Farming today for young men and women

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Farming Today
FOR YOUNG MEN AND WOMEN

Howell et al.: Farming today for young men and women

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PREFACE

THIS DISCUSSION presents some of the main points to consider in starting to farm. It won’t answer all your questions. We hope it will serve as a guidepost to your thinking.

Included are such items as the personal requirements of farming; considerations in getting started; organization on your farm; and the over-all picture of farming in Iowa.

At best, this material can only supplement the almost endless sources of other information about farming and farm problems available to you. Read all the information you can about farming. Talk with agricultural leaders, successful farmers, your county extension director and your local banker. Get as many ideas and suggestions as you can. Then use the ones that apply to you.
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Farming Today

FOR YOUNG MEN AND WOMEN

By

Iowa State College Farm
Management Specialists*

DO YOU WANT TO FARM?

It would be impossible to list here all the advantages of farming. There are many. It is a life in the open, with a high degree of personal independence. There is opportunity to work closely as a family group. But if you've decided to farm because you've heard it's an "easy racket," perhaps you'd better do some more thinking.

Be Aware of Difficulties Involved

Farming isn't easy. Some years it's tough. It's a mistake to be misled by the war and immediate postwar picture. Conditions aren't likely to stay this bright. We're already hearing notes of warning about the price recessions—and even of depression. Prices undoubtedly will work downward after the present food emergency eases.

Those of you who were raised on the farm know about the hard work. Those of you who weren't should be aware of it. And you should know that the weather plays a mighty important part in your lives. Income is seasonal. Most farm homes are not as modern or as convenient as those in the city. Gay entertainment is not quite as close.

If you are married, your wife, too, should be acquainted with the differences between farm and city living, because farming is a family affair.

Farming Is a Family Affair

Make a note of that. It's important. There probably is no other occupation where the husband and wife (and children) share in a common business as they do in farming.

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You and your family will plan together, work together and play together. You will talk about the same problems. Everyone will have his job. That’s a help to a young man getting started. It means lower labor costs.

But it also means that the farm wife has more hard work. To be happy, she must enjoy outside work—raising chickens, helping in the garden, taking care of the yard. Unless one likes it, such work can be a burden.

**What About Experience?** The question of experience is a tough one. If you’ve had experience on a farm where good farm management practices were used, that certainly will be a big help. If you haven’t, you’ll be starting with a handicap, although that doesn’t mean you can’t be a good farmer.

Probably the best suggestion to the inexperienced young man who wants to farm is to “go out and get some experience.” At least it would be unwise for you to make a large investment in land, equipment and livestock before you have had some practical farming experience. If you’re ready to start out in a small way, you can get experience and training on your own farm, but it will cost to learn.

The quickest and least costly way is to work as a hired man for a good farmer. This is even advantageous for farm boys whose only experience has been on the home place.

No experience, however, is often better than the wrong kind of experience. Boys who have learned haphazard farming methods sometimes are reluctant to change their habits.

**You Continue to Learn** Regardless of how much or how little experience you’ve had when you start farming, be open-minded about learning as you go along.

Farming has changed considerably in the past few years. It will continue to change as new discoveries lead to improved livestock, livestock production, soil management, new crops and crop production. Keep close to these discoveries.

Your sources of information are numerous. Work with your county extension director and the extension program. The vocational agriculture instructor and his night schools make valu-
able contributions by keeping you posted on new developments. You can also write directly to your state college and the United States Department of Agriculture for help. And keep in mind that magazines, newspapers, bulletins and radio are a constant source of information. Some of you may want to take some training in agriculture at your state college.

Sound out the successful farmers in your neighborhood. Make use of their knowledge and suggestions. Attending meetings and studying new methods often will be the most valuable way you can spend your time.

**Good Health Will Help**

As we mentioned before, there's a lot of hard work connected with farming. Much of the farm work is done in hot and cold weather. During the busy season working days are long—working 12 or 16 hours a day is not uncommon.

Under these conditions good health is an asset—poor health a liability. Physical handicaps don’t rule you out, though, if you have a solid determination to be a farmer.

**The Decisions**

If you are in good health, have some farm experience and want to farm, there still remains the most important consideration in this personal analysis. Can you be your own boss?

Being your own boss is one of the advantages many people list for farming. But being the boss isn’t an easy job. It means that you are the manager; you make the decisions. And making them, you must be willing to live by them. If you’re going to be a good manager, you must make the right decisions. Let’s examine this problem more closely.

Read all the information you can about farming.
In general, there are two kinds of management decisions to make. The first is how to combine your land, your capital and your labor to make the most efficient use of these resources. The second is how to use your income from the farm—how and where to spend your money. Both take more than experience. They take a certain kind of skill. Decisions are based upon your knowledge of prices and costs.

In making production decisions you must anticipate your returns from various combinations of resources. You must decide whether your returns will be larger at the end of the year if you keep 10 sows and no cows or 5 sows and enough cows to use the rest of your labor and available feed.

When it comes to decisions on using your income, the whole family will have a part. There will be questions of whether the money should be spent for new machinery, more livestock or improvements in the house.

Much of the success in farming depends upon how good a boss you are.

**GETTING STARTED**

After you've fully decided you want to be a farmer—and your wife wants to be a farmer's wife—the next step is getting started. This involves such items as whether to rent or buy a farm, kinds of leases, where to get credit and selecting a farm to operate.

**How Much Money to Start?** Your farm income will stem from two sources. You'll get a return on the amount of money (capital) you put into the business. And you'll get a return on your labor and your family's labor. Your aim, of course, is to combine your resources to make the most money.

On any farm, money is needed for land and improvements, machinery, livestock and feeds, with enough cash on hand for operating expenses and family living until returns start coming from the farm.

The amount of money you'll need to get started will depend largely upon whether you plan to rent or buy land, and the
kind of renting or lease arrangement you work out if you decide to rent. Of course, you don't have to own all the capital resources at the start. Probably you will rent, trade for or borrow a part of what you need. No set amount of money will fit all conditions. But setting up some general amounts may help guide your thinking.

Should You Rent or Buy? In deciding the big question of whether to rent or buy, these are the first considerations: Do you have enough money to buy a farm (at least make the down payment) and to buy the machinery, livestock, feed and equipment to operate it? And is now the time to buy a farm?

On the first point, you can figure it will take about twice as much money to buy a 160-acre farm, pay 25 percent down and operate that farm as it will to rent on a cash basis. You'll find some actual figures in table 1, showing different money needs for renting and buying.

Prices always are high during and after a war period. But, in the past, prices always have come down.
Also a consideration on this point is the danger of putting so much of your money in land that you haven't enough left to buy the other resources needed to operate efficiently. Buying a farm, of course, gives you the advantage of a permanent place to live. And the improvements you put on the place are yours. But all the risks are yours, too.

In deciding whether this is the right time to buy a farm, keep in mind that land prices today are following pretty closely the pattern of the last war. The land boom hit its peak a year or two after the last war. Then land prices hit the skids.

The only safe way to buy a farm now is to have enough cash so the mortgage is in line with long-time earnings of the farm. This means figuring prices lower than they are today and making close estimates on expected farm earnings.

Since most of you will start by renting land, however, your problem is how to go about getting the kind of lease arrangement which suits your needs.

What About Leases? There are four general ways to rent a farm in Iowa. Four types of leases are commonly used—cash-rent, crop-share, stock-share and labor-share. The latter has become popular in recent years.

Now let's examine each and see how it fits your situation. Examples of the capital requirements of each, based on actual figures, are given in table 1. These figures were taken from the farm record of a fellow who started farming 160 acres in the spring of 1942. At that time he bought 8 cows for $1,000, 10 sows for $400, 2 horses for $100 and 100 hens for $150. In addition he bought $500 worth of feed for his livestock to last until his first crop came in. His machinery purchases amounted to $2,160. Prices are even higher now.

You'll notice that the labor-share lease takes the least amount of capital, so let's look first at that arrangement.
TABLE 1. CAPITAL REQUIREMENTS OF FARM OPERATOR UNDER VARIOUS LEASE ARRANGEMENTS.

<table>
<thead>
<tr>
<th></th>
<th>Total capital used</th>
<th>Labor share lease</th>
<th>Stock share lease</th>
<th>Crop share lease</th>
<th>Cash lease</th>
<th>25% down payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land, 160 acres $150 per acre</td>
<td>$24,000</td>
<td>$825</td>
<td>$1,650</td>
<td>$1,650</td>
<td>$1,650</td>
<td>$6,000</td>
</tr>
<tr>
<td>Livestock</td>
<td>1,650</td>
<td></td>
<td>$250</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Machinery</td>
<td>500</td>
<td>350</td>
<td>400</td>
<td></td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Cash for operating expense</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Cash for household equipment and operation</td>
<td>1,000</td>
<td>$1,000</td>
<td>$4,585</td>
<td>$5,710</td>
<td>$5,910</td>
<td>$11,910</td>
</tr>
<tr>
<td></td>
<td>$29,910</td>
<td>$1,000</td>
<td>$4,585</td>
<td>$5,710</td>
<td>$5,910</td>
<td>$11,910</td>
</tr>
</tbody>
</table>

THE LABOR-SHARE LEASE: One resource every beginning farmer has is his own labor. Under the labor-share lease arrangement, labor’s about all you need besides cash for family living expenses until your farm income starts coming in.

This is the type of arrangement commonly worked out between father and son. You may be able to make a deal with your father, a relative or a neighboring farmer who would like to ease up on the work yet keep his hand in the management of the farm.

Under this agreement, you furnish the labor and that’s all. Your landlord will furnish the land, livestock, machinery and other needed resources. This is the lowest risk arrangement you can make, and it gives you an opportunity to learn more about farming while working with an experienced farmer.

Your opportunities to make a lot of money, of course, are limited, since your only contribution is your labor. Most agreements give the tenant a proportionate share of the income for his labor, while the landlord receives a larger share for his investment.

With the labor-share lease, you want to make sure that the business is large enough so that your share will furnish you a satisfactory living and a chance to save some money for your own farming needs. After you’ve earned some money and more
farm experience, shifts can be made to some other type of lease arrangement, such as the stock-share lease.

**The Stock-Share Lease:** If you’ve saved some money under a labor-share lease, or if you have some money to start with, the stock-share arrangement also is a low-risk type of lease.

The usual arrangement will be for you to furnish the machinery and its operating expense, the work stock and all labor. The landlord furnishes the land. The livestock and purchased feeds are owned on a 50-50 basis by you and the landlord. Gross income is divided on a 50-50 basis.

With this lease, you’ll have to buy machinery and livestock and have cash enough left for operating expenses and family living. You won’t have a fixed rent charge, and you’ll be operating a larger business enterprise.

There are many different kinds of stock-share leases, and you probably can work out one to satisfy you and the landlord. It’s important that you have confidence in each other and have an understanding on management responsibilities.

You stand a chance to make more money with this type of lease than you do with the labor-share, but your risks are greater. And you’re not quite as much on your own as you are with either the crop-share or the cash-rent lease.

**The Crop-Share Lease:** With the crop-share lease, you furnish everything but the land. That means you furnish the ma-
chinery, livestock, labor and all operating expenses. You pay
the landlord a share of the crop for the use of the land. In
Iowa, as many of you know, the usual payment is one-half the
corn and soybeans and two-fifths of the small grain.

In addition, you will pay a fixed cash rent for the pasture
and hay ground.

If you raise much livestock, you’ll need more money to start
with this kind of lease arrangement, and your risks will be
greater. But you will have a maximum amount of freedom in
making management decisions. This kind of lease is best suited
for land where a high percentage of corn and soybeans is to be
produced. Where much of the land is not suitable for such
intertilled crops, other types of leases may be preferable.

The Cash-Rent Lease: Your total rent cost in paying cash-
rent for a farm is about the same as under the crop-share sys-
tem. The difference is that you pay a fixed rate per acre
for the use of the land as cash-rent, while under the crop-share
you pay a part of the crops. Under the cash-rent lease you must
take all the risk of lower prices or a poor crop. But if prices
rise or the crop is extra good, you get all of the gain.

After deciding the general kind of lease arrangement that
best fits your experience and financial condition, you’ll want to
examine specific types of leases within each class. And you’ll
want to work closely with your landlord on all the details of
your agreement. A full understanding at the start is a big help
in avoiding trouble later. Be sure to put the agreement in
writing. Conversational agreements and understandings are
dangerous.

If you don’t have enough money to go into the kind of lease
arrangement you would like, you’ll want to consider ways of
raising additional cash.

Where Will You Borrow Money? If you’ve been around farming very much, you
know that credit is an important part of the
business. This probably will be especially true if you’re just
getting started. And you may have need for both long-time and
short-time credit.
Veterans who need to borrow money should not overlook the provisions of the G. I. Bill of Rights. The loan provisions of the bill don’t open up new sources of credit, but they do guarantee loans made by regular lending agencies.

Your nearest veterans’ office can give you all the information you’ll need on the provisions of the bill.

If you need long-term credit, make sure that the amount you borrow isn’t greater than the long-run normal value of the farm or improvements will justify. In other words, the loan shouldn’t be more than the year-to-year farm earnings will repay. You’ll have to estimate the earnings by estimating total income and then taking out all operating expenses and cash living expenses for your family.

You can get long-term credit from banks, life insurance companies, federal land banks and private individuals. The main concern here is short-term credit, because that’s the kind of credit most of you will need in getting started.

**Commercial Banks and Credit Corporations:** Your local banker probably knows you and your needs about as well as anyone, and loaning money is the bank’s business. In most cases the interest rates will be in line with those of other lending agencies.

Agricultural credit corporations are another good source of short-term credit. You’ll find these companies frequently are located with and owned by the bank, livestock commission companies or cooperative marketing associations.

**Farmers’ Home Administration:** You can get an operating loan from this government agency only if you are unable to find other sources. The interest rate is 5 percent, and the loans usually run for 5 years. You will also receive considerable help from farm and home advisors who work with the agency. Make application to the local office if there is one in your county.

**Production Credit Associations:** These associations are authorized to make loans for crop and livestock production. They are cooperative, and you must become a stockholder to obtain a loan. You can sell the stock once your loan is paid. The rate
of interest varies with the rates at which the association can get credit. At present, the interest rate is $4\frac{1}{2}$ percent. Make application to the local or branch office of the association.

**INDIVIDUALS AND DEALERS:** Many of you will be able to borrow money from individuals—your father or some other relative or a close friend. Individual loans are all right, although sometimes not so dependable as other agencies. Death or a change in the financial situation of the lender may make prompt payment necessary.

Buying equipment and machinery on "time" is another source of short-term credit that may be satisfactory. However, in some cases the interest rates are much higher than they would be if the money were borrowed from a lending agency and the machinery and equipment bought on a cash basis. Sometimes the interest charge is indirect, and you can save money by borrowing elsewhere and paying cash.

Poultry is found on nearly every Iowa farm.
Where Is The Farm? You've decided you want to farm, you've obtained your money, but there is still the all-important item — getting a farm.

If you can't operate the family farm, and if there's no other available farm in the neighborhood, the only solution is to start looking. You probably know that most farms are rented or bought on the basis of giving possession March 1. BUT the agreement is actually closed the summer or fall before.

Start Looking: The more contacts you make, the better off you'll be. You may even have a choice of farms. Bankers, retired farmers, professional farm managers, county extension directors, real estate dealers—these are some of the men who may tip you off on where a farm can be rented or bought. Others include representatives of government agencies, such as the National Farm Loan Association, Production Credit Association and AAA.

Let it be known that you are looking for a farm. At the same time know just what you are looking for. When you hear of a farm, you'll know how to go about appraising it.

The Land: The quality of the land is the important part of the farm, whether you rent or buy. You'll want to make use of soil survey maps. You'll also want to walk over the land—every acre of it—so you'll know where the bad spots are, what the weed conditions are and so on.

Back up your observations by talking with neighbors and the county extension director. Learn something about past yields in comparison with other farms in the area, and have an idea about the amount of livestock produced in the past.

The kind and quality of the land will tell you whether you can use your planned farming operations.

The Buildings: The buildings and fences also are important, especially if you plan extensive livestock operations. But don't be oversold on a good set of buildings. Base judgment on whether they suit the job that you have in mind. Also check on the water supply, and make sure it is adequate for year-around needs.
Farming is a family affair. Most children enjoy farm life.

The House: Have your wife with you when you look at a farm so she can help examine the house. She is the one who will spend most of her time there.

A good house is important to a happy home life, especially if you are newly married and just getting started. But don’t be oversold on the farm just because it has a nice house.

The Community: Schools, churches, markets, roads, neighbors—these all make up the community, and all are important. Don’t overlook the kind of a community in which you will live.

The Landlord: Remember, the landlord goes with the farm you rent. There’s a lot of difference in landlords. Get to know yours well before you make a final decision on a farm. Be sure he is the type of person with whom you will like to work. If not, steer clear of the farm, regardless of how attractive it might seem.
With the decision to farm and with the selection of a farm, much of your spade work is done. Now you can look into some of the problems of actual farm operations.

**ORGANIZING YOUR FARM**

It would be simple if we could set up a model farm organization and say “that’s it.” But the problem is more difficult. The questions of what crops to grow, how much livestock to raise and how big any one enterprise should be all are tied up with the kind of person you are and the kind of farm you have. Here are some of the factors you’ll want to consider.

**Consider These Factors**

**The Quality of Your Land:** The kind and quality of soil on your farm will be your guide to the kind of crops you should grow. Know your soil and the kind of job it can do.

The lay of the land—the degree of slope—will tell you how much of an erosion problem you’re going to have. Then you’ll need to decide what to do about it.

If most of your soil is good cropland, you’ll have feed for hogs and fat cattle. If you must grow a lot of roughage, your livestock enterprise probably will lean toward dairy, dual-purpose or beef cattle.

**The Size of Your Farm:** Along with the quality of your soil, farm size will be a factor in your farm organization. A large crop acreage may produce enough grain so you can consider both cattle and hog feeding. A small farm may mean that you will want to add enterprises to make use of your labor during the entire year. Poultry and dairying are two good enterprises on the small farm. A good poultry enterprise will give a fast turnover of your money, and returns on feed usually are high.

**Your Personal Likes:** If you’ve been raised on a farm you may have some special likes and dislikes when it comes to certain farm jobs. You may like sheep but not hogs, and so on. Such personal preferences should be considered.
If you’re a beginning farmer, it might be best to build your enterprises around the capital you have rather than try to specialize at the start.

**Your Supply of Labor:** Your chief income at the start will be from your own labor, so weigh the enterprises which will pay best for your work and that of your family.

**Your Available Capital:** If your money is limited, fast turnover of capital will be important to you. Crops, poultry and hogs represent livestock enterprises with quick money turnover. Under favorable conditions, your investment will be returned in a year.

The turnover of the investment in milk cows is slower and depends on how much money you have to invest in additional equipment. The turnover is more rapid with cattle feeding, although you’ll have to borrow considerable money to buy feeders. This is a more risky venture.

The investment is high and the turnover slow for beef cows.

**Your Buildings and Equipment:** On this score, you’re going to have to make the best of what you’ve got on the farm. Good buildings and equipment help; but if you haven’t got them, a little ingenuity and planning will get you over the hump.

On many farms the horse barn can be converted to other uses—perhaps for hogs, poultry or dairy cattle. Inexpensive straw sheds often can be used for temporary hog shelters.

**The Prices You Expect:** A big factor in determining the organization of your farm is the expected market prices of the things you produce. The successful farmer keeps an eye on prices and plans his production accordingly. You can do the same thing.

Keep in mind, though, that any one price is not the most important. It’s the relationship of prices. Whether or not you want to grow soybeans, for example, will depend upon the yield and price of soybeans compared with the yields and prices of other crops.
Consider hay and pasture crops both for feed and for their soil-building ability.

Your returns on livestock will be determined almost as much by the price of feed as by the price of what you produce. If you are an average farmer, you'll make more money on hogs selling at $6 a hundred when corn is 30 cents a bushel than you will on $9 hogs if corn is $1 a bushel.

Remember it isn't the price at the time you make plans that counts most. You have to be able to judge what the market is likely to be at the time you are ready to sell your product. That's where good management is tested.

You'll find, also, that you can often increase your profits by planning production to take advantage of seasonally high prices. Prices of eggs and dairy products are highest in the fall and early winter. This means that you want to have early chicks so the pullets will start laying by late summer or early fall.

Hog prices ordinarily reach peaks around September and March and are lowest around December and May. If you have
the equipment, your spring pigs might well come early—February or March—so they will hit an early fall market. If you start farming March 1 and can’t have early farrowed spring pigs, it might be best to plan fall pigs to farrow in August or September to get premium prices in March and April the next year. The following spring, you can have your spring pigs early. Larger operators may prefer late May pigs.

Kind of land, size of farm, personal likes, labor, supply, amount of capital, buildings and equipment and expected market prices all must be considered in farm organization. They are individual problems, and they’ll vary by individuals and by sections of the state.

There are, however, factors involved in producing various crops and livestock that may help you make choices.

**Specific Enterprises**

In the short space here, only the major crop and livestock enterprises in Iowa can be considered. There are a number of minor ones, however, which you may want to think about.

**Row Crops:** Whether you have had farm experience or not, you know that corn is THE major crop in the state. Iowa farming is built around corn. It’s the main crop in any rotation. It indirectly influences the amounts of other grains grown in the state. No other feed can compete with it in the number of animal feed units produced per acre or in cash income per acre. But no farm can continuously grow corn on the entire acreage without seriously depleting the soil fertility.

The amount of corn you produce in any given year will depend upon the condition of your soil, your feed needs and the lay of your land.

If you’re on rolling land, you’ll want to handle the corn crop carefully and follow contour farming methods to avoid serious soil erosion.

The other important row crop in the state is soybeans. Soybean production has greatly increased during the past few years. At first, beans were grown mostly for hay. But during the war years Iowa farmers turned to growing beans for the grain.
When beans are planted in rows, the labor requirements are about the same as for corn. Beans can be planted a little later than corn, but on the whole they take about the same equipment as corn for preparing the seedbed and cultivating.

Beans are even more likely than corn to cause soil erosion. Grow them on the contour on rolling land about as you would corn.

**Hay Crops:** As you may know, legume hays are becoming increasingly important in Iowa crop rotations. Probably the two most important legume hay crops for Iowa are alfalfa and red clover.

Legumes add nitrogen to the soil. Their root systems bring plant food up from the deep soil and leave organic matter in the topsoil. As a sod crop they help prevent erosion. If you are feeding livestock, legume roughage will be needed in your feeding rations for almost all animals. Usually you'll want to feed almost all of the legume hay you grow. Many farmers now mix bromegrass with their alfalfa. Red clover mixtures are popular in short rotations with only one year of legumes.

**Small Grains:** In Iowa, oats are the primary small grain crop. The new, improved varieties have strengthened their position.

You'll want to grow some small grain as a nurse crop for your legume seedings. Oats make good feed for growing livestock, especially for hogs and poultry, while the straw is valuable for bedding.
Small grains take less labor per acre than corn, but the gross income will be considerably less, and on most farms will not be as high as from soybeans.

**Fruits and Vegetables:** Most of your fruits and vegetables will be for home use, although in some locations they can be grown for commercial purposes. If you have a canning factory near you, sweet corn and tomatoes often are profitable sideline enterprises.

**Hogs:** On the livestock side of the picture, hogs are the main livestock enterprise in the state. Hogs and corn make up the main enterprises on many farms.

You'll find that hogs are efficient users of both grain supplies and labor. Risks are lower than with feeder cattle or sheep. When you start farming you probably will want to raise some hogs to make an efficient program, especially if you have a large amount of grain.

As mentioned before, you’ll want to take advantage of the months when hog prices are normally high, which means early farrowing for both spring and fall pigs. The fall pig crop in the state isn't nearly as large as the spring pig crop, but there is need to even out the two production periods. The two-litter system is one of the best ways to even out your labor load during the year. Have your gilts farrow in the fall and second-litter sows in the spring if you would be up to date.

**Poultry:** Nearly all farms have poultry, but that doesn’t mean all farms make money on their chickens. Too often chickens are a neglected enterprise. The investment usually is small, but the turnover is rapid enough so that your poultry income can be an important part of your net earnings if you have the right kind of set-up and the know-how.

It is impossible to lay down any rules that fit all families. Usually poultry is largely the wife’s enterprise, although the man of the house should help.

Poultry must have good buildings for success. On rented farms, the kind of poultry house will be a big factor in deciding how to plan that part of the business.
Dairy Cows: Most farms have a few dairy cows. When dairying is a sideline enterprise, the cows often are neglected and the income from them is not as high as it could be.

Dairy animals make good use of roughage, and the weekly cream check often is a welcome addition to the year’s income. If you are on a small farm, dairying is one of the best ways of increasing the volume of business to make full use of your labor. The return for each $100 feed fed is ordinarily higher than for such livestock as hogs. But the return per $100 original investment is usually lower.

Compared to other livestock enterprises, the initial investment in dairying is high, but the income is steady and dependable. Some farmers keep dual-purpose animals, which produce less milk and cream but which produce better calves for feeding.

Regardless of the kind of cows you have, or whether they are straight dairy or dual-purpose, make efficient production your goal. Learn the best methods to feed and manage your cows and to care for and market your milk and cream.

Beef Cattle: There are two kinds of beef cattle enterprises. One is cattle feeding. The other is raising beef cattle for the feedlot.

Buying feeders for cattle feeding is the more important in Iowa. Both buying and feeding cattle call for experience before the enterprise is very large. If you are just getting started in farming, take time to learn the business.

Experienced cattle feeders usually stay in the game year after year and have the financial stability to take some losses without becoming hopelessly involved in debt. Returns on feeding will depend upon the price paid for feeders, cost of feed, rate of gain and selling price of the fat cattle. Feed costs make up from 75 to 80 percent of the total expense.

Raising beef cows and calves means a slower turnover of capital, but the enterprise can be entered on a small scale. The investment per cow is less than with the dairy herd, and the feed requirements call for more roughage and less grain.
It takes experience to run a beef cattle enterprise.

If your farm has plenty of hay or a large acreage of cheap pasture, you may want to consider this enterprise. But if your land is good for grain crops it probably will be cheaper to buy cattle.

**Sheep:** There are two kinds of sheep enterprises. You may want to keep breeding ewes and raise lambs or you may want to buy feeder lambs for the feedlot.

In general, the same things said about the two types of beef cattle enterprises apply to sheep. Lamb feeding carries a high risk and needs more than usual skill.

Often you'll find a few breeding ewes come in handy in consuming woodlot pasture or cleaning up waste roughage around the farm. As with beef cattle, though, large-scale sheep raising or feeding should be left to the experienced farmer.
Keep Your Risks Down

Regardless of the kind of crop and livestock enterprises you have, one of your chief aims as a beginning farmer should be to keep risks in hand. If you try to avoid all risks, you will never be a successful farmer. But risking too much may bring greater losses than the beginner can stand. Always in farming there are such natural hazards as unfavorable weather, disease and insect outbreaks.

There are two ways you can keep risks down.

In the first place, you can eliminate some risks by management. The use of clean ground and sanitary equipment will reduce disease losses in hogs and poultry. Hogs can be vaccinated against cholera, young chickens can be vaccinated for fowl pox, and cows can be tested for Bang's disease and tuberculosis.

You can eliminate much of the danger of diseased crops by selecting and planting resistant varieties and using proper seed treatment. Early maturing varieties of corn and soybeans will reduce frost risks if planting is delayed.

Your second possibility is to meet some risks with insurance. This is especially important when it comes to crop damage from hail. Federal crop insurance, which covers all natural hazards,
already is available for wheat and may be made available for corn.

A combination of enterprises on the farm is some insurance against price risks. Important price changes tend to affect all products at the same time and in the same direction but not always to the same extent.

**Make a Final Farm Plan** The end result of all your thinking and planning on the organization of your farm should be a final farm plan. That plan should be put on paper to help you decide whether you have the combination most likely to give you the highest net return.

Some farmers like to use a budget in figuring out which crop-livestock combination to use. You can have a budget plan showing labor needs throughout the year or a budget to balance feed supplies with feed requirements. Most important is the one that compares the net returns with various possible combinations.

In order to compare expected returns, you probably will want to take these steps.

1. Set down the number of acres of each crop to be grown and the number of each type of livestock to be kept.
2. Using normal returns, estimate the total production of each crop and each kind of livestock.
3. Figure the amount of each product which can be available for sale after allowing for home use, feed and seed.
4. Estimate the gross income from the amount you’ve indicated, using good judgment regarding expected prices.
5. Set down all the expenses to be met during the year. This will give you a total expense figure.
6. Subtract total expenses from gross income to get probable net income.

While going through this process note the times of year when income will be coming in. Plan to take care of costs in between these times.
Keep a Complete Set of Records

With any farm organization plan, much of your improvement will come from knowing where you have done well and where you’ve made your mistakes—where you overestimated something or underestimated another item.

Your guide should be a complete set of farm records giving a detailed account of your income and expenses for each enterprise. It’s also wise to use a detailed home account book for home and household expenses. Mere “keeping the books” isn’t enough. The books should be studied at the end of the year.

IOWA — AND YOUR FARM

A part of the enjoyment from farming comes from the pride in living in a good agricultural state. As a farmer you become an important part of your community and your state, and it is worthwhile to know something about the state in which you farm.

Although corn and hogs are generally produced on most Iowa farms, there are type-of-farming areas, identified by defi-

Hogs are the main livestock enterprise in the state.
nite characteristics. The type of farming in each area is usually based on the soil type.

There are five such areas in Iowa — the Northeastern Dairy area, the Cash Grain area, the Western Livestock area, the Southern Pasture area and the Eastern Livestock area.

Now these names don’t indicate the most important enterprise in the area. Rather they indicate the way one area differs from another. Corn and hogs, for example, are the most important enterprises in all areas, but the Northeast Dairy area gets its name because dairying is more important there than in the other four areas.

Just to get better acquainted with our neighbors in the other areas, let’s take a little time to go over each one.

**Northeastern Dairy Area**: Here there is a wide variation in soil type and lay of the land. Some is rolling and hilly. Some has poorly drained areas, making problems in both erosion and drainage. About half of the farm land is in hay and pasture, with oats important relative to corn.

With this kind of feed supply, dairy cattle play an important part in farm organization. In most years, some additional feed grain must be brought into the area. Farms average about 158 acres in size, with about 49 percent of the farms operated by tenants. Renters commonly use the livestock-share lease we described earlier.

**Cash Grain Area**: The land in this central area is highly productive, nearly level, and most of it is tillable. Drainage is a problem on many farms. With this kind of land, most of the area is devoted to grains with very little permanent pasture.

Because of the high production of grains, hogs are the most important livestock enterprise. Dual-purpose cattle have an important place on many farms.

A large amount of grain is shipped out of the area. Farms are a little larger than in the Northeast Dairy area, averaging about 172 acres in size, with nearly 60 percent of the farms operated by tenants. Here the crop-share lease is commonly used.
WEIGHTED LIVESTOCK AREA: This area in the western part of the state is rolling except for a narrow strip of bottom land along the Missouri River. Soil erosion is a problem.

Corn is the main crop, oats are less important than in some of the other areas. Wheat is grown on the bottom land.

Even though hogs get first call on the grain, cattle feeding is a large enterprise. Farms are about 176 acres in size with 58 percent of them operated by tenants.

SOUTHERN PASTURE AREA: In this area, much of the land is rolling and is kept in permanent pasture which gives the area its name. Much of the cropland also is rolling, and erosion is an important problem.

Because of the lay of the land, less of the cropland is in corn and more in hay crops. The supply of feed grains is short.

Beef cattle make good use of the pasture and roughage supply and get the nod over dairy cattle on the larger and rougher farms. On the smaller farms dual-purpose or dairy
cattle find an important place, although not on an intensive basis.

Farmers who have enough land will do as well as farmers in other areas. But the average farm size, 162 acres, is often too small for efficient production methods.

About 47 percent of the land is operated by tenants, with the crop-share lease used most.

**Eastern Livestock Area:** Here you’ll find much of the area rolling, although there are large areas of level land. Erosion is a problem on many farms. Corn yields are high, and hogs are the main livestock enterprise. Many cattle are fed. A system using considerable roughage and pasture is favored. Dairy production is important on smaller farms and around the several cities.

Farms average 153 acres in size, with 49 percent of the land operated by tenants. The livestock-share lease is quite often used, although the most common type is still the crop-share. A good many cash leases also are used.

Regardless of the type-of-farming area you go into, however, you’ll find wide variation in farm organization and farming methods.

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