

CORPORATION FARMING

MONDAY, MAY 20, 1968

U.S. SENATE,
SUBCOMMITTEE ON MONOPOLY OF THE
SELECT COMMITTEE ON SMALL BUSINESS,
Omaha, Nebr.

The subcommittee met, pursuant to notice, at 10 a.m., in courtroom No. 2, Federal Building, Omaha, Nebr., Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Also present: Tom Bennett, legislative assistant to Senator Nelson.

Senator NELSON. Today the Monopoly Subcommittee of the Senate Select Committee on Small Business opens this investigation on the effects of corporation farming on small business and on the economic and social structure of rural America.

At the outset, the subcommittee wishes to make it clear that incorporation of family farms by their owner-operators is not at issue in these hearings.

Instead, the subcommittee is vitally interested in learning more about the implications of the rapid movement of large conglomerate corporations and other nonfarm absentee interests into agriculture.

We want to determine what the effect of corporation farming will be on small businesses in rural communities, what the consequences will be on the sociological and moral environment of rural America, what the implications will be on existing independent family farms and how we can expect our country's natural resources to be used by giant farm operators.

This hearing in Omaha will be the first in a series that the subcommittee will conduct across the country on these matters of growing concern in rural America. Subsequent public hearings are being planned for the upper Midwest, the Pacific Northwest, the Northeast and Washington, D.C., as well as other possible sites as time permits over the coming months.

These hearings will give us an opportunity to gather testimony from family farmers and ranchers, from businessmen and bankers, from clergymen and community leaders, from public officials and private observers, and from the opponents of present-day corporate farms as well as from their current operators.

There have been a few individual studies of corporation farming made, including one by this committee some 20 years ago.¹ But, there

¹ The study by the committee, "Small Business and the Community—A Study in Central Valley of California on Effects of Scale of Farm Operations," appears as app. I, beginning at p. 295, *infra*.