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Miscellaneous Staff Contribution of the Department of Agricultural Economics

Purdue University

Lafayette, Indiana

AGRICULTURE AND EXTENSION IN THE MIDST OF PLENTY

Talk given before the

Indiana Extension Workers' Conference, December 6, 1955

by J. Carroll Bottum, Purdue University

医乳糖 医乳腺性溶液 医双手穿孔 经实际的打印集的 战略工行行员

BUTTON TO SERVICE TO SERVICE

As shown by the polls of public opinion, the greatest problem facing United States citizens in their minds is peace. A part of the solution 化二氢化二氢酚 网络 数据数据 经直接管理 表性 化二氯甲基磺基甲基 化氯甲基二甲基 to that problem lies in demonstrating to the world that Western Civiliza-को । प्रोचा राज्योगीन रहत उनको बनको बहुतो असेन्त्रियो न ग्रेटर हा होने । असेरीना को असेरीना क tion, as exemplified by the United States, can give to man a more satis-多大大型 连海 (1966) "是为此其实是是是一个中心,是多数是不是一定的的。"大学是是一定的是想象的一种, fying life than collective Socialism. One important phase of this problem Take 1988, there was all make like to the tradition of the second the second of the second second lies in maintaining a growing productive economy. As we approach the agricultural problem we must approach it with the recognition of this tal sekkar alkinggala da sakat kit dasah sakat kita dalah dalah kita balan kita terbah terbah saka backdrop. 

We in agriculture are geared today to produce about five to six percent more agricultural products than the market is willing to take at what are generally acceptable market prices. We are producing in 1955 what we will need in the year 1959. We are geared about four years ahead of ourselves.

How did this happen, and how do we get out of it? How does Extension operate in such a period? Some people accuse us in Extension of being on the horns of the dilemma in that on one hand we are teaching how to produce more and on the other trying to develop programs to bring supply into adjustment with effective demand at reasonable prices.

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In fact, we have all types of proposals for salving our present situation varying all the way from going back from the tractor to horses to eat up the surpluses, to shutting off the amount of fertilizer used, to closing down the Experiment Station and Extension Service, to requiring the fuel for farm tractors being partially made from farm products, to dumping the surpluses in the ocean, to bringing back the plump girl as an ideal to induce each one to eat a little more; as well as the more realis-

its normal ratio. Not only has the population in agriculture been declining since 1920, but also the acreage of land in crops has stopped increasing. The capital has continued to increase. This has meant, therefore, not only a decline in the number of people engaged in agriculture but a combining of farm units and a decrease in their number. This decline in the number of farm people and number of farms along with other developments is forcing rapid changes in our rural institutions and farm organizations. All of you see in your counties the hardships these changes are making upon certain farmers and institutions. Because it is always difficult for some to make the change and adjustment, some people are hard hit financially. These are the farms hurt most seriously now by the current price declines. Part of their low incomes are the result of low prices and part the inability to adjust to the modern technology.

Nevertheless, this is the characteristic of a progressive, growing economy. The carriage makers, the blacksmiths and the candlestick makers were hurt by the same process. When a society grows and develops, it does not want ten percent more of everything. It wants less of some products and more of others, and, in addition, some things it never wanted before which replace the old.

This is how our standard of living has been raised. It is an old story. But we need to keep it constantly before us as we think of the current period.

Since 1920 five million workers have moved out of agriculture into other lines of activity. This has meant a reduction of over one-third in the agricultural working force. These individuals have all found employment out of agriculture. In most cases they have moved because they felt they had greater opportunity in some other line of activity.

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decade and farmers had been adopting new techniques of production slightly faster than were necessary to keep up with the growth in population. This brought us out with a five to six percent greater production than the market would take at acceptable prices in 1952 and 1953. Normal increases in production have continued in 1954 and 1955 so that the same situation has continued to persist.

This excessive production showed up most sharply in the exportable crops of cotton and wheat. These surpluses were diverted in large quantities into storage in 1952 and 1953. During 1954 and 1955 acreage control programs in these crops diverted 26 million acres out of these crops. Most of these acres then went into feed crops and the surplus spread to feed and livestock.

Most studies indicate that when you increase total production one percent, it decreases prices two to four percent. Thus a small change in the aggregate or total output has a great influence on price and income.

Therefore, the problem is to get annual agricultural production and demand back into a more satisfactory balance and then keep them moving up together as the population increases.

Some propose doing this by expanding markets, others by adjusting output. Expanding the market takes the form of increased exports or increased consumption at home. Careful examination in both of these areas indicates that they are worthy goals and should be pursued. However, they are long-run propositions. You cannot get quick short-run changes. Even in giving food away abroad you run into the same problems of disrupting the established markets that you do at home, except where there may be a crop disaster in some country.

Reducing marketing margins falls into the same category. Opportunities are here but they are long-run gains when considered from the standpoint of total agricultural income.

like a control program it would not correct the longer time adjustment.

A voluntary incentive program would tend to take the marginal cropland out as would happen under low pressure. Under this plan agricultural production would be free except for the acres shifted to grass. The question is, "How does this proposal compare with the others?"

These are the potential choices for solving the immediate price and income problem. They are the ones that need to be understood by those interested in the current price and income problem. In other words, should we tough out the adjustment, cushion the impact by controls, or cushion and facilitate it by a grass program?

Whichever of the three ways we take, barring war and a crop disaster, during the balance of this decade we in Extension will be operating in a period of agricultural plenty. Therefore, let us turn to the problems that we will face in this kind of an environment.

## <u>Extension</u>

We are truly in the midst of a revolution in farming if it is possible to have a peaceful revolution. Let me point out just three trends to amplify this statement. (1) The figures released within the last week on the number of farms in the United States show 4,800,000 farms for the 1955 census as compared to 5,400,000 farms for the 1950 census, a decline of 600,000 farms in five years. This is a reduction of 11 percent. No change was made in the classification of what was a farm in the two periods. (2) Farmers' share of the consumer's food dollar has fallen from 49 percent in 1947-49 to 41 percent in 1955. (3) The number of farmers' wives working off the farm has increased from 17 percent in 1950 to 22 percent in 1955. These trends, which could be fortified by many others, simply illustrate the changes taking place in agriculture and in the home. They also illustrate the changing nature of the farm family's problems and the

- (4) Increased counseling service for the greater number of rural youth who will be leaving agriculture. This will involve helping them to appraise the opportunities, the type of life and the type of living. In my opinion we need a national youth outlook program for agriculture today just as badly as we need an agricultural outlook program for commodities. It is the youth that leave the farm and reduce the human resources in agriculture.
- (5) Assistance to the rural institutions such as schools, churches, recreation centers and other groups whose problems are changed by the rapid shift in workers out of agriculture.
- (6) More assistance to the industries which service agriculture such as the rural electrification cooperatives, the organizations, private and cooperative, which supply feed, fertilizer, fuel and the like to farmers; market organizations which market the farmer's livestock, dairy, poultry and other farm products clear down to the store which sells them to the consumer. If education can reduce costs in these areas, the advantage comes back to the farmer in the same way that a reducing cost in agriculture does. It also involves limited work with agriculture's customers, the consumer.
- (7) Part-time farming or rural residents are increasing in many of our counties. This is a group that comes within our orbit. The approach to this group, it seems to me, is through the Home Economics and 4-H Club work. From there we may broaden out into other activities.
- (8) More information to the farm families on consumer purchasing and less on skills in making clothing and preserving food. I think we must recognize that the problems of the farm housewife are changing. For those who do not have to work away from home, labor-saving equipment in the home is making it possible for the housewife to spend more time on self-improvement, the arts and hobbies. The younger group still is concerned with the