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Government and Agriculture:

A 1984 Perspective from Nebraska Farmers and Ranchers

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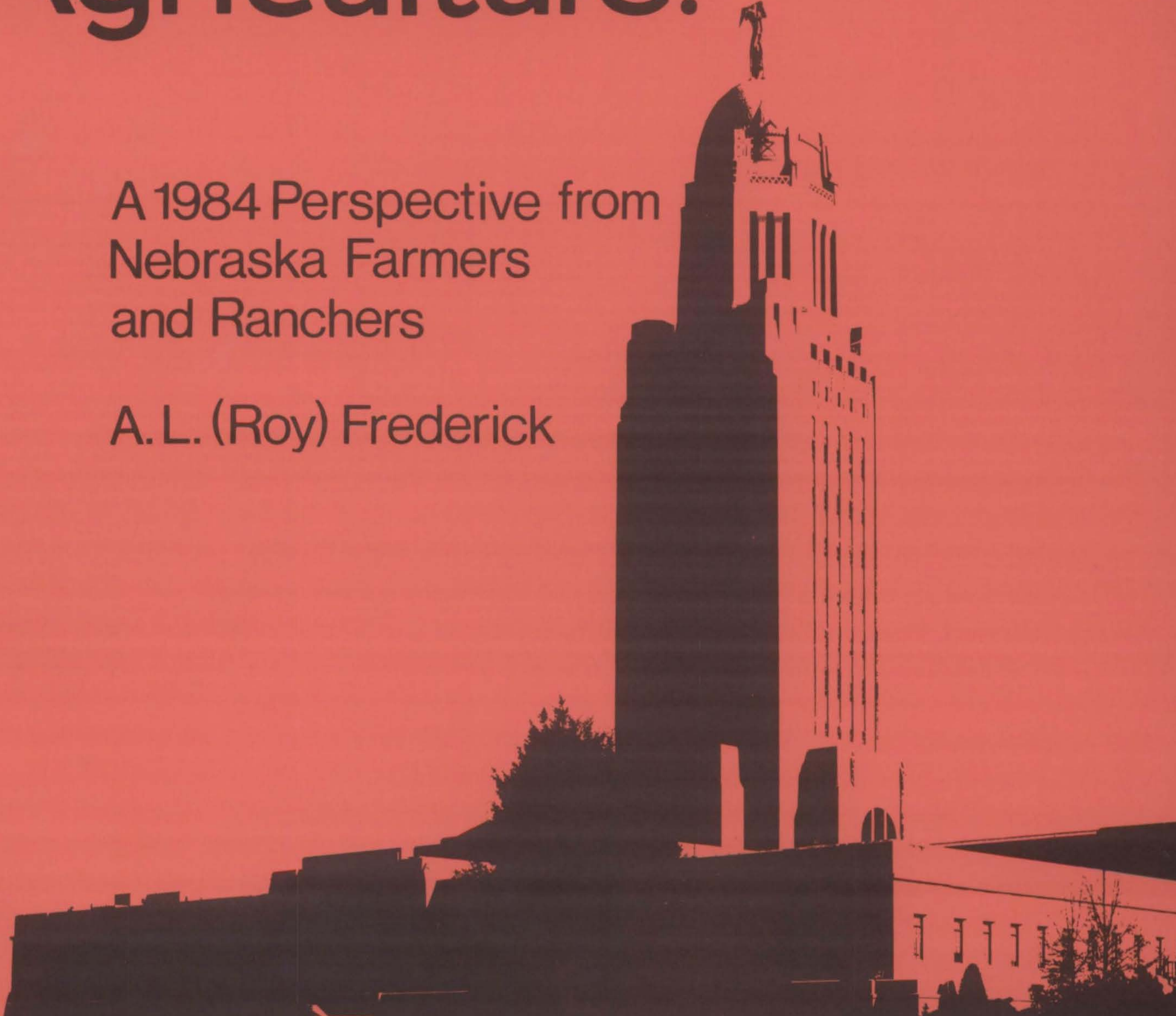

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GOVERNMENT AND AGRICULTURE:

A 1984 PERSPECTIVE FROM NEBRASKA FARMERS AND RANCHERS

by

A.L. (Roy) Frederick[1/]

Farmers and ranchers have long been concerned about the impact of the federal government on production agriculture. However, the intensity of that concern often varies considerably among individual producers. Even when a consensus appears to have evolved over a federal program or policy, a sizeable minority is likely to dissent.

In 1984, a number of factors sharpened interest in the relationship between the government and production agriculture: continued subpar farm incomes; lingering effects of the 1983 payment-in-kind (PIK) program; high interest rates; extended sluggishness in export markets; and the necessity of developing a new "farm bill" in 1985.

In an attempt to gain perspective on Nebraska producers' viewpoints on these and associated issues, a mail survey was conducted during June and July, 1984. A random sample of 1,500 producers was selected by the Nebraska Crop and Livestock Reporting Service. Usable responses were received from 406 producers by August 1, 1984.

During the same general time period, identical (or nearly identical) surveys were taken in a number of other states. Subsequent comparisons of Nebraska responses to those in other states will give a national perspective to producers' views of government and agriculture.

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A summary of Nebraska responses to questions or statements in the survey follows. Where responses differed significantly by size of operation or enterprise combination, these differences are noted in both the narrative description and the tables that follow.[2/]

Respondents were asked to indicate the size of their operations by placing their annual gross sales in one of three categories: less than $40,000; $40,000 - $199,999; and $200,000 or more. Enterprise categories were as follows: (cash) grain; hogs or beef cattle; mixed grain and livestock; dairy; and "other" unspecified products.

ACREAGE REDUCTION-PRICE SUPPORT PROGRAMS AND OTHER AG POLICY ISSUES

Future Direction of Acreage Reduction - Price Support Programs

Nebraska farmers and ranchers are divided on how - or even if - acreage reduction - price support programs should operate beyond 1985. In the survey results, three alternatives received almost equal support (Table 1). The largest group (28 percent) indicated support for a mandatory acreage reduction program where all farmers would be required to participate (if approved in a farmer referendum) in return for price and income support. Twenty-five percent would like to keep voluntary programs, while allowing for minor revisions. A third group, accounting for 22 percent of the total, supported elimination of all acreage reduction - price support programs. The remaining 25 were undecided, had other responses, or did not respond to the question.

[2/] A chi-square test was used to test the hypothesis that responses did not vary by size of operation or enterprise combination. When this hypothesis is rejected, there is a relatively small chance that responses do not, in fact, differ by size of operation or enterprise combination.

Strongest support for keeping present voluntary programs came from producers with annual gross sales of $40,000 - $199,999 and who listed dairy as their primary source of income. Strongest support for mandatory programs came from larger farmers (annual gross sales in excess of $200,000). Mixed grain and livestock producers and cash grain producers are much more likely to favor mandatory controls than are hog or beef cattle producers or dairymen.

Support for eliminating all acreage reduction - price support programs was stronger among both small and large producers than for middle-size producers (annual gross sales of $40,000 - $199,999). Also, elimination of programs is much more favored by livestock (hogs-beef cattle) producers and dairymen than by other producers.

Target Prices and Deficiency Payments

Sixty percent of those responding said they would prefer to retain target prices (and the possibility of deficiency payments) in the 1985 farm bill (Table 2). The only income group where a majority did not favor retention of target prices was the small farm segment (annual gross sales of less than $40,000). Also, less than half of the responding hog-beef cattle producers and dairymen favored continuation of target prices.

If target prices were to be continued, producers were asked where they should be set relative to 1984 levels (Table 3). Forty-four percent favored higher targets, 30 percent preferred to keep them about the same, and five percent were in favor of lower targets. The remainder had no opinion or did not respond.

Strongest support for higher target prices came from the two categories of producers with sales over $40,000 annually. Just over half of the producers in these categories favored higher targets. Also, mixed grain and livestock producers and cash grain producers gave much stronger support to higher target prices than did farmers whose main source of income was from other enterprises. A majority of hog-beef cattle producers and dairymen favored either leaving targets at the same levels as 1984 or lowering them.

<u>Acreage Diversion Payments</u>

Acreage diversion payments were authorized in the Agricultural and Food Act of 1981, but have since been used only on a limited basis. About 58 percent of the producers responding would like to see acreage diversion payments continued in future programs (Table 4). Thirty percent opposed acreage diversion payments and the remaining 12 percent were not sure or had no opinion.

Although responses by farmers in different sales groups were not significantly different, there were differences when farmers were grouped according to their most important source of income. In the latter case, operators of cash grain farms and mixed grain and livestock farms favored (by a strong majority) the retention of acreage diversion payments. Less than half of hog-beef cattle producers and dairymen favored these payments.

<u>The Farmer Owned Grain Reserve</u>

The farmer owned grain reserve originated in 1977. Modifications in its operating procedures were made in the Agricultural and Food Act of 1981.

Over 61 percent of Nebraska farmers and ranchers who responded to this survey favored retaining the grain reserve (Table 5). Twenty-four percent opposed it, with the remainder indicating they were unsure or made no response. Strongest support for the reserve came from those producers in the largest size grouping (above $200,000 in annual gross sales). Nearly

76 percent in this group favored its retention, compared to 66 percent of those with annual gross sales of $40,000 - $199,999 and 53 percent in the smallest group. By type of farm, strongest support for the grain reserve came from those with either mixed grain and livestock or cash grain operations. However, about half of all responding hog-beef cattle producers and dairymen also indicated approval for continuation of the reserve.

Closely related to the issue of continuing a farmer owned reserve are concerns about its size and how it should be managed (Table 6). When given a choice among several alternatives, the largest group of respondents (44 percent) indicated that a limit should be set and it ought to be based on a percent of the previous year's use. An additional 16 percent responded that the Secretary of Agriculture should determine limits for the grain reserve and 13 percent wanted no limits on the size of the reserve. Twenty-eight percent were uncertain or did not respond. While responses did not vary significantly by size of farm, there were differences among farm types. In particular, livestock producers were more likely to prefer limits on the size of the grain reserve than those who considered themselves either mixed grain and livestock producers or cash grain producers.

Setting Loan Rates

Loan rates have been set on the basis of several criteria over the years: as a percentage of parity, on the basis of production costs, and at arbitrary levels determined by legislative compromise.

Farmers were asked whether they agreed or disagreed with the statement that loan rates should be based on a percentage of the average market price for the past three to five years (Table 7). Among all respondents, 20 percent were not sure, 44 percent agreed, 31 percent disagreed, and 6 percent did not answer. The statement was agreed to most strongly by livestock producers. In contrast, those who were mixed grain and livestock or cash grain producers were more likely to disagree.

The Payment-In-Kind Program

The payment-in-kind (PIK) program was a widely used (and publicized) program option in 1983. Respondents were asked if they would approve of future PIK programs, should large stocks again be accumulated (Table 8). Forty-two percent concurred, 44 percent disagreed, 13 percent were not sure, and one percent did not respond. Producers with annual gross sales of $40,000 - $199,999 were more favorably inclined toward the PIK program than either smaller or larger farmers. Also, mixed grain and livestock producers and cash grain producers generally favored a return of PIK while hog-beef cattle producers and dairymen rejected PIK by 64 and 70 percent, respectively.

Benefits for Smaller Farms

A majority of respondents favored giving most program benefits to producers with annual gross sales of $40,000 or less (Table 9). About 57 percent agreed that benefits ought to be directed to smaller farmers, 30 percent disagreed, and the remaining 13 percent were unsure or did not answer. Views were sharply divided by income group. Small farmers strongly supported it (83 percent approval) and larger farmers sharply disapproved (68 percent). By major source of income, producers in all categories supported the idea of directing most benefits to smaller producers.

Payment Limitations

The 1981 Agricultural and Food Act placed a $50,000 limit on direct payments to any individual.

Respondents were asked what limits, if any, should be placed on payments in the future (Table 10). Half of those responding said no change should be made in the payment limitation. Another 34 percent said the limit should be decreased. Remaining responses were to increase the limit (seven percent) and eliminate the limit completely (six percent). Three percent made no response.

As might be expected, farmers in the largest gross sales category (over $200,000 annually) most frequently wanted either no change or an increase in the limit. Smaller farmers with under $40,000 in gross sales often favored decreasing the limit.

Among the different types of farms, grain producers and those with both grain and livestock income most frequently favored making no change. Those whose primary source of income was from hogs-beef or dairy more frequently favored decreasing the limit.

Making Major Program Changes

What if major program changes were required? If given a choice of low "safety net" loan and target price program, a farm income insurance plan, or another plan they would suggest, about 42 percent said they would prefer the first option (Table 11). Another 27 percent said they would prefer to replace commodity programs with a farm income insurance plan (with costs shared by farmers and government). Fourteen percent listed other preferences and 17 percent did not respond.

Farmers in the medium and largest sales categories indicated stronger approval for "safety net" loans and target prices and other programs than did those in the smallest sales category. The latter group indicated the strongest relative support for farm income insurance. Dairymen showed more support for income insurance and less support for "safety net" loans and target prices than producers who concentrated on other enterprises.

The Role of Soil Conservation

The possibility of tying soil conservation to price and income supports has been raised frequently in recent years. To a specific statement which suggested that producers should follow approved soil conservation measures in order to qualify for price and income supports, 73 percent of all respondents agreed (Table 12). Only 16 percent disagreed, with the remainder not sure or not responding. Strongest support for the concept came from those farmers and ranchers with annual gross sales of $200,000 or more.

Nebraska farmers and ranchers also generally agree on how federal funds should be distributed for soil conservation programs (Table 13). About 53 percent of those responding indicated that more funds should go to those states with the most severe erosion problems. The second largest group of respondents (22 percent) indicated that soil conservation funds should be distributed according to the number of farms. Responses were not significantly different by either size or type of farm.

Dairy Price Support Programs

A special incentive program to encourage dairymen to reduce milk production began in January, 1984. All farmers and ranchers were asked, if milk production is still excessive in 1985, whether the current program should be continued beyond its scheduled expiration date of April 1, 1985 (Table 14). Among all farmers responding to the questionnaire, 28 percent favored its continuation, another 28 percent were not sure, 38 percent did not favor continuation, and six percent did not respond to this question.

Only 11 respondents indicated that their primary source of income was from dairying. Their responses were almost equally divided, with four percent favoring program continuation, four opposed and three uncertain.

Natural Disasters and Federal Crop Insurance

Natural disasters often affect agricultural output. As a result, numerous federal programs have been initiated over the years to (partially) respond to these disasters.

Among all respondents, 39 percent favor continuing all-risk crop insurance with producers paying 70 percent and government 30 percent of the cost (Table 15). Another 28 percent would like to return to a disaster payment program where government pays all costs. A third group (18 percent of the total) would eliminate all disaster payment and Federal Crop Insurance programs. The remaining 16 percent were not sure, had other suggestions or did not answer. Among sales classes, respondents with gross sales of $200,000 or more were more likely to favor retaining the present crop insurance program. Producers in smaller sales categories gave relatively stronger support to returning to government-sponsored disaster payments. Also, producers who identified themselves as mixed grain and livestock or cash grain producers had a stronger preference for disaster payments than other types of producers.

How do farmers view federal all-risk crop insurance? Perhaps the most appropriate conclusion is that many producers are not well informed about it.

Among all farmers responding, only 20 percent considered it a good buy, 29 thought it expensive and the remainder had no opinion or did not respond to the question (Table 16). In terms of coverage available, 20 percent thought it was adequate, 33 percent believed it to be inadequate, and the remainder had no opinion or did not answer the question (Table 17). Finally, with respect to ease of understanding, 16 percent said it was easy to understand, 26 percent thought it complicated and the remaining 58 percent had no opinion or did not respond (Table 18).

Producers with gross sales over $40,000 tended to think insurance coverage was more inadequate than smaller producers. Also, grain producers and mixed grain and livestock producers indicated more frequently that coverage was expensive, inadequate and complicated.

Credit Policy

The basic purpose of the Farmers Home Administration is to provide credit to producers who cannot obtain credit elsewhere. Producers were asked what policy ought to be followed for present Farmers Home Administration borrowers (Table 19).

For those who sent back questionnaires, 58 percent called for continuing the present policy of not foreclosing unless all repayment efforts have failed. A much smaller group - 20 percent of the total - advocated a moratorium on all foreclosures to keep distressed borrowers operating until the economy improves. Fifteen percent of all respondents would set a stricter policy on delinquent loans and increase the number of foreclosures.

Differences in responses by farmers in various sales classes were not large. However, livestock producers and dairymen were relatively more supportive of continuing the present policy than other types of farmers.

Program Administration

The federal Constitution specifies that it is the responsibility of Congress to write laws and the Executive Branch to administer those laws. In general, Secretaries of Agriculture have sought as much discretionary authority as possible in the administration of laws and programs under USDA jurisdiction. In contrast, Congress has sometimes tried to restrict the policymaking options of the Secretary.

In the survey, producers were asked who should make major program decisions. While responses indicate differences among farmers, a strong majority would like to change the present system (Table 20).

Among all respondents, 36 percent favor allowing producers to organize, control and finance their own supply management program without government involvement. The recent operation of the producer-financed tobacco program may be an example of this approach.

The second largest group - 29 percent of all respondents - would have the President appoint an independent board or commission to operate programs. Congress would provide operating guidelines for farmers, agribusinesses, and consumers who make up the board or commission. Proponents of this plan cite the independent policymaking procedures carried out by the Federal Reserve Board, the Federal Farm Credit Board and other independent commissions as examples of such policymaking.

Only 22 percent advocate continuing the present system with shared responsibility between Congress and the Secretary of Agriculture.

Among the various sales classes, a larger percentage of those in the middle sales group ($40,000 - $199,999) favored the present system than in either the small or large sales categories. The idea of producer organized and controlled programs received more favorable responses from farmers with less than $40,000 in gross sales and above $200,000 in gross sales. Responses did not vary significantly by source of farm income.

FOOD STAMPS

In recent years, expenditures on food stamps have averaged around $12 billion annually. Many observers believe that support for the food stamp program is necessary by farm-oriented members of Congress in order to provide the trade-offs necessary for support of farm price support programs by urban members of Congress.

Nebraska farmers and ranchers are divided in their opinions about federal expenditures on food stamps (Table 21). Among all respondents, 28 percent would keep benefits at about the same level. Another 26 percent favor decreasing benefits. Twenty-five percent would eliminate food stamps completely. Only 3 percent proposed increasing food stamp payouts. No significant differences were apparent in responses by sales category.

AGRICULTURAL TRADE POLICY

Most producers are sensitive to the impact of exports on commodity prices and, ultimately, farm income. Respondents were asked to respond to a series of proposals to increase export sales (Table 22).

First, to a statement that the United States should match export subsidies of our competitors, 50 percent agreed, compared to only 12 percent who disagreed. The remainder were not sure or did not respond. About 60 percent of cash grain, hog-beef, and mixed grain-livestock producers responded affirmatively to this proposal.

To a statement about encouraging lower trade barriers by major importers, 54 percent of respondents agreed. Strongest support came from those with gross sales of $200,000 or more.

A proposal to lower U.S. support prices brought more opposition than any other suggested means of increasing agricultural exports. Only 18 percent of responding producers supported it while 40 percent opposed this idea. There were no significant differences in responses by income classes or types of farming operations.

Another proposal that is sometimes made in conjunction with agricultural trade is that the United States should establish a marketing board (perhaps similar to the Canadian Wheat Board). Forty-nine percent agreed compared to 10 percent who disagreed, with the remainder not sure or not responding. Responses by sales class and type of farming did not vary significantly.

On the question of promoting bilaterial trade agreements, half of the respondents agreed that it would be desirable to do so. Only four percent disagreed, but an unusually large number (46 percent) either were not sure or did not respond.

Sometimes those who are concerned about agricultural trade suggest that the United States should join an export cartel with other major exporters. However, in this survey, only 29 percent agreed with this approach. Nineteen percent disagreed, leaving over half who were unsure or did not respond. Responses did not vary significantly either by sales class or type of farm.

Food aid is another approach to expanding international markets for U.S. farm products. About 37 percent agreed that more funds ought to be provided for this purpose, compared to 26 percent who disagreed. Again, a large number of those questioned (37 percent) were unsure or did not respond.

The General Agreement on Tariffs and Trade (GATT) has been available since the late 1940s to facilitate international trade of a wide range of products. Sixty percent would like to see GATT strengthened. Only three percent disagreed with the proposition it should be strengthened, with the remainder not sure or not responding. Support was strongest for this idea among farmers in the largest sales category, with support declining progressively in the middle and smaller sales categories.

Producers have frequently tried to expand foreign markets through promotional funds generated by their own commodity organizations. About 55 percent of those responding in this survey favored expansion of farmer-financed programs. Eleven percent disagreed and the remaining 34 percent were unsure or did not respond to the question.

Finally, producers were asked whether or not they would favor a two price plan, where a higher price would be established for commodities used in the domestic market and exports would sell at the (lower) world price. Twenty-six percent agreed with this proposition, compared to 24 percent who disagreed. However, half of the survey respondents were not sure or did not respond to this statement. Cash grain and mixed grain and livestock producers generally liked the idea more than those who concentrated on hog-beef cattle or dairy enterprises.

FISCAL AND MONETARY POLICY

Several statements were made about the federal budget (including recent deficits) and its impact on producers (Table 23). Respondents were asked to approve or disapprove of these statements.

The first statement suggested that we should keep things as they are and not worry about balancing the budget. Only seven percent agreed, however, compared to 79 percent disapproval. Under five percent (the lowest in the survey) were not sure and nine percent did not respond. Disagreement was strongest among those with gross annual sales of at least $40,000.

Farmers and ranchers also believe strongly that the deficit should be reduced in order to reduce interest rates for borrowers. Nearly 82 percent agreed with this statement, compared to 5 percent who disagreed and 13 percent who were not sure or did not respond to the statement. No significant differences showed up in responses by sales class or type of farm.

Another statement suggested that federal expenditures might be frozen and taxes increased. Twenty-eight percent responded affirmatively, compared to 40 percent who disagreed. About one-third were not sure or did not respond. There appeared to be a tendency for those in the middle gross sales group ($40,000 - $199,999) to be less inclined to support this idea than producers in either smaller or larger sales categories.

Producers were asked whether the deficit should be reduced so the debt burden can be lightened on future generations. Eighty percent responded affirmatively. Five percent disagreed, with the remainder not sure or not responding to the question.

Finally, producers were asked whether the federal budget should be balanced even if it means a substantial cut in government programs, including farm price and income supports. Fifty-seven percent agreed with this proposition, compared to 16 percent who disagreed. Strongest approval came from those in the $200,000 and over sales class, while smaller and medium size farmers more frequently indicated they were not sure of their response.

PROFILE OF SURVEY RESPONDENTS

A number of questions were posed to survey respondents to help specify their principal characteristics.

Farm Program Participation

Among all respondents, 26 percent participated in the wheat acreage reduction program and 15 percent in the wheat payment-in-kind (PIK) program in 1983 (Table 24). For feed grains, 52 percent participated in the acreage reduction program and 49 percent in the PIK program.

A higher proportion of producers with gross sales of $200,000 or more participated in the feed grains acreage reduction and PIK programs than those in the two lower sales groups. For wheat, however, participation in acreage reduction programs tended to be heavier for farmers with gross sales of $40,000 or less. Not surprisingly, participation in both wheat and feed grains programs was stronger for those producers who identified themselves as having something other than livestock or dairy enterprises.

<u>Size of Farms</u>

All sizes of farms - as measured by acres farmed - were represented (Table 25). Among all respondents, 42 percent farmed under 350 acres; 28 percent farmed 350 to 649 acres; 18 percent farmed 650 to 1199 acres and 12 percent farmed 1200 acres or more.

<u>Tenure of Operator</u>

All types of tenure were reported (Table 26). About 35 percent owned less than 25 percent of the land they farmed. In contrast, another 35 percent owned 75 - 100 percent. Eighteen percent of the respondents said they owned 25 to 49 percent of the land they farmed and 12 percent indicated ownership of 50 to 74 percent.

<u>Gross Sales</u>

Among all respondents, 34 percent reported gross annual sales of $40,000 or less, 53 percent had sales of $40,000 to $199,999, 10 percent reported gross sales of $200,000 or more, and three percent did not respond (Table 27).

<u>Most Important Source of 1983 Farm Income</u>

Cash grain and mixed grain/livestock were the major sources of income for respondents, accounting for 37 percent and 35 percent, respectively, of the total (Table 26). Among remaining respondents, 20 percent received the major portion of farm income from hogs and beef cattle, three percent from dairy, three percent from other sources, and two percent did not respond.

<u>Amount of Formal Education</u>

Most respondents either had completed high school (44 percent) or some college or technical school (28 percent). (See Table 29.) Eleven percent had graduated from college; ten percent had stopped attending school before high school and six percent had some high school education.

Income from Off-Farm Sources

Most respondents indicated that off-farm income accounted for a relatively small portion of total family income (Table 30). Forty-five percent of those responding said that off-farm income amounted to 24 percent or less of total income; 13 percent received 25 to 49 percent off the farm; 10 percent received 50 - 74 percent off the farm; and six percent received 75 - 100 percent from off-farm employment and/or investments. Twenty-seven percent did not respond to the question.

Age of Respondents

A majority of respondents were 50 years of age or older (Table 31). The largest single group of respondents (41 percent) were from 50-64 years old. Sixteen percent were 65 or over.

Farm and Commodity Organization Memberships

Respondents were asked to indicate the farm organizations in which they had memberships. These memberships were spread among a wide number of organizations (Table 32). Twenty-one percent of the respondents indicated that they were members of Farm Bureau, followed closely by Farmers Union with 17 percent. Fourteen percent were members of pork producers' organizations; followed by cattemen's associations, 13 percent; soybean associations, eight percent; corn associations, seven percent; and wheat producers, five percent. Less than four percent of those responding in this survey were members of other organizations.

SUMMARY AND CONCLUSIONS

Nebraska farmers and ranchers are divided on a number of policy issues that are important to their livelihood, but they agree on many others. A majority (over 50 percent) of respondents agreed on the following issues:

* Target prices and deficiency payments should be retained in the 1985 farm bill.
* Provision for paid acreage diversions should be continued in future programs.
* The farmer-owned grain reserve should be continued.
* Future farm programs should be changed to give most price and income support benefits to producers with annual gross sales under $40,000.
* Each producer should be required to follow recommended soil conservation measures on his farm to qualify for price and income support programs.
* States with the most severe soil erosion problems should be given more funds.
* The present Farmers Home Administration policy of not foreclosing on borrowers unless all repayment efforts have failed should be continued.
* Agricultural trade policy should
    - encourage lower trade barriers by major importers;
    - seek to strengthen the General Agreement on Tariffs and Trade (GATT); and
    - attempt to expand foreign markets through promotional funds generated by their own commodity organizations.
* Fiscal policy should
    - be concerned with balancing the federal budget;
    - attempt to reduce the deficit in order to reduce interest rates for borrowers;

- attempt to reduce the deficit in order to reduce the debt burden on future generations;
- attempt to balance the federal budget even if it means a substantial cut in all government programs including farm price and income supports.

Although not a majority response, by consensus (with a plurality of at least 40 percent) respondents agreed on the following issues:

* Target prices should be set higher than 1984 levels if continued in future farm programs.
* The farmer-owned grain reserve should have a limit based on a percent of the previous year's use.
* Loan rates for all price - supported commodities should be based on a percent of the average market price for the past three to five years.
* If major changes are required in funding government programs, a low "safety net" loan and target price program would be preferred.
* No change should be made in the present $50,000 limit on direct payments.
* Agricultural trade policy should
    - attempt to match export subsidies of its competitors;
    - not involve lowering U.S. support prices;
    - establish a marketing board (such as the Canadian Wheat Board);
    - promote bilateral trade agreements.
* Fiscal policy should not freeze present federal expenditures and raise taxes.

Respondents appeared to be most divided on the following issues:

* Whether acreage reduction-price support programs should continue to

be voluntary, should be shifted to mandatory programs, or should be eliminated entirely.

* Whether the payment-in-kind (PIK) program should be used again if large stocks reappear.

* How the government should deal with farm production risks from natural disasters.

* The value, adequacy of coverage and ease of understanding of the federal crop insurance.

* Whether the milk incentive program with payments for dairymen should be continued after 1985.

* What the level of expenditures should be on food stamps.

* Whether the U.S. should join an export cartel with other major exporters.

* Whether the U.S. should provide more funds for food aid to hungry nations.

* Whether a two price plan should be set up with a higher price for commodities used in the domestic market and a lower price in the export market.

Policy decisions in a representative system of government reflect the desires, wishes and hopes of affected citizens. As this survey indicated, individual perspectives on issues can vary considerably, even within the agricultural sector. Nevertheless, it is hoped that this survey will serve as a useful starting point to build coalitions, both within and outside production agriculture. A useful extension would be to determine how non-farm citizens feel about issues raised in the survey, since a number of potential policy initiatives would involve expenditures from the Treasury.

Table 1. Preferred Policy Toward Acreage Reduction and Price Supports After 1985[1/]

	All Producers[2/]	Producers with Annual Gross Sales of: **			Producers Whose Major Source of Farm Income is: ***				
		Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Keep present voluntary programs	25	22	29	21	28	18	27	30	9
Require all producers to participate in mandatory programs in years of excess supply	28	39	32	22	35	11	36	10	9
Re-establish acreage allotments and marketing quotas	9	7	7	13	8	10	10	10	9
Eliminate acreage reduction, price support and government storage programs	22	29	19	29	17	43	16	40	55
Undecided	7	2	6	9	7	14	4	--	9
Other	6	--	7	6	6	4	7	10	9
No response	3								

1/ Columns in this and succeeding tables may not add to 100 because of rounding to the nearest full percentage point.

2/ Responses by all producers in this and succeeding tables include non-responses to this specific question. Responses by gross sales or major source of farm income category eliminate non-responses to this specific question.

** Significant at the .05 level. A chi-square statistical test was used to test the null hypothesis that responses did not differ by annual gross income level. Statistical rejection of the hypothesis at the .05 level means that there is only one chance in 20 that, in fact, there is no relationship between gross income and the response to the question. Responses that were significant at the .01, .05 and .10 levels in this and succeeding tables.

*** Significant at .01 level.

Table 2. Should Target Prices and Deficiency Payments be continued in the 1985 Farm Bill?

	All Producers	Producers with Annual Gross Sales of: ***			Producers Whose Major Source of Farm Income is: ***				
		Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Yes	60	60	70	47	72	35	67	36	25
No	28	36	22	37	18	49	23	55	58
Not sure	11	5	9	17	10	16	9	9	17
No Response	2								

*** Significant at .01 level.

Table 3. Where Should Target Prices Be Set Compared With 1984?

		Producers with Annual Gross Sales of: *			Producers Whose Major Source of Farm Income is: ***				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Higher	44	51	53	44	59	24	57	22	30
About the same	30	30	33	35	33	38	31	56	20
Lower	5	16	4	8	4	18	3	--	20
No opinion	9	3	10	13	5	21	9	22	30
No response	12								

* Significant at .10 level.

*** Significant at .01 level.

Table 4. Should Acreage Diversion Payments Be Continued?

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: *** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - -	- - - -	- - - -	- - - -	Percent	- - - -	- - - -	- - - -	- - - -
Yes	58	54	61	56	66	41	64	46	42
No	30	34	27	34	21	46	26	46	58
Not sure	11	12	12	10	13	13	10	9	--
No response	1								

*** Significant at .01 level.

Table 5. Should A Farmer-Owned Grain Reserve Be Continued?

	All Producers	Producers with Annual Gross Sales of: ** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: * Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Yes	61	76	66	53	65	51	69	50	50
No	24	20	21	33	22	32	22	50	42
Not sure	13	5	13	14	14	18	9	--	8
No Response	3								

** Significant at .05 level

* Significant at .10 level

Table 6. Preferred Policy If Grain Reserve Is Continued

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: * Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
No limit on size of reserve	13	18	14	13	15	6	15	10	40
Let Secretary of Agriculture set limit on amount	16	13	20	15	16	17	20	--	--
Set limit based on percent of the previous year's use	44	60	49	45	50	59	45	50	20
Not sure	18	10	17	28	19	17	19	40	40
No response	10								

* Significant at .10 level

Table 7. Set Loan Rates for Price Supported Commodities as a Percentage of the Average Market Price for the Past Three to Five Years

		Producers with Annual Gross Sales of:			Producers Whose Major Source of Farm Income is: *				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Strongly agree	10	5	10	11	12	12	10	--	--
Agree	34	37	38	34	32	49	34	30	20
Not sure	20	20	21	21	21	20	20	50	10
Disagree	19	27	21	16	21	12	25	10	20
Strongly disagree	12	12	10	18	15	7	12	10	50
No response	6								

* Significant at .05 level.

Table 8. Use Payment-In-Kind (PIK) Program Again If Large Stocks Reappear

	All Producers	Producers with Annual Gross Sales of: *** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: *** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Strongly agree	18	21	17	19	21	5	24	10	8
Agree	24	14	34	13	32	16	24	10	8
Not sure	13	5	14	14	13	15	13	10	8
Disagree	21	31	19	23	15	31	22	20	17
Strongly disagree	23	29	17	32	19	33	17	50	58
No response	1								

*** Significant at .01 level.

Table 9. Change Future Farm Programs to Give Most Benefits to Smaller Farms With Annual Gross Sales of Under $40,000.

		Producers with Annual Gross Sales of: ***			Producers Whose Major Source of Farm Income is:				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Strongly agree	34	13	25	60	30	39	38	33	46
Agree	23	15	27	23	21	33	23	17	27
Not sure	9	5	12	6	7	10	11	8	--
Disagree	22	45	27	8	28	13	23	17	18
Strongly disagree	9	23	10	4	13	5	6	25	9
No response	4								

*** Significant at .01 level.

Table 10. Preferred Policy on Payment Limitations

	All Producers	Producers with Annual Gross Sales of: *** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: ** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Increase the Present $50,000 limit	7	18	6	4	10	--	7	--	9
Make no change	50	51	57	44	58	47	50	33	46
Decrease the limit	34	28	31	46	27	49	37	58	27
Eliminate the limit completely	6	3	6	6	5	4	6	8	18
No response	3								

*** Significant at .01 level.
** Significant at .05 level.

Table 11. Preferred Policy If Major Program Changes Were Required Because of Funding Difficulties.

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: ** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
A low "safety net" loan and target price	42	50	54	45	50	57	51	30	10
Farm income insurance	27	22	31	39	35	32	30	40	30
Other	14	28	16	15	15	11	18	30	60
No response	17								

** Significant at .05 level.

Table 12. Producers Should Follow Recommended Soil Conservation Practices to Qualify for Price Support

	All Producers	Producers with Annual Gross Sales of: *			Producers Whose Major Source of Farm Income is: ***				
		Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Strongly agree	35	41	34	35	39	38	27	67	33
Agree	38	33	43	34	35	38	49	8	17
Not sure	9	14	9	10	10	13	8	--	--
Disagree	10	7	11	10	9	10	10	17	17
Strongly disagree	6	5	3	12	7	1	6	8	33
No response	1								

* Significant at .10 level.

*** Significant at .01 level.

Table 13. How Should Federal Soil Conservation Funds Be Distributed?

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Give funds to states in proportion to number of farms	22	19	21	24	21	14	27	42	18
Give more funds to states with most severe erosion problems	53	62	57	47	56	58	52	42	27
Not sure	15	10	14	19	16	19	12	8	27
Other	8	10	7	11	7	9	9	8	27
No response	3								

Table 14. If Milk Production is Excessive in 1985, Dairy Diversion Payments Should be Continued

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: * Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Strongly agree	6	--	7	7	8	1	7	18	8
Agree	22	20	23	23	26	20	23	18	17
Not sure	28	30	33	25	34	22	31	27	8
Disagree	23	28	22	28	20	29	27	18	33
Strongly disagree	15	23	15	17	13	28	12	18	33
No response	6								

* Significant at .10 level.

Table 15. Preferred Policy to Deal with Risks From Natural Disasters

	All Producers	Producers with Annual Gross Sales of: * Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: ** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - -	- - - -	- - - -	- - - -	Percent	- - - -	- - - -	- - - -	- - - -
Continue Present crop insurance	39	44	41	38	42	45	37	25	17
Return to Disaster payments--government pays all costs	28	17	26	34	29	18	36	8	33
Eliminate all disaster payments and federal crop insurance	18	15	19	18	15	18	17	42	42
Not sure	11	15	12	9	12	17	7	25	--
Other	3	10	1	2	3	1	3	--	8
No response	3								

* Significant at .10 level.

** Significant at .05 level.

Table 16. Value in Federal Crop Insurance

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: ** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	-----	-----	-----	-----	Percent	-----	-----	-----	-----
A good buy	20	24	24	29	23	29	28	20	11
Expensive	29	40	39	29	42	20	44	20	22
No opinion	31	37	37	43	36	51	29	60	67
No response	20								

** Significant at .05 level.

Table 17. Coverage of Federal Crop Insurance

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: *** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Adequate coverage	20	24	24	28	23	22	28	30	13
Inadequate coverage	33	45	44	29	51	21	42	20	25
No opinion	28	32	32	43	26	57	29	50	63
No response	20								

*** Significant at .001 level.

Table 18. Understanding Federal Crop Insurance

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: *** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Easy to understand	16	31	21	24	21	22	27	18	--
Complicated	26	39	37	31	42	20	43	18	14
No opinion	30	31	42	45	37	58	31	64	86
No response	27								

*** Significant at .001 level.

Table 19. Recommended Credit Policy for Present FmHA Borrowers

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: *** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - - -	- - - - -	- - - - -	- - - - -	Percent	- - - - -	- - - - -	- - - - -	- - - - -
Continue present policy; i.e., don't foreclose until all repayment efforts have failed	58	65	62	52	59	65	58	67	8
Provide moratorium on all foreclosures until economy improves	20	18	20	23	19	18	26	--	25
Set a stricter policy on delinquent loans	15	15	15	17	19	10	12	8	50
Other	5	3	3	9	3	6	4	25	17
No response	2								

*** Significant at .001 level.

Table 20. Who Should Make Major Farm Commodity Policy Decisions?

		Producers with Annual Gross Sales of: ***			Producers Whose Major Source of Farm Income is:				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Continue present system; i.e. Congress and Secretary of Agriculture work together	22	20	30	15	28	21	21	17	17
Independent board or commission	29	30	31	26	31	23	32	8	25
Let producers organize, control and finance their own program	36	40	31	47	31	44	37	67	42
No opinion	7	3	7	11	5	10	7	8	17
Other	3	8	2	2	4	1	4	--	--
No response	3								

*** Significant at .001 level.

Table 21. Recommended Expenditures on Food Stamps

		Producers with Annual Gross Sales of:			Producers Whose Major Source of Farm Income is: *				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Increase	3	3	4	3	1	3	5	--	17
Decrease	26	30	28	26	27	28	31	27	8
Keep about the same	28	25	31	32	33	33	27	9	33
Eliminate completely	11	8	14	11	17	11	8	27	8
No opinion	25	35	24	29	22	26	30	36	33
No Response	6								

* Significant at .10 level

Table 22. Recommended U.S. Policy to Increase Export Sales

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: ** Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Match Export Subsidies of Our Competitors:									
Strongly agree	15	8	18	19	18	11	22	11	--
Agree	35	46	41	39	40	47	40	33	38
Not sure	22	32	26	27	30	30	22	56	--
Disagree	9	5	13	10	11	4	13	--	50
Strongly disagree	3	8	3	5	2	7	4	--	13
No response	16								

** Significant at .05 level

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of:* Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Encourage Lower Trade Barriers By Major Importers									
Strongly agree	16	22	20	18	24	13	19	22	11
Agree	38	60	50	35	46	49	49	11	44
Not sure	18	14	19	29	20	27	18	44	11
Disagree	9	3	9	15	7	10	13	22	33
Strongly disagree	2	3	2	3	2	1	4	--	--
No response	18								

* Significant at .10 level

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Lower U.S. Support Prices									
Strongly agree	4	8	4	6	4	5	7	11	11
Agree	14	22	14	21	17	25	14	11	33
Not sure	20	14	28	27	23	35	23	33	--
Disagree	30	33	41	37	44	30	40	33	33
Strongly disagree	10	22	13	9	13	5	16	11	22
No response	22								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Establish A Marketing Board									
Strongly agree	10	8	14	10	12	6	13	22	22
Agree	39	49	47	53	42	61	51	44	33
Not sure	21	24	27	25	30	29	22	33	11
Disagree	7	8	10	8	12	5	9	--	22
Strongly disagree	3	11	2	4	3	--	6	--	11
No response	19								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Promote Bilateral Trade Agreements									
Strongly agree	10	9	13	12	16	9	11	13	11
Agree	40	52	49	54	48	52	53	38	67
Not sure	25	32	32	29	30	36	30	50	22
Disagree	3	3	4	3	4	3	4	--	--
Strongly disagree	1	1	1	6	2	--	3	--	--
No response	21								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - - -	- - - - -	- - - - -	- - - - -	Percent	- - - - -	- - - - -	- - - - -	- - - - -
Join An Export Cartel									
Strongly agree	5	--	10	5	4	5	11	11	--
Agree	24	33	29	30	32	22	30	33	25
Not sure	32	36	38	42	39	48	37	44	25
Disagree	15	25	19	16	19	21	17	--	25
Strongly disagree	4	6	5	7	6	5	4	11	25
No response	20								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Provide More Funds For Food Aid									
Strongly agree	12	8	15	16	18	10	13	--	30
Agree	26	51	32	26	30	25	38	63	--
Not sure	19	14	23	23	23	28	20	13	20
Disagree	18	19	23	23	22	27	21	13	30
Strongly disagree	7	8	7	13	9	9	8	13	20
No response	18								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: *** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - -	- - - -	- - - -	- - - -	Percent	- - - -	- - - -	- - - -	- - - -
Strengthen General Agreement on Tariffs and Trade									
Strongly agree	11	16	16	10	15	9	14	11	30
Agree	49	73	61	55	59	61	64	44	60
Not sure	17	5	21	28	22	23	20	44	--
Disagree	2	--	1	7	2	5	3	--	--
Strongly disagree	1	5	1	1	2	2	1	--	10
No response	20								

***Significant at .01 level.

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - -	- - - -	- - - -	- - - -	Percent	- - - -	- - - -	- - - -	- - - -
Expand Farmer Financed Market Development Programs									
Strongly agree	15	22	17	20	18	19	15	33	44
Agree	40	51	50	39	47	48	48	33	33
Not sure	19	14	23	26	22	22	24	33	--
Disagree	7	8	7	10	9	6	9	--	11
Strongly disagree	4	5	4	6	5	5	4	--	11
No response	16								

Table 22. Recommended U.S. Policy to Increase Export Sales (continued)

		Producers with Annual Gross Sales of:			Producers Whose Major Source of Farm Income is:				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Set Up a Two Price Plan									
Strongly agree	7	5	8	9	7	6	11	--	9
Agree	19	22	24	23	26	13	27	13	27
Not sure	32	30	42	37	39	53	33	50	18
Disagree	18	35	20	21	22	24	22	13	18
Strongly disagree	6	8	7	9	7	4	8	25	27
No response	18								

Table 23. Recommended Fiscal Policy Initiatives

	All Producers	Producers with Annual Gross Sales of: *** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Keep Things As They Are; Don't Worry About Balancing the Budget									
Strongly agree	4	--	5	5	4	4	5	10	--
Agree	3	--	3	4	5	3	2	--	--
Not sure	5	3	2	11	5	8	4	20	--
Disagree	36	33	41	40	44	39	37	10	56
Strongly disagree	43	64	50	40	43	47	52	70	44
No response	9								

*** Significant at .01 level.

Table 23. Recommended Fiscal Policy Initiatives (continued)

		Producers with Annual Gross Sales of:			Producers Whose Major Source of Farm Income is:				
	All Producers	Over $200,000	$40,000 199,000	Under $40,000	Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Reduce Deficit to Reduce Interest Rates									
Strongly agree	54	68	60	55	57	46	67	73	60
Agree	28	24	30	31	31	41	25	--	40
Not sure	6	5	5	8	7	8	4	9	--
Disagree	2	--	3	2	4	1	1	9	--
Strongly disagree	3	3	3	4	2	4	4	9	--
No response	8								

Table 23. Recommended Fiscal Policy Initiatives (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Freeze Federal Expenditures and Raise Taxes									
Strongly agree	12	21	9	19	13	12	14	27	13
Agree	16	21	16	20	15	15	21	18	25
Not sure	21	21	29	17	29	24	20	9	13
Disagree	25	23	30	26	29	34	24	27	38
Strongly disagree	15	15	16	19	14	15	21	18	13
No response	12								

Table 23. Recommended Fiscal Policy Initiatives (continued)

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - -	- - -	- - -	- - -	Percent	- - -	- - -	- - -	- - -
Reduce Deficit to Reduce Future Debt Burden									
Strongly agree	45	39	53	50	48	40	58	36	43
Agree	35	41	40	36	39	51	32	36	57
Not sure	6	10	4	9	6	5	6	18	--
Disagree	3	8	2	3	5	3	1	9	--
Strongly disagree	2	3	2	2	2	1	3	--	--
No response	10								

Table 23. Recommend Fiscal Policy Initiatives (continued)

	All Producers	Producers with Annual Gross Sales of: ** Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	- - - - -	- - - - -	- - - - -	- - - - -	Percent	- - - - -	- - - - -	- - - - -	- - - - -
Balance Budget--Cut All Government Programs Including Farm Price Supports									
Strongly agree	35	57	38	38	36	40	42	40	46
Agree	22	11	29	24	23	32	23	30	27
Not sure	15	5	17	21	17	20	14	30	9
Disagree	10	22	10	9	16	4	12	--	--
Strongly disagree	6	5	6	9	8	4	8	--	18
No response	12								

** Significant at .05 level.

Table 24. Participation in 1983 Farm Programs

	All Producers	Producers with Annual Gross Sales of: Over $200,000	$40,000 199,000	Under $40,000	Producers Whose Major Source of Farm Income is: Grain	Hogs, Beef Cattle	Mixed Grain and Livestock	Dairy	Other
	Percent								
Wheat acreage reduction	26	12	27	28	31	17	30	8	17
Wheat PIK	15	12	14	16	20	11	13	8	--
Feed grains acreage reduction	52	6	30	16	59	27	65	17	33
Feed grain PIK	49	57	55	40	56	32	25	57	25

Table 25. Number of Acres Farmed

	All Producers (percent)
Under 350	42
350-649	28
650-1199	18
1200 and over	12

Table 26. Percent of Land Owned

	All Producers (percent)
Under 25	35
25-49	18
50-74	12
75-100	35

Table 27. Annual Gross Sales in Recent Years

	All Producers (percent)
$40,000 or less	34
$40,000-$199,999	53
$200,000 and over	10
No response	3

Table 28. Most Important Source of 1983 Farm Income

	All Producers (percent)
Grain	37
Hogs, beef cattle	20
Mixed grain and livestock	35
Dairy	3
Other	3
No response	2

Table 29. Last Year of School Completed

	All Producers (percent)
Grade school	10
Some high school	6
High school graduate	44
Some college or technical school	28
Graduated from college	11
No response	1

Table 30. Percent of Farm Family Income From Off Farm Employment or Investments

	All Producers (percent)
0-24	45
25-49	13
50-74	10
75-100	6
No response	27

Table 31. Age of Respondents

	All Producers (percent)
Under 35	13
35-49	29
50-64	41
65 and over	16

Table 32. Membership in Farm and Commodity Organizations

	All Producers (percent)
Farm Bureau	21
Farmer's Union	17
Grange	2
National Farmers Organization	2
American Agricultural Movement	3
Cattlemen's Association	13
Pork Producers	14
Milk Producers	2
Corn Growers	7
Soybean Association	8
Wheat Producers	5
Labor Union	2

APPENDIX A

QUESTIONNAIRE USED IN SURVEY

Cooperative Extension Service, Nebraska Agricultural Experiment Station
University of Nebraska, Department of Agricultural Economics

QUESTIONS ABOUT GOVERNMENT AND AGRICULTURE -- TELL US HOW YOU FEEL

1. What should be the policy toward production and price supports after 1985? (Check one)
   ____keep present voluntary programs with minor revisions.
   ____have a mandatory set aside and price support program in years of excess supply with all producers required to participate if approved in a farmer referendum.
   ____re-establish acreage allotments and marketing quotas for each farm as a basis for price supports.
   ____eliminate set aside, price support, and government storage programs.
   ____undecided.
   ____other ______________________________

2a. Should target prices and deficiency payments be continued in the 1985 farm bill?
   ____yes ____no ____not sure

b. If continued, where should target prices be set compared with 1984? ($3.03 for corn; $4.38 for wheat)
   ____higher ____about the same ____lower ____no opinion

3. Should payments for acreage diversion be continued in future programs?
   ____yes ____no ____not sure

4a. Should a farmer-owned grain reserve be continued?
   ____yes ____no ____not sure

b. If a grain reserve is continued, which policy below would you prefer:
   ____no limit on size of reserve.
   ____let the Secretary of Agriculture set the limit on the amount.
   ____set a limit based on a percent of the previous year's use.
   ____not sure.

5. Loan rates for all price supported commodities should be based on a percent of the average market price for the past 3 to 5 years.
   ____strongly agree ____agree ____not sure ____disagree ____strongly disagree

6. The payment-in-kind program should be used again if large stocks reappear.
   ____strongly agree ____agree ____not sure ____disagree ____strongly disagree

7a. To help achieve national and state soil erosion control goals, each farmer should be required to follow recommended soil conservation measures for his farm to qualify for price and income support programs.
   ____strongly agree ____agree ____not sure ____disagree ____strongly disagree

b. How should federal government funds for soil conservation programs be distributed?
   ____give funds to all states in proportion to number of farms.
   ____give more funds to those states with the most severe erosion problems.
   ____not sure.
   ____other ______________________________

8. The Farmers Home Administration was established to provide credit to farmers who could not get credit from other sources. Which credit policy should it follow with present borrowers? (Check one)
____continue the present policy of not foreclosing unless all repayment efforts have failed.
____provide a moratorium on all foreclosures to keep distressed borrowers operating until the economy improves.
____set a stricter policy on delinquent loans and increase the number of foreclosures.
____other ______________________________

9. Which government policy would you prefer to deal with farm production risks from natural disasters? (Check one)
____continue present all risk crop insurance where producers pay about 70 percent and government pays about 30 percent of the cost.
____return to disaster payments where government pays all the cost.
____eliminate all disaster payments and Federal Crop Insurance programs.
____not sure.
____other ______________________________

10. Check below your opinions about the Federal Crop Insurance program: (Check one on each line)

a.	____a good buy	____expensive	____no opinion
b.	____adequate coverage	____inadequate coverage	____no opinion
c.	____easy to understand	____complicated	____no opinion

11. Future farm programs should be changed to give most price and income support benefit to small and medium size farms with gross annual sales under $40,000.
____strongly agree ____agree ____not sure ____disagree ____strongly disagree

12. If milk production is excessive in 1985, payments for production cut-back by dairy farmers should be continued.
____strongly agree ____agree ____not sure ____disagree ____strongly disagree

13. By the end of 1985, how do you expect the number of milk cows on your farm to compare with the beginning of 1984?
____do not have any dairy cows on my farm ___more ____less ____about the same

14. If major changes were required in funding government programs, which would you favor?
____a low "safety net" loan and target price program.
____replace commodity programs with a farm income insurance plan with costs shared by farmers and government.
____other ______________________________

15. The present limit on direct payments to each farmer is $50,000 per year. What recommendation would you make for the future?
____increase the limit.
____make no change.
____decrease the limit.
____eliminate the limit completely.

16. Who should make the major farm commodity policy decisions? (Check only one)
____continue the present system with Congress and the Secretary of Agriculture.
____have the President appoint an independent board of commission operating under Congressional guidelines with farmers, agribusiness and consumers represented.
____let producers organize, control and finance their own supply management program without government involvement.
____no opinion.
____other ______________________________

17. To increase export sales, the United States should: (Check your opinion on each proposal)

	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
a. match export subsidies of its competitors.					
b. encourage lower trade barriers by major importers.					
c. lower U.S. support prices.					
d. establish a marketing board (such as the Canadian Wheat Board).					
e. promote bilateral trade agreements with minimum purchases and export guarantees.					
f. join an export cartel with other major exporters.					
g. provide more funds for food aid to hungry nations.					
h. strengthen the General Agreement on Tariffs on Trade to facilitate more free trade.					
i. expand farmer financed foreign market development programs.					
j. set up a two price plan with a higher price for commodities used in the domestic market and let exports sell at the world market price.					

18. Expenditures on food stamps have been around $12 billion per year. What would you recommend?

____increase this amount　____decrease　____keep about the same
____no opinion　____eliminate completely

19. Federal deficits have been running $100 to $200 billion per year. (Check your opinion on each proposal)

	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
a. We should keep things as they are and not worry about balancing the budget.					
b. We should reduce the deficit in order to reduce interest rates for borrowers.					
c. Freeze present federal expenditures and raise taxes.					
d. We should reduce the deficit to reduce the debt burden on future generations.					
e. The federal budget should be balanced even if it means a substantial cut in all government programs including farm price and income supports.					

20. To help analyze your answers, we would like to know a little about you and your interests:

a. Check below the price and income support programs that you participated in during 1983:

	Wheat	Feed Grains	Cotton	Rice	Peanuts	Tobacco
Acreage Reduction	____	____	____	____	____	____
Payment-In-Kind	____	____				

b. Your age: (Please check)
____under 35 ____35-49 ____50-64 ____65 or over

c. Number of acres farmed (including government idled acres) in 1983: ________

d. Percent of land owned that you farm: ________

e. Approximate annual gross sales from your farm in recent years:
____$40,000 or less ____$40,000-$199,999 ____$200,000 and over

f. Your most important source of farm income in 1983:
____grain
____hogs, beef cattle
____dairy
____mixed grain and livestock
____other ____________________

g. What was the last year of school you completed?
____grade school.
____some high school.
____high school graduate.
____some college or technical school.
____graduated from college.

h. If you or members of your family were employed off the farm, what percent of your total farm family income in 1983 came from off-farm employment and investments?
____0-24% ____25-49% ____50-74% ____75-100%

i. Please check your membership in these organizations in 1983:
____Farm Bureau
____Farmers Union
____Grange
____National Farmers Organization
____American Agricultural Movement
____Cattlemen's Association
____Pork Producers
____Milk Producers
____Corn Growers
____Soybean Association
____Wheat Producers
____Labor Union

Thank you for answering these questions. All your individual responses will be kept confidential. You need not sign your name. You are welcome to make any comments on the bottom of this page or on a separate sheet if you want to write more. Please return in the enclosed self-addressed envelope. It requires no postage.