

How long can prices for farmland go up?

Prices for farm and ranch land continue to soar, and farm people continue to pay.

So far, the run-up seems sustainable, but in the long run, anyone investing in land (or anything else) needs to remember the old dictum: "What goes up must come down."

Makes no difference whether you believe in gravity or the laws of economics: all bubbles will burst.

Some price rises just peter out as the market backs off for another run. Others, like the housing boom of the last decade, burst in spectacular and immediate fashion.

What will it be with ag land?

Irrigated farm ground around here is going for as much as \$4,500 an acre, though Kansas State University experts say the average was more like \$1,766 last year. Still, that's up 58 percent in a decade.

Dryland fields can sell for as much as a \$3,000 an acre in the northwest corner of the state, with an average last year of \$820 — up 50 percent since 2001. And pasture can go for as \$500 or more, with the average at \$416, up 73 percent.

Statewide the average increase for all farmland was 58 percent over that period. Many things can affect the price, of course, including location, field condition and quality, size and whether it includes the mineral rights.

Some investors argue that prices won't collapse. They say there are good reasons for the increase — world demand, a growing population, continued need for grain for alcohol production, a boom in oil exploration. All true, and those investors could be right.

Anyone who can buy land and cover his bets in just a few years might want to keep on buying. Anyone who'll be hung out to dry with loans that might be difficult to pay, well,

that's another story.

History tells us no boom continues forever. That's not the way of the economy. A price run-up founded in demand may be more solid than the speculative bubble in housing, driven as it was mostly by greed and government regulations that encouraged shaky loans.

But any hot market will attract speculators, and any commodity where the price moves up relentlessly presents the specter of a crash. The road of history is littered with the wreckage of those who ignored that fact.

Timing is everything, of course, but knowing when to bail can be difficult. Most people have a hard time quitting while they are ahead of the house. They equate today's profits with an unlimited future.

It's a fact that we all tend to assume that whatever is true today will be true tomorrow. History proves us wrong time and time again.

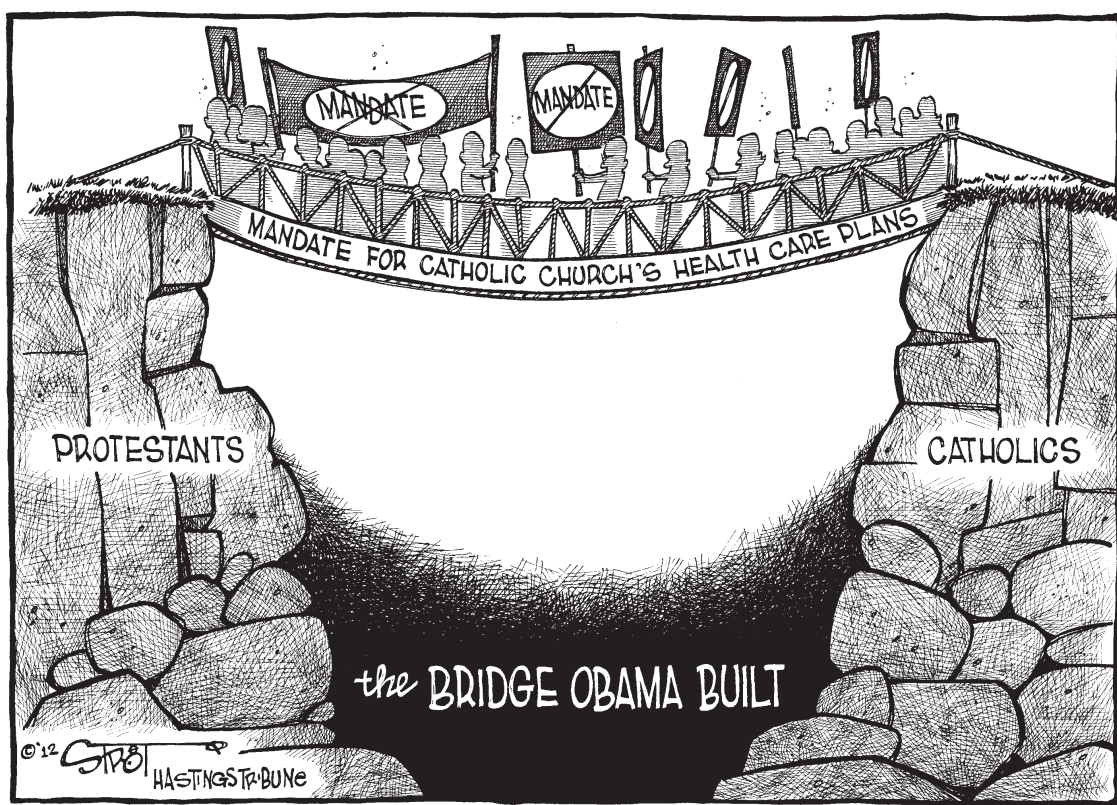
Is farm land still a good investment?

Probably, for those who can afford it and can arrange their finances to pay for it. But caution is advised, because nothing is forever. The last to get out of any market lose the most.

Sure, grain and cattle prices are high, but that won't last either. Markets depend on too many things that can change, from government subsidies to farmers and alcohol plants to environmental regulations to consumer tastes.

All may seem solid for now, but the moment is fleeting. Rural influence in Congress and the ag vote continue to slip away. The Farm Bill is no longer a sacred cow.

Some day we will wake up in a different world. Investors should consider that fact, and plan for that time today, not when it's too late. — Steve Haynes



She's zoom, zoom, Zumbaing

I'm learning to dance.

Well, I'm taking a few lessons anyway.

I love to dance. I dance at every opportunity. Steve has learned to dance out of self defense. Today, he enjoys dancing. I love it.

I dance at home, on vacation, even at work. Turn on the radio, and I start to dance — which can be kinda disconcerting when I'm driving.

I've been known to start dancing to radio music and keep it up when the evening news comes on.

But this a little different.

While I don't normally go in for crazes, I had a chance to take Zumba lessons with my friend Mary.

Mary has done this before and said, "Come on. It'll be fun."

She was right. It was fun. Also sweaty and tiring.

We followed a crowd of women and one brave man into a cracker-box sized room. There were about two dozen of us, and not enough room for proper stretching, much less dancing. But that was the space we had, and the teacher lined us up in three long lines. Then we switched around some, as the shorter of us moved under the ceiling fans and the taller ones near the walls to keep from being hurt when arms went up in the air.



Open Season

By Cynthia Haynes
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The instructor was young, blond and perky — but then aren't they always?

Mary had told me that it didn't make any difference if I didn't do it "right." She said that half the people there were beginners.

She was right. Most of us didn't have a clue.

The instructor told us that she would show us the steps but that Zumba was more about exercise than dance.

Well, darn. I wanted to dance.

And dance I did.

She started us off with a warm up that had me panting.

And we were soon wiggling around like line dancers with ants in our pants.

It was fun and exhilarating, tiring and sweaty. Everything that was promised, in other words.

It wasn't pretty, mind you. While

one half of the class was following the instruction the other half was going the wrong way most of the time. But we were all moving and getting into the music and the spirit and having fun.

The class was an hour long, but I only lasted 30 minutes.

Thirty years ago, I did something of the same kind. I joined an exercise class and thought I could keep up. I hopped and bopped for an hour and could hardly crawl out of bed the next day.

That was 30 years ago, but it was a painful lesson I haven't forgotten.

I'll be taking a couple more classes and hope to get a little better, but I'm sure that I'm not going to get to be either a Zumba expert or wonderfully fit.

I'm just hoping to be able to get out of bed in the morning and be able to walk to the next class.

He's on a working vacation

Yeah, I was on vacation for a week. Not doing anything special; just hanging out, reading books and even newspapers, which when I'm working, I seldom have time for.

What am I reading?

A book on submarines. A John Grisham legal thriller. *The Denver Post*. *The Wall Street Journal*. Stuff I never have time for in the workaday world, where I read two newspapers before they are printed and try to scan four more. And in the morning over coffee, before rushing out the door, the *Salina Journal* and a couple of news websites.

I always forget how much fun the *Wall Street Journal* can be.

A business newspaper, fun? you ask.

Sure. Business is part of the drama of life. Personalities abound. Crooks and sinners crop up with regularity. Occasionally, even murder and mayhem.

But the *Journal* is so well written and deftly edited that it makes even a corporate board report interesting.

For pleasure, stay away from *The New York Times*, whose reporters are full of self and sure that the fate of the civilized world hangs on their shoulders. It's a widely respected, family-run outfit, but mostly it's good for a snooze.

One secret is that the *Wall Street Journal* seeks out, helps train and hires the best copy editors from



Along the Sappa

By Steve Haynes
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American journalism schools. Where other papers focus on writers, the *Journal* always has sought editing talent first. It attracts fine writers, but it has people who can sharpen and hone their copy.

So just reading the headlines can be fun: One "Heard on the Street" page the other day contained a story about Apple Computer profits exceeding expectations by an astounding \$7 billion in the fourth quarter: Apple Message to Wall Street: iWin.

That's a lot of iPhones, folks.

Next to it was a story about China's economy growing so fast that municipal bond debt which last year seemed a burden this year fades compared to income and cash: China's Debt: You'll Grow Out of It.

And chortled another headline, "Europe's Pain Is U.S. Gain," about how the debt crises overseas is helping U.S. firms by holding prices for raw materials down.

Even the reporters get into the act. On the story about Apple, Rolfe Winkler writes about prospects for more growth at Apple, especially in Asia. He sets up his close with a clever pun:

"Three quarters of the China market, and more of India's, is comprised of prepaid subscribers. To appeal to these customers, Apple will have to sell a scaled-down iPhone that would surely sport lower margins than existing models. Still, that would offer an additional opportunity to expand its potential market."

"With that still to look forward to, no wonder Apple is the Exxon of mobile. And, following its 8 percent after-market gain, it again passes the oil major as American's most valuable company."

(Yes, a grammatical error. It should say "composed of"; these people are not perfect.)

But time's a wasting, and I must get back to work, er, reading.

It started out innocently enough, but ended up in a major fracas.

I was on Facebook and clicked on a link, to what appeared to be a cute story about a large male elk in a zoo somewhere that, evidently, rescued a drowning marmot (a furry little animal that looks similar to a well-fed prairie dog).

Zookeepers observed "Shooter" the elk acting strangely at his watering tank. His size and aggressive behavior prevented them from entering his enclosure. Shooter kept trying to submerge his head in the water, only to have his massive antlers get in the way. Then Shooter would paw in the water with his front hooves.

The zookeepers then watched and photographed Shooter reach into the water with his mouth and, ever-so-gently, lifting a half-dead marmot from the water. Shooter then placed the animal on the ground and nudged it with his hoof until the marmot scampered off into the brush, lucky to be alive.

Now, here's where you're supposed to go, "Awwwww. Isn't that sweet?" And I admit, I gave into that warm, fuzzy feeling you get when reading about such altruistic behavior — especially from an animal. But wait. I began to read comments posted by other viewers. Some, shamelessly, credited Shooter with human characteristics and said he must have known the marmot was in trouble and wanted to help. Others said Shooter was acting merely on the instinct of protecting his territory.

From there, though, any attempt at civility disappeared. The postings devolved into the debate of evolution vs. creation, human-kind vs. the animal kingdom and good vs.



Out Back

By Carolyn Sue Kelley-Plotts
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evil. People were calling each other stupid, ignorant, tree-huggers, even vegetarians. It was ugly.

Where do I stand on the debate? Probably somewhere in the middle. I love animals, but I know they are animals. Not variations of "us" with fur. They are capable of affection, especially when you feed them regularly. But "love"? I don't think so.

Animals don't have a conscience. If a dog comes out and bites the mailman, he doesn't feel remorse and think to himself, "Now, why did I bite that nice man. He brings me samples of '-Doggie Do-Nuts.' I shouldn't have bit him."

No. The dog hides back under the porch and bites the mailman again the next day. It's his nature to defend his territory, mate or offspring.

In the animal kingdom, it is survival of the fittest. Now, don't go getting all "gooshy" on me about how animals are so sweet and kind. In my own backyard, I know how chickens can attack and peck to death a weak bird in their own flock (maybe even their own sister), or how a tomcat will kill kittens. In the wild, male animals of most species will fight off other males from intruding on their territory until they are too old and weak to defend it. Then they succumb to stronger, younger males who will, eventually,

get too old and weak, and the cycle of life continues.

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The weatherman got it wrong this time. And aren't we glad? No blizzard; at least not by western Kansas standards. The snow contained lots of moisture, came almost straight down and didn't hurt a thing. Grocers may have benefited because everyone was stocking up for the "big blow" which didn't happen.

We stayed in and cooked. I made French toast for breakfast, Jim made his famous "bean burros" for lunch and I put ribs in the oven to bake all afternoon 'til they were fork-tender. Life doesn't get much better than that.

From the Bible

And forthwith, when they were come out of the synagogue, they entered into the house of Simon and Andrew, with James and John. But Simon's wife's mother lay sick of a fever, and anon they tell him of her. And he came and took her by the hand, and lifted her up; and immediately the fever left her, and she ministered unto them.

— Mark 1: 29-31

Reader stands up for president

To the Editor:

Just a comment on the Dec. 28 editorial (Page 4A, *The Oberlin Herald*). Noticed the comment "his recession" when commenting about President Obama's policies. How soon we forget that the economy was shrinking and had been flushed down the toilet before he came into office.

Maybe we should share the blame with the excessive deficit spending with the past three Republican presidents: Ronald Reagan, George Herbert Bush and George Walker Bush.

True, the 2009 stimulus bill,

Letter to the Editor

known as the American Jobs Act, probably wasn't large enough, but we can assume that it prevented a calamity. The huge hemorrhaging of jobs when President Obama came into office has changed into 22 consecutive months of job growth.

Is this fast enough? NO. Has the President had cooperation in Congress? NO. Can we blame President Obama on what he inherited? NO.

Lyle Black,
Beverly Hills, Calif.



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