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THE PENCIL AND THE PLOW

by

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It is unlikely that there is another group of people in the U.S.A. that receives more advice than farmers. Much of this advice is of the "free" variety. This is certainly proper because most of it isn't worth anything and couldn't be sold or disposed of except by giving it away free. Sometimes this apparently "free" advice to farmers has a price tag of sorts attached to it. For example, we have recently gone through a barrage of words about the "farm problem" during which farmers were encouraged to exchange votes for advice and, presumably, help.

As a matter of fact, sometimes it seems that everyone from the Food and Agriculture Organization at the international level to the U.S. Department of Agriculture and the Congress on the national scene, down to the Chevrolet salesmen in the neighborhood is trying to "help the poor farmer." I do not question the sincerity of any of these agencies, groups, or individuals. No doubt each of them realizes that agriculture is the economic base upon which all else in our economy rests.

The dependence of the total economy on agriculture is easily grasped in countries where from 65% to 90% of the people are engaged in food and fiber production. It is sometimes less readily perceived in this country where about 10% of our people are supplying the necessities of life. But a fact remains a fact whether it is recognized and understood or not. Whatever the case, it seems to me we have had too many people making too many pronouncements about too many farm problems about which they have too little information.

Have you ever considered what the factual basis might be for the hundreds and thousands and millions of words that are spoken and written about agriculture and the farm situation? It is impossible to pick up a daily paper without finding some statement regarding it. Think of the magazines, the radio and television programs, the "official" reports of the U.S.D.A. and State Departments of Agriculture, to say nothing of the inserts in the Congressional Record and the speeches and talks that are delivered on the subject with a minimum of encouragement. Even Esquire magazine, which I do not regard as a farm journal, recently carried an article about the "farm problem." I do not mean to infer that such discussion of an important aspect of our national life is bad. On the contrary it is helpful as long as every effort is made to stay within the facts and, more important, interpret them accurately.

Let me give an example. Some time ago U.S.D.A. released figures indicating that farm income was down 11% from the corresponding month a year ago. This was a factual statement based on trends and estimates gathered from many sources. I have cooperated with the Crop Reporting Service as well as other branches of the U.S.D.A. and know something about how these estimates are gathered and put together. The process is a careful one and the information is useful, but, it is based on estimates and averages and must be carefully interpreted. The information mentioned might be very useful to farm machinery dealers; seed, feed, and fertilizer handlers; and tractor sales-

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men. But what does it mean to the individual operator of a farm business? Really not very much.

The Minnesota vocational agriculture farm management program of farm business analysis reveals a variation of several hundred per cent among the labor earnings of any group of 40 to 50 farmers in the same community, under the same government programs, with similar soil and weather conditions, and operating similar types of farms. The variation may run from a *minus* labor earnings of \$1,100 to a *plus* of \$15,000 in the same group. It is a travesty on economics to inaugurate and enforce national farm programs based on averages. At the same time one must recognize the difficulty of doing otherwise under the present lack of farm records and business analysis on any sizeable scale. An individual farmer cannot make useful plans for his farm without detailed information about his farm business. Estimates and averages are not without serious limitations for this purpose.

There is another area where facts about farming and farm people are grossly misused. I refer to population figures. We know that the percentage of population on farms has been declining. This has been going on since about 1860 with minor reversals during periods of economic depression. It is nothing new. Yet we frequently hear statements to the effect that farming is becoming of minor importance and that farm people are going the way of the vanishing American.

In the business of vocational agriculture we are often advised that since there are so

few farmers it is really not necessary to expand the vo-ag program in our public schools. Such a proposal is, of course, ridiculous and dangerous to public education and the communities public schools strive to serve. As of today less than one-half of the farm operators have had or are getting vo-ag instruction in high school classes, go on to college, usually an agricultural college, or enter some other farm-related business, or other occupation. We are not training sufficient replacements.

We have today not only fewer farms, but also fewer railroad corporations, fewer banks, fewer small food outlets, and fewer manufacturing corporations. The business of larger units of production is not limited to agriculture. We also have fewer school districts, but I have not heard anyone suggest that because of this the schools need less money. In fact, many schoolmen are following the trend of the times and are looking to the Great White Father in Washington for help.

The mistake is made in confusing cause and result. The fact that we have fewer farms while at the same time we are able to maintain and expand production suggests the need for *more and better* training and more intensive education from high school on through adult education in agriculture. This is where an organization such as the public community school is invaluable. Mechanization and electrification have brought advances and problems that cannot and will not wait for solution upon the education of children. Adult and young farmer education are indispensable parts of a modern school serving rural interests.

The basic problem of farming is adjustment to changing conditions, most of them economic. What, then, are the items of highest priority that a farmer needs to know if he is to be successful? How can he provide himself with accurate information? What are the major factors affecting profit in farming and what can a farm operator do about them?

There are five major factors that determine whether or not a farm operator will show a profit. They do not act independently of each other. One influences the others. They are prices, size of business, rates of production of crops and animals, labor efficiency, and combination of enterprises. The last four of these are under the control, more or less, of

the farm operator. The first - *prices* - is something an individual farmer can do little to control. He must adjust the aspects of his business he can control to anticipated price changes. There is one other variable that is important above all others and that is *management*. Good management is impossible without a fairly complete and accurate set of records. *The pencil has become the successful farmer's most important piece of equipment.* The degree to which a farmer makes decisions based on accurate information of his own business determines his success. Here are some questions all farmers must answer in order to manage a farm business properly.

1. What was the return per hour of labor from my farm enterprises?
2. What did my fertilizer cost per acre and per bushel or ton?
3. What was the return over feed costs from livestock?
4. What buying or selling can I do at year's end to reduce taxes?
5. How much did I have left for my year's work after paying all farm expenses?
6. How much did it cost me to maintain and operate my machinery?
7. Under present price relationships shall I, on my particular farm, emphasize lowest cost per unit of production or highest gross output?
8. What were the strong and weak points of my operation?
9. Am I taking all legitimate tax deductions?
10. Do I have the most profitable combination of enterprises for the resources under my management and control?
11. Did my net worth go up or down this year?

To make proper use of the land, labor and machinery and other capital investments in a modern farm business a good set of records is not only helpful, but essential. A man can work himself to death and go broke if he is not doing the right things. Since each farm and each farmer is different, each decision or set of decisions must be arrived at individually. This is the function of vocational agriculture

and farm business analysis and this is why the *pencil guides the plow.*

Consider the plight of two farmers in a Minnesota community who were in a vo-ag management class discussing agricultural outlook information. In projecting state, national and international price, demand, and supply estimates for hogs to their individual farms, they came up with opposite answers.

One maintained hogs were unprofitable and should be discontinued. The other recommended expansion in the number of brood sows to be farrowed. The argument was resolved by recourse to their individual farm records and business analysis which revealed that one was producing hogs for market at a feed cost of \$11.00 per hundredweight while his neighbor's feed cost was \$17.00 per hundredweight. Without adequate records and accounts, decisions made by a farm operator are subject to a high discount rate. It is hard enough to guess right even with the aid of the most accurate records possible in farming.

Any vo-ag department that does not provide a strong adult farm management program should be strongly encouraged to do so. It will more than repay the expense involved in hiring a good instructor. It will be the most immediately profitable investment a school can make.

How can any farm problem be solved unless farm operators are taught to keep records and unless these records are analyzed, interpreted and applied?

Surely the government will continue to play an important role. But farm problems are individual problems and the solutions to these farm problems are to be found on the farms—and with the aid of a sharp pencil.

It is nothing less than a tragedy that so many of our farmers have such incomplete records of the real facts of their own business.

It is an educational problem that must be given high priority by our U.S.D.A., our agriculture colleges, our extension services, banks, and private farm management associations and especially by the vo-ag departments in our community schools. They can provide the most accurate solution to the "farm problems." The pencil and the plow must be partners.

THE PRE-EMINENT PROFESSION

Parents entrust the entire formal education of their children to the teaching profession. Members of this profession teach in classrooms and on athletic fields, in libraries and shops, in homes, on farms, in hospitals and TV studios. They teach in nursery schools and kindergartens, elementary and secondary schools, adult schools, colleges and universities. Their students are brilliant and retarded, enthusiastic and apathetic, happy and worried, healthy and physically handicapped.

A career teacher enters his profession with the same general education required of all

college graduates, specialization in a teaching field and a knowledge of educational theory and practice. He is ready to begin a lifetime of continuous learning so that he can fulfill his responsibility to students, community and the teaching profession. During his career the successful teacher develops the patience to guide and counsel the several thousand students who know him for a segment of their lives. He joins with his colleagues to carry the major responsibility of preparing practitioners for all other professions as well as citizens of our democratic society. His allegiance is to a process which makes men free.

CHANGE MADE IN CREDENTIAL FILES OF MINNESOTA GRADUATES IN AGRICULTURAL EDUCATION

The credential files and placement assistance of Agricultural Education majors, formerly handled by the Agricultural Education Department of the University, have been transferred, effective July 1, 1961, to the Bureau of Recommendations office in 102 Burton Hall, Minneapolis Campus.

Graduates of the Agricultural Education Department, who wish to have credentials available for prospective employers, should check their files in Burton Hall to be sure they are accurate and current. Persons wishing to have credentials mailed in conjunction with application to possible employers should direct their requests to the Bureau of Recommendations in 102 Burton Hall.

The Agricultural Education Department will maintain one copy of each set of credentials

where Superintendents and other employers may make initial inquiries. The Agricultural Education Department will continue to welcome employer's interest in hiring graduates of the Department and will arrange interviews and make recommendations as it has in the past. The Department wishes to maintain personal interest in every Ag. Ed. major in seeking employment and in assisting them in educational positions after they are employed.

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GLEANINGS FROM THE 1928 FILES OF A. M. FIELDS

Home Visitations: One Vo-Ag teacher made thirty-one visits during March. He traveled 125 miles by automobile and walked 25 miles and via mule 40 miles. Another made no visits of any kind. Nuf sed.