

compasses much of North Dakota—you would find that the questionnaire that was sent out, 82 percent of the people, whether they were from town or country, rural or urban, whatever you want to call urban in North Dakota, 82 percent of the people were opposed to the incorporation of agriculture. You would be surprised also that this went clear across both political parties.

Fifty-seven percent of the Republicans were opposed and 43 percent of the Democrats.

Senator NELSON. You said 80-some percent of the people in the State were opposed?

Mr. SMITH. Eighty-two percent were opposed to it and 18 were against it, or 82 were against corporation farming and 18 were for it.

Senator NELSON. With that kind of a percentage, 82 percent opposed, how do you account for the fact that the legislature passed this bill?

Mr. SMITH. Well, I think the legislature when it was elected had a commitment to some people, outside interests that they were going to pass this bill and we found that this was exactly what happened; they were bent on passing the bill irrespective what the folks really felt at home.

This concludes my statement, Mr. Chairman, and I appreciate being here. I hope I made some contribution to it since we do not have corporate agriculture in North Dakota. I hope that other States and the national Congress will take some steps to prohibit this from moving in through all of the States in the Nation.

(The complete prepared statement and supplemental information submitted by Mr. Smith follows:)

STATEMENT OF E. W. SMITH, PRESIDENT, NORTH DAKOTA FARMERS UNION
CORPORATION FARMING ISSUE IN NORTH DAKOTA

I am Ed Smith, chairman of the board of the National Farmers Union, and president of its North Dakota Division. The North Dakota Division of the National Farmers Union is an autonomous state union with a present membership of 38,616 dues paying family members. The North Dakota Farmers Union is proud of its history of successful opposition to corporation farming.

In 1932, approximately one fourth of the farms in North Dakota were owned by corporations. In a few cases the corporations had purchased the land and in a few other cases private colleges or hospitals had accepted gifts of North Dakota farm land from individuals or estates. In most cases, however, the corporations had come to own their land through foreclosure of mortgages.

The World War I period was characterized by comparatively high farm prices that generated an optimism on the part of farmers and led to overexpansion, both in land and machinery. In 1919 the national average price received by farmers for barley was \$1.24 a bushel; for flax it was \$4.47; and wheat, North Dakota's principal crop, brought a national average price to farmers of \$2.16 a bushel. Naturally, farmers shared the general economic optimism that was felt by the entire national economy. However, during the twenties, as the non-farm economy rolled steadily to higher profits and greater optimism, the farm economy sagged. By 1932 the national average price received by farmers for wheat, during that marketing year, was 37½¢ per bushel. Understandably, they found it impossible to pay off debts that had been acquired twelve to fifteen years earlier based on the repayment potential of \$2.00 wheat and \$4.50 flax. There was just no way to make payments and wholesale foreclosures resulted.

The North Dakota Farmers Union was concerned that corporations would bring in big machinery and farm the land with hired labor. To prevent this from happening, Farmers Union members circulated petitions and initiated