

This testimony coincides with the mounting evidence supplied by private sources and reported by the public news media that more and more corporations are turning to agriculture as a means to diversify their corporate activities.

According to some observers, this movement toward corporation farming has not yet become a significant national phenomenon. However, the subcommittee believes that the time has come to begin this pioneering study concerning the specific and general implications of corporate ownership of the land, which I believe could ultimately lead to corporate control over the production of food and fiber in our country.

I am not aware of any comprehensive investigation of corporation farming that has yet been done on a national basis. However, there have been a few regional and local studies made that carry a great amount of significance.

One such study was conducted by this Senate Small Business Committee in 1946. This extensive study focused on how the size and structure of farm operations affected two rural communities in California. One community was surrounded by independently owned and operated family farms while the other community was adjacent to large corporation farms. The two communities were identical in many ways. They were located in the same climate zone, had about the same volume of agricultural production, some two and a half million per year. They were about the same distance from other small towns and major urban areas and were equally served by the various modes of transportation.

Despite these basic similarities, the study disclosed some striking differences between them, differences that were linked to the kind and size of agriculture associated with the community. The family farm community supported 20 percent more people at a better standard of living than the corporation farm community. It had nearly twice as many individual business establishments with 61 percent more retail trade.

The family farm community had more and better schools, churches, recreational facilities, civic organizations, and public services than the corporation farm area.

This was a single study, but an exhaustive one. The subcommittee plans to update this report and seek new information and new observations about the future of farming in America.

I believe that one of our greatest immediate concerns is general public opinion regarding corporation farming. I'm afraid that this new brand of agriculture may be automatically accepted by many people as being best for America solely because of its size. Americans seem willing to accept any enterprise that is big without raising any questions about its social consequences or actual contribution to our society.

In testimony during our hearings in Omaha two University of Nebraska agricultural economists testified that research done thus far on the efficiency of various sizes of commercial farms indicated that once a farm operation meets a certain size further expansion has no effect on reducing the cost of production. For many farm commodities, a well-equipped, well-managed family farm can and are reaching its optimum size.