AMERICA'S PROSPERITY IS AT STAKE

But Americans have an even wider stake in the prosperity of the rural economy. Despite the urbanization trend in our country, nearly one out of three Americans lives outside a metropolitan center. The basic industry of these people—either directly or indirectly—is food production, America's biggest and most important business. Farmers pump billions of dollars into the economic bloodstream every year. They spend nearly 70 percent of their gross income in running their farms, which benefits every sector of the American economy.

Tabulations published in U.S. News & World Report magazine on March 11, 1968, show that among America's 12 largest industries, farming is first in the number of workers employed—4,206,000—first in annual spending for equipment—$5.3 billion—first in assets—$256 billion—second only to the machinery industry in annual income—$21 billion—and fourth in sales—$43 billion—behind only the food products, primary metals, and motor vehicles industries.

"Thus, when farm income drops, the effects spread far and wide," the magazine concluded. "Millions of farmers have to trim their spending, and that hits their suppliers. Even when economizing, farmers spend billions more for machinery and supplies than most other groups in the United States."

RELATIVE FARM PRICES ARE LOW

It seems incredible, then, that public policy has failed to recognize the importance of this 30 percent of the population. While national income has increased 223 percent since 1947, farm income has dropped 9 percent. Farm prices in relation to the rest of the economy are at the level of the worst years of the great depression.

Some observers have looked at these figures and decided that the family farm is finished. Some economists in our land-grant colleges, the U.S. Department of Agriculture, and agribusiness firms have said that all of our food and fiber should be produced by a relatively few corporation farms or large, family-owned farm enterprises. One figure frequently used by Federal farm planners is that the United States needs only about 500,000 farms.

The arguments against continuation of the family farm appear credible on the surface, and thus are easily accepted by nonrural people who share the common human trait of wanting simple answers to complex questions. The fact is that the thesis of inevitability about the demise of rural America is based on the very narrow premise of economic determinism. If present trends continue, such changes may take place.

But there is nothing inexorable about trends. Many years ago the laboring man reversed an economic trend by learning how to command a price for his labor. Today laboring people are highly organized and enjoy a good standard of living. Their prosperity has made them enthusiastic consumers of the production of a highly organized industrial complex, and we have a dynamic economy that is preponderantly middle class as a result.

On the other hand, laboring people are also consumers of the production of a poorly organized economic segment—agriculture—and