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AGRICULTURAL ACT OF 1961
TITLE I, AGRICULTURAL ENABLING AMENDMENTS ACT OF 1961

1961/pt. 4
HEARING
BEFORE THE
COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES
EIGHTY-SEVENTH CONGRESS

FIRST SESSION

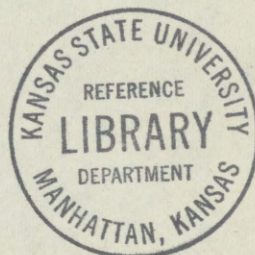
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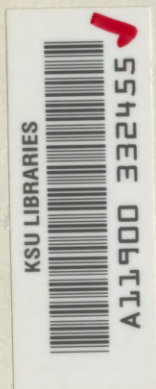
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HEARING

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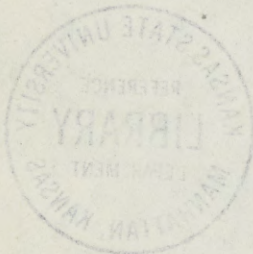
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AGRICULTURAL ACT OF 1961

THURSDAY, MAY 11, 1961

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The committee met, pursuant to recess, at 10:20 a.m. in room 1310, New House Office Building, Hon. Harold D. Cooley (chairman) presiding.

Present: Representatives Cooley, Poage, Grant, Gathings, McMillan, Abernethy, Albert, Abbitt, Thompson, Jones of Missouri, Hagen, Johnson of Wisconsin, Jennings, Matthews, Breeding, Stubblefield, Harding, Hoeven, Dague, Belcher, McIntire, Teague, Short, Mrs. May, Latta, Harvey, Findley, Dole, Beermann, and Reifel.

Also present: Christine S. Gallagher, clerk; Hyde H. Murray, assistant clerk; John Heimburger, counsel; and Francis M. LeMay, consultant.

The CHAIRMAN. The committee will please come to order.

We are delighted to have with us Mrs. Mary Conger from the great State of Kansas. We appreciate your coming, Mrs. Conger. I know that many people have read your very interesting story in the Saturday Evening Post, published last year.

I congratulate and commend you on bringing your situation to the attention of the public. I think that we have not been able adequately to present agriculture's side of the picture. You have made a great and unique contribution by writing this article and telling your story, which appeared in the Saturday Evening Post.

We will now be very glad to hear you tell us something about the farmer's side of the agricultural problem.

The Chair would like to recognize Mr. Breeding of the State of Kansas at this time.

Mr. BREEDING. I would like to take this opportunity to say, being a Kansan myself, that I always like to welcome another Kansan to Washington. We are mighty glad to have you here this morning, Mrs. Conger. We certainly will enjoy your testimony. We admired so much your article in the Saturday Evening Post of last year. We are looking forward to your testimony this morning and it is nice to have you with us, and the committee, I am sure, welcomes you.

The CHAIRMAN. Mrs. Conger, you may proceed and tell us what you have in mind about the problems of agriculture.

STATEMENT OF MRS. MARY CONGER, IOLA, KANS.

Mrs. CONGER. Thank you, Chairman Cooley and members of the committee. I am pleased with the opportunity to talk to you this morning.

I am, as you know, a farm woman. We live on a 720-acre farm in southeast Kansas. It is primarily a dairy farm on which we milk between 95 and 100 cows in a grade A operation, and then with the replacement heifers which we raise, we have about, probably, 225 head of females, registered Holsteins.

I was born and raised on a farm in north-central Kansas, Mitchell County.

My first trip to Washington, D.C., was as a 4-H Club girl who won the honor of coming to the National 4-H Club Camp.

My husband is, also, a farm person, raised on the farm.

We both attended college at Kansas State University. I have taught school.

My husband has been a county agent for 10 years. He has been a soil conservationist for 17 years.

Like thousands of farmers we have found it necessary to have income from off of the farm. And so he commutes to his job as a soil conservationist in Linn County, Kans.

This was not our intention. We had expected, of course, to make our complete living from the farm.

It has imposed a heavy load of work on both of us, particularly in the last 10 years. And during his absence I am in complete charge of the farm. Probably, this heavy responsibility has caused me to try to understand the farm situation.

I prepared these notes on very short notice. I was just called 24 hours before my plane left. So my talk will be extemporaneous. And I hope that I will be able to express myself to you.

The first thing that I want to do is to congratulate this committee for whatever responsibility you had in passing the emergency feed grains bill.

Just before I left I telephoned my local ASC office in Allen County, and asked them, how the signup was going. And they told me—I talked to Mr. Gale Beck—the chairman of the committee was not in—Mr. Beck is the office manager—and he said, “They are standing in line to sign up, just as fast as we can accommodate them. Out of 5,700 acres of corn base in the county, 3,698 acres are already signed up.” That would be over one-half.

“And out of 3,300 acres of milo base, 1,400 acres are signed up.”

He told me that there was more interest and more farmers attending the meetings at which they explained this program than for any farm program the last 10 years that he had been in service in that county.

I asked him this question: Do the farmers complain about Government control of agriculture?

And he said, “No. We have no comments of that kind in here.”

Then I called my brother-in-law, Lyle Lukens, at Beloit, Kans., who has, for a number of years been chairman of the ASC committee in Mitchell County. He is also prominent in agricultural matters.

He is a farmer who has held many positions in the State in agricultural organizations.

I asked him, "Lyle, how is the signup going in Mitchell County?"

And he said, "Oh, they are standing in line. As fast as we can accommodate them to sign up. We anticipate that 80 percent of the operators will cooperate."

I asked him the same question: Are farmers resentful of Government interference in agriculture?

And he said, "Oh, there are always a few like that, but it is, certainly, not predominant."

He continued, "I am surprised at their general attitude. They seem to know and their thought is, 'We know that we are going to have to do something and we are willing to accept the restrictions'."

If, as it seems likely, the farmers are cooperating with this program and have turned out in record numbers to show their interest, it has given me a great deal of courage and a lift, I will say, that there is such a unity of participation in this program, because the farm situation has been marked by disunity, a gradual disintegration, a splintering of farm groups. And I will say further, a frustrated apathy.

I have noticed a decline in farmers' participation, or in attendance at any kind of a farm meeting—just any kind. A few years ago, we had hundreds attending and now we will have only a few score of farmers attending.

Like most farmers, we pay dues to a number of farm organizations. On the local level these organizations provide us with valuable services, such as cooperative marketing, buying of our products, and mutual insurance. And over the long period of years we have developed friendships and old loyalties, but on a national basis, all of these organizations claim to represent us, and their leaders are often diametrically opposed. This gives us the appearance of a split personality. We seem to be punching ourselves in the nose. We spend most of our energy criticizing everybody's suggestion for a farm program. This is easy to do, because all approaches to the problem do have their weaknesses and their disadvantages.

My fear is—and this is the thing I want to emphasize to you today—that the tide is running against the farmers, and that our greatest danger is that we will have no program at all. I am distressed at public opinion, at the widespread concept among, I would say, perhaps the business element of the Nation who seem to favor a repudiation of all farm programs and the return of the farmer to the so-called free market where prices would be determined by supply and demand. And this situation, I think, is impossible. I think that it would destroy the farm economy as we know it now, and it would destroy the structure of the type of agriculture we have. I think it would be economically impossible for us to survive without any organized method of adjusting our supply and demand. And that is my overwhelming fear.

I expressed that to my brother-in-law, Lyle, on the telephone. I asked, "What do farmers think?"

He said, "Oh, I am sure that it is the overwhelming opinion of most farmers that we cannot return to the free market of supply and demand."

So my plea to this committee is that we want and need strong leadership. I want strong leadership from this committee, and sympathetic leadership. I think that while this fear of Government domination is being overemphasized, I think that it would be equally possible for us to lose control of our own industry by, perhaps, outside capital gradually moving in to take over the distressed farm economy. I think that we lose partial control of our industry by this process of vertical integration which may be financed and managed and controlled by nonfarm capital and management.

Or I think we fear the domination of the price structure in agriculture by the agri-business complex. And I want to speak for a moment on that, because it is something that has not been said. I do not believe it has been brought out. It is very difficult to break through with this.

I know that farmers feel this domination, as I say, of the business complex.

Do you realize that our entire Midwest is blanketed by newspapers and farm publications which derive their profits from their advertisers who are the agri-business complex, who have products to sell and services to sell to the farm people?

It has seemed to us that the editorial opinion is, therefore, dominated by this economic viewpoint. I will give a little illustration that may make clear what I am trying to say.

On our farm it sometimes becomes my duty to take over the milking. I start out in the early morning to get the cows. The coyotes are yipping over in the back meadow. There may be an answering bark from the dogs on the neighboring farms. The beams of the flashlight pick out a hundred black and white Holsteins lying everywhere, and they do not want to get up in the morning. They are as lazy as people to get up in the morning.

I go around to each individual cow and whoop and holler and cajole and threaten. And after they get up, they do not want to move. So I make the rounds again and get them going.

Then I get to thinking how many people these cows are supporting, and I decide that maybe they are justified in feeling tired.

There is the milk-trucking industry, the processors, the distributors, retailers, their employees, their families, and all of the related industries servicing this vast aggregate.

There are the agricultural farm suppliers, machinery, tools, chemicals, pesticides, feeds, their families, and the related industries.

There are the farm services—inspectors, educational services, fieldmen, management, marketing services, artificial inseminator, veterinarians, utilities, repairs, and their employees, their families, and related industries.

Then there is the tax-supported structure and all of the public employees and services.

In an integrated society the services of all these people are important and significant. They deserve whatever honor and pay they receive. They have made a significant contribution to the efficiency of farm production. And this fact should be given proper recognition. However, there are more than twice as many people engaged in farm related industries as are employed on the land, and they receive a much higher salary and profit than the farmers do. I do

not have the figures, but I would be willing to think that probably they receive, perhaps, twice as much per capita income as the farmers do. But when the figures are made up, and the received price is taken into account, they may receive twice as much, and you can readily see that it might be about four times the gross income involved there as in the farm industry. This fact becomes inescapable, that the agribusiness complex is a giant inverted economic pyramid, balanced with its apex resting on the farmer and his cows. It is very important that the cows get up in the morning. If even a part of the cows do not get up, or if a part of the land is left idle, or if there is any form of controlled production which holds in check the total value of the farm output, it sends a shock wave through the inverted pyramid.

This, then, is a part of the farm problem. And I believe it explains why we have this attitude on the part of the agribusiness complex being opposed to any kind of Government farm legislation that will control part of our production.

Nevertheless, the people of the Nation cannot postpone indefinitely a decision as to whether we can afford to continue to spend—to expend our soil resources to produce surplus commodities, to be stored in costly structures above ground. And it is also unfair to allow the pyramid to become a crushing burden to the primary producer who must support it.

It was a year ago that I wrote the article for the Saturday Evening Post which was an attempt to tell the farm story in human and personal terms. The editors thought that this would be the best way to break through to the general public, who have little understanding of the specifics that are involved. In this article I tried to bring to the city reader an actual farm, and an actual farm community, and let him see what was happening there. I described the cost-price squeeze on our own farm, where the price for our milk had declined 27 percent over 8 years ago, and, in the meantime, the tractor that we had paid \$2,200 for must now be replaced with a tractor at \$3,800. I tried to explain to the city consumer that his cost for food was relatively low. And I also brought out this point that we have trouble in trying to fit the farm economy into the national economic structure.

There was a tremendous response to the article. I received hundreds of letters from the nonfarm public. Some of them were caustic letters—some of them saying that it was too bad that the Government was not supporting us in the style we felt we should be supported in. It revealed this very widespread idea that farmers are subsidized by the Government.

Then from the farmers I received hundreds of letters, from the men and women on every kind of farm all over the Nation, and all of them agreed with me.

Mr. BREEDING. Will the witness yield to me for a point?

Mrs. CONGER. Yes.

Mr. BREEDING. I ask unanimous consent that the article in the Saturday Evening Post be inserted in the record and made a part thereof.

The CHAIRMAN. Without objection, the article referred to will be made a part of the record following Mrs. Conger's testimony.

You may proceed.

Mrs. CONGER. Thank you, Mr. Chairman. Of course, this proves only that there are people who agreed with me. I would like to quote just a little from some of these letters.

From Nebraska:

The essential parts of your story with slight changes in detail fit the situation that exists in hundreds of thousands of Midwestern farms.

Western Kansas:

How right your story is. We surely know, as I and my two boys farm 1,200 acres; 800 acres is irrigated. We are holding even, but not getting ahead. The overhead is too big for the returns we get.

From the State of Washington:

We have a small western dairy farm, and the way things have been going in the last few years I have been worried to think that our youngest son has chosen to stay on the farm.

From a Vermont applegrower:

I believe you have expressed the sentiments of the whole farm segment of the economy. All we have to do is substitute apples for milk, and you know you have our story. In our case the chainstores have drastically changed the marketing picture until we can no longer grow a box of apples for what the chains are willing to pay. We have tried everything, have become more efficient, mechanized, cut down on hiring help to zero until we are working harder now than ever before, and still we cannot beat the game. Over 26 years we have built up a highly efficient operation, and in 3 short years all of our efforts seem to be washing away. We are not alone in this respect. A number of orchards in this State have already given up.

From a Missouri college graduate:

I flew cargo to Australia, flew the hump in World War II, flew a passenger run to Trinidad. I have seen a lot of hungry people in the world. My wife makes twice as much teaching school as I do. And if I was not adept at repairing and overhauling my own machinery I would not have even this much left. My investment is \$65,000, stated conservatively.

From a large-scale New Jersey truck farmer:

I am writing this at 3:30 in the morning because I could not sleep, and I got up to finish your article. My son leaves me today to work in town at a more satisfactory job—not more pay. I told him I would pay him as much as he could get off the farm, even though we lose money, which we did and have. The town hours are shorter which pleases his wife and family, too. Now I'm going to quit, no matter what happens. I am afraid there is no real answer to the farm problem until we can devise a plan to fit our production to the demand.

From California (1,000 acres of irrigated vegetables in the Salinas Valley):

My husband is a farmer, and the situation you discussed was almost precisely the one in which we find ourselves, so that he wanted me to write you, and thank you for having given the information national attention.

From Iowa (600 acres):

Good for you. You said what needed to be said. We are corn growers, but every year the base price gets to be a little less. The tractor manufacturers seem not to have heard of it. Our farm leaders and farm magazines have failed us so completely.

From North Dakota:

Your experience could be duplicated many times here in North Dakota, even here in the Red River Valley, supposedly some of the best farming land in the Nation.

From a Massachusetts college graduate :

My business is 70,000 poultry business on an 80-acre poultry farm, 25 miles from Boston, but our problems are the same. Why in heaven's name our own organizations do not even acknowledge the helplessness of the individual farmer in a desperate situation, I will never know.

From Ohio (a 430-acre dairy farm milking 70 cows) :

Our farm is several hundred miles from Kansas, but I was amazed and startled at the similarity and detail with which you described our own situation. We see our equity in this farm shrinking.

From Missouri :

I have read and studied this article very carefully and it is so packed with true facts that many of our people need to read. My youngest son is now serving as national vice president of Future Farmers of America. He wants to be a farmer. Can he be the way it is now?

If you want the names for these letters, I will have to send them to you from home.

When I wrote the article I had read all I could in the library, I had checked all through the general publications on what had been published on the farm situation for the last 8 years, and I was disturbed because I thought it was being misrepresented. At the same time, Dr. Wilson, director of the School of Agriculture in Kansas State University, made a public statement in which he referred, also, to this critical farm publicity, and here is what he said and I quote :

This is my real concern. I am afraid that a great many of these statements are made for the specific purpose of attempting to force farmers to operate with no program at all, with no price supports, production controls or income protection, while the rest of the economy continues to operate with Government sanctioned supply controls, Government sanctioned market protection, and Government sanctioned monopoly. The public pays for these, not so much in the form of expenditures from the Federal Treasury which can be readily seen, but in the form of preferential treatment with respect to taxes or higher prices which are not so readily seen.

Some industries are protected by tariffs. Some reap the benefit of their improved technology by protecting themselves with patents and copyrights. Some occupations restrict the right of entry by means of licenses, franchises, and assignments of sales territories. Some economic groups are favored by the tax structure or Government fiscal actions, or regulatory processes. And many groups are the beneficiaries of Government subsidies. And there are, of course, Government surplus goods that are disposed of and the Government has contracts, many of which are noncompetitive.

For better or worse this modified form of free enterprise is the economic system we have developed. The problem for farmers is how to get ourselves included in the game with a similar set of rules.

From 1947 until 1952 there were fluctuations on the farm price chart, but farm prices always remained above our cost items. Then in 1952 the lines suddenly crossed, and the red line of farm prices headed for the bottom of the graph, while the solid black line of prices that farmers paid steered a course toward the upper right hand corner of the chart. This yawning gap has continued for the last 8 years.

When the price of our milk dropped I thought that the decline would be temporary. I thought that natural factors would tend to bring

about an adjustment, and that milk prices would then recover, but they have not.

It seemed probable that lower prices would cause some farmers to shift out of dairying, and many of them have. On the modern dairy farm across the road from us four farmers in succession have sold out of dairying and have changed their occupation in the last 10 years. These were not marginal farmers. They were efficient, well trained farmers, some college graduates.

They had an operation milking from 40 to 75 cows. They were not forced to leave the occupation. They were able to sell their resources before they had depreciated in value. What they did was transfer from a low income occupation to some other occupation that would give them a greater reward for their services. And the modern dairy barn stands idle and unused today.

But these people, shifting out of dairying, have not contributed to our total problem of milk supply. The remaining farmers have had to increase production to stay in business. We all produce more per cow, more per acre, and more per man.

Lower prices have not served to reduce overall production. Locally, we produce more milk now than we did 8 years ago and nationally milk production is more than it was 8 years ago. Collectively, we destroy ourselves with the sum total of our individual efficiency in production, until each of us is threatened with being engulfed by the problems of the industry as a whole.

When milk prices dropped we thought that the consumer would buy more and eat up the surplus. There has, also, been an increase in the purchasing power that should have enabled the consumers to use more dairy food. And along with all of this we have stepped up our advertising and promotional campaigns for dairy products, but people in the United States already eat more pounds of dairy products than of any other food. When people are eating three meals a day we can not persuade them to eat six meals, thereby doubling their food consumption.

By comparison the demand for automobiles is quite elastic. Most families will buy two cars, instead of one if they can afford it. Yet Detroit recently announced "rigid production controls in the automobile industry." That is a quote from a Detroit newspaper. This means that businessmen seem to have learned the lesson of producing in accordance with the market demand.

But dairy farmers continue to expand production faster than the consumption grows, so that milk prices have not recovered. We have never assumed the responsibility of organizing our industry as a modern business enterprise, yet if we were willing to cooperate with our neighbors in adjusting supply and demand the blend milk price and individual net income would increase in a ratio of favorable proportions. But I think that we would need enabling legislation that would allow us to accomplish these objectives.

With a reduced income farm wives are sharply aware of increased costs of our families' needs. Everyone on Main Street, from the barber to the undertaker are charging more for their services. Education, medical care, transportation, home furnishings—everything has advanced.

And here is a statement that I would like to emphasize to you. I think the predicament for the farmers is proved by the farm and home record books across the Nation which show that most other economic groups have been able to maintain or increase their wages, the prices for their products, and the charges for their services, while the farmers have had no comparable mechanism for passing their increased cost of production on to the consumers.

On our farm the cost of a stainless steel bulk milk tank was \$4,200. Incidentally, the cost of this one piece of farm machinery is more than we have invested in the house the family lives in. This follows a period in which steel prices advanced 10 percent a year for a number of years.

As I keep the records and write out the checks it is difficult to convince me that steel prices have not been influenced by the powerful bargaining ability of organized labor and by a concentration of wealth and power in a few large corporate firms, with the size and diversity of interests which enable them to protect themselves from some of the economic hazards.

Farmers have sometimes voted "No" on questionnaires asking them if they favored Government controls, but if we were to fully explore the alternative consequences of no opportunity for orderly direction of our excess capacity to produce, the consequent reduction of farm prices in the marketplace and the gradual erosion of our asset position, we may decide the answer is, also, "No." This is the farm dilemma.

We have no completely attractive choice.

Farmers are faced with the necessity of developing some combination of programs that will provide us with an organized method of adjusting supply and demand and obtaining equality of bargaining power, if we are to receive a fair share of the national income, and if we are to remain in control of our own business in a highly organized industrial society.

Underlying the sentimental phrase, "the family farm," the concept that is really being defended is a fair competitive opportunity for owner-operated businesses which for two centuries has been the American dream come true.

I would like to close with just one quick statement. The farm discussions very often have been linked with the concept of personal freedom. And, perhaps, it is rightly so, for this is the issue of our time. In defending our capitalistic system against the onslaught of an alien ideology we are realizing that we can no longer define free enterprise in its narrowest sense. It is not merely a license to exploit the economy for personal gain. Personal freedom must be linked with duty to the common purpose if we are to survive. Unfortunately, complete freedom of choice in pursuing private profits does not always serve the urgent needs of the public interest. It is more profitable, for instance, to print comic books than to publish a graduate thesis. At a time when we are in critical competition with nations that are able to discipline and to direct the entire energies of their people toward their chosen goals we will need to temper our tendency toward preoccupation with self and to place greater emphasis on individual responsibility to our national destiny.

There is no doubt that farmers and all Americans will respond to any leadership that offers us the opportunity to make our contribution to the cause of liberty for all mankind.

I thank you.

The CHAIRMAN. We thank you very much for that splendid statement and for the information you have given this committee—and for your interest in this subject of agriculture. This indicates you have sustained losses which exceed the profits through the years, and yet you have continued in the farming operation. I think you agreed that the American consuming public has been under the impression that the Government has been subsidizing agriculture with disadvantages to the consumer. Your own operation indicates quite the contrary, is that true?

Mrs. CONGER. I think so; I do.

The CHAIRMAN. You brought out in the article in the Saturday Evening Post that prices dropped, and in an effort to maintain yourself in business you doubled your operation. I think that is true in most farming areas where prices declined. The farmer's tendency has been to increase the volume so as to be able to make enough money to cover his overhead expenses, such as taxes and the other items that go into the cost of his living. I think you have made a contribution to agriculture by giving the consuming public the facts—the facts that the farmers have been subsidizing the consumer, which is a matter of record. Yet the consumer even now believes that the farmer is being enriched and living like a parasite off Government checks. The public believes that.

Your farming operations have been conducted with a high degree of intelligence. Both you and your husband are college graduates, experienced in agriculture. You know your business, and after you have applied this intelligence and education and costly machinery you still have not been able to make a successful operation of your dairy farm.

I want again to thank you for coming here and dramatizing the situation we are discussing, because I think you are, probably, the first woman witness we have had in this room in many, many years. We have had some consumer group witnesses in the past years, but I think, perhaps, you are the first woman farmer who has traveled across the country to tell this committee about the problems of farmers.

Mr. Dole.

Mr. DOLE. I just want to ask one question. I am from Kansas. Do you appear here for yourself or are you appearing for some organization today?

Mrs. CONGER. I am not officially representing any organization.

The CHAIRMAN. She came at the invitation of the chairman of the committee. About a year ago I read her article and I told her at that time that if we had hearings I would like for her to come here to testify before the committee. I do not think she has any connection with any organization.

Mr. DOLE. I was wondering, too, how much your total investment is in your farm?

Mrs. CONGER. Of course, that depends upon what it would sell for. I really do not know. The last time that we made a statement for the Prudential Life Insurance Co., to take out a loan, they valued our

land at \$100 an acre straight across the board. That would be 720 acres and that would be \$72,000.

I believe we carried the herd on the records at about maybe \$40,000 or \$50,000. It is difficult to say what they could be sold for.

The farm machinery we have bought at new prices—what I mean is we have spent \$35,000 in the last 10 years, I should say, on farm machinery and buildings. But that would be depreciated down now to, perhaps, less than \$20,000.

Our mortgage indebtedness against the farm is \$30,000. And our mortgage indebtedness at the bank against the land and machinery is about \$15,000.

Mr. DOLE. Do you have a family?

Mrs. CONGER. Yes. We have three children, and four grandchildren.

Mr. DOLE. Do they help in the farming operation?

Mrs. CONGER. The sons have both taken occupations off the farm because they can make more money in almost any occupation than they can on the farm.

Mr. DOLE. I was wondering how long has your husband been with the ASC, how long has he been working for them?

Mrs. CONGER. It is only recently that he has been transferred to that county.

Mr. DOLE. How long has he been in the ASC, how many years?

Mrs. CONGER. It is soil conservation work. He has been in about 17 years.

Mr. DOLE. Seventeen years?

Mrs. CONGER. Yes. But we live on the farm and he has all of his Sundays, vacations, holidays, mornings, and evenings, on the farm.

And I counted up that, of course, he works 40 hours on one job and 40 hours on the other, until I would say definitely it is 6 months a year that he is able to put on the farm—a 7-day week, at least 80 hours a week that he works.

The CHAIRMAN. Any further questions?

You mentioned that your husband was employed off the farm?

Mrs. CONGER. He has an occupation off the farm. Let me say here that over 50 percent of the farmers of Allen County work off the farm at least 100 days a year or more. You realize this is going on in agriculture everywhere.

Mr. LATTI. And he has been doing this for 17 years?

Mrs. CONGER. We have owned the farm since 1939.

Mr. LATTI. And he has worked off the farm at this job or another job?

Mrs. CONGER. We live on the farm. The boys, of course, worked at home when they were teenage boys. I have been there full time. And we do have employed labor. I supervise these, but my husband is a very efficient manager, a very hard worker.

Mr. LATTI. Is this a part-time job that he has?

Mrs. CONGER. What?

Mr. LATTI. Is this a full-time job that he has off the farm?

Mrs. CONGER. Yes, he is in the Soil Conservation Service.

Mr. LATTI. Actually, as far as your husband is concerned, his operation on the farm is a part-time job.

The CHAIRMAN. He spends about 40 hours a week on it.

Mrs. CONGER. What is it?

The CHAIRMAN. You said he devoted about 40 hours a week to farming and 40 hours to soil conservation work.

Mrs. CONGER. Yes.

Mr. LATTI. How many hours does he work at this Government job?

Mrs. CONGER. It is a Government civil service job, 40 hours a week, minus, of course, vacations, holidays, and he has 26 days a year annual leave, and all national holidays.

Mr. LATTI. What time does he start in the morning?

Mrs. CONGER. Seven o'clock.

Mr. LATTI. Seven o'clock in the morning?

Mrs. CONGER. Yes.

Mr. LATTI. He is home for lunch?

Mrs. CONGER. No.

Mr. LATTI. What time does he get home in the evening?

Mrs. CONGER. Six o'clock.

Mr. LATTI. He works from 7 to 6 o'clock on this job?

Mrs. CONGER. Yes.

Mr. LATTI. And the other time that he has free he works on the farm?

Mrs. CONGER. Yes, there are weekends, holidays, 26 days a year.

Mr. BREEDING. May I interrupt? Will you yield to me?

Mr. LATTI. I will yield for a question. I have a couple more questions to ask, however.

Mr. BREEDING. I would like to ask the witness: Is it not necessary to have him work at this job to maintain the farm? Could you operate the farm without the husband's outside income?

Mrs. CONGER. I do not understand.

Mr. BREEDING. Could you operate the farm without the extra income that the husband makes?

Mrs. CONGER. Without the extra income?

Mr. BREEDING. Yes.

Mrs. CONGER. Yes, I think we could operate it. And undoubtedly, we would have more net profit if he were giving it his full time.

We could not, however, make enough net profit to offset this salaried income. What I mean is, we are receiving more net profit from the income than we would from our farm operation. That is the only reason he continues because this was not our plan at all.

Mr. LATTI. May I ask how many hired employees you have on your farm?

Mrs. CONGER. We have 3½ employees, that is, we had 40 months of employed labor last year.

Mr. LATTI. You have 3½ hired employees on your farm?

Mrs. CONGER. Yes.

Mr. LATTI. Do you mind telling the committee how much you pay these people a month or a week?

Mrs. CONGER. We pay \$6 a day and a modern house, utilities, and milk for the family.

Mr. LATTI. You furnish them a home?

Mrs. CONGER. Yes.

Mr. LATTI. All three employees?

Mrs. CONGER. Yes. We have three houses, yes.

Mr. LATTA. About how much do you spend in a year's time for hired help?

Mrs. CONGER. \$7,000. It was over \$7,000, about, approximately. I did not bring the records. That is from memory, but it was \$7,000 and something.

Mr. LATTA. Do you sell grade A milk?

Mrs. CONGER. Yes.

Mr. LATTA. What is the price of milk out there?

Mrs. CONGER. It varies with the blend price. The blend price for the last 8 years has varied between a low of \$4.08 and a high of about \$4.79 at 4 percent butterfat content.

Mr. LATTA. How much are you getting now?

Mrs. CONGER. For milk? Let me see, it seems to me it was about \$4.58 last month. As I say, it varies every month.

Mr. LATTA. \$4.58 a hundredweight?

Mrs. CONGER. Yes.

Mr. LATTA. I want to commend you for your testimony. I think that it depicts the cost-price squeeze that the farmers are in. My personal observation is I think you hit the nail on the head when you made the statement you did as to the cost of labor and cost of machinery, when there has not been an increase in income to you.

I think this is the answer to your \$4,000 tractor. I realize that the farmer just cannot make that up. Labor unions can bargain with industry for their prices and they have been getting them. The purchaser has been paying for it, and that is the farmer. This increase is passed on to the farmer who must assume it.

Mrs. CONGER. Thank you, sir.

In regard to your questions, I would like to clarify it. As I say, literally tens of thousands of farmers are finding part-time occupation off the farm. They are doing this mostly as a matter of necessity. And it is my opinion that these off-the-farm incomes are another form of subsidizing cheap food to the American people.

We are using this off-the-farm income to operate our farms and to try to get our capital investment. Most of the capital investment of agriculture in the last 10 years has not been derived from net profits to the industry. It has been derived from this inflationary increase in land values. And it has come from an accumulated reserve which we had during the more prosperous 1940's. Or it has come partly from nonfarm sources which are being injected into agriculture. And it is derived partly from the inherited savings of previous generations of the family.

The CHAIRMAN. Mr. Hoeven would like to ask you a question.

Mr. HOEVEN. I want to compliment you on your very interesting and informative statement.

You are definitely caught in a cost-price squeeze, there is no doubt about that. We are all concerned about that problem. In fact a subcommittee of the Agriculture Committee has been holding extensive hearings on that very subject. Can you tell us how the farmer can get out of the price-cost squeeze?

Mrs. CONGER. I do think we will have to have enabling legislation. I do not think we can do it on a voluntary basis. The reason I have emphasized here that I want strong leadership from this committee, that is the reason for that. I do not see, I doubt, that is, if the other

segments of the economy are going to lower their demands for wages, and I do not think business is going to give up its opportunity, its favorable competitive relationship, I will say. I do not see much hope, in other words, for deflating the general economy. In fact, if we did, it might bring on an economic recession that would do more damage than good.

So that it seems to me the only alternative is to give agriculture some bargaining ability that will enable it to survive with the rest of the economy.

And it would have to involve some organized method of adjusting supply and demand, and this I believe will have to involve Government controls. In a practical way, I do not see how we can accomplish our purpose any other way.

The CHAIRMAN. Thank you very much, Mrs. Conger. I am sure that the committee is very grateful to you for coming here and giving us this very interesting statement.

Mr. JENNINGS. As to these organizations that you referred to, let me ask what farm organizations do you belong to? You referred to those that you farmers belong to.

Mrs. CONGER. For 25 years we have belonged to Farm Bureau. I have served in many official capacities in the Farm Bureau. I am the only woman in Kansas who has been elected as a full delegate to the National American Farm Bureau Federation meeting. I have served as policy chairman in my own county for 3 years. I served on the policy committee a total of 6 years, and I was chairman 2 years. That is in the Farm Bureau.

Mr. JENNINGS. I gathered from your statement then that the views that we hear before this committee do not necessarily reflect the views of those of you who are back on the farm level; is that correct?

Mrs. CONGER. I am not officially representing any farm organizations.

Mr. JENNINGS. I realize that, but we would derive from your testimony that fact: that those who come before us here, the leaders of some of the farm organizations who come before us, telling us they represent so many farm families, that in effect they are not representing some of the grassroots thinking.

Mrs. CONGER. That is quite definite. It has been very difficult to break through to get the facts. I did not finish telling you how many organizations I belong to.

Mr. JENNINGS. Go ahead.

Mrs. CONGER. We also belong to the Farmers Union, amazing as it may seem. I paid dues to the Grange for years and years. It has lapsed at the present time—the National Grange. We also belong to our dairy cooperative groups, that is, we market our milk through the KMO Milk Producers Association. We do business with and belong to four cooperatives which are affiliated with the Consumers Cooperative Association of Kansas City. And through these organizations then we also belong, you see, to the National Federation of Cooperatives and also to the National Federation of Milk Producers Association.

You can see how we are represented here at the national level. This is generally true: most farmers belong to a duplication of organizations.

Mr. BREEDING. I would like to ask just one more question, Mrs. Conger. We have had testimony before this committee time and time again from the Farm Bureau, who advocate for a price control program which is 90 percent of the average price of the past 3 years. This would mean cheaper prices for all agriculture. This would mean about \$1.30 next year for wheat.

Mr. ALBERT. Ninety percent?

Mr. BREEDING. Are you for that kind of a program?

Mrs. CONGER. No; I am not.

Mr. BREEDING. Would not that kind of a program bankrupt agriculture?

Mrs. CONGER. Here is the thing that is happening in all of your farm organizations. The people who do not agree have a tendency to drop out with the things they hear in the organizations. So it is impossible for an opposition viewpoint to gain enough momentum to change.

Mr. BREEDING. I have been a member of the American Farm Bureau for nearly 35 years and their national representatives have not been speaking my language since I have been a Member of Congress, here in this room. I am glad to find a Farm Bureau member appearing in you who agrees with my philosophy or thought.

Mrs. CONGER. Thank you.

Mr. McINTIRE. May I join with others, Mrs. Conger, to commend you for the very fine statement that you made. You have described the situation very graphically on the basis of your farm background.

Previously, you made reference to the prosperous forties. Do you think it possible to effect a management of agriculture through advisory committees in order to maintain a relationship of prices and costs like that which existed through the period of the forties, which was basically a wartime period? Is this a relationship that you think can be attained through the powers referred to; that is, the advising powers? Do you think we can restore the relationship of a wartime period of income to costs?

Mrs. CONGER. I did not understand.

Mr. McINTIRE. You made reference to the prosperous forties.

Mrs. CONGER. Well, I do not know that I would think we should restore the type of agriculture that we had during the war period. I do not think that would be possible. In fact I do not know what previous period we could consider, but I do not think this yawning gap, as I said, can go on indefinitely.

Mr. McINTIRE. I agree there. Let me ask one further question. How much can you cut back your farm operation? I mean how much can you cut farm operation back, and what price relationship do you think would be necessary in order to attain the objective which you have in mind?

Mrs. CONGER. I do not really believe I could answer that with definite figures. I do not think I could. I would have to have economists work with me to give you a definite answer. Economists assure me that if we were to market a smaller quantity at a higher price that we would receive a higher net income than we will be marketing a large quantity at a low price.

Mr. McINTIRE. This is on the assumption that your costs will remain constant, would that not be true?

Mrs. CONGER. Costs are not remaining constant. They are getting higher all of the time.

Mr. McINTIRE. Would not the economists' projection that you referred to be dependent upon the presumption that costs would remain constant or be reduced somewhat in relation to steady or increased production, rather than that a lower volume would sell at a higher price? But can you assume costs would remain constant?

Mrs. CONGER. I think that requires some involved figuring.

Mr. McINTIRE. Thank you.

Mr. POAGE. Mr. McIntire asked you if you thought that there was any possibility of maintaining for agriculture the level of prices that were enjoyed during the war. I do not have an answer to that, either, and you do not. But I think that we should put in the record at this point that labor has maintained the wages that they enjoyed during the war, that industry has maintained the prices that they enjoyed during the war, that the U.S. Government has paid salaries higher than they paid during the war, that all of our economy except agriculture is now enjoying a higher level—

Mrs. CONGER. That is correct.

Mr. POAGE. Than it did during the war, and I know of no moral argument or reason why agriculture should be limited to a level far below the other elements of our economy, and I am not one to sit here and assume that we cannot do for agriculture what we have done for all other parts of the society.

Mrs. CONGER. Yes.

Mr. POAGE. In the oil industry the price of gasoline is higher than during the war. If agriculture had the same help from the Government, the same right to help themselves, we could do it for agriculture, could we not?

Mrs. CONGER. Yes.

(The article from the Saturday Evening Post follows:)

[From the Saturday Evening Post, Apr. 9, 1960]

THE FARMER'S SIDE OF THE CASE—THE AMERICAN PUBLIC IS NOT GETTING THE TRUE PICTURE OF THE FARM PROBLEM, SAYS THIS KANSAS DAIRY FARMER'S WIFE. HERE IS HER FAMILY'S STORY

(By Mary Conger)

My husband Carl and I firmly believe that our farm—a large, beautiful, family-type farm—makes a substantial contribution to the economy and health of our country. Every day of the year the dairy herd on our Triple C Farms produces enough milk to feed 1,000 children their daily quart of milk.

Our 720 acres of land are located in Allen County in southeastern Kansas, an area of diversified crops and livestock. Carl was born in this country, where he has a lifetime knowledge of the idiosyncrasies of weather and soil. To this understanding he has added a college degree in scientific agriculture and a number of years of professional experience as a county agricultural agent and soil conservationist.

Our herd of 200 registered Holsteins—100 cows and 100 heifers—are considerably above average in production. We market Grade A milk, for which we receive premium prices. Our farm's gross income ranks in the upper 3 percent of farms in the United States. Our farm is adequately capitalized and highly mechanized for large-volume production.

Supposedly ours is a successful farm enterprise—and it has been. We bought our farm in 1939, making the downpayment with money we had saved for years from Carl's modest salary as a county agent. Since then much of our life, our thought and our work has gone into building up our land and herd. The only

trouble is that since 1952 our farm has made little, if any, profit in good years—and in bad years, such as 1955, we have lost as much as \$4,058. By the end of 1958—a bumper-crop year—we had accumulated \$7,000 in unpaid bills for operating expenses. Last year we just about broke even, so we had to borrow \$3,500 at the bank to pay off the most pressing part of that \$7,000.

We now are caught in a merciless cost-price squeeze, and each year that economic turnbuckle tightens another notch. Back in 1952 all political parties were in favor of 100 percent of parity in purchasing power for the farmer; then there was no public hint of a national policy to drive down the prices of food. Then we were getting 11 cents a quart for our milk. Now we are getting 8.1 cents.

When that first slash in farm prices came 6 years ago, we doubled our milking herd in an effort to increase gross income so that, in turn, we could meet our fixed charges—such as interest and taxes—and the rising cost of things we must buy. We built a new laborsaving milking parlor—a sort of assembly-line milking system—equipped with a pipeline milker and a bulk refrigeration tank. No expensive labor is wasted carrying milk buckets on our farm. But then came years when our crops were cut by drought, hail, and wet weather, and we fell behind on the feed bill for the cattle. In good years we struggled to catch up. We tripled the milking herd. Milk prices declined further. Costs went on up. We were on a treadmill, always running faster just to keep in the same place.

While we were struggling to meet our expenses, we constantly were reassured by some of our spokesmen for agriculture that "efficient, commercial farmers" were doing just fine. Statistics showed the average per capita farm income to be just half of that for nonfarmers, but these figures didn't tell the true story, the spokesmen said, because they included 2 million small, inefficient subsistence farmers who produced only a minute part of the Nation's food supply. Also, so many people were leaving the farms that the income of agriculture, even though shrinking, was being divided among fewer and fewer farmers. And there were always success stories at the top. These were the farmers who most often were sought out for interviews and publicity.

So it appeared that there was nothing the matter with anyone but us. Still our neighbors kept complaining, saying such things as "If I count a fair return on my investment, I'm throwing in my labor free of charge." And at a recent meeting of the board of directors of the Kansas Dairy Association in Topeka, I stepped into a group of prominent farmers just as George Schumann of Hiawatha, Kans., was saying, "The thing that has me worried is how we're going to stay out there on the farm with no profit."

T. Hobart McVay of Nickerson, a nationally known Holstein breeder and president of the Kansas Dairy Association, added, "It just won't figure. I've been farming all my life, and I know it can't be done with the present cost-price situation." He shook his head. "I'm sure I don't know the answer."

This discussion reflects the farmer's feeling of futility. At all meetings of farm organizations I have attended recently there is an undercurrent of despair—and there is a belief that the general public, seeing news stories about the surpluses and the farm subsidies, is not aware of the true farm situation at all.

It was after this meeting that I began to wonder just what was happening to our kind of farmer—to the operator of the modern, bigger-than-average commercial farm. I sympathize with the too-small, marginal or subsistence farmers, but after all, the problem of fitting them into the industrial age, so that they contribute more to the economy and also can improve their own lot, is primarily a sociological challenge. But what is the size of the remaining problem after this particular portion has been set off to itself?

For some answers I turned to the records of members of our State's Farm Management Association, made available to me by Kansas State University. The facts I found there proved I had not just been mumbling to myself as I scrubbed the dairy barn walls—and I do scrub them.

The farmers in this association are above average in their area by almost any yardstick. They own larger farms, have more livestock, keep accurate records under supervision of an association management specialist and utilize the technical advice the State agricultural college has to offer.

What did I find?

Let me explain that the management association figures farm returns this way: First, operating expenses are deducted from gross receipts of the farm. From this "profit" is deducted a fair investment return of 6 percent on net

working capital and 4 percent on net fixed capital. Then the value of any unpaid family labor—such as mine—is subtracted. What is left—if anything—is the farm operator's wages, his return for his own labor and management of his farm enterprise.

In our own southeastern Kansas, association farms had average only \$805 per year in labor-and-management income during the past 6 years. Or put another way, the average farm earned a total of only \$4,834 in wages for its operator for the whole 6 years. In fact, the farmers had received even less pay than their hired men—and hired farm labor is at the absolute bottom of the industrial wage scale.

However, our particular part of the State has poorer soil than many other areas. So I looked at the records for the State as a whole. I found that the 1958 returns for association farms had been the best in 11 years, owing to bumper crop weather that coincided with a peak in the price cycle of cattle and hogs. And that year the labor-and-management earnings per farmer in the association were \$4,120—nothing more than any skilled laborer earns.

But 1958 was the only year in 11 which Kansas association members drew such fancy wages. In 1955, the poorest year, the net labor loss per farm for all association members in the State was \$938. Everybody worked all year, received no pay, and went into debt besides. From these figures it was easy to see that many other "good" farmers were in the same boat as the Congers.

The fact is that the farmer has been getting a shockingly low return for his labor and skill. Wages lost in industrial strikes are microscopic as compared to the loss which farmers have suffered in the last decade. And I mean the commercial farmer, such as those in our association—the man who runs an agricultural enterprise with a capital investment of \$54,800 per worker, about three times as large as the average industrial investment per worker.

The usual farm-income figures, low as they are, don't accurately reflect the situation because they are computed as "net income" above production expenses and include the financial returns from investments in land and equipment that the farm family may have accumulated over a lifetime of frugality—or may even represent the saving of several generations. The net income per farm also includes the labor of the entire family in producing such income. To this is added the value of whatever food the family may have raised for its own use, the rental value of the farm home—often an old farmhouse that is far from being "modern" by urban standards of today. On top of this is put any off-the-farm income that some member of the family may have earned. All this is lumped into a thing called the "real income" of the farm family, a figure that is used to disguise the disgraceful disparity of the actual wages earned by farmers for producing the Nation's food.

The farm-income figures also include any Government subsidies the farmer may have received. I am quite aware that many city people believe that farmers are getting richly paid by the Government for not growing crops, or in artificially supported prices for their farm products. I'm not going to argue that price supports don't cost the Government a lot of money or that Government storage of surplus crops is not expensive—but I do know these things aren't making farmers prosperous. For the record, such Government programs have little effect on the income of our Triple C Farms. We have no land in the soil bank; we need it for our cows. Our milk price is not subsidized. During the war years, when wheat was greatly needed, we usually raised 150 acres of this crop; since then our allotted acreage of wheat has been cut to 61 acres. Wheat produced on that land is eligible for a Government loan—last year it ran \$1.98 per bushel. In any case, income from wheat amounts to less than 9 percent of our gross receipts; our major enterprise is dairying.

We also received soil-conservation payments last year amounting to \$282.30 for the establishment of "soil-saving crops," in this case a permanent pasture. Part of the payment, \$143, went directly to a dealer in payment for the necessary fertilizer, and the balance, \$139.30, came to us to help pay for preparing the land and seeding the pasture. These soil-conservation payments are supposed to encourage the conservation—in fact, the improvement—of the Nation's limited soil resources for the benefit of future generations when, say the population experts, we won't be troubled by surplus crops, but rather will need all the good land we can find.

That is the total of the Congers' "subsidy."

The most gigantic subsidy in the United States is not the Federal agricultural price-support program, but the unpaid or underpaid labor that farmers

and their families contribute to the production of cheap food for the American people. Even in 1955, that year of crop failure when members of the Kansas Farm Management Association earned less than nothing, the average member produced \$9,000 worth of food, or so valued when sold at the farm price level. At the supermarket this per-man output of meat, milk, eggs, and bread cost housewives around \$24,300.

We farmers don't want sympathy, but we would like better understanding of what we are up against. We don't like to be accused of being greedy or of being tax-eating parasites. We don't like to have our "real income" misrepresented for political purposes. We know that an urban worker may also have income from investments, may enjoy certain fringe benefits, may live in his own home without paying rent, may raise food in his garden, and members of his family may have other jobs—all without being considered part of his wages. And then, if he is a steelworker, he also gets gross hourly earnings that are 85 percent higher than they were in 1950.

On the battleground of inflation farmers have been hit hard on all sides. The tractor we bought in 1950 for \$2,200 must now be replaced at \$3,800, but the milk that brings in our income has dropped 27 percent in price. Thus we are helping to pay the bill for the wage-price spiral on one front and are absorbing a part of the consumer's grocery bill on the other.

Now I know that groceries seem higher to the housewife, but that's because the housewife doesn't just buy flour and beans and potatoes these days; she buys more semiprocessed foods, such as cake mixes and packaged frozen vegetables that are ready for the pot or oven. The manufacturer is doing more of the housewife's kitchen work for her, and he's charging her for that extra service. Also people are eating more of the expensive foods—more fresh fruits, more meats (and more expensive cuts) than ever before. The truth is that food was never cheaper. People in the United States buy their food with the fewest hours of labor ever required in the history of mankind. Month after month the financial pages report increases in the cost of housing, medical expenses, transportation and all the goods and service—except food. Food prices hold steady or go lower.

It is impossible to figure exactly how much the Nation's farmers have sacrificed to inflation. For example, I wonder what Triple C Farms milk would cost the consumer if it had increased in the same proportion as other living costs—40 cents a quart? Fifty cents? I do know that some economists have estimated that farmers have been shortchanged about \$70 billion which they would have earned had their products risen in price at the same rate as other commodities. There is evidence that the farm family has been absorbing about 25 percent of the Nation's grocery bill.

Perhaps it is just our hard luck—and the hard luck of millions of other farmers—to be in this business during a time of inflation, and also in a time when a great technological revolution is sweeping many of those farmers from the land. There are some people who believe the solution is obvious. They say, "If the nincompoops can't make a go of farming, why don't they get a job in town like everybody else?" And thousands of farm families are solving their individual problem in just that way. They are leaving the land.

Carl and I don't see it that way. We can't. We've invested too much of our lives in this land of ours. Rather than let go, we've been trying to grow. Five years ago, when we needed additional space for our expanding herd, we bought a neighboring 80-acre farm. It had been the subsistence home of an old couple and came on the market when the husband, a carpenter and painter, passed away. The only crop on the wornout land was some drought-stunted sorghum.

Carl promptly applied a complete soil-conservation plan to our new land. He bulldozed out old hedges and brush, built terraces and dug ponds. He spread lime and fertilizer. He plowed up the weedy pastures and seeded them to brome grass and alfalfa. Within six months that old farm was under a luxuriant cover of soil-building grasses and legumes.

Statistics recorded one less farm and farmer, but farm production didn't decline. It increased. An inefficient unit had been absorbed into a larger, more efficient one. And so, while people have been leaving agriculture at the rate of 1 million a year for the last 16 years—an exodus that is amazing by any standards—the productive capacity of our farms has been expanding rapidly.

But there is a tragic catch to this process. While we were expanding our dairy herd, improving the output per cow and building up our pastures, so were

all our neighbors. Our concerted efforts flooded the local market with a record flow of milk last fall—and the price of milk slipped lower and lower. Collectively we destroy ourselves by individual actions we are forced to follow.

Carl and I will have to stay on our farm and ride out the storm. All our resources—education, experience, finances—have been committed to farming. We have had a busy, happy life on our farm. Our children grew up here and helped with the farmwork and were 4-H members.

Still with us is our daughter, Carleen, a 16-year-old. But gone from home are our two sons—as soon as they came of age, we encouraged them not to stay on the farm but to leave and make their start in the business world without losing time. This they have done. Our son Gordon, 25, is with a construction firm in Kansas City, and David, 21, is a distributor for a bread company. Practically all their classmates have left the country. Very few of the once-hopeful veterans who took on-the-farm training after the war now remain in agriculture. They have been forced to find other ways of making a living after losing 10 youthful years in a lost cause. As in so many rural areas, our neighborhood rapidly is becoming a place of old and middle-aged people.

In any case, making a change is not easy. A neighbor of ours, Maurice Wray, 44 years old and farming 210 acres, says, "What would I do in the city? I'd just be unskilled labor." Yet as a farmer he utilizes a whole range of highly developed mechanical and scientific skills—in addition to duties of management and the responsibility of handling his investment in a high-risk enterprise.

As I write this I think back to a winter evening—everyone else in the family has gone to a meeting. I retire early to my favorite cold-weather pastime, reading in bed with the heat pad turned on. My book is about the difficulties of flight into outer space, but I don't get farther than the first asteroid when there is a crunching of snow outside my window—a sound that may be made by a cow walking close to the house.

I get up and turn on the yard light. It's a cow, all right—the whole herd is out, all over the yard and scattering down the road. It's up to me and to old Queen, our dog, to round them up.

This calls for long underwear, jeans, overshoes, winter wraps. Outside, the crisp air is exhilarating as I set out with Queen trotting along beside me. The stars glittering coldly on the snow reflect enough light to pick out black-and-white cows wandering everywhere. Queen enters the game enthusiastically, barking around the pond, beyond the shelterbelt, behind the granary. Rounding up the first few dozen cows is great sport, but finding and chasing all the stragglers begins to be hard work. Even Queen loses her enthusiasm.

My overshoes are beginning to feel heavy as I plod patiently on. There is time for thinking, and my mind is in a resentful turmoil over the latest city newspaper editorial which denounced the pampered farmers and righteously demanded that agriculture return to a free economy where prices are determined only by supply and demand. Farmers should stand on their own feet and compete on an efficiency basis, the same as other industries.

Indeed, I think, why shouldn't farmers adopt the methods of other economic groups? Perhaps we should start with a 27½ percent soil-depletion allowance for income-tax purposes, the same as the depletion allowance granted the oil industry. However, I must admit that income-tax relief would be a hollow mockery to the millions of farmers who aren't making enough income to pay taxes.

How about enabling legislation that would extend to farmers the same rights of collective bargaining, without antitrust penalties, such as labor enjoys? Or, if we can't have monopoly, how about a fairly well-developed oligopoly—a combination that might act to curtail production and maintain prices? This might even up the odds, as it is oligopoly with which farmers must bargain.

And then there's the strike weapon. How about a 116-day farm strike? Farmers make up 12 percent of the population and receive only 5 percent of the total gross national product, so a booming economy shouldn't suffer much from this little loss. In fact, the Nation could survive on all those surpluses we're always complaining about. Of course, a diet of bread and cornmeal mush might get tiresome—without even cheese or meat to make sandwiches after the first week. But look what we'd save on storage costs.

Of course, if farmers struck for a few months, about 40 percent of the Nation's labor force would have to be laid off—all those engaged in processing and marketing food and those who sell services and supplies to agriculture. Things might get slightly dull, too, for the steel, petroleum, and transportation industries with one of their major customers out of business.

On the other hand, the wall-to-wall carpet industry and the central-heating and air-conditioning companies would scarcely feel the pinch at all—except indirectly—since they do only a trickle of farm business anyway.

If we get really hungry, we could appeal for foreign aid, or reverse lend-lease. Maybe some of our friends of the free and twilight world would send CARE packages. Even powdered milk would improve all this mush. But what would other nations have to spare? We could import plenty of wheat, which we already have—indeed we would be having it three times a day. Or there's coffee, although most people soon would be in a mood to drink something stronger. But meat, milk, eggs—the high-protein foods; the sinews of muscle, health, and the very essence of the life cell itself—protein is a very scarce world commodity. We could import only the merest fraction of the amount needed to relieve our distress. There is no other land on the face of this earth or several other planets that can pour forth the wealth of food produced by our own midwestern farm States.

It's hard to imagine just what phrases the financial page would use to describe a farm strike after months of referring to steel as the "most basic industry." Comfortably overfed as we now are, it's easy to forget that for countless aeons of time mankind devoted his entire time and energy to the acquisition of just enough food for survival. Only recently has man been able to produce enough surplus food to enable him to develop his intellect and finally think of such things as steel.

But now the cows are relatively docile after their first wild ecstasy of running free. I round up the stragglers alone. Queen is tired and just politely refuses to help. The sharp air feels like pure oxygen, and my head spins.

How about the immutable old law of supply and demand? Has anyone ever considered whether or not the Nation would like to have its food supply reduced to the precarious scarcity that would be necessary to raise prices to a fair level in the marketplace? If the country wants a comfortable margin of food over and above our immediate daily needs, who should pay for this insurance? Should farmers be expected to carry the entire premium in the form of depressed prices?

While a farmer does not want to become a ward of the Government, there are some suggested remedies that give him the uncomfortable suspicion that he is being told, "This operation is going to be painful, and you may not survive. But it surely will cure what ails you."

Just exactly how "free" is the free economy to which agriculture is supposed to be returned? In a period of recession which is supposed to bring about adjustments, people refuse to buy, yet prices do not drop; there is unemployment, yet wages do not decline. Other parts of our economy seem to have developed some gimmicks that rather effectively prevent a "free" economy from adjusting itself at their expense.

Agriculture already is one of the most competitive of all enterprises. All different foods compete for the limited space in the human stomach. Geographical areas are pitted against one another for a share of the market. Efficiency of production is a relentless pressure within the industry, ruthlessly grinding the less fortunate into the necessity of accepting failure. And then the industry as a whole competes against all other economic groups for a fair share of the Nation's income.

Perhaps we should return the rest of the economy to the competitive status of agriculture.

The last cow walks into the lot at her own deliberate, dignified rate. I shut the gate. Back in the warm house, I am tired. The intoxicating spell of the night air fades, and fantasy is dispelled by glaring light. I return to the practical.

When the Nation's farmers totaled their records for 1959, they found that their income had declined 15 percent from the year before. All predictions now are for a further downhill slide in 1960. Not a single economist forecasts any significant improvement in the farm-income situation in the years ahead. There is every evidence that the farmer has the technical ability to expand production even faster than the population increases for quite a few years to come. The farm surpluses will be with us for a long time.

And there is no sound, unified program to meet this situation. The voice of the farmer is weak and faltering because the several national farm organizations which are supposed to speak for him are deadlocked in uncompromising disagreement on possible solutions. They have taken fixed positions and continue to defend them, come what may, while the situation steadily worsens.

How then, if we are losing money, do we—Carl and Mary Conger—manage to hang on? We have done it, thus far, by the very inflationary force which threatens to destroy us. Inflation operates in strange ways, and while it has put our income in a cost-price squeeze, it has caused a rise in land values. Also, the desperate need to grow larger, for efficiency's sake, has caused farmers themselves to bid up the price of land. Thus our farm, like most others, is worth more each year—on paper—and we borrow against that increased value to meet our losses. We know this is a dangerous process, one that is underway in much of agriculture, one that could engulf us all unless the decline in farm income can be halted.

Meanwhile we tighten our belts. We put off reshingling the roof yet another year. And we don't really need a new refrigerator—the old one has run for 17 years without stopping. We hang on, knowing that for farmers everywhere there will be more debts, a gradual loss of their equity in their land and a widespread fear that someday, unless something is done, the scales will tip too far, and family farms such as ours will be a thing of the past.

The CHAIRMAN. Thank you very much, Mrs. Conger. We appreciate your coming here.

(Whereupon, at 11:30 a.m., the hearing was adjourned.)



