



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



July 1, 1940.

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION

NATIONAL FARM PROGRAM DATA
1932-1940

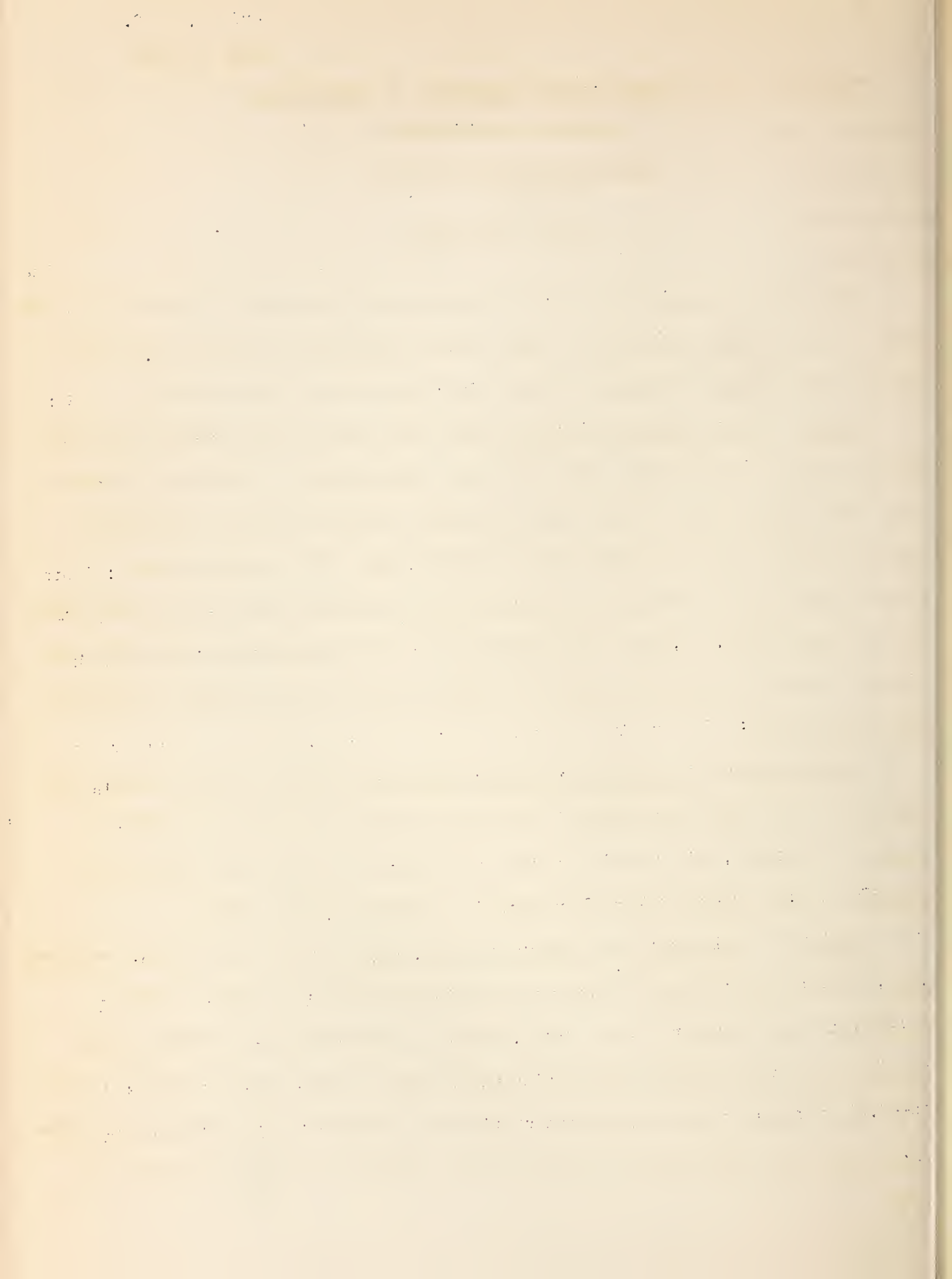
MONTANA HIGHLIGHTS

The story of agriculture today in Montana and in the rest of the Nation is the story of an improved agriculture. Here are the highlights of progress under the National Farm Program in Montana during the 7 years since it was started.

INCOME: Farmers Make More Money--1939 cash income up 111 percent from 1932; buying power 197 percent ^{of} from 1932; farm real estate values in 1940 up 15 percent from 1933; 291,690 acres of 1490 wheat protected by crop insurance; 14,469,062 bushels of wheat put in the Ever-Normal Granary under 1939 commodity loans; \$103,624,124 loaned by Farm Credit Administration agencies from 1933 to 1939; debts of low income farmers reduced \$829,985 under Farm Security Administration debt adjustment service; 16,074,000 pounds of surplus foodstuffs distributed to needy in last fiscal year.

CONSERVATION: Farmers Are Conserving Their Soil--45,000 Montana farmers participated in the 1939 AAA program, representing about 89 percent of the State's cropland; 110,940 acres covered by 5-year agreements with the Soil Conservation Service in 1939; 336,600 trees distributed for planting during 1939.

SECURITY: Farmers Are More Secure in Their Homes--7,756 farm families received rural rehabilitation loans totalling more than \$9,008,500 from 1935 to 1940; \$4,844,799 made in grants in the same period; 13 tenant families started toward ownership by loans for farm purchases; 1,697 miles of rural electric lines to serve 5,402 farm families made possible by allotments of Rural Electrification Administration--3,232 more farms getting central station electric service in 1939 than in 1935.



1,950

DEMOCRACY: Farmers Help Run The Programs-- 55 county AAA offices with 7,330

county and community committeemen administer the AAA program locally; 54 county committees and 4 tenant purchase committees working on program of Farm Security Administration; 43 local National Farm Loan Associations and 11 production credit associations in operation; 38 county land-use planning committees formed.

1875
The first of the year
was a very successful one
and the business was
all the better for it
I am glad to hear
of your success and
hope you will continue
to prosper.

CONTENTS

Part One: Farm Income

- Cash farm income and cash income from principal farm products, page 4.
- Prices of farm commodities, page 4.
- Farm purchasing power, page 5.
- Farm real estate values and farm foreclosures, sales and bankruptcies,
page 6.
- Payments to farmers under A.A.A. programs, page 7.
- Crop Insurance, page 7.
- Farm credit and farm debt adjustment, pages 8 and 9.
- Commodity loans, page 9.
- Export payments and distribution of surplus foodstuffs, page 10.

Part Two: Conservation and Wise Use of Agricultural Resources

- Agricultural Conservation programs, page 11.
- Soil Conservation Service programs, page 12.
- Forest Service programs, page 13.

Part Three: Greater Security and Better Living on the Land

- Farm Security Administration programs, page 15.
- Rural Electrification Administration programs, page 16.

Part Four: Strengthening Democracy through the Farm Programs.

- Participation in A.A.A. programs, page 18.
- Results of A.A.A. referenda, page 18.
- Farmer committees in the National Farm Programs, page 19.

PART ONE: FARM INCOME

Montana farmers in 1939 had 111 percent more cash income than they did in 1932. Farm cash income in Montana was \$97,133,000 in 1939. Government payments accounted for \$12,271,000 of this amount directly. The 1939 cash income was 31 percent less than in 1929 when cash income was \$140,000,000. Cash income in 1932 was \$46,000,000.

Substantial gains in cash income from 1932 to 1939 by the producers of Montana's most important farm products are shown in the following table:

Table I. Cash Income Received by Montana Farmers for Principal Commodities Listed, in 1932 and in 1939, With Amount and Percent of Change

Commodity	Cash Income ^{1/}		Amount of Increase	Percent of Increase
	1932	1939 ^{2/}	1939 over 1932	1939 over 1932
	(Thousands of Dollars)			(Percent)
Wheat	9,154	29,269	20,115	220
Cattle and calves	9,229	15,469	6,240	68
Milk	6,014	8,023	2,009	33
Sheep and lambs	4,181	7,765	3,584	86
Wool	2,928	5,915	2,987	102
Chickens and eggs	2,292	2,846	554	24
Hogs	1,484	1,855	371	25
Oats	286	819	533	186
Truck crops	469	772	303	65
Flaxseed	492	622	130	26
Potatoes	310	563	253	82

^{1/} Because farm income statistics are being revised, all figures in this table are not strictly comparable. For the most part figures are on a calendar year basis, but there are a few commodities which are on a crop year basis for 1932. All income figures in this table exclude Government payments.

^{2/} Preliminary.

For the country as a whole cash farm income in 1939, including Government payments was 82 percent larger than in 1932. Cash farm income was \$4,682,000,000 in 1932 and \$8,540,000,000 in 1939, including \$807,000,000 in Government payments.

Prices of Farm Commodities

Better prices for Montana's leading farm commodities have put more cash in the hands of the farmers of the State. The improvement in prices received by Montana farmers for their principal commodities is shown in the following table:

Table II: Average Prices Received by Montana Farmers for Commodities Listed, in 1932 and in 1939.

<u>Commodity</u>	<u>Unit</u>	<u>1932</u> (Dollars)	<u>1939</u> ^{1/} (Dollars)
Milk (wholesale)	cwt.	1.50	1.95
Hogs	cwt.	3.50	6.30
Beef Cattle	cwt.	3.75	6.80
Veal Calves	cwt.	5.00	8.20
Sheep	cwt.	2.10	4.40
Lambs	cwt.	3.70	7.40
Wheat	bu.	.35	.63
Oats	bu.	.22	.27
Barley	bu.	.26	.36
Potatoes	bu.	.40	.90
Wool	lb.	.093	.22
Butter	lb.	.20	.27
Chickens	lb.	.11	.145
Eggs	doz.	.147	.189
Flaxseed	bu.	.82	1.49

^{1/} Preliminary.

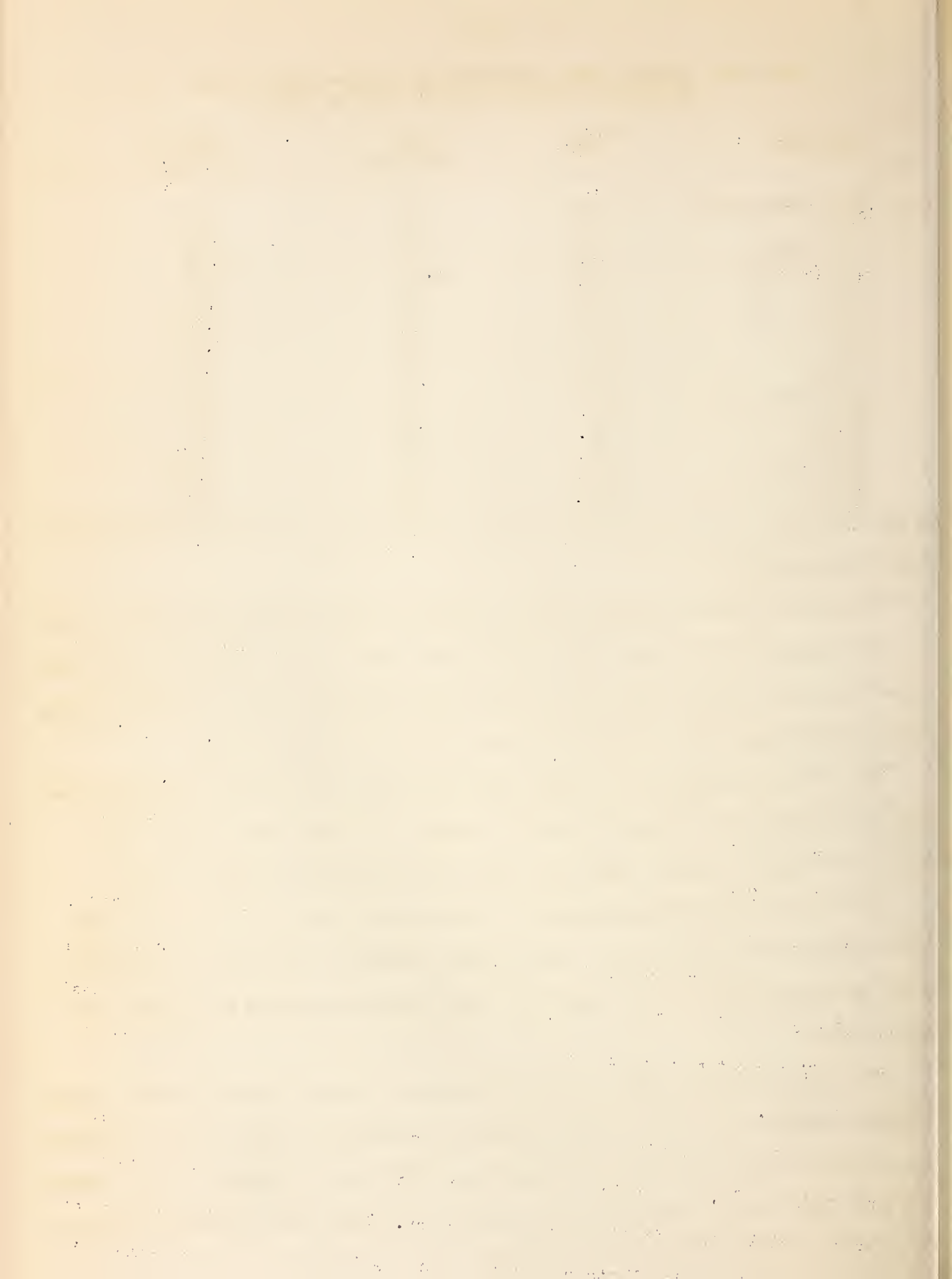
Farm Purchasing Power

Both farm income and prices paid by farmers declined sharply from 1929 to 1932 but farm income declined more. From 1932 to 1939 there was an increase in both farm income and prices paid by farmers, but farm income increased more. Thus farm buying power fell off from 1929 to 1932 and climbed upward from 1932 to 1939.

For the United States as a whole farm buying power in 1939 was 172 percent as much as in 1932 and 99 percent of the 1929 level. In other words, farmers were able to buy about as much in 1939 as in 1929 and 72 percent more than in 1932.

In Montana farm purchasing power in 1939 was 197 percent as much as in 1932 and 90 percent of the 1929 level. Thus Montana farmers in 1939 were in a position to buy 97 percent more of the things they needed than in 1932 and 10 percent less than in 1929.

The farmer's buying power can also be shown by the unit exchange value of farm products, namely, the ratio of prices received by farmers to prices paid by farmers for commodities used in living and production. While this measurement is not available on a state basis, Montana farmers naturally benefited from nationwide improvement in the exchange value of farm products.



For all farm commodities, the unit exchange value was 26 percent higher in 1939 than in 1932. The following table, comparing 1939 and 1932, shows the unit exchange value of all farm products, as well as specified groups of farm commodities that are important in Montana.

Table III. Unit Exchange Value * of all Farm Products and of Specified Groups of Commodities Important in Montana

	Percent of Base Period		Percent Change	
	1910-1914		1939 over 1932	
	1932	1939		
All farm products	61	77	+ 26	
Meat animals	59	91	+ 54	
Grains	41	60	+ 46	
Dairy products	78	86	+ 10	
Chickens and eggs	77	78	+ 1	

*Ratio of prices received to prices paid by farmers for commodities used in living and production; 1910-14 base.

Farm Real Estate Values

Gains in farm income, prices and buying power have been reflected in rising real estate values on Montana farms. In the year ending March 1933 the value of farm real estate was only 48 percent of the period before the World War. From this low point the estimated value per acre in Montana rose to 55 percent of pre-war for the year ending March 1940. Thus Montana farmers found their real estate worth about 15 percent more early in 1940 than in the first part of 1933.

For the United States as a whole, in the year ending March 1940 farm real estate values rose to 85 percent of the level before the World War, compared with only 73 percent of pre-war in the year ending March 1933. The 16 percent gain from 1933 to 1940 followed more than a decade of unbroken decline in the value of farm real estate.

Farm Foreclosures, Sales and Bankruptcies

Along with a rise in farm real estate values since 1932, there were more voluntary sales of farms in Montana and fewer forced sales and bankruptcies.

Voluntary sales and trades of Montana farms were 23.0 per thousand for the year ending March 1939, compared with 15.5 per thousand for the year ending March 1933.

On the other hand the number of forced farm sales in the state declined from 67.9 for the year ending March 1933 to 28.5 per thousand for the year ending March 1939.

Farm bankruptcies in Montana dropped from a total of 40 in the year ending June 30, 1933 to 10 for the fiscal year ending June 30, 1939.

In the United States as a whole, voluntary sales and trades of farms rose from 16.8 per thousand in the year 1933 to 28.2 per thousand in the year ending March 1939, and forced sale of farms declined from 54.1 per thousand to 16.8 per thousand in the same period; farm bankruptcies in the entire country decreased 76 percent from 1933 to 1939.

All Phases of Farm Program Contribute to Income Improvement

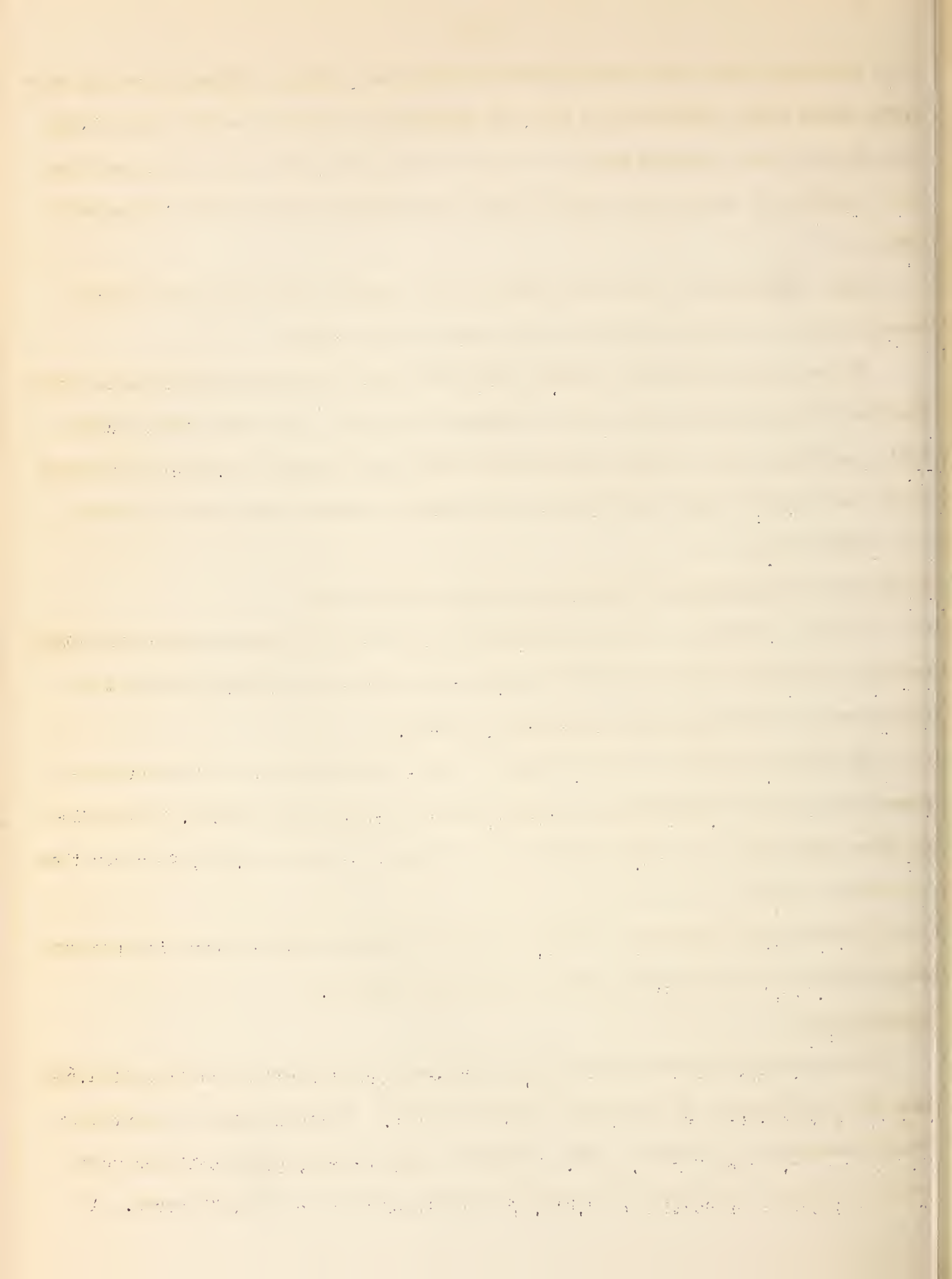
Farmers of Montana received \$7,420,000 in conservation payments under the 1937 program, \$7,298,367 under the 1938 program, and an estimated \$8,539,723 under the 1939 program, including county association expenses.

In addition, under the Price Adjustment Act of 1938 farmers of the state received an estimated \$2,982,385 in parity payments on their 1939 product. In the fiscal year ending June 30, 1939, Montana sugar producers received \$2,768,598 under the Sugar Act of 1937.

For the United States as a whole, payments under the 1939 conservation program totaled \$506,179,199 including county association expenses.

Crop Insurance

Under the 1940 program in Montana, 4,174 contracts insured an estimated 291,690 acres for a production of 2,231,058 bushels of wheat. Premiums paid in amounted to 541,771 bushels, as of May 31, 1940. Under the 1939 program, 5,200 policies were issued to insure a production of 4,418,174 bushels of wheat on 535,843 acres. A



total of 678,233 bushels were paid in as premiums and 681,010 bushels returned to 1,742 growers as indemnities, as of March 1940.

Federal Credit Aids Agriculture

Farmers in Montana obtained \$103,624,124 in loans from institutions under the supervision of the Farm Credit Administration from May 1, 1933, through December 31, 1939. In addition, credit was advanced to a considerable number of farmer co-operatives and privately organized agricultural financing institutions.

The Federal Land Bank of Spokane, making long-term first mortgage loans, had \$16,711,914 outstanding in Montana on December 31, 1939, including loans made prior to the organization of the Farm Credit Administration. In addition, \$10,239,848 of first and second mortgage Land Bank Commissioner loans were outstanding on that date.

From 1933 to 1935 almost 92 percent of Federal land bank and Commissioner loans made in Montana were used to pay off old debts. Although the largest percentage of loans continues to be made for refinancing, since October 1, 1935, some 1,005 Montana farmers and farm tenants have purchased farms, using \$2,046,300 credit obtained from the Federal Land Bank of Spokane and the Federal Farm Mortgage Corporation, which provides funds for Land Bank Commissioner loans, to finance the purchases. This includes the resale on credit terms of farms which had been acquired by these agencies.

The 11 production credit associations operating in the State have made 20,545 loans aggregating \$74,656,702 since their organization in 1933. These associations make loans for all types of short-term farm operations. Loans outstanding on December 31, totaled \$7,152,540.

The Spokane Bank for Cooperatives makes loans to farmers' marketing, purchasing, and farm business associations. On December 31, 1939, the Spokane Bank had loans outstanding to 8 Montana cooperatives aggregating \$65,788.

[The text on this page is extremely faint and illegible. It appears to be a list or a series of entries, possibly containing names and dates, but the characters are too light to transcribe accurately.]

In the United States as a whole, during the same period, individual farmers and their cooperative organizations obtained \$5,951,000,000 in loans and discounts from institutions under supervision of the Farm Credit Administration. Land Bank loans outstanding on December 31, 1939, totaled \$1,905,000,000; Land Bank Commissioner loans, \$691,000,000; production credit associations numbering 528, in six years made 1,312,000 loans aggregating \$1,442,000,000; in the same period the 12 district banks for cooperatives and the Central Bank made 6,868 loans aggregating \$491,047,000.

Debt Adjustment

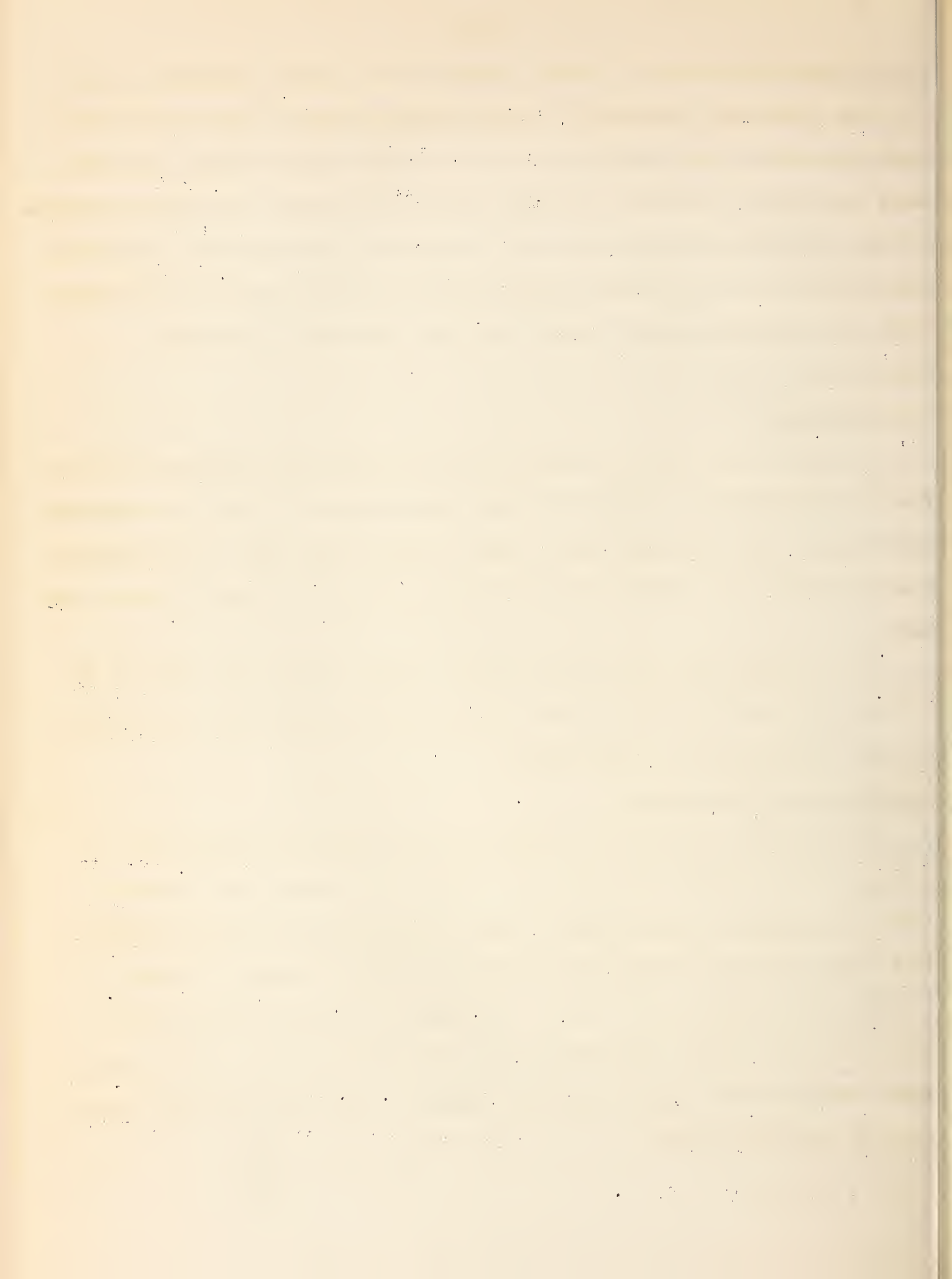
In Montana 1,100 farmers, through the Farm Debt Adjustment Service of the Farm Security Administration, reduced their debts through agreement with their creditors by \$829,985 in the period September 1, 1935 to December 31, 1939, a debt reduction of 25.1 percent. As a result Montana farmers have been able to pay \$66,264 in back taxes.

In the United States as a whole, 111,131 farmers reduced their debts by adjustments totaling \$84,942,798 or 23.7 percent, and as a result have been able to pay more than \$4,860,000 in back taxes.

Commodity Loans Protect Income

Corn and wheat loans serve to protect and stabilize farm income, help to stabilize market supplies and prices, and protect both consumers and producers against the calamity of crop failure. Under the 1939 program in Montana 12,996 wheat loans were made totaling \$8,855,684.59 on 14,469,062 bushels of wheat.

In the United States as a whole, 70,000 wheat producers obtained loans on their 1938 crop, totaling about \$45,000,000 on 85,700,000 bushels of wheat, and about 235,000 producers stored 167,000,000 bushels of their 1939 crop under loans totaling about \$115,000,000.



Exports Aided

Two major export programs for wheat and cotton have assisted United States producers to retain their fair share of the world market. In the fiscal year which ended June 30, 1939 the first year of the wheat export program, 118 million bushels of wheat were sold for export. Of this amount, export of 94 million bushels was assisted directly by the export program. From July 1 through December 31, 1939, sales for export of approximately $24\frac{1}{2}$ million bushels of wheat and wheat in the form of flour were assisted by the continuing export programs.

How the wheat program has operated to improve the domestic wheat prices in the last year and a half is shown in the following: In August 1938 the average U.S. farm price was 34 cents under the Liverpool price. In August 1939 the U.S. price was about 3 cents above Liverpool. Since Liverpool is normally about 30 cents over the domestic farm price, this meant the U.S. farmer was receiving about 33 cents a bushel more for his wheat than if his price had been based on the world price.

Domestic Consumption Increased

Expanded domestic distribution and consumption of surplus farm products was brought about through two types of programs; direct purchase of commodities for distribution to needy families through state welfare agencies, and the Food Order Stamp Plan which puts increased food buying power directly into the hands of low-income families.

In Montana in the fiscal year ending June 30, 1939, 16,074,000 pounds of surplus foodstuffs were distributed by the Federal Surplus Commodities Corporation, compared with a total of 1,970,079,155 pounds distributed throughout the United States in the same period.

Commodities purchased in Montana included 2,400 barrels of graham flour and 5,700 barrels of white flour.

Up to July 1, 1940, the Food Order Stamp Plan was in operation in Butte, Billings, Great Falls and the rest of Cascade County and Missoula and the rest of Missoula County, Glasgow and the rest of Valley County, while others are to be added to the list.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It is essential to ensure that every entry is properly documented and verified. This process helps in identifying any discrepancies or errors early on, preventing them from escalating into larger issues. Regular audits and reconciliations are key to maintaining the integrity of the financial data.

Furthermore, the document highlights the need for transparency and accountability. All stakeholders should have access to the relevant information, and any changes or updates should be communicated promptly. This fosters trust and ensures that everyone is working with the most current and accurate data available.

In addition, the document emphasizes the importance of security. Sensitive financial information must be protected from unauthorized access and potential data breaches. Implementing robust security measures, such as encryption and access controls, is crucial for safeguarding the organization's assets and maintaining the confidentiality of its operations.

Overall, the document provides a comprehensive overview of the financial reporting process, from data collection to final reporting. It serves as a valuable guide for anyone involved in financial management, ensuring that all necessary steps are followed to achieve accurate and reliable results.

PART TWO: CONSERVATION AND WISE USE OF AGRICULTURAL RESOURCES

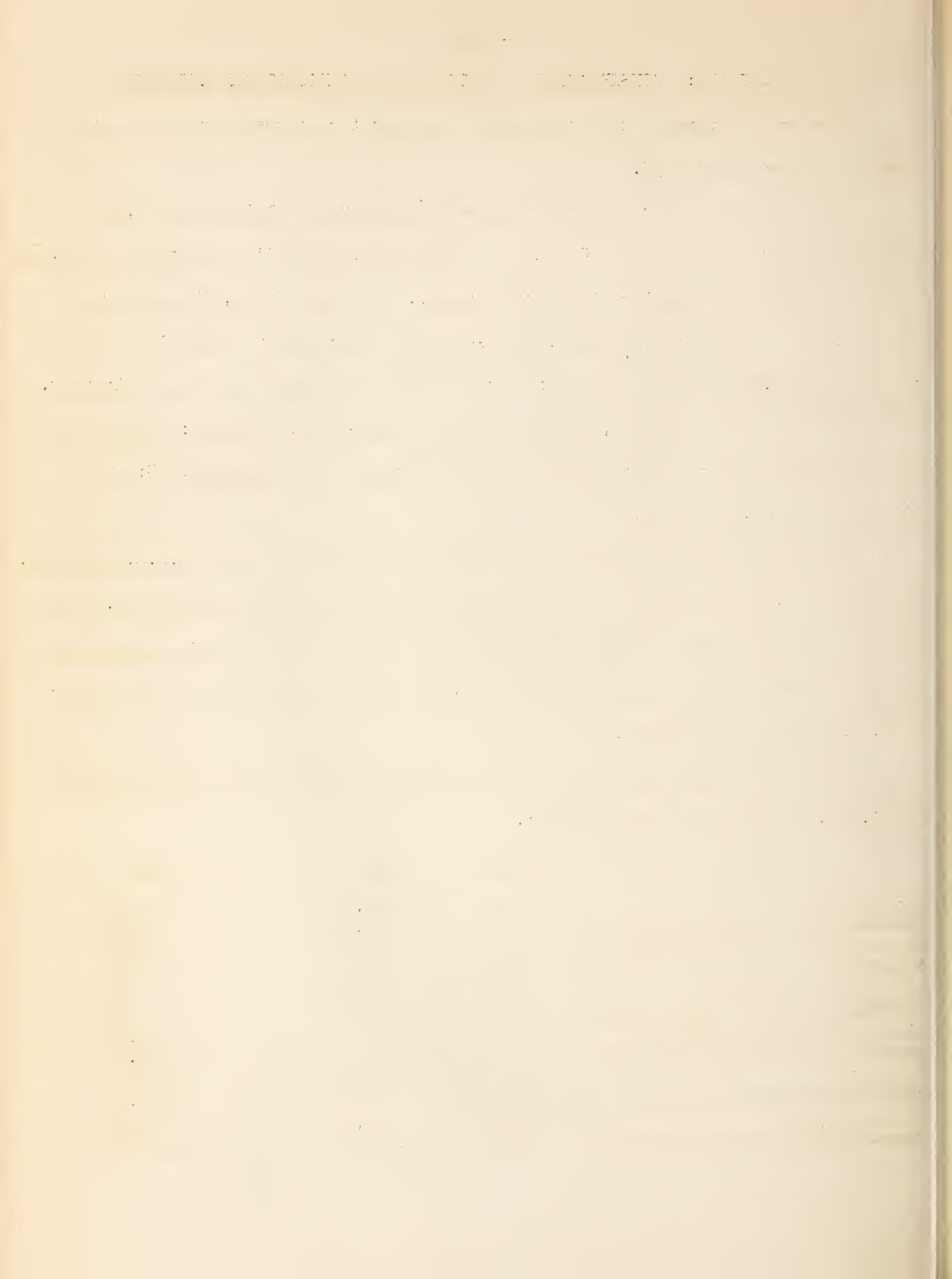
Income improvement and conservation of natural resources have gone hand in hand in Montana since 1933.

Under the first agricultural conservation program in 1936 about 33,400 Montana farmers participated. Of the total cropland, about 71 percent, or 7,660,942 acres, was covered by applications for payments. A total of 643,431 acres was diverted from soil-depleting crops. Soil-building practices were put into effect on about 1,133,000 acres as follows: New seedings of legumes and legume mixtures, perennial grasses for pasture, and green manure crops--619,542 acres; forest tree plantings--130 acres; terracing and controlled summer fallowing--506,003; and miscellaneous--7,419 acres.

Montana farmers have continued to participate actively in the A.A.A. programs. There were 44,413 payees in the 1937 program and 44,396 in the 1938 program. Applications for payments covered 9,110,907 acres, or 85 percent of the cropland in the State, under the 1937 program and 9,435,532 acres, or 92 percent of the cropland, under the 1938 program.

Soil-building practices were put into effect in the State as follows under the A.A.A. programs for 1937 and 1938.

	<u>Unit</u>	<u>1937</u>	<u>1938</u>
New seedings	acres	590,976	435,782
Green-manure and cover crops	acres	3,344	2,682
Renovation of grasses and legumes	acres	--	67,010
Mulching	tons	--	940
Forest tree practices	acres	1,986	525
Fertilizer and lime applications	tons	--	529
Natural reseeding of pastures	acres	--	45,613
Artificial reseeding of pastures	lbs. of seed	--	87,070
Terracing	lin. ft.	19,000	512,000
Construction of dams and reservoirs	cu. yd.	--	500,370
Weed control	acres	5,104	5,478
Other erosion control practices	acres	1,623,112	1,832,850



In the United States as a whole, under the 1938 Agricultural Conservation Program, new seedings covered 30,075,000 acres and green-manure and cover crops 25,244,000 acres. Fertilizer and lime applications totaled 5,547,000 tons. Forest tree practices covered 197,000 acres and pasture practices about 2,205,000 acres. Protected summer fallow, strip cropping, contour farming, and listing were carried out on 15,990,000 acres. Terracing was carried out to the extent of 392,036,000 linear feet.

Soil Conservation Service Activities

In addition to the Agricultural Conservation Program, many Montana farmers have signed five-year agreements with the Soil Conservation Service for complete programs of erosion control and good land management. As of December 31, 1939, 319 farms including 110,940 acres were operating under such agreements. This figure includes land in Soil Conservation projects, CCC camp soil conservation work areas, and farms planned cooperatively by the Soil Conservation Service and State Extension Service.

Approximately 1,908,364 acres unsuited to continued cropping have been purchased and developed for uses for which this land is better suited, principally forestry and grazing under the Land Utilization Program.

In the United States as a whole, a total of 48,267,000 acres of farm land in 82,000 farms were covered by 5-year contracts with the Soil Conservation Service up to June 30, 1939. Soil Conservation Service demonstration areas now include 68,847,000 acres. Soil Conservation Districts, numbering 217, covered a combined area of 120,000,000 acres of the Nation's 1,900,000,000 acres of land by January 1, 1940, with another 100 districts in process of organization. Within the 217 organized districts were 1,000,000 farms.

Approximately 8,600,000 acres of land unsuited to continued cropping have been purchased and developed for uses for which this land is better suited, principally forestry and grazing.

Forest Conservation and Reforestation

Approximately 16 percent of the 50,500 farms in Montana contain woodland, and farm woodlands in the aggregate amount to 1,774,000 acres, or about 4 percent of the State's farm area.

Forest conservation and reforestation on both public and private lands in Montana have been advancing rapidly from 1932 to 1940. Under the Clarke-McNary law, which provides for Federal-State cooperation in the production and distribution of trees, 336,600 trees were distributed for planting on farm lands during 1939. Extensive plantings of forest trees also are made on farm lands under agreement with the Soil Conservation Service.

The U. S. Forest Service administers 16,221,861 acres in the 12* National Forests in Montana. Under the provisions of the Weeks Law more than 50,000 low-producing acres have been purchased or approved for purchase by the National Forest Reservation Commission in 6 years. Through protection and careful management they are rapidly being restored to productivity.

During the fiscal year 1939 more than 705,000 people visited the 12* National Forests for recreation purposes, many of them using the 167 developed campgrounds. 23,487,000 board feet of timber valued at \$56,655 were cut on these National Forests in the past fiscal year.

During 1939, 1,805 acres were reforested by planting, bringing the total National Forest land successfully planted in Montana to 15,317 acres.

* Absaroka	Custer	Helena
Beaverhead	Deerlodge	Kootenai
Bitterroot	Flathead	Lewis & Clark
Cabinet	Gallatin	Lolo

In the United States as a whole, the national forest system now includes about 175 million acres in 40 States. More than 12 million acres have been purchased or approved for purchase for national forests since March 1933, about $2\frac{1}{2}$ times as much land as was purchased for national forests in the preceding 22 years. Approximately 125 million trees produced largely in Forest Service nurseries were planted during 1939 on 131,000 acres of national forestland.

In the Prairie States Forestry Shelterbelt Project of the Forest Service 125 million trees have been used in 11,000 miles of plantings and provide protection for about 3 million acres of land, in the Great Plains, where protection is especially needed.

About 314,000 trees were planted on farm lands in 1938 in the farm forestry program of the Soil Conservation Service, and 55 million trees were distributed for farm planting under Forest Service-State cooperation through the Clarke-McNary law.

Under the A.A.A. program in 1938 about 55,445 acres of farm land were planted to forest trees.

Faint, illegible text, possibly bleed-through from the reverse side of the page. The text is too light to transcribe accurately.

PART THREE: GREATER SECURITY AND BETTER LIVING ON THE LAND

Aside from the program designed to provide greater equality of income for agriculture as a whole, and nation-wide conservation practices, special attention has been given to more needy farm families requiring additional aid to become self-supporting. Special programs have been directed to low-income farmers suffering from such additional handicaps as drought, poor farming practices, worn-out or inadequate land, unsound tenure conditions, or overwhelming debt.

From 1935 to 1940 in Montana, the Farm Security Administration aided 7,756 farm families with rural rehabilitation loans aggregating \$9,008,500 to enable them to get a new start and again become self-supporting.

By following complete farm and home management plans in 1939, 2,233 rehabilitation borrowers in Montana had an average net income of \$1,188.26 per family as compared with \$736.86 in the year before they came to F.S.A. for help, an increase of 61 percent, and increased their average net worth over and above all debts from \$2,185.32 to \$2,286.62, a gain of 5 percent in the same period. (The gain is much less in Montana than in most sections of the country. This, of course, is the result of severe drought conditions in some parts of the State.) Thus these families had added \$226,203 to the wealth of their communities and increased their own annual incomes by a total of \$1,700,963. The typical rehabilitation family in Montana has borrowed \$2,998.37 and already has repaid \$797.09. Montana rehabilitation borrowers in 1939 produced \$726,283 worth of goods for home consumption, compared with \$432,063 worth before entering the Farm Security Administration program. In 1939 these families canned an average of 200 quarts of fruits and vegetables per family, for home consumption; produced an average of 492 gallons of milk per family; and an average of $53\frac{1}{4}$ tons of forage per family. Rehabilitation borrowers in Montana are now operating an average of 904 acres, an increase of 190.8 acres since they came to the program. This increased acreage has maintained a better diet for these families.

At the close of 1939, 15,628 Montana families had received grants for emergency relief aggregating \$4,844,799.

Under the Bankhead-Jones Act loans for farm purchases were made to 13 tenant families in Montana as of December 31, 1939, aggregating \$124,612.

In the United States as a whole, from 1935 to 1940, the Farm Security Administration aided approximately 800,000 farm families with rehabilitation loans. By following complete farm and home management plans, 360,000 of these borrowers covered by a survey in 1939 had increased their net worth over and above all debts 26 percent, and their production of food for home consumption by 64%. The average borrower reported increasing his net worth by more than \$230.42 since coming into the program.

The Farm Security Administration has made rehabilitation loans totalling more than \$370,000,000 since 1935. Although these loans are usually made for a period of five years, and much of the money is not yet due, these farmers who could not get adequate credit from any other source already have repaid more than \$130,000,000 into the U. S. Treasury. Ultimately it is expected that at least 80 percent of these loans will be collected.

Under the Bankhead-Jones Act, loans for farm purchases were made to 6,678 tenant families by December 31, 1939.

Rural Electrification

By June 30, 1939, the Rural Electrification Administration had made allotments in Montana aggregating \$1,918,600 for the construction of 1,697 miles of line to serve 5,402 farm families.

By June 30, 1939, 6,000, or 14.6 percent of the farms in the State, had central station service, compared with 2,768, or 5.5 percent having central station service before the R.E.A. began operations in 1935. This is a net increase of 3,232 farms

213

1871

1872

1873

1874

1875

1876

1877

1878

1879

1880

1881

1882

1883

1884

1885

1886

1887

1888

1889

1890

1891

1892

1893

1894

1895

1896

1897

1898

or 116.8 percent. Surveys showed that 66% of Montana farms served by R.E.A. lines have washing machines; 72 percent have electric irons; 18% have electric vacuum cleaners; general utility electric motors, electric chick brooders and poultry lighting have gained favor since the beginning of the program.

There were 11 REA-financed rural electric systems in the State by September 1, 1939.

In the United States as a whole, to the close of 1939, the Rural Electrification Administration of the Department of Agriculture has made total allotments of \$273,000,000 for the construction of 260,000 miles of line to serve 600,000 farm families. Already 400,000 farms have been connected to REA-sponsored lines, the greater majority of which are cooperatively managed. The number of electrified farms in the United States has more than doubled from 1935 to the present time. Approximately 25 percent of American farms were electrified by January 1, 1940, compared with 10.9 percent on January 1, 1935.

PART FOUR: STRENGTHENING DEMOCRACY THROUGH THE FARM PROGRAMS

Democracy has been both the end and the means of National Farm Programs from 1933 to the present. Through local committees, farmers have the responsibility for local administration.

Nearly 6 million of the nation's 6,800,000 farmers are participating in the Agricultural Conservation Program today. Participation in Montana and in the United States since the AAA began in 1933 was as follows:

	<u>Montana</u>	Number of contracts accepted by AAA		<u>United States</u>
1933	39,257		1933	1,625,912
1934	45,602		1934	3,105,110
1935	44,917		1935	3,399,779
1936 <u>1/</u>	7,972		1936 <u>1/</u>	291,652

1/ Winter wheat and rye contracts made before January 6, 1936.

	<u>Montana</u>	Number of payees under the Agricultural Conservation Prog.		<u>United States</u>
1936	33,364		1936	3,880,447
1937	44,413		1937	3,743,904
1938	44,396		1938	5,248,796
1939	45,000		1939	5,764,200

The results of referendum votes among Montana farmers show the demand for full application of the A.A.A. programs. Important referenda in which Montana farmers participated were as follows:

<u>Nature of Referendum</u>	<u>Dates</u>	<u>Votes of Participating Farmers</u>		<u>Percent For</u>
		<u>For</u>	<u>Against</u>	
Corn-hog	Oct. 1934	1,329	338	80
Wheat	May, 1935	20,587	1,318	94
Corn-hog	Oct. 1935	2,226	129	95

In Montana in 1940, there were 275 members and alternates of county A.A.A. committees and 1,675 members and alternates of community A.A.A. committees which administer the Agricultural Conservation Program locally. There were also 54 county committees of the Farm Security Administration in the State and 4 county



tenant purchase committees. Cooperating with the Farm Credit Administration were 43 local National Farm Loan Associations and 11 Production Credit Associations.

Soil Conservation Districts are organized and developed under State laws by farmers, who have an opportunity to express their preferences both as to planning and operations within the District. By means of these Districts farmers can coordinate their efforts to control erosion thoroughly along watershed lines with technical assistance often being furnished by local, State and Federal agencies.

Land Use Planning by Farmers

Land Use Planning Committees study all agricultural problems, and how Federal, State, and local agricultural services can best be applied. Representative farm people and agricultural officials are members of both county and community planning committees. In this way farmers have a voice in planning what all public agricultural agencies will do in their communities.

In Montana 38 county Land Use Planning Committees, with 542 farmer members, have been formed and others were expected to be organized in 1940.

In the United States as a whole, approximately 135,000 farmers served on A.A.A. committees; there were 2,907 Debt Adjustment Committees; 1,289 Tenant Purchase Committees; and approximately 1,500 committees for rehabilitation loans; about 3,700 active National Farm Loan Associations, and 528 Production Credit Associations; approximately 370 Soil Conservation Districts were either organized or in the process of organization.

There were approximately 19,000 farmers by the end of 1939 participating as members of county Land Use Planning Committees, and 65,000 as members of community Land Use Planning Committees.

