

considered. Legislation could make it easier for cooperatives to gain a larger role in the total food and fiber sector of the economy, if this were deemed desirable.

Discussions along these lines are becoming more active. New organizational proposals are attempts to deal more effectively with the inherent instability of agricultural supplies, prices and incomes and with the weak bargaining positions in which producers often find themselves. They are efforts to provide the farmer with institutional devices that would enable him to participate in group decision making and perhaps accept some output restraints in order to gain, in return, greater influence over his future destiny and perhaps be able to recover or retain managerial independence which would otherwise be lost.

Should the family farm be preserved?

We must now face up to the question of whether it really makes any difference if the family farm, defined not only in terms of size but also to include a reasonable degree of managerial independence, vanishes into history. To answer the question we will consider the family farm in four ways, in terms of morality, democracy, efficiency, and the economic organization of society.

First, with respect to morality, Thomas Jefferson declared "Those who labor in the earth are the chosen people of God. . . ."⁸ This belief has been widely held in our history, but there have been other views. Abraham Lincoln once observed that farmers appeared to be no better or worse than other people. We probably cannot demonstrate whether people from family farms are more or less moral than other people. Hence, the case for preserving the family farm will need further arguments on its behalf.

A related idea in the development of our country was that an agriculture made up of family farms was the backbone of democracy. A penetrating examination of the idea by A. Whitney Griswold, late president of Yale University, led to the conclusion that democracy grew from men's minds and spirits in the commercial and industrial atmosphere of cities as much or more than in the agrarian atmosphere of the country.⁹

It has been argued that a family farm of adequate size is more efficient than any other organizational pattern of agricultural production. Many units of 1-2 man-years in size have survived and still dominate the countryside. We need to recall, however, that the managerial function is slipping away from several of these units. We must also recognize that with increasing specialization, possible complementary relationships among enterprises decrease and that the farmer's work becomes easier to routinize so that it can be supervised from a greater distance.

Yet it is certainly not apparent that family farm agriculture is less efficient than alternative organizational patterns, or that it needs to be with new institutions or techniques of management and marketing. If this is true, society will not suffer productivity loss by taking steps to keep the family farm. Moreover, social and adjustment costs, which may be associated with some forms of organizational change, would be avoided.

This brings us to the final and most forceful argument for preserving and strengthening the family farm, that of supporting decentralized decision-making and diffused economic power in the organization of our society. Economics teaches and history verifies that if a firm or small group of firms grow large in relation to the market, they generally increase their influence over the livelihood of others and turn terms of trade in their favor.

Our basic philosophy is in favor of a market economy, but for it to work effectively, buyers and sellers should be sufficiently numerous and vigorous to impose competitive checks upon each other. It has been our national policy to take steps from time to time that nourish competition: by restraining excessive power, by encouraging new competitors or by enabling weak competitors to become stronger.

Strengthening managerial latitude of independent farmers and firming their market positions as individuals and in groups would be in our national tradition toward balancing economic power in society. It would also give farmers greater influence in shaping the kinds of production and marketing systems which are affecting their lives, their role and their managerial freedom so profoundly.

⁸ Quoted by Edward Higbee, *Farms and Farmers in an Urban Age*, (New York: The Twentieth Century Fund, 1963), pp. 79-80.

⁹ A. Whitney Griswold, *Farming and Democracy* (New Haven: Yale University Press, 1948), pp. 180-181.