



NUTS & BOLTS

... Teachers delivering knowledge that works to North America's Farm and Ranch Families

Volume 14 Number 3

A Month in Brazil

By Laurie Morris

Last Fall I was given the opportunity to participate (through a *Farmer to Farmer* grant) in a project that took me to southeastern Brazil. The *Farmer to Farmer* Program is one branch of the *Partners of the Americas*, an organization that was founded in 1964 by a call from John F. Kennedy for an alliance between the governments of the Americas.

Our first stop was Belo Horizonte, the capital city of Minas Gerais. I was at once amazed and shocked at what would become a very common sight, the incredible contrasts between the very rich and the very, very poor. Upon arrival in Belo we met with Baldenado Napoleao, President of the Minas, Brazil Chapter of *Partners of the Americas* and also director of the CEASA-MG. The CEASA is a federally funded operation that provides sales outlets for large and small-scale farmers. Over 98% of the state's wholesale fruits and vegetables are traded here by nearly 545 companies and farmers. Since its creation in 1971, the CEASA has grown to fill its 2.3 million square meter lot. Talk about a big farmers market! Unsold produce is left behind and ends up in condensed vegetable soup that is distributed to the schools in Minas Gerais. It is expected that the CEASA will become privatized in about two years so those we met were very interested in the marketing methods common in the U.S.



From Belo we traveled to our ultimate destination, a 500-hectare farm near Rosario de Limeira, a relatively new municipality in southeastern Minas Gerais. The farm known as Iracambi is owned and operated by a British couple who is committed to the environment and to the local farmers. Iracambi includes a fish farm (one of the first in the area); a dairy, a eucalyptus plantation, and 70 hectares that are legally set aside as a Rainforest preserve. In the last year, Robin and Binka Le Breton began a project which has evolved into a non-profit Atlantic Rainforest Research Center combining biodiversity research and conservation with agricultural and community development. They have gained the respect

and following of the local farmers and work diligently to improve the condition of the environment and life for that area.

Our team (two from Colorado) was to serve as facilitators in the assessment and formation of a Small Farmer's Loan Fund. To evaluate and revise existing plans for the funding and operation of the Research Center (staffed by volunteers and

professionals from around the world). And to analyze the farm enterprises operated by Iracambi. We had a little over three weeks to do all this!

In the course of our work we collaborated with the local mayor, extension agents, Rural Farmer's Union President, local farm groups, and the Ag professors and small

(See "AGRICULTURE", continued on page 5)

Challenges for the Future

A Message From Lynn Schluckebier, NFRBMEA President



Spring has finally arrived. Winter with its high fuel bills, high snowdrifts and low temperatures are only a memory.

Spring is the time to look ahead to the coming year and beyond. An article I read recently by Jerry Carlson for Pro Farmer about an Iowa soybean producers' tour of Brazil really made me

take a closer look at agriculture here in the U.S.

Brazilian agriculture today is similar to US agriculture 150 years ago. Well established and growing with the current technology.

When you think of Brazil, think BIG. The state of Mato Grosso is about the size of the entire Midwest. They are clearing raw land and making it productive, then exporting the products out of the developing region just like our great-grandfathers. Fields of soybeans up to 60,000 acres make up farms that are up to 400,000 acres in size. As the land is cleared, the government is requiring 20% be set aside in its original condition. In some areas of Brazil after the native growth has been removed, up to 600 pounds of lime and 300 pounds of phosphate plus micro nutrients have to be added to change the soil makeup to support soybeans production. Can you imagine farming a high organic soil that is 150 feet deep with an annual rainfall during the growing season of 50 to 60 inches?

Today a lot of land is priced at \$ 50 per acre in its' uncleared state, and there is a lot of it, 200 million acres. A family bought 200,000 acres of raw land in 1988. Today that family has 400,000 acres in crop production. They have a \$5.2 million pickup— a private plane—to travel to all parts of his operation. The plane is necessary to travel the couple of hundred miles to his barge unloading dock and ship loading dock on the Amazon River, at Itacoatiara. Another family purchased land 250 miles from the nearest town. Today

there is a town within sight of their home. Other families have built homes on raw land, developed the land, expanded and today live in the city on weekends.

A field of soybeans was observed on one farm with a pod count of 153 per plant. Their soybean genetics are equal or superior to ours. 65-bushel per acre yields are expected, with 88-bushel yields in some test plots. 34 large farmers are investing \$0.50 per bushel in corn and soybean research each year. Say an average of 100,000 acres of 60-bushel soybeans equals a nice sum for research each year.

Soybeans are harvested at 20% moisture and dried mechanically. There is so much rain that beans can not be left in the field to dry down. Logs from the newly cleared land are burned to dry the beans not \$1.20 propane. The beans are then stored in underground storage facilities up to 25 feet deep. The porous soils keeps the soybeans dry on the bottom, and a steel roof on top. The soybeans are cleaned before being loaded out onto barges and trucks for export. They are very quality conscious.

The cost to produce a bushel of soybeans in the Mato Grosso's new land:

All production costs before leaving the farm	\$2.98
Shipping to a port for export	\$0.48
Total FOB port	\$4.07

(CHALLENGES, continued on page 6)

*Have You Visited the
Teachers'
Lounge
Today?*



Come on in!
www.nfrbmea.org

Click on Teachers Lounge

Mr. Caster Goes to Russia

In March I went to Central Russia to teach Farm Business Management to a group of Russian farmers and work with the faculty at two vocational schools in developing a program of instruction similar to our FBM programs in the United States. The trip was through ACIDI/VOCA, which is a volunteer organization funded by the USAID, which is part of the U. S. State Department.

I was in the geographic center of Russia (southeast corner of West Siberia) which is their main wheat growing area. The farmers I worked with also had livestock, dairy, berries, and vegetables. The area is rolling with black soil similar to our Midwest. The latitude is 55°, the same as Edmonton, Alberta.

The large, collective farms are being dismantled and the land distributed (slowly) to individual farmers. Those with drive and ambition can own equipment and increase their land holdings. My class consisted of both family farm operators with about 250 acres each as well as accountants from the large state-run farms with 10,000 to 20,000 acres each. I was impressed with their level of knowledge of accounting and business analysis. What is lacking is the ability to transfer the knowledge to use in day to day decision making.

Although the personalities along with their ambitions, hopes, and dreams could have been right out of a group of American farmers, they face some problems we can hardly comprehend. A limited amount of financing is available through a U. S.-Russian cooperative venture at

30% interest. The interest rate through regular channels is now 70% and topped at 250% five years ago. Consequently, yields are very low due to lack of fertilizer and other inputs. But, as one producer said, "What good does it do me to get fertilizer when I can't get fuel to haul it home and spread it?" Equipment is expensive and repairs costly. I was told that 80% of the farm equipment in Russia is inoperable.

The Russian Mafia controls all business in the country. Marketing of agricultural products is either to Mafia-controlled "brokers" or permission to sell is purchased from Mafia thugs. One family in my class milks 28 cows by hand. They make cottage cheese on the farm and sell milk and cottage cheese

locally. The Mafia makes regular stops at the farm and demands payment.

Even though the farmers were very receptive and I thoroughly enjoyed my time in the classroom, the administration of both schools was reluctant to commit to any new program due to lack of money. Some individual instructors were enthused and readily understood the concept of combining classroom study with on-farm visits, so I feel there is potential for something happening in the future.

This was a fantastic experience for me, personally, and I hope to be given another assignment next year. Anyone interested should check out the website at www.acdt/voca.org.



These farmers in a Russian classroom have much in common with their American counterparts but their problems make ours seem pretty small.

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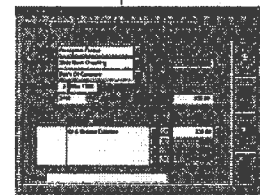
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(“AGRICULTURE”, *continued from page 1*)

business development center folks at the University of Vicosa. In all we were amazed at the response and collaboration we experienced. The shareholders were all strong leaders committed to seeing these projects come about, were very committed to the environment, to watershed protection, and reduction of the use of chemicals.

You might ask why from all we hear about Brazil was this necessary? The Brazil I visited is not the one you read about in the Farm magazines. This was a very remote area of Brazil, electricity came about two years ago thanks to a rural development grant, donkey-carts were the most common mode of transportation, and telephones were a rarity. The average farmer in the area owned just a few hectares of land and typically grossed \$4,000 a year. This is a mountainous region where coffee is the primary crop. You see some corn, rice, and beans growing but only for their own consumption. Mechanization is nearly unheard of and transportation is costly. The roads were hilly, muddy, rutted, narrow routes that you maneuver rather than drive on. The traditional mode of farming

was to clear the land and keep it bare. As a result, after a number of years erosion and depletion of soil nutrients left the ground useless. Through education there is an increase in understanding of "no-till" or "minimum till," as well as the integration of planting leguminous crops between the coffee rows to increase nutrients and slow the erosion. The farmers in this area were very concerned about their watershed; and some were using non-toxic insecticides and organic fertilizers.

The Loan Fund we helped create is targeted at the farmers described above. It is very difficult for small farmers to acquire operating loans especially for alternative crops or practices. Because of the altitude, erosion problems, and transportation costs, coffee is not the most ideal crop. The Loan Fund is targeted to assist small farmers with projects that reduce the environmental impact of traditional means of production and processing, encourage cooperation between farmers, and are compatible with the local soil types and watershed conservation. Those applying must agree to receive training that will focus on developing management and technical skills, which will improve their likelihood

of success. The farmers groups we met with were much like those I see at home. They loved the land, wanted a chance to make their living from the land, and were committed to preserving the land. The area extension agents were also very dedicated to seeing this happen, in many ways they reminded me of FBM instructors who gave much of their time and energy but were stretched very thin.

The highlight of the trip was the opportunity to visit three rural elementary schools. Children are the same the world over and they stole my heart completely! The schools were short on supplies and equipment but what they lacked the teachers made up for through ingenuity. Teachers and students alike were overjoyed by the supplies we brought them and loved seeing themselves on both the digital and video cameras. Their hugs and smiles were contagious but humbling when I thought of all we take for granted in the U.S.

I regretted missing our Fall NFRBMEA Board meeting, but the time spent in Brazil forced me out of my comfort zone, exposed me to a remote part of the world, and made me stretch



From the Webmaster's Keyboard...

Teachers' Lounge... Visitors Welcome

By Deb Pike

Are you looking for some feedback to an idea you have? Do you have a teaching tool you'd like to share with other instructors, or are you looking for a tool to help you as an instructor? How is the planting or harvesting going, or how are the crops doing in other parts of the country? The answers to your questions or *your* answer to someone else's are only a few clicks away in the **Teachers' Lounge**.

The Teachers' Lounge bulletin board was added to our website last fall as a venue for questions, answers, exchanging ideas, and just general discussion. Sort of like a "virtual conference".

Unfortunately, there haven't been many visitors to the Teachers' Lounge. Planting time is here— why not share what's happening in your area with the group? I

(TEACHERS' LOUNGE *continued on page 6*)

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(CHALLENGES, *continued from page 2*)

The sizes of the operations makes hired labor a requirement. One farm had 80 employees. Each received \$200 per month plus housing and three meals a day. The dining room for the workers was as modern as any restaurant here in the US.

Livestock will be the next expansion area for the Brazilians will expand into. One hog operation has 1,400 sows turning out 23 pigs per sow per year. This operation has no fans or augers. 30 employees, and a manager who earns \$13,000 per year, do all of the work. Each pen is washed down twice a day keeping the place clean and odor free. The effluent goes into a lagoon that is not regulated. Their goal is to export \$ 2 billion of meat each year utilizing the abundant feed available locally.

To me, the above information is sobering and presents a challenge to farm educators. We are in a world ag market that doesn't care about the US standard of living. What are we as instructors going to do to help our cooperators compete? It has taken us 225 years to get to this point, starting now and at the summer conference we need to start looking for new ways to help U.S. Agriculture survive.

(TEACHERS' LOUNGE, *continued from page 5*)

know that Farm & Ranch Business Management instructors don't spend much time twiddling their thumbs, but I encourage you to take the time to give it a try. Teachers' Lounge has the potential to be a great tool, but it takes your participation to make it work.

If you have any questions about Teachers' Lounge—how to register, post or reply to a message, please send me an e-mail at dapike@smig.net. I can help you get started. If you're new to bulletin boards, don't be afraid to give it a try. We're all learning together!

I look forward to visiting with you in Breckenridge!



NFRBMEA Board Conference Call "Unofficial Minutes"

April 19, 2001

At 12:30 P.M. CDT, the Board of Directors joined in a conference call to discuss NFRBMEA business. Al Graner, Laurie Morris, Maylon Peters, Larry Oraskovich, Lynn Schluckebier, Ira Beckman, Deb Pike and Wayne Pike joined in the call.

- Secretary's and Treasurer's reports (previously sent out by mail) were approved.
- 2001 Conference report- 41 members registered already; 52 rooms booked with 113 guests.
- First Timers' Scholarships- one used by Colorado and one used by Oklahoma; three remain available for this conference*. These are funded by National Crop Insurance.
- Exchange of Ideas- two

applications have been accepted; three remain to be awarded*.

- Deb Pike, Webmaster, reported limited usage of the web's bulletin board (Teacher's Lounge) either because members don't know about it, or are maybe too busy. She will continue to promote it in *NUTS & BOLTS* and at the conference.
- Wayne Pike reported membership stands at 205, with 189 Regular memberships, 14 Affiliate memberships and two Honorary.
- Larry Oraskovich reported that the planning for the 2002 Conference near Faribault is well under way. Dr. Neil Harl

has been booked for one conference day.

- National Crop Insurance has agreed to fund \$5,000 for speakers for our conference in Breckenridge. They are putting together a risk management compact disc that will be sent to everyone on the NFRBMEA mailing list.
- We are looking for more officer candidates.
- We look forward to meeting in Breckenridge in June.

**applications in this issue of NUTS & BOLTS and on the web.*



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NFRBMEA EXCHANGE OF IDEAS
NFRBMEA Conference in Breckenridge, Colorado

\$100 will be awarded to the first five (5) individuals submitting an outstanding idea for the Exchange of Ideas activity by **May 1, 2001**. To qualify, have an idea and complete the form below including a brief description of your idea. This is not a contest.

Individuals applying for the "Exchange of Ideas" award must agree to the following rules:

1. The first five qualifying entries by NFRBMEA members for the Exchange of Ideas activity will receive a \$100 award. The award will be presented June 13, 2001.
2. Applicants will complete the following registration form (or a copy) and submit it as soon as possible. Recipients will be notified of award status by May 4, 2001.
3. "Ideas" need not be original, but must have the applicant's work evident in its adaptation. "Ideas" must be of professional quality and scope.
4. Applicants will make a five-minute overview presentation on their "Idea" on Wednesday morning, June 13, at the 4th General Session. This presentation will be from 8:00 to 9:30 AM. Be prepared to answer questions from conference participants.
5. Award recipients must submit their "Idea" in a format suitable for inclusion on the conference proceedings CD to Ira Beckman by May 10, 2001.
6. Send your Exchange of Ideas entry to:

Ira Beckman
1720 West 195th Street
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detach here

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Exchange of Ideas Application
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Briefly describe your "Idea": _____

I agree to the Exchange of Ideas rules above. Signed: _____

2001 NFRBMEA First Timers' Scholarship

The NFRBMEA will be awarding \$200 scholarships (Free 2001 Annual Conference Registration) to five (5) individuals attending our Annual Conference for the first time. ***Dues to the NFRBMEA of \$20 are not covered by the scholarship and must accompany this form.***

The rules are simple:

1. Be the first person to submit this form from your state or province.
2. Pay NFRBMEA year 2001 dues of \$20 in U.S. currency. (Make checks payable to NFRBMEA.)

Please give this sheet to anyone interested in the conference in Breckenridge Colorado who has never attended a NFRBMEA conference before. Speed is important, as only the first five people from different states and provinces are eligible. The postmark will be the tiebreaker. Let us see how many new individuals we can encourage to attend the Breckenridge Conference. The program appears to be outstanding.

Applicant (Please Print): _____

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Send this form along with your check for NFRBMEA 2001 dues to:

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