THE HISTORICAL BASES OF AGRICULTURAL POLICY

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Agricultural policy has been an important aspect of American government since the days when the nation was nothing more than a collection of British colonies scattered along the Atlantic coast between Canada and Florida. British laws affecting American farmers of the 1760s and 1770s, land laws of the 1780s, agricultural reform legislation in the 1860s, and the New Deal programs of the 1930s have changed the course of American economic, social, and political development. It is possible that the mid-1980s will see new legislation and new policies comparable to those of one of the earlier periods. It is also possible that the 1980s legislation will be no more than further modifications of the New Deal laws of the 1930s.

This paper will include a brief historical summary of major legislation with some consideration of the economic, social, and political influences that brought it about. It will conclude with some consideration of how and why the forces shaping farm policy today differ from historical precedents. It might be noted that in the mid-1980s, about three percent of all gainfully employed workers in the United States are in agriculture, while two hundred years earlier, over ninety percent were farmers. Thus, the first legislation passed in the new nation met the major needs of farmers without being specifically agricultural in nature. By the 1980s, however, there were volumes of legislation concerned with all aspects of farm production and marketing, with additional volumes devoted to food and the public's interest in that vital commodity.

When Great Britain began the settlements along the Atlantic seaboard that would eventually be the beginnings of the United States, colonies were regarded as offering support and strength to the mother country. They would supply raw materials and serve as markets for manufactured goods, while acting as an outlet for surplus populations. Thus, in the eighteenth century, British laws aimed at controlling the exports of major agricultural products, at collecting small fees in perpetuity on land sold to settlers (quitrents), and at limiting westward expansion for the benefit of British traders and land speculators. These laws were major causes of the American Revolution. When the new nation was established, export taxes were forbidden in the Constitution, quitrents were quickly abolished, and western lands were opened to settlement.

Land legislation has been a key to agricultural development in the United States. The pattern was set early when the Continental Congress passed two of the most important laws ever enacted in the nation, the Ordinances of 1785 and 1787. The Ordinance of 1785 was a first step towards opening western lands to settlement and getting ownership of the land into the hands of the farmers. It provided for surveying the West into townships, each containing thirty-six sections of one square mile. One section in each township was to be reserved for schools. The lands were to be sold for cash at a minimum price of one dollar per acre. The system of surveys permitted the exact fixing of boundaries and led to straight-line roads and fences.

The Ordinance of 1787 provided that the Northwest would eventually become at least three but not more than five states in the Union, equal in every respect to the original thirteen states. Settlers were guaranteed certain basic rights and slavery was forbidden. The genius of the ordinance lay in its provision for the admission of new states on a basis of equality. The West was now bound to the new nation by the strong tie of equal rights.

Over the next half-century, new states entered the Union and hundreds of thousands of farmers, as well as speculators, purchased land under the provisions of these ordinances. As lands were acquired and opened to settlement, these provisions for sales of land were modified over the years to make it easier for actual farmers to acquire title to the land they farmed. The trend culminated in the Homestead Act of 20 May 1862, which gave land to settlers.

The Homestead Act, one of four agrarian reform acts passed in 1862, provided for the giving of 160 acres of the public domain to any person who was the head of a family or over twenty-one years of age, and who was an American citizen or had filed intentions of becoming one. Title to the land was issued to the settler after he had resided on it for five years, had made improvements on it, and had paid a nominal registration fee. The Homestead Act was subject to abuse. Nevertheless, it was a symbol of American democracy for native-born and immigrant alike.

Congress modified the Homestead Act a number of times in attempts to make it more relevant to the West. The most important modification was the Reclamation Act of 1902, which provided that the federal government should plan and construct irrigation works, with the water users paying back the cost over a period of time.

Much of the federal land in the West that was not homesteaded or that had been withheld from entry was overgrazed by neighboring ranchers. On 28 June 1934, the Taylor Grazing Act gave the Department of the Interior power to regulate grazing on the public domain. This permitted better protection of the soil than had been possible earlier.

During the next decades, studies of land policy were made and some of the laws were modified. On 21 October 1976, the Federal Land Policy and Management Act became law. It repealed and consolidated nearly all of the laws relating to the public domain. Thus, the era of free land came to a formal end, but, as a practical matter, it had virtually ended in 1934 with the Taylor Grazing Act.

While land policy had been one of the first concerns of the new nation, proposals for an agricultural branch of the government were made as early as 1776. George Washington recommended the establishment of such an agency in 1796. By the 1830s, agricultural journals and farmers' clubs and societies were pushing for some federal agency to promote better farming and to serve special agricultural interests.

In 1839, Congress appropriated $1,000 of Patent Office fees for collecting agricultural statistics, conducting agricultural investigations, and distributing seeds. This work expanded and on 15 May 1862, Congress created an independent Department of Agriculture, headed by a commissioner, "the general designs and duties of which shall be to acquire and diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word." This law, very broad in scope and modified and supplemented by literally thousands of other laws, has remained the basic authority of the Department. The Department was raised to cabinet status in 1889.

The Transcontinental Railroad Act of 1 July 1862 had the obvious purpose of tying the nation closer together. However, some of its supporters argued that it would strengthen the family farm. It would carry the homesteaders into the West and would provide a way for them to get their wheat and other produce to market. The Union Pacific Railroad was completed as a result of this law, and similar laws made land grants to other western railroads.

The fourth of this series of agrarian reforms, the Morrill Land Grant College Act, was signed on 2 July 1862. Efforts by agricultural societies to secure government support for agricultural education had begun in the early 1800s. State agricultural colleges were established on a permanent basis in a few states in the 1850s.

While efforts were being made to establish state-supported institutions, a number of leaders were urging that the federal government assist in making agricultural education generally available. In 1857, Justin S. Morrill, representative in Congress from Vermont, introduced a bill for donating public land to the states for colleges of agriculture and the mechanical arts. The bill was passed in 1859 but was vetoed by President Buchanan. It finally became law in 1862. Eventually every state accepted its terms.

Like the other agrarian reform acts of 1862, the Morrill act has been amended many times, but its basic provisions are still in effect. It became obvious after the colleges had been in operation a few years that it was necessary to carry on research that would provide basic knowledge upon which courses could be built. In 1875, the state of Connecticut established an agricultural experiment station. In the same year, the University of California undertook such a station.

Meanwhile, an organized movement to secure federal and state aid for founding agricultural experiment stations was under way. In 1887, the Hatch Act was passed by Congress and signed by the president. The new law provided for a yearly grant to each state for the support of an agricultural experiment station. Within a year, every state had accepted the provisions of the act, and within a decade the stations were devoting themselves to the basic work of original research.

The Department of Agriculture, the state colleges, and the experiment stations provided a framework for accumulating knowledge. These institutions issued reports and bulletins of various types, sent traveling demonstrations into rural areas, and established demonstration farms and plots. However, such leaders as Seaman A. Knapp believed that a more direct relationship was needed. In 1906, the first county agent was appointed in Texas to work directly with farmers. By 1910, 450 agents had been appointed in 455 counties in twelve southern states, while in 1911 a similar movement began in New York. The usefulness of the county agents and the large number of organizations interested in the movement led to widespread agitation for federal aid. The Smith-Lever

Act for cooperative extension work was approved 8 May 1914 and, in modified form, was still in effect in the 1980s.

The agricultural reform measures of 1862 were not matched until the New Deal of the 1930s. However, from 1862 on, Congress assigned new and enlarged former responsibilities of the Department of Agriculture and the state agricultural experiment stations. Research, particularly, increased in importance, especially in the first decade of the twentieth century.

Problems in marketing livestock and meat overseas led to legislation directing research on specific livestock diseases and to the establishment of the first regulatory programs of the Department of Agriculture. In 1884, Congress established the Bureau of Animal Industry, directing it to carry out a vigorous research program in animal diseases, to enforce laws regulating the transportation of animals, and to aid enforcing regulations regarding the importation of livestock.

Despite the marked improvement in the livestock situation after the Bureau of Animal Industry began its work, many European nations still continued to restrict the importation of American meats. Congress responded by passing the Meat Inspection Acts of 1890 and 1891, which authorized the inspection of salted pork and bacon, live cattle the meat of which was intended for export, live animals intended for export and live animals about to be slaughtered and their products sold in interstate commerce. In 1906, the Meat Inspection Act was amended to extend fuller protection to American consumers.

The direct regulation of some aspects of marketing began in 1916 with the passage of the Cotton Futures Act. It was followed in 1922 by the Grain Futures Act. Futures trading in several other commodities is now also regulated. Basically, the legislation has encouraged cooperation between the federal government and the commodity exchanges in preventing fraud and market manipulations. The responsibility for administering this legislation was transferred from the U.S. Department of Agriculture to an independent agency, the Commodity Futures Trading Commission, in 1974.

The Packers and Stockyards Act, passed by Congress in 1921 and broadened in 1958, is an attempt to ensure that marketing companies pay for the farm products they handle, that the commissions paid by farmers are equitable, and that prices are set by market demand rather than by collusion. The Department of Agriculture sets out rules for fair business practices designed to protect free, open, competitive markets.

Research, education, and regulation met some of the needs of farmers, but many problems were left unsolved. Both agricultural production and productivity expanded substantially after the Civil War. New lands were being settled under the Homestead Act, farmers were adopting horse-drawn machinery, and the newly-established research and educational institutions were helping farmers increase production per man-hour of labor and per acre of land.

Demand for farm products was increasing in the United States as the nation industrialized. There was also an increasing market for cheap American wheat, meat, and cotton in the western European nations. World prices were soon being set by the American commodities at levels that would permit the commodities to clear the market. Similarly, domestic prices tended to stabilize at prices farmers felt were too low. At times of depression, and these periods occurred with discouraging regularity, farm prices would fall sharply.

In 1867, a group of government employees and Minnesota farmers, headed by Oliver Hudson Kelley, organized the National Grange or Patrons of Husbandry to promote more effective farming and to encourage better social relationships among farmers. Within a few years, though, as depression hit the nation, the Grange turned to organizing marketing and purchasing cooperatives and to calling for government regulation of railroads and grain elevators.

Many Grangers urged their fellow members to make their influence felt at the polls. Limited success came first with the passage of Granger laws regulating railroad and elevator abuse by the Illinois legislature and the election of some Grangers to state offices. However, the political side of the movement declined with the return of national prosperity, even though the Grange continued as an educational and social organization.

During the 1880s, farmers organized the Northern, Southern, and Colored Alliances to promote cooperatives, control monopolies, and obtain higher prices for farm products. Some of the cooperatives were helpful, but found it difficult to hold their members when commercial companies offered more money to the farmers. Alliance leaders called for federally-guaranteed farm credit banks, closer regulation of railroads and of commodity exchanges, and an increase in the supply of money in circulation. In the 1890s, the Alliances were brought together in the People's or Populist Party. The party elected a number of state governors and legislators as well as a number of federal congressmen. In the election of 1896, the Populists, appealing to workingmen as well as to farmers, came close to electing the president of the United States. Thereafter, the party and the Alliances declined, partly because agriculture moved into a reasonable balance with the rest of the economy for about two decades, partly because of a decline in the rate at which farm production had been increasing, and partly because of a mild period of inflation, triggered by gold from Alaska.

However, farmers were still unhappy enough at the beginning of the century to organize two new groups in 1902, the Farmers Union and the American Society of Equity. Both emphasized cooperatives. While the American Society of Equity was short lived, the Farmers Union has continued until the present time.

In 1908, President Theodore Roosevelt appointed the Country Life Commission to report "upon the present condition of country life." Generally the commission, in its report, stressed social rather than economic problems. It did urge, though, as the president wrote, "effective cooperation among farmers, to put them on a level with the organized interests with which they do business." Over the next decade, a number of policies recommended by the Country Life Commission were adopted. A parcel post system was established in 1912, cooperative agricultural extension work was authorized in 1914, and the Federal Farm Loan Act was passed in 1916.

The entry of the United States into World War I led to a new departure in federal agricultural policies--a guarantee of minimum prices for wheat--and Congress authorized these and other broad controls over production and marketing in the Food Production and Food Control Acts of 1917. Farmers complained that the support prices set for wheat were, in effect, ceilings rather than supports and complained, justly, that the government did not keep its promises with respect to hog prices.

Agricultural prices collapsed in July 1920, largely because of a sharp decline in exports. Farmers averaged $2.16 per bushel for wheat in 1919, but only $1.03 in 1921. The average farm had cash receipts of $968 in 1913, $2,252 in 1919, and $1,248 in 1921. For more than a decade prices went up and down, with the trend always on the downside. The situation was aggravated by the rigidity of nonagricultural prices and wages, creating a new disparity between farm income and costs. The situation had a disturbing effect on the overall economy and was one of the causes of the Great Depression.

Many farmers, of course, were prosperous. They managed their farms well, adopting the new technology that suited their situations. Some began using tractors, for example. Hybrid seed corn became commercially available in the Midwest in 1926, and those who adopted it usually profited. Many farmers were aided by the Federal Farm Loan Act of 1916. It encouraged the establishment of both privately owned and cooperative farm mortgage banks, with financial assistance from the government.

Cooperatives seemed to many to be the answer to marketing problems, particularly after Congress passed the Capper-Volstead Act of 18 February 1922, exempting farmers' cooperatives from some of the antitrust laws. The number of cooperatives increased from nine thousand in 1920 to twelve thousand in 1925.

Cooperatives, though, could not control the marketing of substantial enough amounts of the major crops to keep up prices when production was increasing and foreign markets had virtually disappeared because of rampant nationalism in Europe and the change in status of the United States from a debtor to a creditor nation as a result of World War I.

Farm organizations, led by the new American Farm Bureau Federation, called for national legislation to maintain farm prices and incomes. Congress twice passed the McNary-Haugen bills, which would guarantee each farmer fair prices for his share of the domestic market for basic commodities, while the surpluses would be sold abroad by a government corporation. These bills were vetoed by President Coolidge in 1926 and 1927.

By the early 1930s, discouraged by a worsening economic situation, farmers in the Midwest, particularly, were on the verge of revolt. Some violence took place in connection with campaigns to withhold products from the market, but a series of laws aimed at improving the economic situation of farmers brought these threats to an end.

Shortly after his inauguration in 1933, President Franklin D. Roosevelt asked the Congress to pass legislation that would "increase the purchasing power of our farmers and the consumption of articles manufactured in our industrial communities." He said: "I tell you frankly that it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair administrative trial of it is made and it does not produce the hoped-for results I shall be the first to acknowledge it and advise you." Congress responded by passing the Agricultural Adjustment Act of 1933.

The act, signed on 12 May 1933 by President Franklin D. Roosevelt, gave the Secretary of Agriculture authority to reduce acreage or production by voluntary agreements, to enter into marketing agreements with processors to control prices paid to producers, and to license processors and others with the aim of eliminating unfair practices. Farmers could receive rental or benefit payments, and the Department of Agriculture could spend money to expand markets or remove surpluses. These activities were to be financed by a processing tax. The new law helped overcome what had threatened to become, through the Farm Holiday movement and similar actions, armed revolt in the American countryside.

The year after the act was passed, Secretary of Agriculture Henry A. Wallace wrote: "The present program for readjusting productive acreage to market requirements is admittedly but a temporary method of dealing with an emergency. It could not be relied upon as a permanent means of keeping farm production in line with market requirements. From a national standpoint it has the disadvantage that it takes out of production both the efficient and inefficient areas. ...A temporary and varying reduction in the productive acreage seriously disturbs the farm economy." Yet fifty years later this "temporary method of dealing with an emergency," except for modifications more of form than substance, is still in effect. It has survived because over this span of years, the program has brought a certain stability both to farming and to consumer costs of food.

The Agricultural Adjustment Act was aimed primarily at improving the financial situation of the average farmer. The Resettlement Administration was established by the president in May 1935 to help destitute farm families and to retire submarginal land from production. Supervised rehabilitation loans were the main device used to help needy people to reestablish themselves on a self-supporting basis. In 1937, these programs and those authorized by the Bankhead-Jones Farm Tenant Act were assigned to the new Farm Security Administration.

Although various farm and emergency loan programs had been in effect from time to time since the Federal Farm Loan Act of 1916, the Great Depression had dried up most sources of farm credit. Congress passed the Emergency Farm Mortgage Act on 12 May 1933, and followed it with the Farm Credit Act of 16 June 1933. The Farm Credit Administration was established in June 1933, to handle both emergency and long-term programs. In contrast with the Farm Security Administration, its programs were of a conventional nature.

The Rural Electrification Administration was established in 1935 as a relief agency. It quickly became evident that effective rural electrification could not be carried out as an unemployment relief subsidy program. The Rural Electrification Administration Act of 1936 authorized loans to nonprofit associations, with the administration helping organize, and then giving technical assistance to, such farmer cooperatives.

The need for a program to conserve soil and other natural resources was urged on Congress beginning in the early 1900s. It finally came into being as part of the agricultural reform legislation of the New Deal. The Soil Conservation Service was established on 17 April 1935 under authority of the Soil Conservation Act of 1935. Congress assigned the agency responsibility for developing and carrying out a national soil and water conservation program.

One of the most acute of the depression-born problems was that of getting food to people in the midst of surpluses. New Deal efforts in this direction included the direct distribution of surplus food, school lunch, school milk, low-cost milk, and food stamp programs. After emergency funds expired, some of the programs were financed under Section 32 of the 1935 amendments to the Agricultural Adjustment Act. This amendment appropriated an amount equal to thirty percent of customs receipts to encourage the domestic consumption and exportation of agricultural commodities. Congress then authorized specific expenditures from the fund for the various food distribution programs.

The production control provisions of the Agricultural Adjustment Act were invalidated by the Hoosac Mills decision of the Supreme Court (United States v. Butler, 297 U.S. 1). It was replaced in part by the Soil Conservation and Domestic Allotment Act of 29 February 1936, which attempted to secure reduced production of surplus crops by payments for improved land use and conservation practices. The Agricultural Adjustment Act of 1938 (Pope-McGill Farm Act) stressed an "ever-normal granary" plan of balanced abundance, with loans, acreage allotments, marketing quotas for "basic" crops, and a goal of "parity" prices and incomes for farmers. Consumers were to be protected, and soil conservation was a major objective. This act, with many modifications, remained the basic agricultural price support and adjustment law into the 1980s.

Only two major attempts have been made to change the basic thrust of the price support and adjustment legislation and both have failed. In 1949, then Secretary of Agriculture Charles F. Brannan proposed a program based upon income standards, while in the 1950s, then Secretary Ezra Taft Benson urged substantially lower price supports, if not their complete elimination. Congress was unwilling to adopt either of the proposals. A proposal to substantially strengthen the provisions for controlling production and marketing made by Secretary Orville L. Freeman in the early 1960s was also defeated.

Obviously, the price support and adjustment legislation is not unique so far as long-lived farm programs are concerned. Virtually every program in effect today, except for research, education, and regulation, originated in the 1930s, while nearly every program that began in the 1930s is still in effect. During this period, the number of farms declined from 6.3 million in 1930 to 2.4 million in 1980. The average size of farms increased from 157 acres to 431 acres, while farm population fell from 30 million to 6 million and the percentage of the labor force made up of farmers declined from twenty-one percent to less than three percent. Most of this change has taken place since 1945 and is often ascribed to the impact of World War II. Nevertheless, it is possible that the New Deal programs provided a continuing base which made change possible.

World War II triggered the second American agricultural revolution, bringing major changes in land use, farm policies, agricultural production, farm management, and farm life. When the war began, the United States and its allies were fortunate that the nation had substantial quantities of grain and cotton in storage, largely as a result of the price support programs. Even before the Japanese attack at Pearl Harbor, the United States was supplying food to Great Britain and the Soviet Union. Secretary of Agriculture Claude Wickard called for increased production of many commodities in 1941, and Congress, in the Steagall Amendment, provided price supports for additional commodities.

In 1943, the War Food Administration, working within the Department of Agriculture, was established. Virtually all production controls were removed, and very substantial increases in production were achieved. Within the United States, food (and other) prices were controlled and a number of foods were rationed. Farm machinery was rationed, fertilizers and insecticides were under a priority system, and labor was recruited, trained, and assigned to areas where it was needed. Workers were brought in from Mexico and other nations. The Combined Food Board was established by the United States, Great Britain, and later Canada, to allocate food supplies among the nations of the free world.

During the war, much land that had been in conservation programs was planted to crops. The value of conservation seemed to be proven, because the land was available when needed and in a condition to yield abundantly. After the war and the period of postwar shortages, conservation programs were reinstituted.

World War II sent farm prices over 100 percent of parity and Congress guaranteed high prices for two years after the cessation of hostilities. After this period, however, modifications of price support and adjustment legislation was marked by controversy and compromise in the Congress. The major controversy for many years was between those advocating support levels at a high fixed level of parity and those advocating flexible price supports adjusted to supply and demand.

During the 1950s, surpluses began to accumulate and the Congress looked for ways to stimulate foreign trade. The most important move was the enactment, on 10 July 1954, of the Agricultural Trade Development and Assistance Act, known as Public Law 480. The law authorized the government to make agreements for the sale of farm products for foreign currency, to make shipments for emergency relief and other aid, and to barter farm products owned by the government for materials required by the government. Public Law 480 has proven so valuable that it has been extended into the 1980s, but it is not a complete answer to the surplus problem.

The Soil Bank, established by the Agricultural Act of 1956, was still another large-scale effort to deal with surpluses. The goal was to bring about adjustments between supply and demand for agricultural products by taking farmland out of production. The so-called acreage reserve aimed at a short-term withdrawal of land planted to major commodities, while the conservation reserve looked to the withdrawal of any land designated by the farmer from agriculture for a period of up to ten years. In 1957, 21 million acres were in the acreage reserve and 29 million acres in the conservation reserve. Various other types of land withdrawal programs were in effect in the 1960s.

By 1973, the demand for U.S. farm products was at a high level due to world crop shortages and worldwide inflation. World demand, combined with export subsidies and the devaluation of the dollar, had liquidated the stocks which had been established under previous price support programs. The Agriculture and Consumer Protection Act of 1973 emphasized production to respond to "ever-growing worldwide demand for food and fiber."

Target prices replaced the old parity prices for most commodities in the 1973 law and subsequent legislation in 1977 and 1981. Target prices are set by taking into consideration the trend of domestic prices, world prices, prospective domestic and world supplies, cost of production, and other relevant factors. If the price for a covered commodity falls below the target price, the producer receives a deficiency payment for the difference between the market price and the target price, but not more than the difference between the loan rate and the target price.

In addition to authorization of payments to producers when prices did not reach target levels, the acts provide for producer loans at levels below market prices to put greater reliance on the marketplace. A price level per unit specified in the law is used to determine the limits within which the secretary may set loan rates.

Disaster payments are authorized for eligible producers, but the Agriculture and Food Act of 1981 urged greater use of crop insurance as an alternative. The laws of 1973, 1977, and 1981 each extended Public Law 480 for an additional four years. Limitations on total payments to be made to individual farmers are in effect, with somewhat stronger limitations in the 1981 law than in those for 1973 and 1977.

The Food and Agriculture Act of 1977 directed the secretary to administer a farmer-owned reserve program for wheat through an extended price support loan program of three to five years' duration. To provide a special inducement, the secretary was authorized to pay the annual storage costs of the grain, as well as to waive or adjust interest rates. The quantity of wheat held was to be not less than 300 million nor more than 700 million bushels, but the upper limit could be adjusted to meet any commitments assumed by the United States to an international grain reserve. The loan could be called whenever the market price for wheat reached 175 percent of the current loan. This program was continued by the Agriculture and Food Act of 1981 and was extended to feed grains. The limit which the secretary of agriculture might set on the amount of grain to be in the reserve was increased to not less than 700 million bushels of wheat and one billion bushels of feed grains.

Legislation in the 1973, 1977, and 1981 acts was in most respects a continuation of programs and goals which had been in effect for forty-five years. These included adjusting production to demand and providing farmers with limited price supports for their major products. The new legislation also provided farmers greater freedom in deciding what they grew and related price supports more closely to recent prices and to cost of production rather than to the parity concept.

The nature of the programs at any particular time depends upon national and international economic conditions. The changes made by the legislation of the 1970s and early 1980s became possible because of world demand for American farm products and general economic prosperity at home. However, the economic recession of the 1980s, the decline in world demand for farm products, and lower prices led to the institution of some voluntary acreage reductions, including payment-in-kind (PIK), and to serious consideration of more stringent production controls.

In looking back fifty years, we can conclude that the New Deal was successful in maintaining the basic structure of American agriculture. Whether this was in the best interests of the nation is still debated. Critics say that the United States missed a unique opportunity in the 1930s to reform American agriculture by making tenants and sharecroppers owners of the land they worked and thus insuring the continued existence of a large number of small or medium-sized, family-owned and operated farms. Instead, the restoration of the existing system provided the base for the rapid changes that took place after World War II, marked by a sharp decline in the number of farms and in the farm population. Others say that these trends had been in evidence since World War I, with change slowed by the depression and then accelerated by World War II.

The programs were at least effective in insuring that the countryside did not move into armed revolt. They also kept farm ownership from suddenly becoming concentrated in banks, insurance companies, and other creditors.

The question still remains as to why these programs have lasted fifty years. A political scientist has recently written that the price support and adjustment programs lasted because they were carried out by one of the best administered agencies in the federal government during the New Deal period. Whether or not efficient administration would insure continuation of a program for fifty years might be debated. It seems more likely that the commodity programs have been supported because they have contributed significantly to stability in farm commodity and food prices in the short and long run, to the benefit of both farmers and consumers.

Public opinion, as shown by numerous surveys, is favorably inclined towards farmers. Many people see farmers as hard-working, low paid, living a simple life free from urban pressures, and dedicated to producing what we all need--food. While the specifics of the image shift, a basic core of good will remains. This is one reason that the New Deal farm programs have survived for half a century. However, this is not enough.

The basic reason for the continuation of the programs is that, taken together, as this brief review shows, they have had something for nearly every segment of the farm sector and have had an appeal to many urban dwellers as well. Agrarian political leaders have made conscious efforts to balance the interests of the major commodity groups. Less obviously, they have also made appeals to urban groups, balancing farmer-oriented legislation with food stamp and other food distribution programs. Congressional leaders have not always found this an easy task because some farm organizations have urged that the food programs be transferred from the USDA to the Department of Health and Human Services. Some secretaries and assistant secretaries of agriculture also endorsed this approach until they came up against the reality that farm programs could not have been passed by Congress in recent years without the support of persons interested in food distribution programs. Support for food programs comes not only from representatives of urban areas. It also comes from such influential groups as organizations of retail food dealers, who benefit quite directly from the increased sales resulting from food stamps.

Will this informal, often unacknowledged coalition continue for another fifty years? Or, more specifically, will it continue through 1985 for another round of farm price support and food stamp legislation?

Just because programs have been in effect for fifty years does not mean that they should continue. Indeed, this might be an appropriate time for a careful review and evaluation of every aspect of the New Deal legislation. In any case, we might question whether or not it is still possible to balance the interests of different groups of farmers and of farm-consumer interests in a way that will either bring about the passage of new major farm legislation or permit the continuation of the old.

In considering the future in relation to the past, we might note that when the great land ordinances of 1785 and 1789 were passed, over ninety percent of all workers were on farms. While exports of farm products were virtually nonexistent at that moment, they had been of great importance in the development of the colonies. By 1862, when the agricultural reform laws giving homesteads to settlers, establishing the land grant universities and the Department of Agriculture, and financing a transcontinental railroad were signed by President Abraham Lincoln, fifty-eight percent of all workers were still farmers. Some seventy-five percent of the nation's exports were agricultural products.

When the Country Life Commission issued its report in 1908 calling for more government assistance for farmers, they were about thirty-one percent of the work force. There were some 6.4 million farms. About fifty-eight percent of America's exports came from the farm.

At the beginning of the New Deal in 1933, around twenty-one percent of the work force was farming. There were some 6.3 million farms, but farm products were only thirty-five percent of all total exports.

As World War II ended, farmers made up about twelve percent of the work force. There were 5.3 million farms, averaging 216 acres each. Some twenty-two percent of the nation's total exports came from farms. Today, according to the most recent published figures, farmers constitute about three percent of gainfully employed Americans. They work on 2.4 million farms, averaging 429 acres each. About nineteen percent of U.S. exports are farm products.

Can three percent of the workers or of the population continue to expect special treatment from the remaining ninety-seven percent? Less than twenty percent of the nation's Congressional districts count on agriculture as a significant economic force. In times of severe stress in the past, new farm organizations, often regarded as radical, have arisen. These include the National Grange in 1867, the Farmers Union and the American Society of Equity in 1902, the American Farm Bureau Federation in 1920, and the National Farmers Organization in 1955. The American Agricultural Movement of the late 1970s did not follow the earlier pattern and establish a formal organization--perhaps an indication that farmers no longer see a general farm organization as a major force for change.

Today, the three largest general farm organizations, the National Grange, the Farmers Union, and the American Farm Bureau Federation, appear to be declining in influence so far as farm policy is concerned. The two most active politically also appear to be tied rather closely to national political parties without much leeway for nonpartisan pressures.

As the national general organizations seem to be declining, the commodity groups appear to be growing in influence. Whether they can get together on broad programs or whether they each will be content with attaining something for their own memberships is a question still to be answered.

Since World War II, and especially since the 1960s, groups interested in food distribution programs, ranging from rather ephemeral organizations of the poor to such stable groups as food wholesalers' and retailers' associations, have been of major importance in passing farm and food legislation. Should food distribution programs be transferred from the Department of Agriculture, farmers would have many more problems in obtaining price support and other legislation.

A number of research organizations, such as the American Free Enterprise Institute, the Brookings Institution, the Farm Foundation, the National Planning Association, Resources for the Future, and agricultural economists in many universities, have made substantial contributions to farm policy in the past and may be expected to do so in the future. For the most part, these organizations and scholars propose and evaluate programs and point out the economic consequences of alternative courses of action. That is, they provide information upon which others make decisions.

Ultimately, of course, farm policy will be determined by the people of the United States acting through their elected congressmen. But these decisions will come as a result of a myriad of pressures from people and groups with widely-varying perceptions of the economic goals to be sought through farm legislation.

Agricultural economists, unless they themselves become political protagonists, can best serve by doing what they have done for more than fifty years, that is, bring reason and light to the battlefield.