

The NFO REPORTER

The Official Publication of The National Farmers Organization—Incorporated Nov., 1955

Vol. VIII

July, 1964—Corning, Adams County, Iowa

No. 87

President's Message...

By Oren Lee Staley

NFO members have a great burden of responsibility. They are the only ones who can give farmers the necessary leadership to correct the pricing problems in agriculture.

Parity has dropped to the lowest level since 1939. This has happened as a result of a trend that started some 12 years ago. This means that farmers can buy less with the dollars they receive from the sale of their production any time since 1939.

In the last 12 years there have been a few times that prices have risen for a short period of time, but the downward trend has continued with some leveling off at the present price levels on some commodities.

During this same period of time, however, the price of the products that farmers must buy has continued to rise. Prices being forecast for the future for most major farm commodities point out the fact that lower prices are ahead for farmers.

The battle that has been waged for better farm programs has been a gradual retreating battle as the pressure continues to build against expenditures for farm programs. Devisive forces have done an excellent job of keeping farmers split. Many of these devisive forces that want to keep farmers' prices low, have turned their efforts against the NFO.

NFO members must assume the responsibility of leadership in agriculture. They must take the initiative in carrying out the collective bargaining program of the NFO because it offers the family type farm the only hope for the future.

Every member must be a working member. What are you working for? The answer is fair prices by putting a price tag on your products.

I am certain that those of you who have attended a state briefing and planning meeting, went home realizing that we are making many important breakthroughs and that you have a much better understanding of the strategy being used. In all cases it is the amount of production that you bring together that is your bargaining power.

From all of the state meetings held to date, it appears evident that NFO leaders and members feel that farmers should be given the opportunity to stop unfair farm prices by the use of a holding action. Don't lose sight of the fact that we will be in a much different position in this holding action than ever before.

This time we do not have to get our first master contracts signed with the pro-

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Holding Action Is Imminent As NFO Holds State Meets



This is a portion of the large crowd of more than 6,000 persons attending the NFO planning and briefing meeting at Wisconsin Rapids, Wisc. Similar meetings are being conducted throughout the NFO territory.

NFO Meets the Requirements For Successful Bargaining

Has a neighbor ever said to you, "The farmers ought to organize!"

Almost every farmer has said that.

They know that farmers should get a fair price for their products. They know that men in other lines of work have organized and won a fair price for their production or for the work that they do.

When a neighbor says, "The farmers ought to organize," just what sort of an organization does he picture in his mind?

Apparently, he pictures:

1. An organization to which only farmers can belong.
2. An organization that the members will actually control.
3. An organization that will meet a need never met before—a fair price for the products of the members. A price that equals the cost of production plus a reasonable profit. A price that not only can be won but also can be held. A price that is protected by a contract.
4. An organization that can protect the prices it gained under contract for its members if the processors decide to break the members' solidarity by paying higher prices to non-members.

People organize for economic reasons. They do it to get an increased profit or higher wages, or to protect economic ground that has been gained. These are people who are working in the same occupation and making livings for their families. These are people who are winning.

The National Farmers Organization was designed and built by farmers, men who are actually engaged in farming. NFO By-Laws state specifically that only producers of farm commodities can be members of the NFO.

Who controls the NFO? The farmer who says farmers ought to organize, wants an organization that the members would

actually control. Only if all final decisions are approved by the members themselves, can its members be positive that they actually control it. If it is the officers and directors only who make the big decisions, they have too much power over the livelihood of the members.

The farmers who designed and built the NFO knew that united farmers could be the strongest body in America. That was the reason those men built the contract-approval safeguard into the membership agreement of the NFO. Members of the NFO have the security of knowing they are free to market as they choose until such time as a contract has been consummated with processors, and that this contract must be approved by two-thirds of the members affected, and that this approval must be given at a meeting on which the members have had ten days' notice.

No reasonable person would expect two-thirds of the members to approve a contract binding them to terms they did not understand or to terms they did not know were better than could be gotten by non-members who had not helped to build the program.

The next question is, Is the NFO a business? What, exactly, does it do? The answer is, The

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Seek Opportunity To Halt Punishment Unfair Farm Prices

As state briefing and planning meetings for members only draw to a close, a holding action appears imminent. NFO members in all states are enthusiastically calling for the opportunity to stop the punishment of unfair farm prices at the market place.

The out pouring of thousands upon thousands of NFO members, even while harvest is still in progress in almost all areas, is a great tribute to the interest and determination of NFO members. There has been a close race in many of the states for the top attendance.

The organization is proving that with only a short notice, thousands of NFO members can be assembled in each state. Many of the states, including the older areas, have already had four, five and six thousand leaders and members in attendance at their state meeting, and many of the new states are coming up with excellent attendance.

NFO national officials are touring the NFO organized areas, holding meetings day after day. They are pointing out that now with the organization in 23 states, it is no wonder that even the largest processors of farm commodities are becoming more and more receptive to NFO and its collective bargaining program, because these processors know that they will not be able to keep their plants operating efficiently in the future without NFO members' production.

NFO leaders and members are generally astonished and pleasantly surprised at the information that is being revealed to them at the state meetings. They are being briefed on the progress the organization is making in the bargaining field. Specific and detailed information concerning bargaining efforts on all commodities is being revealed and the strategy used is being explained.

As NFO leaders and members learn what is taking place behind the scenes, it becomes crystal clear to them that NFO is winning.

It is being pointed out that in order for farmers to price their products they must bargain together and sell together. It is obvious that it is becoming more and more apparent to NFO leaders and members that their production is their bargaining power.

It is being emphasized that

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**Car Stickers
Are Important
To The NFO
Program**

★ ★ ★

**Get Yours
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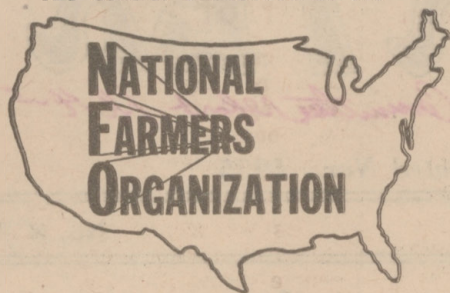
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AMES, IOWA

Chartered in 22 states, p. 2.
alternatives presented at planning meeting, p. 2

House of Rep. Committee report, p. 4-5.

The NFO REPORTER

The Official Publication of the



- A Healthy Agriculture
- A Prosperous Country
- To this end we are sincerely dedicated

Published monthly at Corning, Iowa, by the National Farmers Organizations. Second-class Postage Paid at Corning, Iowa and at additional mailing offices.

Subscription price to members, 50c per year. To non-members, \$2.00 per year.

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The Farmers' False Illusions

Changing times have brought many changes.

Farmers must recognize the fact that some of these changes affect them to the point that they, too, must make some changes. The most drastic change that farmers must make is a change in the manner in which they market their products.

Farmers must realize that they produce with modern equipment and use modern methods, but they still market their products just as they did back in the horse and buggy days.

In these changing times, everyone else in our economy has organized and is becoming more and more strongly organized every day. But farmers still go to the market place and say, "What will you give me?"

Why don't farmers realize that they must organize to protect their best interests? Is it because of the old saying that "prices will be better next year?" Is it because farmers have always been told that they must expect ups and downs? Farmers have always been told that they must accept these ups and downs. But why should they? No other segment in our economy does, and farmers do not have to either, if they care enough to make a change in their marketing procedure.

Farmers must now have stability in their business because of their fixed production costs. In days gone by, a few hundred dollars would put in a crop. But today, every farmer knows that it takes at least a thousand dollars to put in a crop where it used to take a hundred dollars. He knows what it will cost him to put in a crop, but he has no idea of what he will get for that crop. Of course, he hopes for the best—this he has been taught to do. But isn't it time for him to quit hoping and start doing?

There is another old saying that farmers are independent. But really, how independent are farmers? Independent people fight for their just rights. Independent people are not at the mercy of others when they sell their products or services.

Haven't farmers confused independent with dependent? They depend upon those who buy their products to determine the price they receive. Because of low farm income, they have to keep borrowing more and more money, so this makes them dependent upon those who loan them money. They also depend upon the advice of others as to when and how to market their products. If they were independent, wouldn't they change their

position and price their own products and set up their own marketing procedure?

Another change that farmers must make is in the freedom that they talk so much about. But really, what freedom do farmers have? Is it freedom to let someone else determine the prices of their products? Is it freedom to go broke because of low prices? They won't go broke because of inefficiency, because their industry is the most efficient. Is it freedom to let others profit off of their unorganized status?

The freedom that farmers usually talk about is the freedom they give to everyone else. In reality, the only freedom that farmers have today, is the freedom to go broke.

Real freedom at the market place would be a united effort that establishes the farmers' right to price their products at fair prices in relation to every other segment of the economy. This is not only freedom, but equity.

It's time that farmers make some changes of their own. It's time they establish their freedom and declare their independence as an organized group. It's time they change their marketing procedures and put a price tag on their products.

This is the only way that farmers can keep pace with the changing times.

President's Message

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cessors. We accomplished that in the last holding action. The strength shown in the last action has also made it possible for us to continue to sign master contracts.

The objective of this action will be to get a sufficient number of additional master contracts signed with processors so all the master contracts signed can be activated and NFO members can start actually receiving \$22.75 per hundredweight base price for hogs; \$32.45 per hundredweight base price for choice cattle; \$6.05 per hundredweight base price for Class I Grade A milk; \$5.00 per hundredweight base price for manufactured milk; \$1.49 per bushel for corn; not less than \$2.75 per bushel for soybeans, and equal prices on many other farm commodities because it is safe to assume that once we make a complete breakthrough on one or more major commodities that farmers will flock to the NFO and many additional commodities will soon be under master contracts.

The thought that must be foremost in our minds is that the only way we can maintain any gains we make is through the activation of master contracts. Thus, activation of NFO master contracts is our goal.

Surely, farmers have had enough punishment from unfair prices. They can stop this punishment by keeping their production on their farms. No one doubts, unless it's the farmers themselves, that if farmers hold, they will get the price they are holding for and contracts will be signed. They can win and they will win if they hold together and either sell together or not at all. What else is there to eat besides food?

It will take work and only the county leaders and NFO members can do this work. Unless they give farmers leadership, keep them informed and continue to educate the non-members and get them to join the NFO, farm prices will get lower and lower.

The big battle will be waged from farm to farm. Buyers will be trying to convince farmers to sell and, in many instances, they will offer a price advantage. NFO members must be alert and keep farmers informed. If they do not do this, then the buyers will convince some of the farmers that they should sell.

It is just that simple. Who is going to work the hardest, the buyers or NFO members? Only you can give the answer. Your choice is clear—either NFO prices now, or the buyers continue to price your products for you.

Holding Action

(Continued from Page 1)

until master contracts are activated, NFO members must use their own individual initiative in determining for themselves whether they are going to sell to processors that are recognizing the NFO, or whether they are going to sell to processors who have failed to recognize the right of farmers to price their products.

At the close of the meetings, those in attendance are asked if they want an opportunity to stop unfair prices by using a holding action now, or if they want to continue moving forward with the methods that were outlined in the meeting. To date, practically all of the leaders and members in attendance at the state meetings have enthusiastically urged a holding action.

The organization is now on a firmer foundation. The gains that are being made can be continued, but a holding action can be used to speed up progress with the opportunity of gaining complete victory in a holding action. Complete victory simply means signing enough additional processors to master contracts, so that all the master contracts signed can be activated and NFO members can start receiving NFO prices.

Anytime enough farmers make up their minds to keep their production on the farm until they get their price — they will get their price and they will get contracts signed. Thus, the purpose of this holding action will be to get enough additional processors signed to activate the master contracts.

NFO leaders and members are being given questionnaires at the state meetings to be used in contacting non-members and asking them to join the NFO.

A holding action is imminent. NFO leaders and members are ready to give all farmers the opportunity to join the NFO and stop unfair prices and start pricing their products.

There will be no advance notice of when a holding action will start or what commodities will be included. The element of surprise will be used to put the buyers at a disadvantage.

**Order Fair
Material
Today**

Sale in Ill. Nets \$2,534

Variety Items Aid TV Programs

Wednesday, July 8, Kelly's Sale Barn in Hersman, Illinois was the scene of a united effort on the part of the National Farmers Organization and contributing businessmen to help tell the story to the public, via television.

Farmers and trucks came from miles around; the farthest distance 125 miles; bringing articles to sell and staying to buy something to take back home with them.

Everything from bird dogs to tractors were included in the general sale. Children's outgrown toys, loads of hay and straw, livestock, garden produce, and many other items made everyone realize the heart put into giving whatever they had to give.

The first livestock brought into the sale ring was ten head of market weight hogs which sold for \$22.75 per hundredweight—the NFO contract asking price for livestock, as it should be under normal business conditions.

In spite of rain which delayed the sale all morning until 1:00 p.m., the crowd stayed and the high spot of the day was reached when Charles Seest from Manito, Illinois brought a small drill tool to donate to the 20th district, television fund.

Lester Kelly and Leonard Kramp, NFO district and state chairman, started the bidding, telling the crowd they weren't bidding on a tool, but on the ideals and hopes the National Farmers Organization has for our future as farmers.

The idea was to make this one small item be worth enough money to pay for at least one TV program by itself. The enthusiasm caught and spread over the crowd with 37 people giving a contribution making this one tool sell for \$127.00.

Ace Waymack of Rushville, Illinois volunteered to make a walnut cabinet with a gavel for the 20th district to store the drill in with the names of all contributors to be carved into the wood.

The total sale brought \$2,534 net and this amount for produce sold doesn't include the many cash donations going into each individual county.

County News

Dear Editor:

If the "Nobel Prize" were given for Presentation of Truth—then the NFO would be recipient of this grandeur award.

Today, as I watched WSAU television and heard the truth of the closing of the Owen Dairy Plant, it made me think of Gestapo methods used by two shady concerns. It made me sick to think, how farmers could be taken by these smooth talkers and deal givers!

If I were a farmer, I would deem it a privilege to be an NFO member. For an organization to come forth in time of a farmer's crisis is a worthy organization to belong.

Most Sincerely,
 Mrs. Dorothy Simonton
 Route 4
 Mosinee, Wis.

NFO Meets

(Continued from Page 1)

NFO has one job, and one job only: Serve the members by getting them a fair price for their products.

This job is stated in the By-Laws; is absolutely basic to the entire NFO; and would be almost impossible to change by additions or subtractions. The NFO realizes that the people selling goods and services to farmers are doing an adequate job, and should be praised for their attempts to keep in line the prices of the things that farmers have to buy.

But the NFO also knows that farmers are on the short end when it comes time for them to sell. This is why the NFO does not scatter out its shots.

The NFO cannot do more than one job and still do the work its members want done. If the NFO itself engaged in business, its leaders would be mindful only of a profit statement on the business ventures. Also, they would be dealing with some of the same people whom the farmers are battling to get a fair price for the products they have to sell.

To be successful, the NFO cannot take a one-commodity approach. The success of an organization to raise the price on just one commodity (unless that commodity is a specialty crop), would be short-lived. In the first place, agricultural producers can shift from one commodity over to another. Improve the price for milk and beef cattle men will scramble over to milk cows and soon will have their shins black and blue trying to milk their beef cows.

Therefore the prices for all major commodities must rise in relative balance if an organization is to be successful. Otherwise, the men in one commodity will shift over to another that has a higher price, and will spoil that price. In the second place, if the price is raised on only one commodity, substitutes will come into the market. In the third place, the all-commodity approach gives the organization an additional advantage when it bargains with processors.

Farmers joining an organization designed to raise the prices on their products must join with all of their production except that presently covered by contract. They must come together with the full strength of their productive and bargaining powers.

What steps must the farmers take to get better prices for their products?

1. They must organize to bargain and sell together.

2. They must bring together enough percentage of the total production of any given commodity so that processors cannot fulfill their needs from other sources. When producers can organize 60% of the total volume of a product, the processors must contract to pay more for that product in order to ensure adequate supply.

3. The farmers, while still pushing steps 1 and 2, must put a price tag on their products. Then at intervals they must stage holding actions and demonstrate to buyers that the farmers are gaining to the point where buyers cannot obtain suf-

ficient volume from other sources.

4. But these gains must be consolidated and protected by contracts whereby the processors agree to buy designated amounts and grades at the NFO price. This fourth step is the consummation of steps 1, 2, and 3. This fourth step is the capstone of the four-stage program of the NFO. The strength of the NFO has reached this fourth step. Processors are signing master contracts. Now all farmers have to do is finish up the job. They have never been nearly so close to pricing their products.

Farmers who sell as individuals are only keeping each other's prices down. They are vulnerable to buyers. The buyers need do nothing but sit back and wait for individuals to sell.

Finally, the farmer who says farmers ought to organize wants an organization that can meet the marketing problems of the agricultural industry. This means that the base-price on the contracts must be adjustable to seasonal variations, in order to ensure an even flow of the commodities in question.

The farmers must be able to take from normal market channels whenever necessary, the small per cent of the total production that today is used to kill their prices.

In other words, these farmers must set up systems for managing their crop inventory, just as manufacturers are able to dispose of "surplus" television sets or autos before bringing out new models. Farm inventory must be managed to serve the needs of buyers rather than be permitted to act as a price-depressant. Certainly, a portion of farm inventory must be held as a national strategic reserve.

Another system that needs to be developed is the use of proper incentives through changing price differentials for lighter weight hogs and cattle to reduce the total meat tonnage when necessary. Incentives should be paid on veal, dairy heifer calves and beef heifers to break the dairy and beef cattle cycle; thus keeping production in line with need. In the case of grains, it means storing when necessary but not letting a supply build up year after year. The NFO collective bargaining program will use all of these methods when necessary, to keep surpluses from developing.

The stability of adequate farm income is probably the main gain that farmers picture in their minds when they say farmers ought to organize. STABILITY will come into the farm industry for the first time in the history of the United States when the NFO comes into full success.

This will help the producers and it will help the processors, too. The instability of agriculture has been unmatched in the business world. No industry but farming has ever tried to operate with prices fluctuating as much as 20%, even 30%, within short periods of time.

The NFO is the first sound basic economic structure that the farmers of this country have ever had offered to them that meets all the requirements outlined above which are necessary for successful bargaining for farmers. The members sincerely

False Rumors Cost Profit

Those farmers who have not joined the NFO, should ask themselves if they have really investigated the NFO or if they have listened to false rumors.

If they have not joined the NFO because they have listened to false rumors, then they are letting those false rumors cost them a profit in their business.

False rumors and false statements about the NFO, seem to always come from those who profit the most from the present marketing structure.

At the present, farmers are divided, and as long as they stay divided and sell as individuals, there are those who can farm the farmers and feather their own nest. Do you really think that it is odd for the present buyers of farm products who, in the past, had the sole say as to the price they pay to farmers, not to do everything they can to keep farmers divided? Is it unusual to expect others in the present marketing structure who are fearful of losing their jobs, not to fight the NFO and to spread rumors to keep farmers divided?

Have you, as a farmer, really noticed who is fighting the efforts of the NFO? If you will search for the answer to this question you will find that, in almost all cases, the ones who are passing out false information about the NFO or raising doubts about the NFO program working, are not making their living off the farm but off the farmer.

Isn't it about time that farmers started running their own business by joining the NFO and pricing their products, instead of following the advice of those who want to continue to draw salaries and make profits off of unorganized farmers. Just think what it has cost you to follow the advice of those people in the past. Their salaries and profits go up, while your prices go down.

ISN'T IT ABOUT TIME FARMERS STARTED RUNNING THEIR OWN BUSINESS?

and justifiably believe the NFO has offered the farmers of this country the first and only opportunity they have ever had to get a fair price for their products.

Any thinking farmer should agree that the four steps must be taken to get fair prices for their products. Each step is essential. None can be omitted.

Farmers who put off joining the NFO are only putting off getting a fair price for their products. They are only fighting themselves and asking for more punishment. They are selling for low prices while the cost of everything they have to buy keeps going up.

The NFO offers farmers the opportunity to join together in one purpose—the pricing and the selling of farm products at levels that are fair to those who grow them.

Farmers have been slow to ac-

cept change. When the first steel wheel tractors were introduced, many farmers said the wheels would tear ditches in the fields. When rubber tired tractors came into use, many farmers said the tires would pack the ground and clog it. In the same way, combines were long resisted.

Hybrid corn had to make a long fight for acceptance. Yet who, today, disputes the tractor, the combine, hybrid corn? NFO men plainly feel that the NFO collective bargaining program will be just as generally accepted.

The great heartening fact is that the NFO has made far more progress in organizing farmers than any other group has ever made. Farmers, once they accept change, do it almost universally, just as almost everyone now accepts the tractor, the combine, hybrid corn.

Investigate the NFO thoroughly. It is impossible, short of a

'Until We Run Out of Farmers'

"There are 7 percent less cattle per capita now than 10 years ago, and we are eating 30 pounds more beef per capita than we did 10 years ago.

"As we see it, the chain stores are setting a price farm people cannot live under.

"This simply boils down to a situation where we are 'eating up' our farm population. The consumer will enjoy this until we run out of farmers to eat.

"Then everyone's going to pay the price."—J. H. Jackson, manager, Rifle Production Credit Association, before an agriculture seminar of the Colorado Bankers Association.

long book to describe it fully. This article was written to help farmers realize what it takes to be successful in pricing farm output and to demonstrate that the NFO possesses and puts into use all the fundamentals to do just that.

The NFO is the farmers' tool. It is the tool of, and by, and for the farmers.

What use the farmers make of it, is up to the farmers.

The NFO is the actuality of the organization the farmer pictures in his mind when he says the farmers ought to organize. It can be the fulfillment. Farmers now for the first time have the adequate tool to use in order to successfully price their products and keep pace with the rest of the economy.

It's up to NFO members to give the necessary leadership in agriculture so farmers can start using the NFO collective bargaining program to price their products. This means NFO members must use their reasoning ability and influence to get non members to join the NFO; thus adding their production to the NFO strength and bringing about fair prices just that much quicker.



Shown above is the NFO float which appeared in the July 4th parade in Sidney, Ohio. In the picture are the following: Mrs. Fred Boyer, driving. Her husband is the chairman of the Shelby county grain board; Bob Moon, county chairman, is in the front seat. In the back seat are Leo Buehler, national director and Stanley Platfoot, Ohio state president. On the back of the car are Queen Sue Ann Grey, daughter of Kenneth Gray, RR 1, Botkins, Ohio; and last year's queen, Jane Barhorst of RR 1, Minster, Ohio, daughter of Edward Barhorst.

—Photo courtesy Sidney Daily News.

Producers Need Bargaining Power to Meet Agriculture Problem

(Ed. Note: It is interesting to note that the House Agricultural Committee, after a thorough study, came up with the conclusion that the No. 1 step required to meet agriculture's problem was producers' development of bargaining power at the market place.)

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—Following are the “forward” remarks from a pamphlet Food Costs, Farm Prices, a compilation of information relating to agriculture, recently published by the Committee on Agriculture, House of Representatives).

1. There is an ever-widening spread between the price the farmer receives and what the consumer pays, for food.
 2. Due to the efficiency of our farmers, and notwithstanding the increased costs of processing and marketing, food now is cheaper in relation to the wages received by Americans than in any prior period of our history or in any other country in the world.
 3. The farmer is the least benefited of all our people by the wealth of abundance he has created.
- Over the past 16 years, prices received by farmers for food delivered into the marketplaces have dropped by 12 per cent, while the prices paid by consumers for farm-produced food have increased by 29 per cent.

Americans paid \$76 billion in 1963 for the farm-produced food they consumer—\$26.2 billion or 64 per cent more than their average annual food bill in 1947-49. Of this \$26.2 billion increase in the retail store cost of food, \$23.2 billion, or 88.5 per cent, went to processors and marketing agencies—the middle-man. Only \$3 billion trickled back to farmers, although last year farmers delivered 40 per cent more food into markets than they did annually in the 1947-49 period.

However, due primarily to the exploding efficiency in agriculture and the decline in prices farmers receive, the overall cost of food to consumers in relation to their earning continued to decline, so that in 1963 food costs represented only 18.8 per cent of the average family's income, after taxes. As recently as 1950 food costs represented 22.8 per cent of consumer income.

The 18.8 per cent in 1963 contrasts sharply with food costs in other parts of the world. By the latest figures available to the United Nations, consumers in the United Kingdom spend 29.5 per cent of their income for food, in Russia 53 per cent, in France 30.6, Greece 46.3, Italy 44.7, Yugoslavia 46.5, Ecuador 43.8, Ghana 54.1, Israel 32.3, Japan 46.9, and the food bill covers virtually all of the personal income in some of the more backward countries of the world.

The housewife's preference for processed, precooked, and fancy-packaged foods accounts for a large part of the costs added to food between the farm gate and the retail counter. These costs also have been increased by a very substantial improvement in wages of workers in processing industries and in the merchandizing of food. Without begrudging in any way fair wages for those who handle food, it must be noted that the farmers who produce the food have not enjoyed any improvement in their real hourly income in the 16-year period covered by this study.

The efficiency of our agriculture is reflected clearly in the fact that one farmworker in America produces enough food for 29 persons, while in Europe the average farmer produces enough for 10 persons, and in Russia, under a collective system, one farmworker's production feeds only four or five persons.

American consumers are the greatest beneficiaries of farm programs and food abundance.

The facts are unchallenged that Americans are the best fed people on the face of the earth and they enjoy their food abundance with an investment of a smaller portion of their income than any other people anywhere. And even if the costs of farm programs were added to food bills, food bills would be at vastly greater bargains here than in any other country.

Before a hungry world, our agriculture is America's greatest success story.

But how has the farmer fared from the abundance he has created? The prices he received for commodities delivered into the markets were 5 per cent lower in 1963 than in 1953, although prices in virtually all other areas of the economy increased substantially. The per capita income of people living on farms now is only a little more than half that of non-farm people. And this income disparity persists even though the farm population has decreased from 24,420,000 in 1945 to 13,400,000 in 1963, and the number of farms has declined from 5,966,750 in 1945 to 3,474,000 in 1964.

The fact is that the American farmers as a group are capable of producing themselves into bankruptcy, as many already have done.

As a result of the large reductions in price required to achieve a small increase in food consumption, the rapid rate of technological change which acts as an incentive for farmers to increase production faster than markets expand, and the inability of established farmers to shift their resources into other industries, farmers have produced an abundance of food in recent years even though they receive very low returns for their efforts. Except for the government farm programs farm bankruptcy would be general today.

The fact is that so long as his capacity to produce far exceeds the demands of his markets, the farmer cannot expect to

achieve stability of income and an equitable share of the nations prosperity, unless:

- (1) The producers of the various crops develop bargaining power in the marketplace, as other industries in our free enterprise economy have done, by placing restraints upon production and/or by orderly movement of the commodities into the markets ; or
- (2) The government, by various devices, subsidizes farm income to make up the difference between what the farmer receives in the market-place and a reasonable income representing the investment, management, skill, and labor he invests in the production of food and other farm commodities.

Actually, a very good case can be made on the proposition that farmers now are subsidizing the consumers of the nation by billions of dollars a year, because their income from their investment, management, and labor is smaller and therefore they must accept lower standards of living than their customers who are engaged in the undertakings of other segments of the economy.

The basic difficulty in agriculture is that so many are engaged in the production of a single crop commands a reasonable price in the marketplaces.

In the 1930's the government undertook to remedy this through what we call the farm program. The basic concept of this program was to place in the farmer's hands, for use at his own election, the essential tools employed by other industries since the beginning of the free enterprise system, to command a price by measuring production to fit market demands and/or by orderly movement of commodities into the markets.

The old farm program worked, when the great majority of farmers wanted it to work and were willing to cooperate.

For 11 consecutive years prior to 1953 the average prices paid to farmers were at or above 100 per cent of parity with the rest of the economy. There was prosperity on the farms .

The government, with broad cooperation of farmers, supported the prices of the major storable crops for 20 years at an actual profit of \$13 million to the government. The government made this profit by selling commodities—wheat, corn, cotton, tobacco, rice and peanuts—taken over in price-supporting operations.

Those who depreciate the role of the farm program in that great period of farm prosperity emphasize that the era embraced war and postwar years, when the demands for the products of our farms were high, but they ignore the fact the markets, at home and abroad, for farm commodities have been greater in the last 10 years than during any other period of our history, and they forget that the farm economy collapsed after World War I, and this did not occur following World War II when the farm program was working.

For 11 years—1942 to 1952, inclusive—farmers had bargaining power in the marketplace. Supply and demand were in reasonable balance and farmers enjoyed price insurance through the farm program. But, there was a turnabout on farm policy in Washington 10 years ago. Production adjustment was deemphasized and price supports were lowered. This occurred at the very time the broad strides in efficiency and explosions were creating greater threats of market gluts and depressed prices.

Nevertheless, the new philosophy—lessening restraints on wasteful production and lowering price supports—has prevailed to a marked degree. Production has gone up. Great surpluses have accumulated. Prices have come down. Makeshift programs for the individual crops, for the most part, hold farm income up to some degree, but at great costs.

In the 10 years—1953 to 1962, inclusive—while other segments of the economy have been booming, the net income of agriculture has been \$25 billion less than in the previous 10 years, 1943 to 1952, inclusive. Meanwhile, the Department of Agriculture spent for all purposes in those 10 years \$35 billion more than in the previous 10 years. The cost from 1953 through 1962 were almost \$20 billion more than all expenditures of the Department in the previous 90 years of its history. However, it must be noted that a great part of the expenditures of the Department of Agriculture in recent years have been primarily for the benefit of consumers and for aid of distressed peoples in other countries.

It is not the purpose of this document to propose or espouse any particular farm program or policy, but the information herein does suggest that farmers must again achieve bargaining power in the marketplaces if they are to command a parity of income with others who contribute to the wealth and strength of this nation. Farmers enjoyed this bargaining power from 1943 through 1953, when supply and demand were in reasonable balance, the old farm program was fully effective, and their income was at or above 100 per cent of parity for 11 consecutive years. That program now is a shambles, largely by the farmers' own doing, and 100 per cent of parity for agriculture—generally accepted by the public a decade ago—is hardly any more a dream.

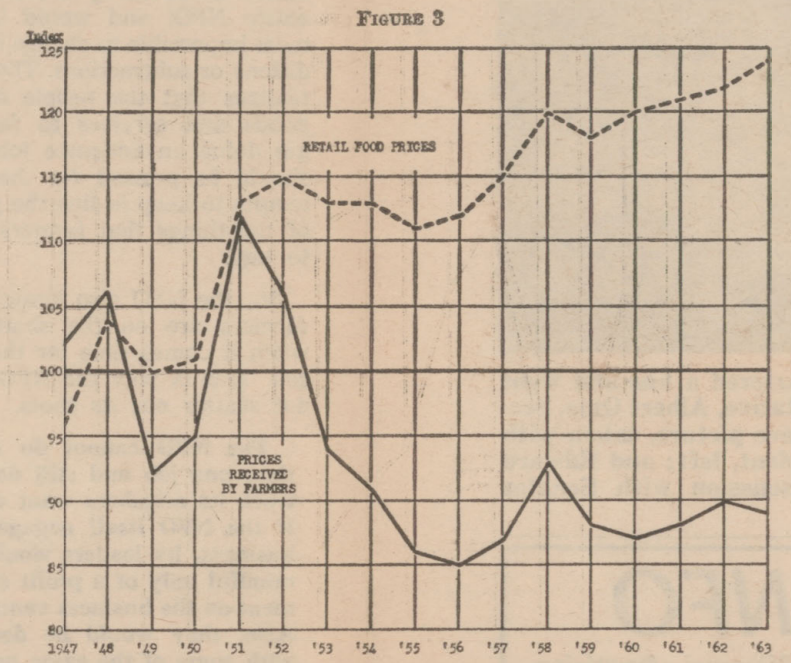
To redevelop the essential bargaining power, with or without government stabilization machinery, will require great unity and cooperation among farmers. Such solidarity, at this writing, appears to be remote indeed. There is great disharmony among farmers as to public policies relating to their well-being.

The future of agriculture, as an enterprise adequately rewarded in the marketplace, is not now encouraging.

I recommend this document, with its wide range of information on agriculture, to all of those who are interested in the trends of food costs, in farm income, and generally in the expectations for agriculture in the years ahead.

HAROLD D. COOLEY, Chairman.

Food Costs—Farm Prices



Prices received by farmers and retail food prices, 1947 to date

[1947-49=100]

Date	Prices received by farmers	Retail food prices	Date	Prices received by farmers	Retail food prices
1947	102	96	1956	85	112
1948	100	104	1957	87	115
1949	92	100	1958	83	120
1950	101	101	1959	88	118
1951	112	113	1960	87	120
1952	106	115	1961	88	121
1953	113	113	1962	88	121
1954	94	113	1963	89	122
1955	86	111	1964	90	124

Source: U.S. Department of Agriculture Statistical Reporting Service and Bureau of Labor Statistics

Farm Prices Down Retail Food Prices Up

The depressing consequences of farmers' lack of bargaining power in our present highly organized economy is nowhere more evident than in the divergent trends of farm and retail food prices in recent years. Processors and marketing agencies—the middlemen between farmers and consumers—experiencing higher costs, have been successful in adding greatly increased charges to the farmers' products before they reach the consumer.

Consumers today pay more for a market basket of food from American farms than 16 years ago, and all the increase in retail prices—and more—goes to the middlemen—none accrues to farmers.

Farmers, producing more and better food products than ever before, are getting lower prices than 16 years ago even though their costs, too, are mounting steadily. Farmers do not have the organizational control which characterizes industry and labor, and thus cannot bargain in the market to maintain reasonable prices. Selling, as they must, in a highly competitive market, except for the price support and adjustment programs on a few key commodities, farmers would bear the full brunt of their overrapid increase in efficiency and production.

Over 85 percent of American consumers' food supplies originate on American farms, and declining farm prices have been offset by rising retail food prices making it difficult, if not impossible, for lower farm prices to encourage increased consumption of food (fig. 3).

★ ★ ★

Wages On and Off the Farm

In 1947, employees in food processing and in the wholesale and retail trade earned an average of \$1.03 an hour, 19 cents less than employees in all manufacturing industries. Although fewer than one-third of the employees are members of labor unions and unemployment exceeded 4 percent of the labor force in 13 of the past 16 years, hourly earnings of food marketing employees have increased every year since 1947.

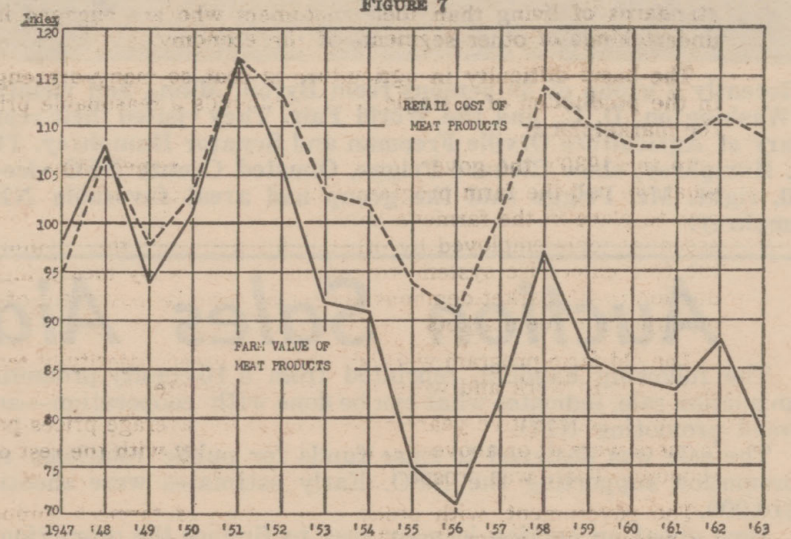
In 1963 food marketing employees earned an average of \$2.17 an hour, over twice their average earnings in 1947, but still 29 cents less than the average of employees in all manufacturing. This steady rise in earnings of employees working for food marketing firms was in sharp contrast to returns received by all labor and management in agriculture.

Food marketing employees' earnings rose steadily, in spite of the high levels of unemployment beginning in 1958 and continuing to the present time. On the other hand returns per hour of farm labor and management declined from 1947 to 1955 and were the same in 1963 as in 1947 (table 2).

FARM VALUE RETAIL COST OF MEAT PRODUCTS

Changes in the farm value and the retail cost of meat products purchased by the average wage earner or clerical worker family were very similar from 1947 to 1951. From the high point (117 percent of the 1947-49 base) in 1951, both the retail cost and the farm value of meat products fell each year, reaching a low in 1956. In 1956, however, the farm value of meat products had fallen to 71 percent of 1947-49 levels, while the retail cost of these products had fallen only 9 percent below the 1947-49 base period.

By 1958 the farm value of meat products had recovered to 97 percent of the 1947-49 level, but the retail cost, due to wider marketing margins, had increased to 114 percent of the base period. Thereafter, the farm value, with the exception of 1 year, dropped steadily, while retail prices experienced only a moderate further decline. In 1963 alone, farm prices of meat products dropped 10 points while retail prices dropped only 2 points, creating the widest marketing margin for meats in the postwar years (fig. 7).



Farm value and retail cost of meat products purchased per wage-earner family 1947 to date

[1947-49=100]

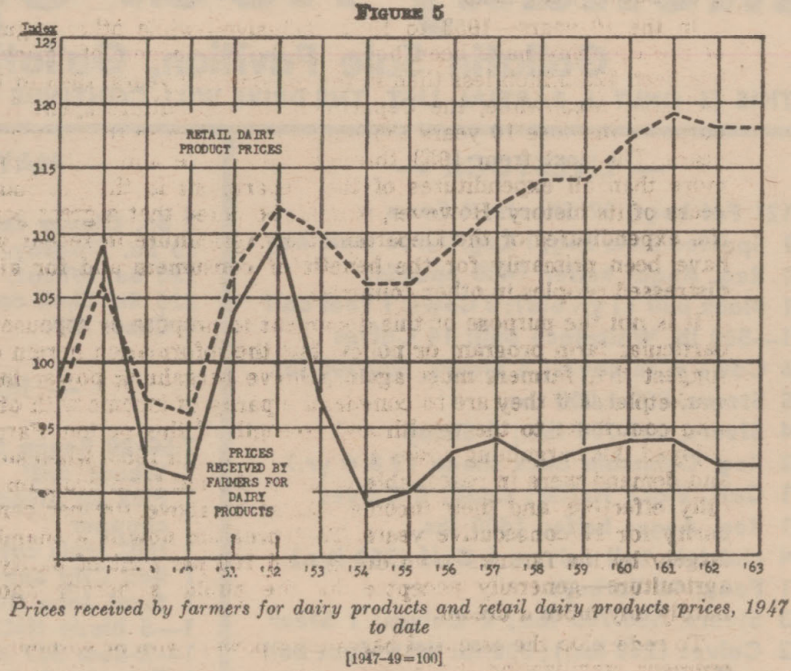
Date	Farm value of meat products	Retail cost of meat products	Date	Farm value of meat products	Retail cost of meat products
1947	98	95	1956	71	82
1948	108	107	1957	78	89
1949	94	98	1958	97	101
1950	101	105	1959	101	104
1951	117	117	1960	98	108
1952	106	113	1961	93	108
1953	92	108	1962	88	111
1954	91	102	1963	78	109
1955	76	94			

Source: USDA Economic Research Service.

FARM RETAIL PRICES OF DAIRY PRODUCTS

Between 1947-49 and 1952, the margin between the retail price of dairy products and the prices received by farmers was relatively narrow. In that year, both the farm price and retail price of dairy products reached a new postwar level; thereafter, farm prices dropped sharply over a 2-year period, and leveled off at between 90 and 95 percent of their 1947-49 base. In 1963, the farm prices of dairy products were 8 percent below the 1947-49 period. Retail prices in the 1952-54 period declined moderately, only to rise again from 1955 to 1961 remaining at 18 percent above their 1947-49 levels in 1963 (fig. 5).

The farm value of a fixed quantity of dairy products in the market basket dropped 5 percent between 1947-49 and 1963, while the retail price increased 18 percent.



Prices received by farmers for dairy products and retail dairy products prices, 1947 to date

[1947-49=100]

Date	Dairy products prices received by farmers	Retail dairy products prices	Date	Dairy products prices received by farmers	Retail dairy products prices
1947	98	97	1956	71	82
1948	108	106	1957	78	89
1949	94	97	1958	97	101
1950	101	105	1959	101	104
1951	117	117	1960	98	108
1952	106	113	1961	93	108
1953	92	108	1962	88	111
1954	91	102	1963	78	109
1955	76	94			

Source: U.S. Department of Agriculture, Economic Research Service and Bureau of Labor Statistics.

SUPPORT PRICES IN OTHER COUNTRIES

Grains—1961-62

Country		Dollar per bushel equivalents ¹				
		Local units	Wheat	Rye	Corn	Barley
Algeria	New francs per metric ton	2.67	0.60	0.62	0.62	0.65
Argentina	Pesos per 100 kilograms	1.16	0.60	0.62	0.62	0.65
Australia	Shillings and pence per bushel	1.76	0.60	0.62	0.62	0.65
Austria	Schillings per 100 kilograms	2.65	2.29			
Belgium	Belgium francs per 100 kilograms	2.77				
Brazil	Cruzireiros per 60 kilograms	2.22		1.12		
Canada	Canadian dollars per bushel	1.29			.89	.85
Chile	Pesos per 100 kilograms	1.40				
Colombia	Pesos per carga	2.81		1.69	1.86	
Costa Rica	Colones per Spanish quintal	2.46		1.79		
Denmark	Kroners per 100 kilograms	1.94	1.74			
Ecuador	Sucres per Spanish quintal	2.32				
Egypt	Egyptian pounds per ardeh	1.63		1.40		
Finland	Finnmarks per kilogram	4.44	4.13			
France	New francs per 100 kilograms	2.29	1.69	1.81	1.59	
Germany (West)	Marks per metric ton	2.97	2.62		2.27	1.18
Greece	Drachmas per kilogram	2.17				
Hong Kong	Shillings and pence per barrel	2.12			1.14	
Ireland	Shillings and pence per barrel	2.12			1.14	
Italy	Lira per 100 kilograms	2.33			2.32	
Japan	Yen per 60 kilograms	8.01				
Kenya	Shillings per 200 pounds	1.99		1.63		.45
Mexico	Pesos per metric ton	2.10				
Morocco	Dirhams per 100 kilograms	2.31	1.68		.85	1.64
Netherlands	Gulden per 100 kilograms	1.95				
New Zealand	Shilling and pence per bushel	2.17				
Nicaragua	Cordobas per fanega	0.82	0.31	1.42	2.23	1.30
Norway	Kroners per metric ton	2.07				
Pakistan	Rupees per maund	2.07		1.82		
Panama	Balboas per Spanish quintal	2.30				
Portugal	Escudos per kilogram	2.30				
Rhodesia	Shilling and pence per 200-pound bag	2.33				
South Africa, Republic of	Rands per 200 pounds	2.33				
Spain	Pescetas per kilogram	2.47	1.69	1.62	1.37	.75
Sweden	Kroners per 100 kilograms	2.38	2.07		1.40	.68
Switzerland	Swiss francs per 100 kilograms	4.11	4.34			
Syria	Syrian pounds per metric ton	2.15				
Tunisia	Dinars per 100 kilogram	2.72	1.41		1.04	
Turkey	Kurrs per kilogram	1.93	1.63		1.08	.45
United Kingdom	Shilling and pence per hundredweight (112 pounds)	2.03	1.63		1.06	1.10
United States	U.S. dollars per bushel	1.79	1.02	1.20	.95	.69
Yugoslavia	Dinars per kilogram	1.38	1.11	1.05	.90	.60

¹ Individual or average, fixed or target, base, floor, or final prices for standard types and grades. The local points vary. Some prices are subject to one or more deductions. Some are gradually increased by specified amounts during a designated period after harvest to offset farm storage costs.

² On Mar. 1, 1962, the Canadian Government increased the price to Canadian \$1.40 per bushel (United States, \$1.39 per bushel), which was made retroactive to the beginning of the current marketing season Aug. 1, 1961.

³ This is the price for corn in 200-pound bags including the bags.

Source: Foreign Agricultural Service. Prepared on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. agricultural attaches and other Foreign Service officers, results of office research and related materials.

What Is Modern Agriculture ?

By Mrs. Fred M. Harris, Lakeville, Minnesota

Modern Agriculture is the Nation's Biggest Industry!

1. Farming employs 7.1 million workers—more than the combined employment in transportation, public utilities, steel, and the auto industry.

2. Investments in agriculture is nearly \$200 billion; equal to three-fourths of the value of the current assets of all corporations in the United States, or three-fifths of the market value of all corporation stocks on the New York Stock Exchange.

3. The investment in agriculture represents \$21,000 for each farm worker as compared with \$15,900 for each employee in manufacturing.

Modern Agriculture is the Good Customer.

1. Farmers spend \$2.5 billion to \$3 billion on new farm tractors

NFO Holding Action Purpose Misunderstood

Buyers Must Come To NFO For Supply To Meet Their Need

The holding action is the most misunderstood part of the NFO collective bargaining program. Many farmers do not realize that the purpose of holding action is to keep enough of the supply from the buyers so they must come to the farmers who are holding, to meet their needs.

When NFO calls a holding action, it is called for the purpose of making farmers bargaining power felt and to get a sufficient number of contracts signed with processors that will stabilize prices and meet the market conditions of the industry.

Many farmers do not realize that they are making the decisions in a holding action, that will determine their future prices. They are really deciding whether they are going to listen to the present buyers who have been buying their products, or whether they are going to join the NFO and be on the side of farmers who are determined to price their products.

Thus, there is no middle ground in a holding action. Farmers are deciding whether they want to continue to receive lower and lower prices with an occasional upturn, or whether they want to put a price tag on their products as all other business men do.

During a holding action farmers can expect present buyers to try to convince them they should sell.

Farmers should just stop and think that the very people who are trying to get them to sell are the very people who have been, and will continue to buy their products at low prices as long as they can.

Every statement made to the press by present marketing interests will try to convince farmers that it is useless and bad to hold, in order to break the holding action.

They will always try to make it appear that receipts are normal, because if they were to admit that NFO was having an effect they know they have been licked. Present marketing interests will fight to the bitter end because they are trying to protect their jobs and their profits at the expense of farmers who are foolish enough to sell out other farmers who are trying to put a price tag on their products.

Buyers will try to convince farmers that they should sell as they increase the price. Anytime farmers seem to be getting determined to price their products and NFO starts building for a holding action, price rises are certain to come. Farmers who think they are taking advantage of a price rise during a holding action, are only taking advantage of the efforts of other farmers and instead of realizing a benefit, they are buying future low prices. Therefore, farmers are making decisions.

Do they want more punishment at the market place, or do they want to price their products? They have been letting "George" do it for a long time. "George" has gotten them where they are today.

Now isn't it time they started doing it themselves?

The purpose of future NFO holding actions will be to bring about the signing of additional master contracts, so all the master contracts signed can be activated.

Many processors have already signed master contracts, which stipulate that upon activation of those contracts, they will pay \$22.75 per hundredweight, base price for hogs; \$32.45 per hundredweight, base price for choice steers; \$6.05 per hundredweight, base price, for Class 1 grade A milk; and \$5.00 per hundredweight, base price for manufactured milk.

NFO master contracts for grain call for not less than \$2.75 per bushel for soybeans, \$1.49 per bushel for corn, and fair prices for other minor commodities.

This simply means that many processors already realize that unless they have a contract with NFO, they will have no assurance whatsoever that they will be able to get enough production to meet their needs.

These processors are facing the facts at hand as all good business men should. They are protecting their own interests, by getting in on the ground floor.

The NFO prices stipulated in the master contracts will start being paid to NFO members just as soon as the 60 per cent activation figure has been reached.

NFO is not battling to get its first master contract signed. That battle has already been won. It is battling to meet the activation clause, so NFO members can start receiving fair prices.

Those who say that NFO prices are too high, forget that farmers have received these prices in the past. They have received even higher prices, and at a time when the prices of products they had to buy were much cheaper than they are today. NFO is not battling for prices that farmers have never had.

Those who prophesy doom for agriculture if farmers start receiving NFO prices are really just trying to keep farmers under their thumb, because when farmers were receiving prices at least equal to NFO prices, we had the greatest prosperity for farmers and rural America that had ever been known and there was no pronounced increase in production.

Everyone else's prosperity has increased while farmers' income has dropped.

So when farmers decide whether to sell or to hold in a holding action, they are deciding their own future. They are deciding whether they want more of what they have had and more of the people who gave it to them, or whether they are willing to stand together and put a price tag on their products like everyone else does.

They must not think about selling just one load of hogs or one load of cattle. Their decision will determine how they sell their future production.

Whose side are they on—their own or someone else's?



Recently a group of 39 persons from Byron, Minn., and vicinity chartered a bus and went to Washington, D. C., and the World Fair. They visited their representative, Albert Quie, Secretary of Agriculture Orville Freeman and Senator Humphrey. The above picture, taken with Mr. Humphrey, show Richard Prigge, Olmsted County NFO vice-president, left; and Edward Voll, right. Mr. Prigge said the group had areal favorable NFO discussion with Senator Humphrey.

Auction Sales Aid NFO

The following handbill, reprinted from a 10-county promotion in Missouri advertising an auction sale, indicates what can be done with cooperation—and what can be done toward promoting NFO.

The sale was designed to raise funds for public relations, radio, TV and newspaper promotion supporting the NFO. Early estimates were shooting for raising at least \$10,000.

How about an auction in your area to finance the promotion of NFO activities in your area? With a little organization, a lot can be accomplished.

Just look at this imposing handbill from a 10-county area in Missouri. The sale was scheduled at the Gallatin Sale Pavilion, Gallatin, Missouri:

10 COUNTY AUCTION SALE

Sponsored by N.F.O. Members of the following Counties: Harrison, Ray, Clay, Caldwell, Clinton, Livingston, Linn, Carroll, Chariton and Daviess.

Donated Commodities for Rural Area Public Relations, Radio, T.V. and through Newspaper Media.

Monday AUG. 3, 1964

Gallatin Sale Pavilion, Gallatin, Mo.

THIS IS ONLY A PARTIAL LIST. THE DRIVE WILL CONTINUE UNTIL THE DAY OF SALE.

— LIVESTOCK —

121 Fat hogs; 32 Shoats; 4 Sows
1 Spotted male hog; 1 Reg. Duroc male hog
1 Reg. Angus heifer (400 pounds)
1 Black bull (1 yr. old); 3 Cows; 1 Veal calf
1—500 lb. Whiteface bull; 14 Calves
6 Cows with calves; 4 Steers, 600-700 lbs.
5 Steers, 800-1,000 lbs.
4 Steers, 600-700 lbs.; 2 Sheep
2 Reg. Columbia buck sheep (3 & 4 yr.)
1 Calf, Black Heifer, small; 5 Calves
1 Reg. Angus heifer (400 lbs.)
4 Holstein bull calves; 1 Calf (350 lbs.)
1 Pony; 40 Turkeys
3 Steers, 600-700 lbs.; 2 Calves; 1 Steer
2 Calves (250 lbs.); 500-lb. Whiteface bull calf
1 Cow; 5 Cows with calves; 1 Cow
1 Cow; 1 Cow and calf; 1 Cow
1 Spotted male hog; 1 Pony
1 Reg. Duroc male hog
2 Reg. Columbia buck sheep (3 & 4 yrs.)

— HAY and GRAIN —

1 Bu. Clover seed; 290 Bales hay
20 Bu. Timothy, cleaned; 30 Bu. Wheat
220 Bu. Wheat, cleaned; 15 Bu. Rye
225 Bu. Shell corn; 580 Bu. Corn
4 Cases Oil

— MACHINERY —

7.50x20 Recap tires; 1 Seed cleaner;
Wheat drill
1 Pick up attachment for Gehl field chopper
1 IHC stalk cutter; 1 Ford field cultivator
1 Bell City one-row corn picker
1 Semi John Deere picker to fit on Ford
1—5 Blade IHC stalk cutter
1—2-Row 227 Mounted corn picker
1 Superior fert. spreader; 1—2-Row lister planter
1 John Deere stalk cutter
1—4-Row John Deere rotary hoe
1 Dump bed (for truck)
1 Side delivery Ford rake
1 Set half tracks for Ford

Food and drink will be served throughout the day by ladies of the N.F.O.

NATIONAL FARMERS ORGANIZATION

Washington Wire

Washington, D. C.—Johnson Administration farm experts admit privately they will have to be fighting a back-to-the-wall holding type action, NFO style, to keep income supporting farm programs as they are over the next five years.

The key to official thinking on farm programs, which your WIRE has checked, is in a widely overlooked statement made by Agriculture Secretary Freeman at a recent press conference.

"We might go to the farmer and tell him the last four years have never been better, and that the next four years will be better," Freeman declared.

"We won't do that, however," he added.

"Instead, we will seek to encourage better understanding among city and urban families of the needs and problems which farmers face in adjusting to galloping productivity.

"While farm income during the Kennedy-Johnson years has been consistently above the level it was when we assumed office, it is nowhere near where it should be. The income per person in farming is still only 60 per cent as good as the non-farmer earns.

The Administration's switch from traditional campaign appeals direct to farmers means the battle in the coming elections over farm programs, and income for the farmer will be fought as much in the big metropolitan centers as in rural areas.

Action such as that by flour millers in blaming higher flour prices on farmers and the new wheat program, has brought on the new kind of war over farm programs. Earlier, Farm Bureau representatives helped set the stage by carrying loaves of bread around in the Nation's capital warning city congressmen of higher bread prices if the new wheat program were approved.

News stories fed to big city newspapers by milling interests have been making it appear that wheat is 70 cents per bushel higher this year because of subsidies to the farmer.

What kind of farm programs can farmers expect out of the coming elections—regardless of who is in power? One high level farm adviser to the Administration told us, and he represented the consensus:

"Whatever new farm programs we might be able to go for, will call for more and more responsibility on the part of farmers.

"The big trouble is lack of farmer muscle in Congress. And you can add to this—Incomplete farm news from Washington, pressure by food industry lobbies on political parties and Congress, food industry stooges in some farm organization, and farm area publisher pressure on Washington news correspondents."

Prospects over the next few years in agriculture—your wire has investigated view in Congress and in the government agencies. Here's what to expect:

1. A big reshaping of price supports and direct payments. They will be cut—not so much directly on each production unit, but supports and payments to be available only on production needed for domestic use, export and reasonable carryover.

2. BUT—the trend of income-bolstering programs will still be down, a gradual whittling away rather than falling with a big thud.

3. New farm programs, to avoid too much public criticism, will have to assume patterns that provide less government interference with production and prices. "Voluntary" will be the key word, rewards to go only to compliers.

4. The federal agricultural budget will continue to be a big obstacle for any new farm program. Promoters of a "free agriculture" for farmers and big city newspapers still will report the loan program as big "costs" to the taxpayer though the government gets most of the loan money back.

5. Feed grains are headed for a cut. Expect a rejugling of farmer benefits. At press time, USDA was planning to announce some of the 1965 details this summer—in time to let winter wheat growers have some idea of how the two programs jibe.

6. Ditto on the trend in cuts for other supported commodities, cotton, tobacco, peanuts. Look for a new try at cutting supports for soybeans though the crop has been selling for well over supports for a number of years.

Some soybean grower "representatives" have been feeling out USDA, pushing for a support cut ever since supports were boosted from the former \$1.85 a bushel.

7. No programs at all in sight for such perishables as live-stock, poultry, and fruits and vegetables.

What about farm income? How will farmers make a living? Your wire is making a survey of official sources for income prospects and results will be presented in a later report.



NATIONAL FARMERS ORGANIZATION OFFICERS are shown at an officers meeting at Goshen High School. These men will direct the activities of the newly organized Orange County, N. Y., NFO Chapter. Seated: Samuel Pruiksma of Westtown, vice pres.; Robert Browne of Campbell Hall, N. Y., president; Martin Van Der Heide, Unionville, secretary, and Bert Van Haaster, Goshen, a member of the bargaining committee. Standing are John Kyepekma, Westtown, a member of the bargaining committee; Clifford Rudy, Pine Island, trustee; and three other bargaining committee members, Woodrow Doty, Warwick, Seymour Van Der Veen, Middletown, and L. J. Smit, Campbell Hall. Other officers are Garry Van Der Weert of Goshen, treasurer; Henry DeVriese and Paul Bouman of Washington, trustees, and Jacob Klein, Monroe (member of bargaining committee). The nationwide organization chartered in 22 states, is a collective bargaining agent which describes its goal as "better all-around conditions, through a better price for his product for the American farmer, the backbone of the nation." Meetings are held on the 2nd Wednesday of every month in the Goshen High School cafeteria (in the rear of the building).—Photo by O'Dell

Soybeans Released

Group Sales Are Being Organized

Soybeans under the voluntary grain sales agreement were released as of 8:00 A.M., Monday, July 13, 1964. All members eligible to resell, were urged to do so.

Group sales are being organized. This is expected to result in a price advantage over local market prices for members participating in such sales. Those members planning to sell soybeans contact their NFO county grain bargaining chairman or NFO county president.

In recapping the NFO soybean efforts, a few facts are evident. First, without the NFO effort the price of soybeans would never have been above \$2.25 to \$2.30 per bushel in most areas. The price would have stayed close to the loan rate.

Second, NFO's announcement of the voluntary grain sales agreement on soybeans last fall, brought about a fictitious market. The announcement was timed so as to hit just after harvest started so farmers would store. This they did.

Third, the fictitious market was the unexplained abrupt price rise during the latter part of harvest. This was unheard of in the past, and it happened in the face of the largest crop on record being harvested plus a carry over.

NFO expected farmers to be able to see that it was the NFO efforts that were raising the price—but instead, many of them decided the price of soybeans was going to go to \$3.00 per bushel without any effort on their part. The general statement heard from farmers was "I am going to sell my soybeans when the market hits \$3.00." Of course, it did not.

The buyers again outsmarted the farmers. They lulled them to sleep once again with such

feeble excuses as the reason for soybean prices jumping was the sale of wheat to Russia. Who ever heard of any wheat sales having so much effect on the price of soybeans?

Farmers must learn that when they are having an effect on the market, they are winning. That is the time to hold tight and increase their strength—not the time to be lulled to sleep by buyers and kept in the position of selling as individuals at the prices the buyers want to pay.

Where do we go from here? The NFO voluntary grain sales agreement was a sound program. Anytime farmers under the banner of NFO, bring together 200 million bushels of soybeans for the purpose of bargaining together, they are going to win. There are many things they can do at that point.

The best step for success in grain bargaining is storing at harvest time. This fall, NFO members will be urged to store their soybeans at harvest time.

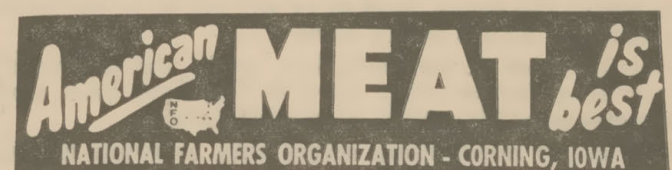
The voluntary grain sales agreement will not be offered until 2 or 3 months after harvest. Why? Simply because last year, the NFO offered farmers the opportunity to win the soybean battle in one year. But too many of them were lulled to sleep by the idea that NFO had had no effect on the price of soybeans.

This fall, NFO will let the farmers who are going to sell anyway take the \$2.20 to \$2.30 per bushel for their soybeans at harvest time. All farmers will then realize exactly what affected the price last year.

NFO efforts at harvest time will be directed toward getting soybeans stored and then those who store can be given the opportunity to bring their soybeans under the voluntary grain sales agreement for the purpose of bargaining together. The price advantage gained then, will be just that much more than the farmers received who sold at harvest time.

New Bumper Sticker Ready . . .

American MEAT is best



"No-one should object to using a bumper sticker that reads, 'American MEAT is best,'" says Victor Ballmer of Evansville, Wisconsin. So, he designed one for NFO members and friends.

Roger Johnson, Inc., suppliers of NFO promotional items, produced the sticker which was financed by Ballmer and the Wisconsin group.

This sticker is more than twice as big as the regular NFO Bumper Stickers. It's 3 3/4" wide and 15" long. It should be welcome anywhere. All farmers should be willing to support an American MEAT campaign. Farm machinery dealers, feed companies and other farm suppliers should also use it on bumpers, in exhibits, windows and other displays.

The stickers are available in any quantity at only 10c each from Roger Johnson, 3212 Ingersoll Avenue, Des Moines, Iowa 50312. Order a few for your own use.

A REAL PROMOTION FOR LOCAL, COUNTY, DISTRICT, STATE FAIRS, PICNICS, AND ALL OTHER CROWD GATHERINGS.

Fair Time Is NFO Time

Thanks again to each & everyone of you for your splendid cooperation in helping Promote NFO.

Through this Fine Cooperation and working together, between January 1, 1964 to July 6th, we had an estimated total of over 2 Million (2,000,000) Farm People attending NFO Meetings of all types. Millions more watched NFO-TV Programs on the "MIDWEST FARM REPORT" on a total of over 50 Television Stations. For the first 4 months of 1964, we averaged over 200 NFO Meetings per night—6 nights per week.

Credit for much of this success should go to County Officers, Publicity Chairmen and others who have done terrific jobs of getting people out to "WHOLE HOG SAUSAGE FEEDS" and getting news coverage, both before and after these large meetings.

This is the true NFO spirit that is really needed and will establish . . .

JUSTICE FOR THE AMERICAN FARMER

MUCH PLANNING, a great amount of activity, many small and large meetings and PLENTY OF HARD WORK ON THE PART OF EVERYONE is telling the NFO Story to America.

It is estimated that our present TV Listening America alone, on "MIDWEST FARM REPORT": is currently over 1 (one) Million every week!

This year it is more important than ever before, that EVERY COUNTY have an NFO BOOTH at their local County Fair . . . Area Fairs . . . State Fairs . . . and all State and National Farm Events.

These booths should be well decorated with plenty of attractive NFO Banners and staffed by a good live wire group of NFO People . . .

ANXIOUS TO GET THE NFO MASTER CONTRACT WORKING !!

At least 2 members, who are experienced at signing NFO Membership Agreements, should be on duty at all times. GET THAT FRIENDSHIP ON PAPER !!!!

One of the important Goals of these NFO Displays (Booths) should be a well rounded out supply of Roger Johnson NFO Promotional Items, so every member can stock up on membership signs . . . stickers . . . pins . . . tie bars . . . bolo ties . . . pocket savers . . . ball point pens . . . etc.

Encourage every NFO member to BE A PROUD NFO MEMBER !!!!!

SPECIAL EFFORT should be made at once to get every possible NFO Membership sign and NFO Barn Sign and NFO Road Signs up NOW . . . Before Fair Time and Vacation time.

Midwest Farm Report "Operation Telephone" NFO Television Series

Dear NFO Leaders, Members, Prospective Members and Loyal NFO Supporters:

More and more NFO TV listening areas are realizing the full value of telling the NFO story on television and are signing long time contracts for TV time.

Many more NFO members and leaders are realizing that none of us can afford to sit back and wait until our farm investment is worth only 50c on the dollar before we buckle down to REALLY WORKING and DOING EVERYTHING POSSIBLE to solve this farm problem.

Some may say we can't afford to do this or that but . . . CAN WE AFFORD NOT TO DO EVERY SINGLE THING WE KNOW TO DO ? ? ? The facts of the case are that the price of a full year's—1/2 hour TV program on Sunday afternoons will be less than the value of 20 acres of land in any given TV area.

If we sit idly by until our farm investment is worth only 50c on the dollar, most of us will not be in the farming business. LET'S DO IT NOW !!!

Auction sales of livestock, hay, grain and machinery or anything farmers may have to sell, have been most successful in raising NFO promotion funds.

Real active membership drives with everyone helping have also been excellent to raise funds.

CHARLES MIX COUNTY, SOUTH DAKOTA, HAS JUST FINISHED GETTING 85 NEW MEMBERS IN ONE WEEK'S TIME.

POINTS TO REMEMBER IN PROMOTING NFO:

1. Keep in mind—No One is going to do the job of solving this farm problem for us. WE MUST DO IT OURSELVES !!!
2. Remember—All farmers will join NFO and support our efforts, just as soon as they understand our program. LET'S KEEP TELLING THE NFO STORY!
3. Don't forget—Our grandfathers would have done something about our farm problems if someone hadn't kept them divided. LET'S DON'T LET ANYONE DIVIDE US !!!
4. THE SIZE OF THE DOG IN THE FIGHT, IS NOT AS SIGNIFICANT AS THE SIZE OF THE FIGHT IN THE DOG !!!

OUR FARMS AND OUR WAY OF LIFE ARE WORTH FIGHTING FOR . . . NOT A SINGLE ONE OF US CAN AFFORD TO SIT HOME AND GROWL!

W. W. "BUTCH" SWAIM
National NFO Promotion Dept.



HELPFUL NEIGHBORS—Members of the National Farmers Organization, friends and neighbors of Norwood Townsend, gathered at his farm in the Montezuma, Kentucky, section and at some other land he has rented near Wheatcroft to plow, disc, and plant 150 acres of corn and soybeans. Some 26 tractors were involved in the neighborly deed. Townsend suffered a heart attack recently and is unable to work. Also at noon Carmon Pullam of Hart Gas and Oil Co., Providence, pulled into the fields with a tank truck of gasoline and filled the tractors. In the two pictures are some of the men who helped. In the top picture, front row, left to right: Raymond McVey, Basil Jones, Danny Gardner, Ellis Gardner, Kenneth Hammack, and Paul Mammack. Back row, left to right: Gip Anderson, Gammon Herrin, Fred Gardner, Emerson Carlisle, C. H. Hammack, Ben Carlisle. In the bottom picture, first row, left to right: W. J. Rhea, Jr., Gary Williams, Mike Wright, Travis Combs, J. B. Wright, Back row, left to right: Carmon Pullam, Erskine Asher, Tom Tudor, Dink Marshall, Steve Knight, Virgil Woods, R. C. Edwards, Pete Mitchell, Carvil Hanor. Others who helped but are not in the picture were: Tom Freeman, Lyhue Springer, R. G. Hammack, Roy Welch, Albert Williams, and Lloyd Whitlege.

NFO Calendar of Activities

July 4—New Auburn, Minn.—Noon—Holst.
July 5—Marshall, Minn.—Staley.
July 6—Town of Nowthen, Minn.—Kanerva.
July 7—Washington, Iowa—John Engels.
July 6—Chillicothe, Mo.—Rhea Hackler.
July 8—Hymera, Ind.—Leo Beuhler.
July 9—Brittain, S. D.—John Oster.
July 11—Huron, S. D.—John Oster.
July 11—Prior Lake, Minn.—Pfingsten.
July 11—Pigeon, Mich.—Uteley.
July 12—Kasson, Minn.—George Rice.
July 12—Evansville, Wis.—Dr. Mueller & Ed Graf.
July 13—Hector, Minn.—Pfingsten.
July 14—Guttenburg, Iowa—Holst.
July 14—Pontiac, Ill.—Potter.
July 14—Richmond, Minn.—Kanerva.
July 15—Ft. Recovery, Ohio—Al Herman.
July 18—Clinton County, Mich.—Al Herman.
July 18—Park Rapids, Minn.—Kanerva.
July 19—Vinton, Iowa—Holst.
July 19—Finlayson, Minn.—Kanerva.
July 1A—Cottonwood Co., Minn.—Staley.
July 21—Belleville, Kan.—John Engels.
July 21—Ottawa, Ill.—Potter.
July 21—Campbellsville, Ky.—Wilhoite.
July 25—8th Cong. Dist. in Ohio—John Engels.
July 25—Hillsboro, Ohio—Al Herman.
July 26—Anderson, Ind.—Jim Merritt.
July 28—Alexandria, S. D.—Earl Riediger.

July 30—Concordia, Kan.—John Engels.
July 30—North Branch, Mich.—Kanerva.
Aug. 1—Culvertson, Nebr.—Pfingsten.
Aug. 1—Rising Sun, Ind.—Uteley.
Aug. 2 or 9—Bluffton, Ind.—Uteley.
Aug. 3 or 10—Iowa Falls, Iowa—Staley.
Aug. 6—Mt. Vernon, Ill.—Willard.
Aug. 6—Dennison, Iowa—Sickels.
Aug. 6—Florida, Mo.—Pfingsten.
Aug. 7—Mitchell, S. D.—John Oster.
Aug. 8—Marshall, Mo.—Staley.
Aug. 12—Michigan Fair—Staley.
Aug. 15—Manchester, Iowa—Holst.
Aug. 18—NFO Day, Illinois State Fair—Staley.
Aug. 29—Crescent City, Ill.—Pfingsten.
Aug. 29—St. Louis, Mo.—Glen Uteley.
Sept. 9—Gregory, S. D.—Pfingsten.
Sept. 12—Warren Co., Ill.—Staley & Pastor Mueller.
Sept. 12—Reedsville, Wis.—Ed Graf.
Sept. 26—Aitkin, Minn.—Holst.
Sept. 26—Detroit Lakes, Minn.—Pfingsten.
Sept. 26—Rockford, Mich.—Kanerva.
Oct. 3—Watertown, S. D.—Staley.
Oct. 24—Winona, Minn.—Staley.
Oct. 24—Salem, Mo.—Pfingsten.
Oct. 27—Topeka, Kan.—Staley or Pfingsten.
Nov. 18—David City, Nebr.—Pfingsten.
Nov. 30—Elmwood, Ohio—Pfingsten.
Dec. 12—Madison, Nebr.—Pfingsten.