to many of the resulting social costs. A major source of these social costs of the technological revolution is traceable to the fact that it has rendered both human and capital resources economically obsolete in a much shorter period of time than the normal working life span of both. In other words, the technological revolution has dictated (in a purely economic sense) economic and social adjustments at a far more rapid rate than could be achieved. It has dictated the retraining of people and the redirection of their employment faster than could be achieved, together with a high rate of write off of economically obsolete capital.

In this framework, the basic questions turn primarily to: how to help the commercial family farm meet its most pressing problems arising largely out of capital and financial requirements and; how to meet the social costs of people and communities left behind by the rapid impact of technology.

One aspect of the problems arising from capital requirements and the adequate financing and transfer of commercial family farms has been discussed briefly. The income problems of smaller family farms and the social costs experiences by rural communities in rapid reorganization and redevelopment are equally important and probably more complex. In the framework of economic adjustment the first question becomes: Can the retraining of people, development of non-farm opportunities, decentralization of industry, etc. move rapidly enough to achieve a smooth and orderly reorganization of the rural sector of the economy? Our past and present indications are that, while this approach is basically sound in many important ways, it cannot completely close the gap on our present problem. While basically attempting to encourage and expedite this continuing adjustment process, we are still likely to need significant supplementary measures to meet the social costs—to lighten the hardship on those bearing the brunt of our rapid technologcial progress.

In this sense the possible problem of increased entry of non farm corporations into farming is not a new or different one, but merely a possible acceleration of our existing and continuing problems. The problem helping our subsidizing the small family farm is just one part of the broad problem meeting the social costs of technological progress.

Senator NELSON. On page 6 you state, "The real issue in this whole area of concern, it seems to me, is not primarily what to do about the possible invasion of essentially nonfarm corporations into farming. This is only a secondary or side issue which might accelerate what is already going on, not cause it."

Assuming the choice between a conglomerate absentee-owned corporation controlling the land and the production and an equally efficient family size commercial farm, wouldn't you see benefits in the latter situation over the former?

Mr. STANIFORTH. In a matter of degree, definitely, and from my own personal choice, see quite a bit, and this is why I think I have put emphasis on providing institutions which will finance and transfer the family farm in a much more effective way than we have in the past. The point I was making in that is that even if we have no preparations all projections are going down to 100,000 or 200,000 family farms of that type. This itself is something which is causing tremendous social costs that we have not faced up to and we easily lose track of them when we think of the question of whether it is 50,000 or 100,000 as compared to the fact it isn't 3 or 4 million any more.

Senator NELSON. Thank you very much, Professor.

Our next witness is Prof. Douglas Marshall, Department of Rural Sociology, University of Wisconsin.

Professor, we thank you for taking the time to come here today. Your statement will be printed in full in the record; you may summarize or elaborate on it as you wish.