tive bargaining substitute for some of the costs of the farm program. In other words, if the farmers could negotiate for a better price, the feeling of many people is that they would not have to rely on some of the many expensive programs we have now.

I take it from your remarks at least for a transition period you would want both. You would want both the present farm programs pretty much as they are, maybe expanded somewhat on the basis of what you said a little earlier, plus the opportunity to bargain under title II of the Mondale bill, for example.

Mr. SHAFER. Mr. Chairman, this is correct.

We are organizing farmers to bargain and sell collectively for cost of production plus reasonable profit prices, but we are not there yet, and until such time as farmers are organized so that they can accomplish this by themselves, I think that it would be disastrous to——

Charmain PROXMIRE. At that point, however, you feel we could begin to cut back the farm program?

Mr. SHAFER. At that point I think we may be able to cut back on farm programs; yes.

But I think that we possibly will still need all the help we can get in the way of enabling legislation to assure us the necessary protection to bargain. We have the Capper-Volstead Act which gives us the authority, the farmer in the United States, to join together into one organization and price his commodities. But some other legislation which, as I understand it, will be offered, if the Mondale proposal is adopted, could be very helpful.

Chairman PROXMIRE. Mr. Shuman wanted to say something.

Mr. SHUMAN. Mr. Chairman, just a minute of rebuttal. The best proof that there would be no disaster in the way of overproduction and price collapse is the fact, the experience that we have had in these 35 years, and that is that these control programs never reduced production and, therefore, removing them would not be expected to increase production.

There have been made many studies of this, and it is quite evident that the real cause of the surplus problem has not been the acreage either, whether it was what normally farmers put in or what they take out. The real cause of the surplus problem in the last few years has been the manipulation of prices and the assurance before the planting time that the price was going to be a certain level. It might have been a lower price than it would have been under the market, but it increased production because they knew ahead of time and they got the payments. Half the payments are made in the spring in time to buy fertilizer.

Now, proof that there would be no disaster? The best proof is that two-thirds of agriculture has been operating without Government subsidies, without any control programs, and under the handicap of having these programs transfer production and other disruptive effects into their production and markets as a result of the programs.

Chairman PROXMIRE. Was not a significant part of the purpose of supporting the 30 or 40 percent of the farm production which is under the program, to help support the other part of agriculture?

For example, as I understand it, beef and poultry, and so forth, are not directly controlled; they are not under the program. But, at the same time, the feed grain program would have a very direct in-