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What Can Be Done About Low-Income Farm People?

By Harry M. Love

THE SITUATION

Gross sales from 32 percent of the farms in Virginia averaged \$1,250 in 1949. Another 48 percent of the farms had gross sales averaging only \$243. The average for the two groups was \$660 per farm. In contrast, the remaining 20 percent of the farms had gross sales which averaged \$8,165. The sales by this group amounted to 75 percent of the total for all farms. The gross sales for all farms averaged only \$2,108.

With 80 percent of the farms producing only 25 percent of the gross sales, it is evident that:

1. Many farm people are underemployed, and there is a great reservoir of labor on these farms.
2. Many farms provide little opportunity to increase incomes because of limited resources.

DISTRIBUTION OF FARMS IN VIRGINIA ACCORDING TO GROSS RECEIPTS IN 1949

Gross Receipts from Farming	Number of Farms	Percent of Farms	Average Sales (dollars)	Percent of Gross Sales
\$25,000 or more	1,547	1.0	45,933	22
10,000 - 24,999	4,161	2.8	14,980	20
5,000 - 9,999	7,072	4.7	6,849	15
2,500 - 4,999	16,508	10.9	3,472	18
Total and average	29,288	19.4	8,165	75
\$ 1,200 - 2,499	24,437	16.2	1,797	14
250 - 1,199*	24,378	16.2	701	5
Total and average	48,815	32.4	1,250	19
\$ 0 - 1,999**	72,720	48.2	243	6
Grand total and average	150,823	100.0	2,108	100

*Operator worked off farm less than 100 days and total nonfarm income to family was less than the value of farm products sold.

**Operator worked off farm more than 100 days or off-farm earnings of operator and members of his family exceeded the value of farm products sold.

Source: Census of Agriculture, 1950.

3. Many people on these farms have little opportunity for other employment.

THE PROBLEM

Since the economic system tends to reward people in proportion to their production, the problem is:

1. To find opportunities for more productive employment and greater reward.
2. To develop courses of action which will enable low-income farm people to increase their incomes.

OPPORTUNITIES FOR LOW-INCOME FARMERS

Let us examine the opportunities that exist for low-income farmers to improve their situation.

1. Increase their productivity in farming.
 - a. Improve production on their farms through:
 - (1) Agricultural conservation payments.
 - (2) Use of more credit (loans — private, banks, government) .
 - (3) Education in agriculture (vocational agriculture, extension, etc.)
 - (4) Price supports and minimum acreage allotments.
 - (5) Soil conservation programs.
 - (6) Social security.

FARMS IN VIRGINIA REPORTING PRODUCTION OF LIVESTOCK AND SALES OF CERTAIN LIVESTOCK PRODUCTS, ACCORDING TO GROSS RECEIPTS IN 1949

Gross Receipts from Farming	Farms Reporting Cattle and Calves on Farm		Farms Reporting Cattle and Calves Sold		Farms Reporting Milk Cows on Farm		Farms Reporting Eggs Sold	
	Number of Farms	Average per Farm	Number of Farms	Average per Farm	Number of Farms	Average per Farm	Number of Farms	Dozen per Farm
\$25,000 or more	1,300	114	1,136	74	1,222	32	709	4,725
10,000 - 24,999	3,671	53	3,335	26	3,497	18	2,323	2,321
5,000 - 9,999	6,122	29	5,138	15	5,647	8	4,024	1,487
2,500 - 4,999	13,871	15	10,745	8	12,940	5	8,962	774
\$ 1,200 - 2,499	19,772	9	14,896	5	18,360	4	12,878	472
250 - 1,199*	19,859	6	14,923	3	18,439	3	13,757	234
\$ 250 - 1,199**	51,606	4	30,334	2	45,854	2	26,512	176

* and ** See page 104.

Source: Census of Agriculture, 1950.

FARMS IN VIRGINIA REPORTING PRODUCTION OF CERTAIN CROPS,
ACCORDING TO GROSS RECEIPTS IN 1949

Gross Receipts from Farming	Farms Growing Corn		Farms Growing Wheat		Farms Growing Hay	
	Number of Farms	Acres per Farm	Number of Farms	Acres per Farm	Number of Farms	Acres per Farm
\$25,000 or more	1,208	56	1,117	83	708	39
10,000-24,999	3,479	31	3,081	47	1,959	24
5,000- 9,999	6,233	19	4,997	28	3,261	17
2,500- 4,999	14,946	12	11,875	18	7,461	11
\$ 1,200- 2,499	21,727	8	16,775	13	8,923	9
250- 1,199*	20,288	6	16,142	9	6,958	6
\$ 250- 1,199**	39,172	4	27,607	7	6,947	6

* and ** See page 104.

Source: Census of Agriculture, 1950.

- b. Enlarge their farms.
 - (1) Buy or rent more land.
 - (2) Reclaim idle land and woods.
 - c. Work as hired man on a better farm (part time or full time).
 2. Increase their productivity by combining other employment with farming.
 - a. Get part-time employment and continue to farm.
 - (1) Drive school bus.
 - (2) Repair service (machinery, TV, radio, carpenter, etc.)
 - (3) Other.
 - b. Take regular employment in industry or commerce and farm part time (after hours and on weekends).
- NOTE: About 64 percent of farm families in Virginia reported that they were doing some of the above in 1949.
3. Shift to full-time employment in industry or commerce.
 - a. Keep rural residence.
 - b. Move.

**U. S. TOTAL POPULATION, FARM POPULATION, CHANGES IN FARM
POPULATION, AND NET INCOMES OF FARM POPULATION, 1910-54**

Year	Population			Net Income of Farm Population		
	Total	Farm	Change in Farm	Farm Sources	Nonfarm Sources	All Sources
	<i>Thousands</i>	<i>Thousands</i>	<i>Percent</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>
1910	92,407	32,077		\$ 4,532		
1920	106,466	31,974	-1.1	8,676		
1922	110,055	32,109	-3.5	4,813		
1924	114,113	31,177	-1.6	5,508		
1926	117,399	30,979	-2.9	6,640		
1928	120,501	30,548	-1.4	6,683	Not available prior to 1934	
1930	123,077	30,529	-0.2	4,935		
1931	123,841	30,845	+0.5	3,779		
1932	124,840	31,388	+1.9	2,396		
1933	125,401	32,393	-1.4	2,866		
1934	126,192	32,305	-1.6	2,927	\$ 1,900	\$ 4,827
1935	127,057	32,161	-2.5	5,587	2,000	7,587
1936	127,886	31,737	-2.6	4,571	2,300	6,871
1937	128,649	31,266	-2.1	6,324	2,500	8,824
1938	129,589	30,980	-1.8	5,029	2,300	7,329
1939	130,642	30,840	-2.3	5,017	2,500	7,517
1940	131,820	30,547	-2.1	5,299	2,700	7,999
1941	133,098	30,273	-4.7	7,390	3,100	10,490
1942	134,498	29,234	-10.2	11,167	3,800	14,967
1943	136,297	26,681	-5.9	12,800	4,200	17,000
1944	138,027	25,495	-2.2	13,079	4,400	17,479
1945	139,583	25,295	+3.4	13,441	4,200	17,641
1946	141,039	26,483	+0.6	15,736	4,300	20,036
1947	143,480	27,124	-6.2	16,467	4,900	21,367
1948	146,051	25,903	-1.4	18,871	5,100	23,971
1949	148,595	25,954	-5.1	14,719	5,200	19,919
1950	151,132	25,058	-5.2	15,194	5,300	20,494
1951	154,360	24,160	-1.1	17,827	5,600	23,427
1952	157,022	24,283	-8.2	16,379	6,200	22,579
1953	159,629	22,679	-5.2	14,618	6,100	20,718
1954	162,329	21,890		13,900	6,000	19,900

Source: Agricultural Statistics.

DEVELOPING OPPORTUNITIES TO INCREASE INCOME

1. Inventory the resources available.
 - a. Labor supply: Quantity
 Skills
 Education
 - b. Natural resources: Land
 Water
 Raw materials
 Climate
 Fuel
 - c. Other resources: Electric power
 Transportation
 Roads
 Railroads
 Air
 Water
 Schools
 Churches
 Other organizations
 Service clubs
 Scouts
 PTA
 Banks
 Trading center
 Recreation
 - d. Social and political Tax policies
 attitudes concerning: Wages
 Financial support of promotion
 Zoning
2. Organize the information for presentation to prospective industries.
3. Note deficiencies disclosed by the survey of resources and through contacts with prospective industries. Take appropriate steps to overcome these. This provides the basis for a better competitive position with other localities.

Competition for new industries is keen. The requirements by industries are exacting. Therefore, success in developing opportunities depends upon how well the approach is organized and the ability of the persons handling it.

PART V

*Methods of Doing Extension Work
in Policy*

