"Family farms will continue as the basic format in Wisconsin. However, each family unit will need to continue to increase considerably in size and efficiency. To operate large units with the same or even less labor, more of the inputs will need to be purchased." (Page 71 of report)

To this last statement, many Wisconsin farmers respond—"But, how do we share in this increased efficiency? Most of it has been passed on to the consumer. We seem to be getting less and less as our efficiency improves."

NATIONAL ADVISORY COMMITTEE ON FOOD AND FIBER REPORT

In January of 1966, the Food and Fiber Committee issued their report and observed on page 159:

"There is no indication that extremely large-scale corporate farming will take over American farming in the near future. Mainly, it appears that the family farm will continue to get larger, as it has in the past. The traditional family farm is simply getting larger because the family and an equal amount of hired labor can handle a larger unit efficiently with modern methods and machines . . . and lower their unit costs by doing so.

"Family farms (farms using less than 1.5 man-years of hired labor) have not changed significantly as a proportion of all farms. Estimates for 1965 indicate family farms accounted for about 96 percent of all farms, and for 73 percent of total farm marketings. These totals had changed very little from the previous 5 or 10 years."

Perhaps we have already overlabored the point of opinion difference and degree of concern within agricultural circles.

Forces at work now compared to 1946 when the Arvin-Dinuba study was made are undoubtedly different, if not more ominous for the family farm. In the short period of time since the House of Representatives in the 88th Congress viewed the "family farm issue" via their committee on agriculture back in 1963, conditions have changed.

THE ISSUE

If we can make one point before this Committee, it would be—now is the time to determine what kind of a socio-economic structure we want for our agricultural sector in this country. There are now many straws in the wind regarding the potential strong thrust that could be made by huge corporate interests in assuming major control of the agricultural plant. Is this in the public interest? Let's not wait until the horse is stolen before we lock the barn.

POINT OF CLARIFICATION

I don't want to leave the impression that the "big corporation" is a rampant ogre coldly coveting the agricultural plant of this country. In most instances their control over the decisionmaking process in other areas of our economy has come without intent and is a result of the economic and social framework within which they operate.

Again, we draw on Mr. Galbraith to make a point.[1] He states:

"The market has only one message for the business firm. That is the promise of more money. If the firm has no influence on its prices, as the Wisconsin dairy farm has no influence on the price of milk, it has no options as to the goals that it pursues. It must try to make money and, as a practical matter, it must try to make as much as possible. Others do. To fail to conform is to invite loss, failure and extrusion. Certainly a decision to subordinate interest in earnings to an interest in a more contended life for workers, cows or consumers would, in the absence of exceptional supplementary income, mean financial disaster."

The Council believes we are now witnessing the beginning of a trend. The drive toward corporate diversification and formation of conglomerates has a favorable climate to flourish in agriculture—i.e., tax structure—waning farmer influence in legislative halls—tremendous capital demands—cost-price squeeze—high degree of managerial skills required on modern family farm, etc.

Even our government, while on the one hand expressing concern, acts to further aggravate the price-income situation. A prime example here would be dairy imports. Through evasion of import quotas foreign countries have tended to demoral-

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[1] The New Industrial State, John Kenneth Galbraith, p. 109.