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HSUS wants to educate America's students

By portraying itself as an organization dedicated to the rescue of homeless pets, the Humane Society of the United States has become a fundraising machine that spends more time and money fighting animal agriculture than supporting shelters.

While most agriculture producers are aware of the anti-ag slant of the organization, it may come as a surprise that the HSUS is infiltrating elementary school classrooms via its newspaper, "KIND News," which is published five times per school year at three different reading levels.

"Recognizing a child's natural love for animals, our award-winning classroom newspaper has reached two hundred million students nationwide and has become the most widely used humane education resource for teachers, parents, and animal sheltering professionals," proclaims the group's website.

Virtually anyone can arrange for the newspaper

to be delivered to any elementary school classroom in the country through the "Adopt a Classroom" program. As a result, parents do not necessarily know that their children are being subjected to the views of HSUS.

While the website contends that the focus of the newspaper is to "teach children the importance of treating animals with kindness and respect," the actual content of the newspaper has gone beyond that scope. In April of 2010, Lincoln, Nebraska, schools pulled "KIND News" from its classrooms after discovering that the front page showed a child wearing a gas mask and posed this question to third and fourth graders: "What if you had to wear a gas mask to play in your yard?"

According to the article, factories have replaced the rolling hills and big red barns once considered typical of farms. The article described agricultural areas affected by swarms of flies,

harmful gases and rivers tainted by animal waste.

Children were urged to write the U.S. Department of Agriculture, the U.S. Environmental Protection Agency and lawmakers about their concerns.

That content seems to go well beyond the topics listed on the website, including "pet licensing, the need to properly train pets, spaying and neutering, problems associated with wild animals as pets, and the vital role animal care and control agencies play in the community."

For the 2011 school year, HSUS has gone one step further in its bid to influence the nation's young people. Carolina Pad™, a manufacturer of school and office supplies, has teamed up with HSUS with a collection of school supplies, entitled "Stand Up!."

Heidi O'Brien, student outreach director for HSUS, said, "Every day, we work with young people who care deeply about animals and want to use their

passion and unique talents to help."

"There is no cause closer to my heart than animals," says Carolina Pad designer Liz Diller, creator of the Stand Up! line. "Inspiring others to help them through my designs is the perfect intersection of my work at Carolina Pad and the causes I support."

Products in the "Stand Up!" line carry messaging central to The HSUS' ideology – Speak Out, Love and Respect.

Feedstuff's Mark Klaus warns that "parents unfamiliar with HSUS might find the 'speak out, love and respect' theme a refreshing tone if displayed next to supplies that feature cartoon characters or celebrities. Such parents most likely give their children meat for meals, yet they might feel that supporting a 'cause' such as HSUS is worthy of a check. Worse yet, they might begin to believe the misinformation about agriculture presented by HSUS."

President's Report



By Deb Dressler
North Dakota

Engaging in farm bill forums and debates is important

Summer greetings to all WIFE members. Sunday, July 24, the home ranch Kyseth, Osterwind Dressler celebrated 125 years of continuous family ownership. The day started with church service, trail ride, and barbeque followed by program with history and special music. Approximately 240 people attended the gathering. The weather was perfect and the fellowship lasted well into the evening.

North Dakota recently held farm bill forums across the state to gain input from local producers on what they want in the 2012 Farm Bill. Those at the southwest North Dakota meeting requested permanent disaster aid, SURE, and a safety net for producers. Under all the proposals so far, the 2012 Farm Bill may bring even deeper cuts for agriculture than in the 2011 budget.

The fiscal 2012 budget in the House would cut \$30 billion from commodity programs and crop insurance, \$18 billion from conservation, and \$127 billion from the nutrition programs - a total of a little less than 15 percent for all three than this year. One issue that is going to influence congressional attitudes about the 2012 Farm Bill is that we've had

biggest commodity price increases in history. The likelihood of doing much on the farm bill this year is slim; agriculture friends in the House are monitoring whether it is a good time to begin the farm bill debate.

Farm bills impact who can farm, how they farm, the types of food that can be grown, and the price of certain food at the grocery store. What happens with the 2012 Farm Bill is a matter of concern for everyone, not just farmers. So far, the House Agriculture Committee's hearings suggest the top debate for this farm bill will be whether government support programs are being used responsibly and effectively. House Committee Chairman Colin Peterson says that he is looking to make fundamental changes and that everything is "on the table." USDA Secretary of Agriculture

Tom Vilsack has emphasized the importance of local food systems.

Seventy-five percent of the Agriculture Committee's budget is the

Nutrition Programs. USDA Food and Nutrition Service is studying use of program funds at farmer's markets to lead to greater consumption of fruits and vegetables.

I urge all members to attend any farm bill forums and to reply online at comment sites. WIFE needs a farmer and rancher friendly farm bill. We all need to tell our story wherever

we are.

Another issue of interest on the forefront is the proposed regulation that would require producers to have commercial drivers license (CDL) to haul crops and livestock.

May you all have a safe harvest, and I hope those of you in drought receive moisture soon. Happy Trails until next month.

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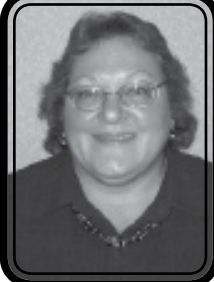
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Under all the proposals so far, the 2012 Farm Bill may bring even deeper cuts for agriculture than in the 2011 budget.

Cereal Grains Report



By Lisa Goodheart
Kansas

Mexico showcases benefits of DDGS

Mexico has become an international showcase for the benefits of U.S. distiller's dried grains with solubles (DDGS) utilization. It has become the U.S.'s second-largest market for DDGS, and the country is being used to show other delegations uses for DDGS.

The U.S. Grains Council's Latin America and Caribbean Region office recently escorted a team of Ecuadorian feed millers and nutritionists to see the use of U.S. DDGS firsthand. They were encouraged to interact and share questions with the Mexican feed millers about DDGS use, and seeing the process in use helped the Ecuadorian team visualize using the product themselves. Ecuador has imported DDGS in the past and is currently considering resuming those imports.

The U.S. Grains Council recently organized a mission from China to visit the U.S. in order for their DDGS regulatory team and others to gain a more thorough understanding of the production and use of DDGS. The goal of this tour was to give them a background on DDGS and ethanol production, processing and methods of shipping DDGS around the world.

The group covered everything from shipping standards and requirements and the Renewable Fuels Standard and how it impacts ethanol production within the U.S. Time was also spent in several ethanol plants in the Midwest where the delegation got a firsthand look at the ethanol and distiller's grains production process, and a tour of container load-out facilities gave a firsthand look at DDGS shipping.

Promotion of DDGS in the Middle East has had two obstacles: ethanol has been viewed with suspicion as a possible

competitor to oil, and DDGS was seen as an offshoot of the forbidden alcohol trade. Two years of marketing efforts by U.S. grain farmers, bolstered by Market Access Program (MAP) and Foreign Market Development (FMD) program funds, has raised the positive profile of U.S. DDGS in the region. As a result of those efforts, the first commercial shipment of U.S. DDGS was shipped to Aqaba, Jordan. Teams from throughout the region were escorted to the U.S. for meetings with exporters and field visits to corn farms and ethanol plants.

The U.S. Grains Council also conducted a 60-day feeding trial with Ham-moudeh, Jordan's largest milk producer and poultry integrator. The tests showed

DDGS improved both milk production and cost savings on feed ingredients. Exports of U.S. DDGS to the Middle East region have grown to 107 thousand metric tons, a 54 percent rise over last year.

The council believes that the Middle East region has the potential to import upwards of two million metric tons of DDGS per year while opening the door for other U.S. farm commodities.

Many foreign markets have drastically increased their imports of U.S. DDGS, including Chile, Morocco, Egypt, China, Japan and Thailand. The council conducts educational seminars and feeding trials around the world to increase awareness of the U.S. feed ingredient.

Vinton receives scholarship

Rebecca Vinton of Nebraska is a national Foundation for Agricultural Education and Development (FAED) scholarship winner.

She submitted the following thank you to WIFE and FAED members:

"I would first like to thank WIFE/FAED for the Marilyn Spiker Memorial Scholarship; it is an honor to be chosen as this year's recipient. I have been raised in the Sandhills of

Nebraska south of Whitman. I live and work on a cow calf operation that is owned by my family. Since kindergarten I have been almost always the only girl in my class, which made my education very unique and fun. I graduated first in my class and am now looking forward to attending the University of Nebraska at Lincoln.

In Lincoln, I will be able to expand my knowledge of career choices within agriculture beyond the cow calf sector. I plan to major in animal science and proceed to veterinary school. I am very passionate about agriculture, not only my own background area, but I care about all areas of agriculture, and in the future I hope to promote and be a leader in the field of agriculture."





By Frances Rohla
Nebraska

Pork Report

Pork industry is losing market share without FTA agreement

Exports are vital to the U.S. pork industry, which shipped nearly \$4.8 billion of pork last year. This amount added about \$56 per head at the market. The U.S. pork industry would be out of three markets in 10 years if the United States fails to implement the Free Trade Agreement (FTA) with Colombia, Panama, and South Korea before Congress' August recess, according to Doug Wolf, National Pork Producer Council (NPPC) president from Lancaster, Wisc.

During the World Pork Expo in Des Moines, Iowa, the first part of June, Korean Ambassador Han Duk-soo said the pork industry is a key to the free trade agreement between the U.S. and Korea to continue without problems. Duk-soo stated that Korea is the size of the state of Georgia, but they do not have enough food to feed their population. The Korean National Assembly consists of 299 members with 171 in favor of the free trade agreement as of the first part of June.

NPPC President Wolf said that the U.S. has not passed the FTAs, but our competitors have negotiated their own agreements with Colombia, Panama, and South Korea, and the U.S. has lost out its market share in those countries.

The European Union's trade agreement with South Korea went into effect July 1, and Colombia and Panama are nearing completion on deals with Canada.

After 50 years, the Chicago Mer-

cantile Exchange (CME), launched in 1961, will be no more. Bacon was once used to be the anchor product at CME for slaughter houses and food companies hedging price risks and speculators on price direction.

The bacon business has changed, with consumers eating more year-round instead of just BLTs.

In May, CME informed regula-

tors it was deleting its list of storage warehouses approved to take delivery of 40,000 pound contracts. There were only 185 contracts that changed hands going back to July 2010. Pork belly prices are measured by the U.S. Department of Agriculture.

Sources: "Pork Bellies," *Lincoln Star*, July 19, 2011; "Duk-soo," *Midwest Ag Journal*, July 11, 2011

FAED awards scholarship

Mercedes Stein of Langdon, North Dakota (ND), is a national winner of the \$500 Marilyn Spiker Memorial Scholarship from the Foundation for Agricultural Education and Development (FAED).

Mercedes graduated from Langdon Area High School May 29, 2011, and will be attending North Dakota State University in Fargo. Her plans are to go into Pharmacy. She is the daughter of Cregg and Lori Stein and granddaughter of Gerald and Phyllis Howatt and Doris Stein, all of Langdon, ND.

Both her mother, Lori, and grandmother, Phyllis, are WIFE and FAED members. Phyllis is pictured above presenting the scholarship to Mercedes.

FAED strives to educate the public on the importance of agriculture to the welfare of the national economy. FAED is the educational arm of Women Involved in Farm Economics, which is a grassroots organization committed to improving the profitability in production agriculture.





By Klodette Stroh
Wyoming

Sugar Report

Government should look beyond agriculture for its budget cuts

July 4, 1776, is celebrated because it is the day when the Continental Congress adopted the final draft of the Declaration of the Independence. We celebrate the Fourth of July to remember our freedom and all the fallen heroes who have given their lives to preserve America's freedom. Americans are strong nationals and very patriotic. Long ago, many of our ancestors and their families fled their homeland to come to this land to fulfill their dream, better their lives, and assure their freedom.

Up on their arrival, they found fertile land. America's founding fathers were mainly farmers and ranchers and they were well aware of this country's national treasures. I believe fertile land is a renewable treasure which assures national security.

The history of Agriculture goes back to the birth of America. George Washington, the father of our nation, suggested to Congress the establishment of a National Board of Agriculture in 1799. According to the United State Department of Agriculture (USDA) archive, tobacco export was 44 percent of the total export, which in 1790 amounted to \$4,355,176. In 1800, the average annual value of ag-

riculture exports was \$23 million, or 75 percent of total exports.

When President Abraham Lincoln took office, the value of agriculture exports and economic benefit to America was \$182 million, or 75 percent of total exports. Farming was the primary occupation of 90 percent of the American people. Lincoln founded the USDA in 1862, and he called it the "people's department." In 1870, the Department of Agriculture was raised to a Cabinet status. Agriculture was a crucial stepping-stone, for our young nation.

Our present Congress and many lawmakers give very little value to United State's agriculture. We are carrying a record-breaking budget

deficit, Congress is looking to cut, reorganize, or re-vamp any programs not operating at ultimate efficiency. As the 2012 Farm Bill draws near, farm programs will also fall under Congress' budget microscope.

As a farmer, I strongly recommend to our lawmakers to support U.S. farmers in the upcoming Farm Bill. We need our

wheat, barley, dry bean, cotton, corn, peanut, and sugar industry in operation together. We can not leave any commodities behind. American farmers and ranchers depend on each other.

We need the existing sugar program, which is operating at no cost to the taxpayers. Lawmakers are focusing on the sugar program and they should know the goal of reducing the

budget deficit does not justify changes to the sugar program.

Senate and House Bills

Current bills addressing sugar policy are:

- S.25 by Senators Shaheen (NH) and Kirk (IL) introduced Jan. 25th "Stop Unfair Giveaways and Restrictions Act of 2011" Co-sponsors Pau (KY) and Durbin (IL).
- S.685-Lugar (IN) introduced March 30th "Free sugar Act of 2011"-Cosponsors Paul (KY) and McCain (AZ).
- House of representative
- HR1385-Pitts (PA)- Davis (IL) Introduced April 6th "Free Market Sugar Act"-No other cosponsors.
- HR 1739-- Dold (IL)-Blumenauer (OR) introduced May 5th "Free Sugar Act of 2011" Co-sponsor Moran (VA).

America's sugar is produced in 17 states, so we don't have to depend on unreliable foreign countries for this vital ingredient. Our sugar farmers, processors, and refiners create 146,000 jobs and generate nearly \$10 billion a year for the U.S. economy. It is not smart to slaughter a cash cow.

The U.S. farm net income is predicted to reach \$94.7 billion in 2011. According to USDA Economic Research Service, this is a 20 percent increase over 2010 income. American agriculture is helping lead the economic recovery.

There is no possible way that we as citizens of this country can let America's agriculture diminish. If we truly love our country and want to preserve it for the future generations, we have to support our farmers and ranchers. Without farming and ranching, who are we going to rely on for our food and commodity supply?

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By Mary Ellen Cammack
South Dakota

Beef Report

Cattle and dairy producers should read Beef Promotion Act

Summer is a very busy time for anyone who is involved in production agriculture. And, in the midst of all this, we have opportunity to comment on issues and to participate within organizations that support and promote our industry. WIFE recently submitted two letters, one to the Cattlemens Beef Board, Roles and Responsibilities executive chair and staff, and the other to offer support for Tom Jones, President of the Cattlemen's Beef Promotion and Research Board. Unfortunately, Mr. Jones did resign his position. I believe it is important to include those letters in this edition of WIFeline, as well as some additional information on the Cattlemen's Beef Board (commonly referred to as the CBB).

I encourage anyone who sells cattle (beef or dairy) to read through the Beef Promotion and Research Act of 1985. There are just 12 pages, and we all pay into the checkoff.

The first part of the act states:

To enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Beef Research and Information Act". (7 U.S.C. 2901 note.)

And this section is from page 6:

(6) The order shall provide that, to ensure coordination and efficient use

of funds, the Committee shall enter into contracts or agreements for implementing and carrying out the activities authorized by this Act with established national nonprofit industry-governed organizations, including the federation referred to in paragraph (4), to implement programs of promotion, research, consumer information, and industry information. Any such contract or agreement shall provide that)

If you have never read this document, please consider doing so. The website is www.beefboard.org

Below are the letters sent earlier this summer.

To: President Tom Jones
Cattlemen's Beef Promotion and Research Board
9000 E. Nichols Ave., Suite 215
Centennial CO 80112
beefboard@beefboard.com

From: National Women Involved in Farm Economics, Deb Dressler, President

RE: support of Mr. Tom Jones

Dear Mr. Tom Jones,
National Women Involved in Farm Economics wish to express our appreciation to you for dedication during these challenging times, with the CBB. We are entering a remarkable, and historical time within the beef industry. Times that require a beef check-off that works with and for the grass roots producers, that are responsible for putting those hard earned dollars into the check-off accounts.

Producer confidence and consumer confidence can rebuild and flourish with the individuals, like yourself and

the current Roles and Responsibility Committee offering reform to the existing check off program. National WIFE encourages you to continue on this mission and offers support from our organization.

Sincerely,
(National Women Involved in Farm Economics)

To: Cattlemen's Beef Board Executive Committee and Staff

From: National Women Involved in Farm Economics, Deb Dressler, President

RE: CBB Roles and Responsibilities Recommendations

National WIFE, offers support and commends the current CBB Executive Committee for the diligent thought and effort put into the Roles and Responsibilities recommendations. National WIFE supports reform with in the CBB, as outlined with the Roles and Responsibilities current recommendations.

National WIFE policies read:

- WIFE urges check-off overseeing boards deal directly with vendors.
- WIFE recommends the Federation of State Beef Councils be a stand alone entity.

The proposed reform, by CBB, will rebuild confidence of the producers, throughout the country, with the beef check off program.

Sincerely,
(National WIFE, Deb Dressler President)



By Ruth Larabee
New York

Trade Report

New Zealand prime minister urges development of FTA

John Key, Prime Minister of New Zealand, at a meeting in Washington with President Obama, once again is urging rock-solid development on the Trans-Pacific Partnership (TPP) Free Trade Agreement (FTA). The President and the Prime Minister indicated they are looking for an outlined agreement by November when the Asia-Pacific Economic Cooperation Forum meets in Honolulu. The TTP includes the countries of New Zealand, United States, Australia, Brunei, Chile, Malaysia, Peru, Singapore and Vietnam.

Because of the mammoth earthquake that Japan had, even though they have shown interest in the TTP, they have not made a decision to join in. According to Key, the expectation of a huge trade alliance has put pressure for reform on Japan. New Zealand is a major food exporter, while Japan has intensely and for a long time protected its farm sector. The TTP has helped to bring about Japan's statements on reform, Key said, making them the most advanced statements they have made in about twenty to thirty years...a generation.

Prime Minister Key, talking with reporters and addressing the U.S. Chamber of Commerce, called for an agreement signed at Honolulu of some type showing movement, thereby giving confidence globally to prove that progress can still be accomplished on trade. Key said that the TTP may well serve as "a gateway to increased U.S. participation in Asia" via trade.

Not all are in agreement with the trade deal. Several government leaders

from farm states in the U.S. and dairy groups want to eliminate dairy from the agreement, concerned about what will happen when the tariffs end with the world's largest dairy exporter, New Zealand. The Foreign Agriculture Service (FAS) of the United States Department of Agriculture (USDA) has estimated in 2011 New Zealand will produce 18.0 million metric tons (MMT) of milk. The largest producer of milk is the European Union followed by the U.S., India, Brazil, China, and Russia then New Zealand.

Because of the grazing pasture system, New Zealand is most always recognized as the lowest cost producer. They use a small amount for fluid consumption, 0.3 MMT with a population of 403 million, and make the rest into whole milk powder, skim milk powder, butter and cheese. This accounts for 97.5 percent that will be exported and that will account for "37.4 percent of world trade on a product volume basis." Main imports to the U.S are milk protein concentrates (MPC's) casein, butter and fat products.

Fonterra was formed a decade ago by two cooperatives and a now obsolete New Zealand dairy board, "a government controlled organization that had exclusive rights to certain export licenses." Concerns are that Fonterra appears to have a "competitive edge" in tariff rate quota (TRQs) markets, i.e. the U.S., because it has exclusive "access" to export licenses for high value tariff rate quota products. They also have in place product manufacturing and distribution affiliations globally, which lets them transfer goods from low value markets to high market value like the United States.

Another concern is that according to the U.S. Agricultural Attaché in New Zealand, Fonterra (a one agricultural cooperative) processes 89 percent of the milk supply and is the world leader in

dairy products trade. Fonterra in 2010 sold 25 percent of its production through a created "Global Dairy Trade auction platform" and has "invited" both exporters internationally and those within New Zealand to use the auctions held twice a month. A report relates that California Dairies is the only cooperative at this time showing an interest.

A recent article reports that the U.S. government's position is that it's important to include dairy in the TTP free trade agreement. The Obama administration has said this FTA will be held to a higher standard and that "trying to exempt an industry where the U.S. is not the lowest cost producer sounds more like a low standards agreement".

Some civil society groups have concerns, questioning if the U.S. pharmaceutical companies will contest the government support that keeps the cost of medication down in Australia and other rich countries. New Zealand has its own agenda protecting Pharmac, a government protecting drug buying agency.

China, even though they have made extraordinary gains in producing rice, wheat, corn and soybeans, could still become a leading importer of the four basic foods for its 1.3 billion people. Prosperous individuals and families are consuming more milk, dairy products and meats.

It is estimated that China will buy mainly from the U.S. five million tons of corn this year. China is investing heavily in Brazil and Argentina in the amount of \$15.6 billion for Chinese companies to develop and lease farms growing vegetables and grapes, fruit, corn and wheat for exporting to China. With other countries competing for food and raw materials this could drive prices up in an already tight market.

Sources: (USDA, USTR) AFP, Farm Policy Facts, Ross Korves, Global Trade Watch, The Japan Times, China News.



By Phyllis Howatt
North Dakota

Dry Beans, Lentils, and Oilseeds Report

New products develop more uses for oilseeds

A company called Nutek started manufacturing environmental friendly lubricants and cleaning products in 2007. They started with soybeans and now have 40 products using bio-based, non-toxic ingredients with recyclable packaging.

The Simply Soy lube on a biodegradable cloth can be used to wipe down machinery. It can also clean and lubricate chains instead of spraying them. AutoZone is a nontoxic brake cleaner and brake dust eater. Others

are Bolt Off, LubFix, Shield It, Gas Off, Grime Off, Green Carpets for carpets and upholstery, and Flat Tire. Nutek is now owned by Hoover.

A South Carolina food service plans to use waste vegetable oil from restaurant deep fryers to produce an 80/20 diesel/biodiesel blend known as B20 that will be used to fuel food delivery trucks at their company's location in Lexington. It reduces carbon emissions by 80 percent. They hope to convert 5 million pounds of waste into 400,000 gallons of bio feedstock each year. They plan to use 200,000 gallons of converted oil for biodiesel annually and sell the remainder.

A fuel has been developed from sunflower oil. The sunflowers are run through a Chinese press. The pressed oil is allowed to settle and then filtered. Since the oil is thick, it is used in a two-tank Elsbett system with diesel fuel in one of them. The tractor is started on

regular diesel fuel then when the oil gets warm enough the fuel sources are switched.

A ton of sunflowers makes about 80 gallons of oil and about 1,200 pounds of meal. The meal is fed to the poultry and cattle on the farm. It could be possible to form the meal into pellets and burn them in a pellet stove for heating.

A ton of sunflowers makes about 80 gallons of oil and about 1,200 pounds of meal.

Receiving the



WIFeline

WIFeline

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Rural Health, Farm Finance, and Communications **Report**



By Donna Bolz
Nebraska

Time Magazine suggests that farming is the path to wealth

In a July 2011 *Time* magazine, this headline caught my eye: "Want To Make More Than a Banker? Become a Farmer!" WOW! This sounds great. It made me want to know more. Below in part is what the article reported.

The first thing that caught my eye was the large numbers under a picture. It stated that the first-quarter GDP growth rate was 1.9 percent and the expected 2011 net farm income growth would be 20 percent. The article was written about farmers in the Grand Island, Nebraska area. More numbers were listed. Nebraska's unemployment rate was 4.1 percent, and the National Unemployment rate was 9.1 percent.

Jim Rogers, an investment whiz, states that if you want to become rich, **BECOME A FARMER**. He predicts that farming incomes will rise dramatically in the next few decades which is faster than most other industries, including Wall Street. He believes we don't need more bankers; we need more farmers. We need to draw more people back to agriculture.

It has been decades since the American heartland has been a major source of revenue and longer since farming was a major source of employment. The article goes on to say farming became the economic equivalent of a protected species. It was supported by a mix of government handouts, lax regulation (agriculture is one of the few industries shielded from certain child-labor laws) and charity concerts. In the past few years, thanks to a wealthier middle class and a boom

in biofuels, the business of farming has once again become a growth business.

While real estate prices in general are again falling this year, according to the Federal Reserve, the average farm has doubled in value in the past six years. Farmland has quickly become one of the year's hottest investments on Wall Street. As money goes back into rural areas, farmers will need to invest. As they did with ethanol, farmers will put their money in new industries that will create uses for their crops like biodegradable plastics or other kinds of biofuels. This will result in more jobs.

The main reason for U.S. farmer's recovery is in part to wealthier consumers in places like China and India are eating more, and in particular they are eating more meat. The average American consumes about 250 pounds of meat a year. The average Indian eats less than 10 pounds a year, and in China they eat about 100 pounds a year, which means there is a lot of room for growth. Half of the U.S. corn production goes to feed livestock, which drives up the demand for grain. Ethanol has increased the demand for corn, also. As a result, corn prices have more than doubled in the past year, and soybeans, which are the U.S.'s largest farm export to China, are up also.

A number of innovations have made U.S. farmers more productive than they were just two decades ago. Bioengineered seeds mean they can use smaller amounts of pesticides and water. With GPS-aided, computer-monitored planting, some farmers are able to squeeze two rows in a space not much bigger than what used to fit only one. An average acre produced 91 bushels of corn in 1980; it now produces 152.

Along with higher prices, this is boosting profits and making farmland dramatically more valuable and farming

more profitable. The prosperity of farmers, along with rising concerns about U.S. debt, is changing the debate in Washington about agriculture. In early June, the Senate voted to end tax credits and trade protections that benefit the corn based ethanol industry. Although few think a complete ban will make it through both houses of Congress, many believe Washington is likely to curb its support of ethanol which was long thought to be untouchable because of its popularity.

The real fight will be over the farm bill, which is up for renewal next year. The legislation, which was last passed in 2008, includes \$19 billion in subsidies for farmers and \$8 billion in direct payments. Some have long opposed the bill because it favors grains over other crops and supports large commercial farms or hobby farmers. Even the Iowa Farm Bureau has given up its support for direct payments. Some fear that support from Congress could be ending just when the good times for farmers are entering a rough time. Farming is a capital-intensive business, and most farmers need to borrow to be able to purchase their tractors and other equipment. Many expect that when the economy either improves or gets worse, interest rates will rise. If interest rates rise, it will make it more expensive for farmers to borrow, which will lower profits.

In the past, farm incomes have crashed during times when the overall economy was improving. Some economists, including Yale's Robert Shiller, are saying there is a bubble in farmland. But many agricultural economists believe the rising demand for food in Asia and elsewhere will mean that crop prices will stay high even after the economy improve. For many reasons I don't see, lots of bankers are wanting to be farmers. It is an excellent article and I would suggest you read it in its entirety.



By Marlene Kouba
North Dakota

Energy Report

Water power has potential

This year some of the Southern states are begging for water while North Dakota and all areas along rivers in the middle of the nation are trying to give it away—fast. Due to the heavy snowfall during the winter and rainfall during the spring, rivers were out of their banks in record levels. Most dams along them were opened to their maximum, which had never been tried before, and sent out 150,000 cubic feet per second (cfs), but in mid-July it was down to 120,000 cfs. The result was thousands of acres of flooded land behind the dam and downstream as well.

An engineer just told me that the average speed of the river is about 10-20 mph, with the highest speed about one-third of the way down in the riverbed. Bismarck, North Dakota, had about 16 million acre feet of water go through the town. The Corps of Engineers had told people not to build in many of those areas because they are in a flood plain, but they did anyway. He said when this water reaches the Mississippi, it won't make much difference as it can handle over two million cfs without excessive flooding.

In Minot, North Dakota, one-third of the town, or 4,000 homes, were evacuated, and many will have to be demolished as the water covered two stories of many houses. As the water recedes, it leaves black mold, mud and sludge in its place. Some houses were washed downstream, along with much other debris—decks, furniture, shops, businesses, etc., but that river loops down from Canada and is going back there.

There are an estimated 75,000 dams in the United States, blocking 600,000 miles of river or about 17 percent of rivers in the nation. Some are now being de-

stroyed to save endangered fish and their habitat.

The Hoover Dam in Nevada is one of the 10 tallest in the nation. WIFE members toured Grand Coulee Dam in Washington a few years ago.

Water power is clean energy. Hydropower, hydraulic power, or water power is power derived from the force or energy of moving water, which may be harnessed for useful purposes. Prior to the development of electric power, hydropower was used for irrigation and operation of various machines such as watermills, sawmills, dock cranes, and domestic lifts.

In hydrology, hydropower is evident in the force of the water on the riverbed and banks of a river. It is particularly powerful when the river is in flood stage. The force of the water results in the removal of sediment and other materials from the riverbed and banks of the river, causing erosion and other alterations.

Early uses of waterpower date back to ancient Egypt, where irrigation has been used since the sixth millennium BC and water clocks had been used since the early second millennium BC. Other early examples of water power were in ancient Persia and China.

Hydropower has been used for hundreds of years. Although the use of water power gave way to steam power in many of the larger mills and factories, it was still used during the eighteenth and nineteenth centuries for many smaller operations, such as driving the bellows in small blast furnaces and gristmills, such as those built at Saint Anthony Falls, which uses the 50-foot drop in the Mississippi River.

In the 1830s, at the peak of the canal-building era, hydropower was used to transport barge traffic up and down steep hills using inclined plane railroads, and now locks are being used to move traffic, such as the Panama Canal.

Large-scale hydroelectric power has been used worldwide for a long time to generate huge amounts of power from

water stored behind massive dams. Small scale hydropower has been used for hundreds of years to mill grain and produce flour, saw timber and stone, extract metal ores (such as gold mining), for making textiles and other manufacturing. However, it can also be used without a dam to generate electricity for home scale remote power systems. These so-called micro-hydro installations can be a very good complement to a solar power system, as they produce electricity 24 hours a day.

It's important to differentiate between water wheels and water turbines. A water wheel is more like the antique version we are all familiar with—a massive wooden wheel that slowly turns as the creek pours down over it. Water wheels spin slowly but with lots of torque, and they are surprisingly efficient!

All of the commercial micro-hydro generators available today use a small turbine connected to an electrical generator or alternator. Water is collected in an intake pipe upstream, travels down to the turbine in plastic pipe and is forced through one or more nozzles by its own gravity pressure. No dam is needed; systems without a dam are called “run of river” systems.

Power is generated by a generator or alternator directly connected to the turbine wheel with no gears or pulleys needed. All of the factors must be calculated correctly for the equipment to make power most efficiently. All commercial micro-hydro setups are custom-made by the manufacturer for a specific application.

In 1940, the Stan Meyers car was powered by the hydrogen in water. Since then it has been kept under wraps as big companies buy up such inventions and they are never seen again. Other new uses for water include: a lawnmower using water and ethanol mix, a small water-powered generator that runs a radio for the shower, salt water fuel, and a water-powered car under development in Japan. Watch for new uses of water power.



By Dianna Reed
Kansas

Dairy Report

CWT program renewed through 2013 to support dairy farmers

National Milk Producers Federation (NMPF) voted at a meeting in July to renew the Cooperatives Working Together (CWT) program for two years starting in January 2012 and running through December 2013, providing a 70 percent level production participation of the nation's milk supply can be reached.

Current membership pledges amount to 68 percent of the milk supply. Herd retirements or cow removals will no longer be funded by the program but will focus exclusively on assisting member organizations with dairy exports.

According to CEO of NMPF, Jerry Kozak, the export market has been incredibly helpful to farmers in finding new homes for their milk output, but the loss of export markets in 2008 and 2009 illustrated what can happen when we aren't able to compete internationally.

CWT is critical; it gives us a privately-run and funded enterprise that makes U.S. dairy exports competitive in global markets.

CWT remains an important tool for the nation's dairy producers. The members of CWT want to keep it going into the future because it helps farmers access the fastest-growing markets for their milk, which are overseas.

Since the start of 2011, the program has used funds carried over from the previous year to help export 39 million pounds of cheese to

20 countries. The renewal effort will ensure the program will have new revenue coming in from its members starting next year to further bolster the export activities funded by CWT. With approximately 15 percent of the nation's milk production headed for export markets in 2011, CWT will work with policy changes that Congress need adopt to ensure that America's dairy farmers

continue to have the ability to access and benefit from growing world demand for U.S. dairy products.

Cooperative Working Together Export Assistance program is funded by voluntary contributions from dairy cooperatives and individual dairy farmers. The money raised by their investment is being used to strengthen and stabilize the dairy farmers' milk prices and margins.

The members of CWT want to keep it going into the future because it helps farmers access the fastest-growing markets for their milk, which are overseas.

WIFE Supporting Members

VIP Membership

- Bayer CropScience

Executive Membership

- American Petroleum Institute
- Dow AgroSciences
- DuPont
- Farm Credit Services
- Miller/Coors
- Monsanto
- Renewable Fuels Association

Associate Membership

- Americans for Secure Retirement
- American Council of Life Insurers
- CropLife America
- Florida, Texas, and Hawaii Sugarcane Growers
- U.S. Beet Sugar Association

Contributor Membership

- Agriculture Council of America
- American Sugarbeet Grower's Association
- CHS Cooperative
- North Bridge Communications

In-Kind Contributors

- Admiral Beverage Corporation
- High Plains Journal
- Miller/Coors
- Rauner & Associates



WIFE Updates

FAED focuses on agricultural education

By Phyllis Howatt
FAED Membership Chairman

The Foundation for Agricultural Education and Development (FAED) is an organization that strives to educate and inform the general public about the importance of agriculture and its relationship to the welfare of the national economy.

FAED administers grants that are consistent with the goals of the foundation. Members of Women Involved in Farm Economics (WIFE) formed it in 1983 because of a strong commitment to education and agriculture. It has awarded grants to WIFE chapters and associations to assist with educational projects that promote agriculture.

The Marilyn Spiker Memorial Scholarships were created through cooperative efforts of FAED and WIFE and are offered to women who will begin their first or second year of college.

Now is the time to renew your membership or become a member in FAED. The membership schedule dues, which are tax-deductible, are as follows:

Individual	\$5.00
Family	\$10.00
Supporting	\$25.00

Please send your renewal to Pat Torgerson, PO Box 132, Lambert, MT 59243-0132.



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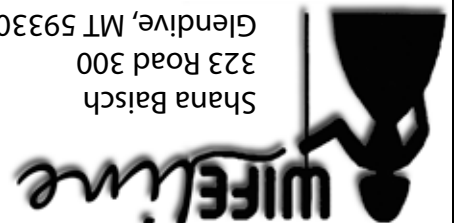
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