

There are many of these farm corporations in the up to 2,000- and 3,000-acre size. Some are Iowa based using their own capital, others with outside capital financing. Most of these have been formed in the last 2 or 3 years.

Caught up in what is seemingly a never-ending race in the cost-price squeeze, the access to large amounts of capital becomes more and more the determining factor in who stays in farming and who gets out.

The individual farmer, especially the new, young potential farmer, is being irreversibly placed in a more and more disadvantaged position.

Many of these corporate units, such as the Shinrone Corp., the Midwest Farm Co. in Cedar County and the new 10,000-acre unit in Wayne and Decatur Counties do not participate in the Federal farm programs. Thus they not only exploit their capital access position but also their family farm neighbors, who are idling acres in a supply management-price enhancement endeavor.

Iowa Farmers Union sees no place in American agriculture for the State-owned type of the Communist countries nor does it see any place or need for a corporate agriculture of the Fascist type.

We believe now is the time to legislate, in law, a priority on the family farm as the basic structure of a prosperous rural America on which to build a peaceful, yet dynamic society.

Iowa Farmers Union joins the other States in the National Farmers Union urging such legislation be enacted.

Senator NELSON. Thank you very much, Mr. Gross.

Mr. DECHANT. Thank you, Mr. Gross.

Not all of the displaced people on the farms and in the small towns find their way to the cities, of course. Many of them remain, not as a Gates Rubber Co. executive said, "living on their rocking-chair earnings" after selling out to Gates, but on welfare.

There's a need for some seasonal labor in some of the corporate operations, of course. And these people work when needed. Out of season they are on the welfare rolls, just as many of their former neighbors are on the welfare rolls in the great cities of our land.

Mr. Chairman, to my knowledge, nobody has estimated how much this welfare "subsidy" costs this Nation, but it must be a very large amount of taxpayer dollars.

We in the National Farmers Union have been painfully aware of the declining population in rural America. There are fewer of us going to the polls. Some would have us believe that the welfare of the "Nation" is less involved, therefore, with the help of our agricultural establishment. One effect then of the decline of population on farms is that it makes it more difficult to balance our national purpose.

I've now discussed three of the five points I referred to at the beginning of my statement—interference and manipulation of the market, the loss of taxes, and depletion of the resources and strength of rural America.

I do not want to suggest that these are the three worst effects of the corporate invasion of agricultural America because the two remaining areas of concern are equally important.

In Arkansas and other Southern States lumber and paper companies own thousands of acres of timber land. Their holdings sometimes cover most of an entire county. Trees, cut selectively on most of these hold-