MR. CHAIRMAN AND MEMBERS OF THE SUB-COMMITTEE:

I congratulate you on expediting hearings on this important legislation.

The hard-working, frugal, independent-minded farmers of our country have been, and are, the backbone of this freedom-loving Nation. It is the agrarian segment of our society which has been the most staunch defender of our free and democratic way of life.

In our complex modern-day economy, we are in danger of being deluded by the oft-repeated reference to the "farm problem" into believing that the farmers' plight is caused by some alleged inefficiency of the farmer himself.

Nothing could be further from the truth.

An impartial analysis clearly shows that our farmers are efficient. Not only has the quality of farm products been constantly improved, but farm productivity has also increased rapidly. In 1940, one farm worker produced food and fiber for eleven people, while today one farm worker produces enough for twenty people. The very existence of government acreage controls, not to mention the accelerating restrictiveness of acreage allotments, is an indication of the ever-increasing yield per acre produced by our farmers. I have become most irritated from hearing talk of the inefficiency of our farmers, for the facts emphatically give the lie to such allegations.

It is time that we realized that we should not speak of the country as having a "farm problem", but should realize that it is the farmer who is beset with the problem. It is our abandonment of an economic system based on supply and demand, in favor of a system purportedly responsive to government manipulations, that turns the farmer's initiative and efficiency into a burden on his own back.

When we think of the disastrous effect of inflation, we are inclined to associate it primarily with retirees, annuitants, and fixed income groups. In a free economy, this would be a
reasonable assumption. In our controlled economy, a realistic approach reveals that the farmers, who are the suppliers of our most basic needs, are taking as severe a beating from the devaluation of the dollar as any group in our society.

According to the most recent Department of Agriculture figures, the farmers today are paying more than two and a half times as much for commodities, services, interest, taxes and wages as they did prior to World War II, while the prices received for farm products during the same period have barely doubled. A balance in prices paid and prices received was maintained for a short period immediately following World War II, but during the past ten years the scales have consistently been weighted against the farmers.

In this decade, which has seen the prices paid to farmers for their crops drop, the farmers have been required to pay higher prices for virtually all essentials. A tractor which sold for $1,260 in 1949 today costs $1,660; fuel to run the tractor has gone up from 13.6 cents per gallon to 16.2 cents; wire fencing which sold for $13.50 now costs $23; a one-half ton pickup truck has risen in price from $1,620 to $2,030; concrete blocks have jumped from $21.90 per hundred to $25; overalls, which sold for $3.13, cost $3.55 today; and so it goes.

The increase in price which the farmer must pay for essentials is only half of the story of his plight. The other side of the picture is illustrated by the fact that the farmer has been unable, in this same period, to get a larger share of the retail "market basket", which contains the average quantity of farm produce purchased for consumption by each family unit. Ten years ago the farmer received $466 of the $940 retail "market basket", or 50 per cent. Today the farmer receives approximately $416 of the $1,065 "market basket", or 39 per cent.

To illustrate the whole picture, consider what has happened to the prices of cotton seed and cotton seed meal. In 1947-49, a farmer received $3.58 per hundred-weight of cotton seed and paid an average price of $4.45 per hundred-weight for cotton seed
meal. Although the farmer now pays 18 cents less per hundred-weight for cotton seed meal, or $4.27, he now receives only $2.17 per hundred-weight for cotton seed—a reduction of $1.41 per hundred-weight. We should also remember that in the same period, there has been a marked increase in the farmer's cost of production of cotton seed.

This situation must be corrected. We must orient, not only farm legislation, but all legislation with respect to its effect on this appalling situation. We must stop penalizing the farmer for his efficiency, and encouraging inefficiency.

What I have said has a direct bearing on the bills which are the subject of this hearing. Farm productivity has increased as a result of the application of new and improved farm methods and machinery. The application of these methods and machinery make it economically impractical and inefficient to operate a farm below a minimum acreage, the exact size of the acreage being dependent on the crop and the soil fertility. Yet many of our small cotton farmers are now being allotted less than ten acres, and in some cases, two, three, or even one acre. Such a program is responsible for the creation of what some mistakenly refer to as the "marginal farmer". In reality, they are referring to the farmer who is forced to undertake an economically infeasible farming operation, and to depend on government subsidy to remedy his assured loss. He has no choice. He is trained and experienced as a farmer, and his worldly goods are invested in a farm. On his training, experience, and investment depend his and his family's livelihood, be it ever so meager.

Legislation which would allow such a farmer to rent his acreage allotment to a neighbor would be a step in the direction of remedying this tragic situation. The farmer with a small allotment could then realize some income from the rental of his allotment, and at the same time, he could have his time free to supplement the rental income. His neighbor, now in the same tragic circumstances, could then, by renting other allotments, obtain sufficient acreage on which to conduct an efficient and profitable farming operation.
So long as the rentals were restricted to a county unit, where soil productivity is relatively equivalent, there would be little, if any, addition to the surplus of the crop. At the same time, we would have slackened our pace of forcing inefficiency and ultimate extinction on the small farmer, and increased his chances for averting abject poverty.

I sincerely hope that the proposals to permit the rental of acreage allotment within counties will receive favorable consideration by this committee.

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