

extremes in thinking on this basic problem would give rise to more penetrating research.

As an illustration of what we mean, let me cite a few examples by way of statements of position and concern by farmer organizations, along with conclusions drawn by recent scholarly studies and reports.

LAND O'LAKES

Land O'Lakes Creameries, the largest dairy farmer marketing cooperative in this country, adopted the following resolution at their 1968 annual meeting. (Land O'Lakes is a member of the Wisconsin Council of Agricultural Cooperatives.)

RESOLUTION NO. 23—CORPORATE FARMING

"We believe that the efficient, well-managed family farm is still the backbone of American agriculture, as evidenced by the increases in agricultural productivity over the years.

"We also note that the family farm concept has survived best producing commodities which have been under stabilization programs, but that corporate interests are now entering and placing more emphasis in production of these commodities.

"We oppose the entry of non-farm interests into the farming enterprise. We also oppose the use of farms for tax write-off purposes by absentee farm owners."

INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS

At the Conference of International Federation of Agricultural Producers, held in Tunisia, in May of this year, stress was placed on the movement by large, diversified non-farm corporations into fully developed agricultural regions. The conference report states:

"It appears that such enterprises can find it to their advantage to absorb current heavy losses in their farm operations, writing them off in other business activities. In periods of overproduction financial reserves built up from non-farm activities could allow such corporations to farm on very narrow profit margins or at a loss, posing a serious threat to conventional farms. Although structural reform will lessen the extent of such intrusion, farmers themselves should realize that increased effectiveness of their own co-operatives and other commercial organizations could be a better antidote.

"Beyond that, national farm organizations should strongly press their governments for effective measures to protect them against any abuse of economic power in corporation farming. The special circumstances of some newer agricultural areas may occasionally make desirable, however, the utilization of appropriate corporate forms of agricultural enterprise."

UNITED STATES DEPARTMENT OF AGRICULTURE

I suspect that perhaps in part the reason for the existence of this Committee and its charge stems from information and expressions of concern by the United States Department of Agriculture.

In a recent publication entitled *Agriculture/2000*, reference is made to the factors behind the threat of corporation farming. The consequences of the cost-price squeeze on our farmers is in part indicated by the following quote taken from the above-mentioned publication. It focuses attention on the current situation in agriculture which helps provide a climate for the growth and development of corporation farming.

"Today that farmer is seriously underpaid—and this cannot long continue. In a full employment, free enterprise economy such as ours, capital and know-how will go elsewhere if they are unrewarded in agriculture. If this happens—if the family farm system is wrecked and monopoly agriculture develops in the United States—the bright promise we predict today for the Year 2000 may well be lost.

"This is primary. The system of agriculture that we enjoy today, with ownership, decision-making, responsibility and rewards widely dispersed, in many hands, rather than in just a few, is the most efficient, most productive in the entire world.

"But today the system that made this record possible is threatened by too-low farm prices. Low farm prices have been prevalent over too many years of this