1982 at a rate far greater than can be justified. For the reserve to work effectively in conjunction with the market when supplies are large, about one-half of the year-end stocks should be in free stocks and about one-half of the stocks should be in CCC and reserve stocks. Current estimates are that about 75% of the 1981-82 corn year-ending stocks will be in CCC and reserve stocks. The corn reserve has clearly run out of control.

The secretary has already announced that the reserve will be open immediately at harvest for 1982 wheat and corn without any regard for the size of the 1982 crops. The reserve has clearly been changed from the orderly marketing tool which Farm Bureau supported in the Act of 1977.

## Conclusions

Farm Bureau realizes the urgency of the supply-demand and price situation



## Producers Must Analyze Long-Term Benefits

for wheat, feedgrains, cotton and rice producers. Cash flow problems are particularly critical to many producers during this period of low farm income. It is clearly time for producers to consider the short and long-term benefits from participating in the USDA set-aside programs.

Farm Bureau cautions wheat and feedgrain producers about the long-term price stabilization impact of further use of the farmer-held reserve. Had the farmer-held reserve not already been misused, this past year would likely have been an appropriate time to use this long-term storage program as an orderly marketing tool. But the reserve is already oversubscribed in relation to domestic and foreign market prospects.

Producers should critically review the other benefits from participating in the USDA set-aside programs. If at all possible, participating in the higher reserve loan should be avoided. We be-

lieve that, on balance, the long-term costs to individual producers in terms of future depressed prices far exceed the short-term benefits from the higher loan. Of course, it is ultimately the producers' decision whether or not to participate.

Further expansion of farmer-held reserve stocks will only prolong the low-price period for wheat and feedgrains. For wheat, feedgrains, cotton and rice, now is not the time to stockpile supplies to depress prices in future years.

The recent USDA set-aside announcement and this analysis illustrate the conflict between short-term farm program administration and long-term damage to market adjustments and farm price and income opportunity.

The most vivid conflict is the use of the farmer-held reserve in wheat and feedgrains to pull market prices to the target prices in order to avoid deficiency payments and meet federal

budget constraints. The target price, when used in this manner, becomes a higher loan rate. Higher loan rates mean reduced domestic and export demand and increased production at home as well as in competing countries. If target prices are raised during this election year, the long-term economic implications for farmers will worsen.

The problems outlined in this brief analysis point to the need for a new farm policy direction if the long-term market opportunities for producers are to be maintained.

Farm Bureau suggested fundamental changes in the rules for farm program management during the 1981 Farm Bill debate in order to avoid much of the difficulty we now find ourselves in. From an economic standpoint, these principles are still valid and should be included in future farm program discussions.

### County Coordinators Attend MACMA Meeting

Keeping the lines of communications open between county Farm Bureau Direct Marketing sale coordinators and MACMA staff is the strongest link to continued success of member-to-member sales, says Bob Eppelheimer, manager of the MACMA Direct Marketing Division.

"That's why we were quick to set up troubleshooting meetings with county volunteers in this program after we experienced problems with the December citrus deliveries.

Meetings were held at four regional locations throughout the state (Marquette, Gaylord, Flint and Grand Rapids) in late January to discuss specific areas of the program such as order taking, verification and the delivery/distribution system.

Direct Marketing representatives from the Wisconsin and Florida Farm Bureaus, Michigan truckers and MACMA personnel were present at every meeting to answer questions and work out solutions for improved program performance.



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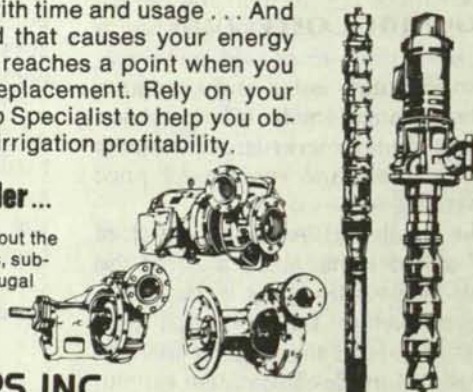
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## Contest Winners Capture State's Good Life

Farm Bureau Insurance Group's color photo contest, which invited residents throughout the state to submit their best color photos and slides depicting the good life of rural Michigan, attracted nearly 100 entries.

One of the winning entries appears in the FBIG ad on the back cover of this issue of *Rural Living*.

The three-member judging panel awarded five Awards of Excellence and six Awards of Merit for the best entries. The judges were Glenn Rand, director of the Lansing Community College Photo Department; Marcia Ditchie, photographer for *Rural Living* magazine; and Lansing graphic artist, Robert Culp.

Award of Excellence winners will each receive a \$100 savings bond and a plaque, and each winner of the Award of Merit will receive a plaque. The winning entries will be used in FBIG advertisements and publications.

The contest winners were:

Award of Excellence: Cindy Nimz, Jackson; Kathryn Hrywnak, Royal Oak; Neil Luckhardt, Milan; Kathleen Liddy, Howell; and Debra Workman, Greenville.

Award of Merit: Laura Luptowski, Lansing; Julia Kronemeyer, Pickford; Betsy Flippin, Caro; Kathleen Liddy, Howell; John First, Ionia; and Kathryn Hrywnak, Royal Oak.

## Money Market Fund Program Correction

The February issue of *Rural Living* contained an ad for the Michigan Farm Bureau Money Market Fund Program offered through Institutional Liquid Assets that was incorrect.

The ad stated the program offered Farm Bureau members a choice of three portfolios: Prime Obligations, Government and Treasury Obligations. The Treasury Obligations portfolio is not available to Farm Bureau members at this time. We apologize for any inconvenience incurred.

Your Membership In The  
**MICHIGAN FARM BUREAU**  
Now Makes Available

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Administrator and  
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## GOVERNMENT

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*\*Seven day annualized net investment income yield, computed by dividing the Portfolio's average daily net investment income per unit for the period ended February 11, 1982 by \$1.00 and multiplying the result by 365. On that date the average portfolio maturities in Prime Obligations was 34 days and in Government was 33 days. The yields change in response to fluctuations in interest rates on portfolio investment and operating expenses.*

*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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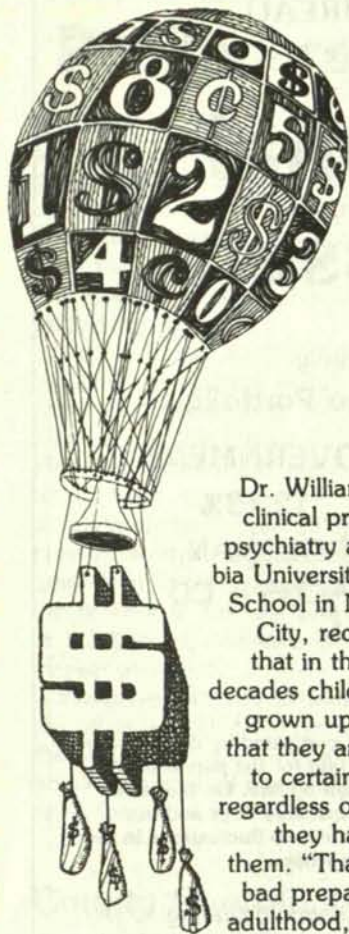
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## Bringing Down Entitlement Costs



Dr. William Gaylin, clinical professor of psychiatry at Columbia University Medical School in New York City, recently said that in the last few decades children have grown up believing that they are entitled to certain goodies, regardless of whether they had earned them. "That's a very bad preparation for adulthood," he said.

Perhaps this explains, at least in part, the cry of dismay at the suggestions to cut federal spending and return part of the responsibility to local control.

Cuts affect nearly every agency and program in government ranging from mass transit to space missions to subsidized housing to local school district aids. The Agriculture Department would be placed on an austere budget, devoid of any major program or innovations.

The proposal to cut the federal government down to size and return a larger share of governmental responsibilities to the states has caused many people to voice an opinion as to what is wrong with the proposal. Economic hard times are cantankerous times and no place does it seem to show more than in government, where public officials try hard to keep everyone happy. This can lead to what might be called an area of non-decision.

People have grown accustomed to the premise that entitlement programs (those programs under which people are guaranteed benefits by law) ought

to be available to everyone as their right. They believe that certain services are the proper concern of government, which must control and regulate them, or even provide them for the benefit of all.

While they embrace the principle of political control of some industries and political readjustments of individual income and wealth, they find it disturbing if their particular benefit is reduced. "But we are different," they cry.

The right to services and benefits, which so many are proclaiming today, is merely the right to seize income and wealth from other individuals through the body politics. The right of one is a duty of another. The benefit of one is the loss of another. The right to services and benefits actually is the right to tax and confiscate, which negates someone else's right to his own labor and freedom. A society which creates such rights becomes a conflict society, in which political might is the source of all right and the rights of some become the tyranny of others.

What society expects of the government seems to have very shallow roots. It appears that the overwhelming expectation is nothing more than the continued abundant supply of funds to support unlimited entitlements.

Under the proposed budget for fiscal year 1983, entitlements are not substantially changed. The laws which mandate entitlement benefits must be changed by Congress before benefits can be reduced.

Farm Bureau has long maintained that so-called uncontrollable budget items (75 percent of the federal budget) and, particularly, "entitlement" programs (40 to 50 percent of the federal budget) must be cut and controlled to achieve meaningful and equitable reductions in federal spending.

The proposed 1983 federal budget appears to be making very little progress in this area. Proposed reductions in scheduled increases are, by and large, in the "other non-defense" categories. This means that traditional

federal programs for agriculture and other areas will come under pressure as long as spending reductions in entitlements are exempted.

Federal spending is projected to increase four and one-half percent in fiscal year 1983 over fiscal year 1982. The private economy is projected to show little increase as the federal burden remains large.

Current Farm Bureau policy adopted at the January 1982 AFBF annual meeting states in part that:

"Congress and the Executive Branch must immediately address the burgeoning growth and federal entitlement programs and transfer payments to individuals. Liberal program eligibility and the indexing of program benefits annually, and semi-annually in some cases, to the full change in the CPI to keep up with inflation means that almost three-fourths of annual federal outlays are out of control and beyond the budgetary process. Further across the board cuts in federal expenditures will not get to the heart of runaway federal entitlement programs such as Social Security, federal employment retirement, veterans benefits and food stamps."

### Questions for Discussion

In your opinion, who has the power to control the federal budget?

What is your estimate of when the federal government last came up with a balanced budget?

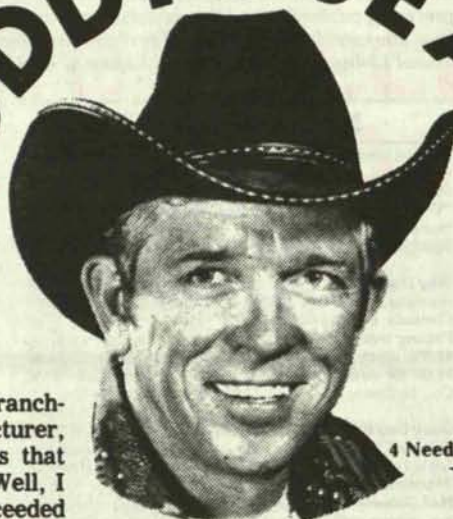
How does federal spending affect you?

In your opinion, how long does it take from the time a president proposes a budget, until it goes into law?

*The monthly Discussion Topic for Community Action Groups is prepared by Ken Wiles, manager of MFB Member Relations.*



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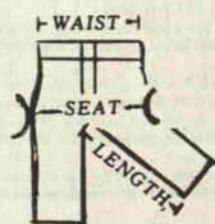
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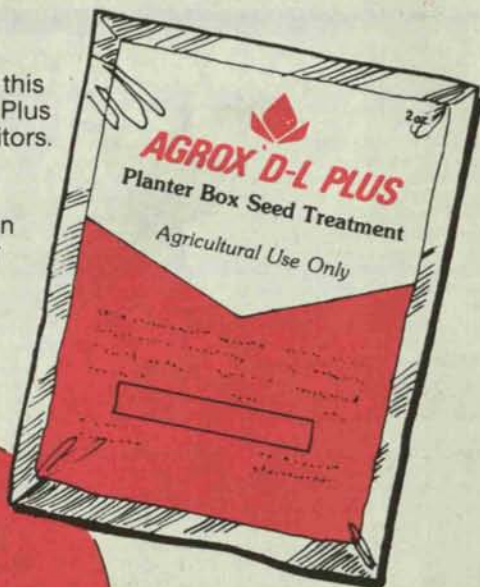
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