

outrun the support we give to agricultural extension. It has been left by default to the private industries that supply this technology. In the same way that large private utilities were not interested in rural electric consumers until the REA had developed the market, large, private suppliers of agro-technical chemicals are not interested in small users because service and after service calls are too high. They are automatically interested in large bulk users.

I think, therefore, that we in the agriculture colleges have to accept a part of the responsibility for some of this trend toward large size in agriculture. I see a big danger arising if some of these trends continue. The one that worries me the most is that I see evidence of the emergence of what I am going to call petty corporatism in parallel with petty landlordism. This has been the curse of our urban slums. I see corporations appearing in agriculture that are not large enough to be socially responsible but are large enough to ignore the wishes of their communities. And I am afraid that we may emerge from this period of change having gotten the worst of both possible worlds, having traded effective and efficient small units of production which were not growing rapidly enough to keep pace with technological change for larger corporate units of production which were not large enough and well financed enough to be socially responsible and financially flexible.

I believe there is a tendency in this country to regard the introduction of new technology as a peculiar attribute of large businesses. If we think of the large corporate institutions in the United States, some of them are technically quite advanced. But I would like to remind you that this is not necessarily a characteristic of big units. We have lots of other evidence of large units that have retarded technological advance, not necessarily for narrow, selfish reasons of profit, but because they commit large sums of capital to long-range investment at a high risk and they do not want to see the capital become technically obsolete.

So I am not at all sure that a population of a few large farms will guarantee technological advance on the scale that we have known. The benefits of this advance go primarily to consumers. I think there is general agreement within the economics profession that the farmer has not been able to retain a very large fraction of the advantages of modern technology. Most of it is passed on to food consumers.

One of the threats of a structure of large-scale farms is that we may be building in high-cost future food supplies for our consuming public. This could come about in several ways. One is through what I am calling nonfunctioning investments in advertising. We see this in many fields, in soap flakes, breakfast foods, and others, which have very large advertising budgets that serve very small economic purposes. If we have large, integrated corporate farms, I think we can see already a tendency to try to differentiate agricultural products, when, in fact, there is little difference among them. And this will be inevitable if we have corporations that try to identify their products as being peculiarly better because they come from their farms.

In short, I see several ways in which consumers are likely to pay the principal cost of a trend toward corporation farming.

I would like to summarize these comments, Mr. Senator, by stressing three or four points.