

*Missouri Farm Leaders Give*

# 1975 Opinions on Farm Policy



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EXTENSION DIVISION  
UNIVERSITY OF MISSOURI

This publication reports the results of a farmer opinion survey taken in early 1975. The results were summarized in *Economic and Marketing Information for Missouri Agriculture* for July 1975. Additional information is presented here. Tables and charts explain many of the overall findings in more detail.

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# Missouri Farm Leaders'

# OPINIONS ON FARM POLICY

James A. Hendren and Harold F. Breimyer

## How the Study Was Conducted

In February 1975 questionnaires were sent to 1400 farmers in Missouri, asking their opinions on a variety of questions about farm policy. According to mailing addresses, the farmers were scattered over all but two of Missouri's counties.

Names were obtained from the mailing list for the Extension letter, *Economic and Marketing Information for Missouri Agriculture*, and from lists that regional extension specialists had provided for a similar survey taken in 1971.

It is believed that many of the farmers replying this year had done so in 1971. Even though many others were new, this year's survey tapped about the same stratum of farmers as that of 1971.

This year, as four years ago, the farmers replying are among the leading farmers in their communities. Most take an interest in current affairs. Many are active in farm organizations. They are generally prominent farmers.

It is believed that the respondents in the two surveys are sufficiently similar that general comparisons between the two years can be made. However, answers even to identical questions cannot be compared exactly.

Because times have changed, some of the questions asked this year are not the same as four years ago.

### Profile of Respondents

The farmers who replied average 51 years of age. About 19 percent are under 40, and 24 percent are 60 or older.

They farm 702 acres on the average. Of these, 465 acres are owned and 237 rented. The owned acreage is the same as was reported in 1971. All the increase is in rented acreage (56 more acres).

Of the total acreage 356 acres are cropped, 256 pasture, and 90 in woodland.

Years of schooling farmers have completed: 12 percent grade school; 8 percent some high school; 37 percent high school graduate; 20 percent some college; and 23 percent college graduate. These percentages are almost the same as in 1971 except that the percentage of college graduates increased from 20 to 23 percent.

Of all the farmers replying, 35 percent name a crop as their major source of income. Hogs and beef cattle are the primary source for 55 percent. The percent relying on crops is up sharply from the 22 percent reported in 1971.

As in 1971, the large acreages do not keep a sizable number of farmers from working off the farm. A total of 88 farmers, 14 percent of all, worked 100 days or more in 1974. Another 2 percent worked 50 to 100 days. However, three-fourths (the same as in 1971) worked fewer than 10 days.

### Organizational Membership in 1975

More farmers are members of MFA than any other organization. Farm Bureau ranks next.

Farm Bureau .....	299
NFO .....	95

Some opinions of Missouri farmers in early 1975 were that—

- \*Farmers are underpaid. . .
- \*The 1973 farm law is OK but loan and target prices should be higher. . .
- \*All-out production in 1975 is not endorsed. . .
- \*Good harvests will bring unacceptably low prices this fall. . .
- \*Grain reserves are desirable but farmers rather than the CCC should manage them. . .
- \*To deal with fuel shortage, allocation or rationing is better than a tax. . .
- \*Some farm product imports must be accepted in order to keep farm exports moving [but opinions split]. . .

- \*The U.S. should be relatively generous in food donations abroad [opinions divide on this too]. . .
- \*Farmers get good service from their coops but members' voice should be listened to more. . .
- \*Collective bargaining has a place and will be accepted when the need becomes urgent. . .
- \*Contracting is safe only when farmers' organizations control it. . .
- \*"Tax-loss farming" brings new capital but is harmful to average farmers. . .
- \*Family farmers should get tax and other breaks [but opinions differ about closing tax loopholes]. . .
- \*The family farm will survive, but might need protective or cooperative action. . .

MFA .....	429
MFA Livestock .....	109
IPLA .....	61
Mid-America Dairymen .....	50
Livestock Feeders .....	45
County Livestock Assn .....	112

Other farm organization .....	151
No farm organization .....	63

Some farmers belong to more than one group. Two report belonging to six!

## Leaders' Opinions

### Are Farmers Underpaid?

In 1971, 82 percent of all farmers answering the question of how well they were paid said that they earned less than city people of similar age, experience and ability.

Since 1971 farmers' incomes have increased, although they turned highly variable in 1974. Asked how their 1972-74 average level of income compared with city persons', 69 percent said they earned less. Another 23 percent believed they earned about the same. The remaining 8 percent consider themselves better rewarded than city people.

The changes from the 1971 survey suggest that farmers are not feeling quite as bad off.

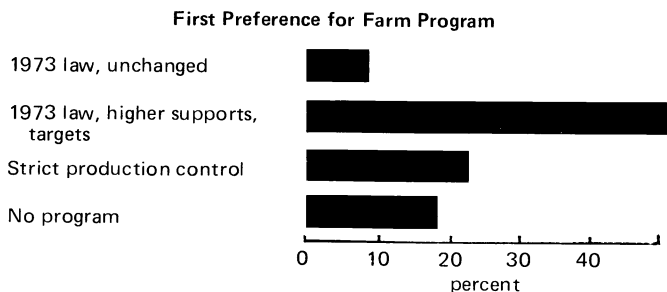
### The 1973 Farm Law

For two years farm programs have operated under the law enacted in 1973. The law sets target prices that are lower than market prices of those years. It gives discretionary control over support prices to the Secretary of Agriculture, who has put them at or near the minimum. Under the conditions

of 1974 and 1975 no set-aside of land has been called for. The law has acted mainly to give disaster payments to farmers losing crops.

Farmers replying to the questionnaire were reminded that Secretary of Agriculture Butz favors keeping activity under the law at low level.

Asked to rank their preference among four choices, the farmers chose the 1973 law, provided support and/or target prices are increased. The extremes of strict production control or no program were less acceptable.



Only 18 percent of farmers replying prefer to end all programs. In 1971, 24 percent marked the "no program" choice.

When program preferences are compared according to farmers' affiliation with organizations, Farm Bureau members are found to take the more conservative positions. Members of the National Farmers Organization and Mid-America Dairymen are least conservative—and their responses are almost identical. MFA members fall in between.

Farmers farming the large acreages show less interest in production control than do the smaller farmers. They are also more satisfied with the 1973 farm law.

Older farmers are more interested than younger ones in having production control. Neither the youngest nor the oldest want to abandon all programs.

Data classified by years of a farmer's formal

schooling show that college educated farmers are the most pleased with the 1973 farm law, and least interested in production control.

#### All-out Production in 1975?

Last winter (1974-75) a number of farm groups, usually newly organized or even *ad hoc* ones, advocated that farmers voluntarily cut back their plantings of 1975 crops. Farmers receiving the opinion questionnaire were asked this question:

*Secretary Butz has called for all-out production in 1975. What is your opinion. . .?*

#### Six commodities were listed for answers.

The response was an overwhelming vote for holding back. Only for corn/sorghums and for soy-

#### First Preference for Farm Program by Organization Membership

Program	Percent			
	Farm Bureau	MFA	NFO	Mid-Am
1973 law:				
unchanged	14	6	0	0
higher support/target prices	48	54	51	50
Stricter control	17	23	40	39
No program	21	17	9	11
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

#### First Preference for Farm Program by Size of Farm

Program	Percent			
	Less than 300 Acres	300-600 acres	600-900 acres	More than 900 acres
1973 law				
Unchanged	11	5	6	14
higher support/target prices	41	52	49	56
Stricter control	31	23	24	17
No program	17	20	21	13
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

#### First Preference for Farm Program by Age of Farmer

Program	Percent				
	Under 30	30-39	40-49	50-59	Over 60
1973 law:					
unchanged	8	9	9	7	12
higher support/target prices	59	52	56	45	46
Stricter control	19	20	17	26	28
No program	14	19	18	22	14
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

beans did as many as 20 percent of the farmers say they favored all-out production.

The next question asked was whether the farmer himself planned to hold back. In this February survey a whopping 91 percent replied, yes, he (or she) planned to.

The inclination toward restraining production in 1975 was doubtless colored by fears of a severe drop in price if yields should be high. Those fears showed up on a question about how bumper crops would affect prices and returns to farmers. Target prices were assumed to remain unchanged. Two percent of the farmers answering thought that prices would be at a clearly profitable level ("higher than necessary to pay costs"). Another 12 percent saw prospective prices as acceptable. The other 86 percent expected unacceptably low returns if crops proved good.

### What Prices Are "Fair"

In a kind of chain sequence, farmers' gloomy price outlook can be linked to their judgments as to what level of price is "fair" under 1975 conditions. The same question about a fair price was asked in 1971, thus comparisons can be made:

#### Fair Price to Missouri Farmers

	1971 Survey	1975 Survey
Corn, per bu. ....	\$ 1.56	\$ 2.84
Wheat, per bu. ....	2.05	3.94
Soybeans, per bu. ....	3.01	6.21
Hogs, per cwt. ....	25.26	45.41
Choice steers, per cwt. ....	34.09	47.90
Milk, Grade A Blend, per cwt.	6.25	9.01
Cotton, per lb. ....	0.34	0.55

It can be seen that the estimate of a fair level more than doubled for soybeans and almost doubled for corn, wheat, hogs, and cotton. It increased about half for steers and milk.

The cost of things farmers buy advanced about half between 1971 and 1975. Apparently, during the higher-price interval farmers' ideas about a fair price outran even the rising cost of the items they buy.

### Grain Reserve Policy

The 1973 farm law protects farmers' incomes primarily by means of the target price that triggers direct payments. Even so, much interest and debate arise about a storage reserve and the support prices and release prices that would accompany it.

Missouri's leading farmers want a grain reserve but do not care to put management of it in the

hands of the Commodity Credit Corporation. Their response to three questions about a reserve was:

#### First Preference for Grain Reserve Policy

Policy	Percent
No reserves	24
Reserves "in farmers' hands and under their control"	63
Reserves managed by the CCC	13

The preferred policy is not at all specific, as there are many ways a farmer-held reserve could be managed. But the intent is clear enough. Farmers want to be more involved in a grain reserve of the future.

### Fuel Shortage

An energy crisis and shortage of fuel was scarcely dreamed of in 1971, but was much on farmers' minds in February 1975. Moreover, the farmers surveyed have ideas about what to do or not to do about it.

A third of those answering the questions feel no governmental action to be necessary. The other two-thirds, choosing among four kinds of programs, put allocation or rationing ahead of a tax. The tally:

#### First Preference for "Energy Crisis" Policy

Policy	Percent
No action	32
Dealer allocation	22
Rationing according to need	25
Import tax	10
Gasoline excise tax	11

A tax that would increase the cost of gasoline and other petroleum products would act as a rationer, but only 21 percent of Missouri's leading farmers favor it. The leaning toward allocation or rationing might suggest that farmers believe they would get concessions in that kind of program but not in a tax.

### Farming Practices

How will farmers change their farming practices in response to higher prices of fuel and fertilizer?

One possible route would be to reduce the intensity of cultivation and farm more acres instead. Only about 5 percent of the farmers would do that. More than half would cut back on cultivated acreage. About 40 percent did not indicate a change in acreage—presumably they would keep their cultivated acreage about the same.

However, three-fourths would expect to use less tillage. More than 15 percent would go to minimum tillage.

The vast majority said higher prices of fertilizer cause them to reduce rate of application, but more frequently on pasture than on crops. A third confine their reduction to crops. However, some of this one-third may have no pasture.

### Foreign Trade Policy

*Export Promotion:* A new element in foreign trade policy has arisen the last two years. It is the question of whether, when supplies become very short, steps should be taken to discourage export sales or even to hold back some supplies for our own consumers.

The questions asked, and the responses, were:

Export Promotion Policy	Percent
“Commercial exports should be promoted to the maximum every year”	56
“Commercial exports can be held back in a year of shortage, in order to protect supplies of food to consumers and of feed to livestock and poultry producers”	44
	<u>100</u>

Although the 600+ farmers considered as a group came close to splitting even on the export promotion issue, they showed rather wide differences according to age, education, size of farm, and organization membership. Data in the table below illustrate. They show the percent of farmers favoring maximum possible exports at all times. The rest would restrict exports during shortages.

#### Percent Favoring Maximum Export Promotion Every Year, by Category of Farmer

Category	Percent
Age	
Under 30	61
30-39	69
40-49	64
50-59	51
Over 60	49
Education	
Elementary	44
Some high school	49
High school graduate	53
Some college	60
College graduate	67

Size of Farm	
Less than 300 acres	38
300-600 acres	51
600-900 acres	66
More than 900 acres	72
Organization membership	
Farm Bureau	62
MFA	55
NFO	67
Mid-Am	35

The younger farmers, the college educated, the bigger farmers, and Farm Bureau and NFO members are the most interested in pushing exports to the maximum. Farmers with less schooling, the smaller operators, and dairy farmers of Mid-America Dairymen are more conservative, wanting to hold a nest-egg of food and feed during shortage rather than sell it all.

**Willingness to Import:** Attitude toward farm imports is always a teaser in policy debates. Everyone knows that a nation’s total trade (including financial transactions) must balance over time. Most people, including farmers, want to export their products but find it hard to accept competitive imports.

To make it as down-to-(Missouri)-earth as possible, the questions asked were couched in terms of willingness to accept imports of farm products such as dairy products. The exact questions are reproduced in this table:

#### Willingness to Import Farm Products

Policy	Percent
“Commercial exports should be promoted and imports of farm products (as dairy products) should be restricted”	42
“Commercial exports should be promoted but inasmuch as all trade is a two-way street we should be willing to import farm products (as dairy products)”	58
	<u>100</u>

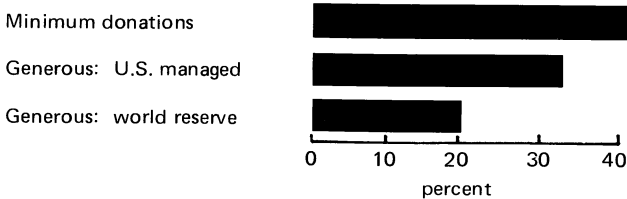
The majority—though not a wide majority—favor accepting imports in order to keep export outlets open. In general, older farmers are more willing to import, as are those with more schooling, the larger farmers, and members of the Farm Bureau and MFA. NFO and Mid-Am members prefer to export without accepting competitive imports.

**Concessionary Exports:** For more than 20 years the U.S. has exported farm products on concessionary terms. These have included sale for local curren-

cy or for long term dollar credit, grants and donations, and barter. These non-commercial exports, mainly financed under P.L. 480, have decreased in recent years but they moved upward again in 1974-75.

Questions on this year's survey were confined to attitudes toward grants and donations. Three choices were offered. The responses are as shown in the chart:

**Preferred Policy for Food Donations Abroad**



About 44 percent of farmers replying prefer to hold a grant and donation program to a minimum. The other 56 percent favor a "relatively generous" program. Of those in favor of food grants, the larger number choose a U.S. program over a cooperative activity with other nations. Even so, the 21 percent figure for farmers willing to go into a world food reserve program appears substantial, inasmuch as such a program is a new idea and has scarcely been tried.

Unlike attitudes toward an export-import policy, the ranking of preferences for grants and donations differs little among various categories of farmers. Age, farm size, etc. make little difference. The one exception is that NFO members are most willing to make generous grants, and also most willing to enter a world food reserve program.

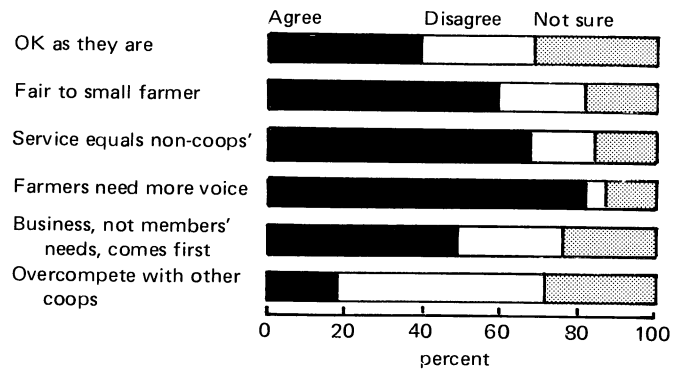
**Attitudes about Cooperatives**

Compared with the other 49 states, Missouri would not be called the strongest cooperative state, nor the weakest.

Farmers receiving the survey questionnaire were asked to give their opinion on six statements about farmer cooperatives. They could agree or disagree with each statement, or could check "not sure."

The six statements were: *Cooperatives are doing a good job and need no major changes; cooperatives are equally beneficial to small and large farmers; cooperatives offer as good services as non-cooperative farm service centers; farmer members should have a greater role in the decision making process of cooperatives (through Board of Directors); cooperatives are more concerned with volume of sales than with the individual needs of the members; cooperatives have created excess competition among themselves, therefore are self defeating.*

**Opinions about Cooperatives**



The 40 percent vote that coops are generally doing all right is up from only an 18 percent vote of confidence in 1971.

The responses must be regarded as indicating general approval of the performance of cooperatives. This accord notwithstanding, farmers believe they do not have enough voice in management, and that volume of business ranks ahead of service to members.

In the 1975 survey, and in 1971 also, the percentage of "not sure" answers was high. Farmers apparently are not entirely certain what to believe about their cooperative organizations.

Opinions about cooperatives are remarkably uniform among all categories of farmers. Age, size of farm, and other characteristics have little to do with how farmers feel about their coops. As exceptions, farmers on the largest acreages are a little less certain that coops are doing a good job, and members of the NFO are considerably less satisfied than are members of other organizations. The responses of members of four farm organizations are as listed in the table.

**Opinions about Cooperatives by Organization Membership**

Opinion and Organization	Agree	Disagree	Not Sure
<b>Percent</b>			
OK as they are			
Farm Bureau	49	22	29
MFA	42	26	32
NFO	18	44	38
Mid-Am	45	16	39
Fair to small farmer			
Farm Bureau	69	16	15
MFA	61	21	18
NFO	48	33	19
Mid-Am	74	8	18
Service equals non-coops'			
Farm Bureau	66	19	15
MFA	69	17	14
NFO	68	18	14
Mid-Am	65	10	25

Opinion and Organization	Agree	Disagree	Not Sure
<b>Farmers need more voice</b>			
Farm Bureau	84	5	11
MFA	85	3	12
NFO	83	7	10
Mid-Am	84	6	10
<b>Business, not members' needs, comes first</b>			
Farm Bureau	42	31	27
MFA	45	31	24
NFO	68	21	11
Mid-Am	33	33	34
<b>Overcompete with other coops</b>			
Farm Bureau	14	56	30
MFA	17	56	27
NFO	31	45	24
Mid-Am	26	48	26

### Collective Bargaining by Farmers

The agree-disagree-not sure method was used to solicit farmers' opinions about group action in negotiating for sale of their products. The questions and answers are as follows:

#### Opinions on Collective Bargaining

Opinion	Percent		
	Agree	Disagree	Not sure
Collective bargaining has a definite place in today's agriculture	74	10	16
Main purpose is to attain higher prices and better terms of trade for farmer members	82	6	12
Withholding actions are a necessary tool of collective bargaining, but should be used only as a last resort	59	24	17
Collective bargaining can only be effective if given more legal authority	39	26	35

The second of the questions is definitional. Most farmers concur in the usual definition as stated there. Those who disagree did not indicate how they saw bargaining, but they could have had objectives such as protecting the existing structure of farming in mind.

As even the leaders of bargaining organizations disagree about whether more legal authority is needed, it is not surprising that Missouri farmers show varying opinions and much uncertainty.

On the subject of bargaining, as on that of co-operatives, farmers' opinions did not vary much except according to their organizational membership. The pattern for members of organizations is described in the table.

### Opinions about Bargaining by Organization Membership

Opinion and Organization	Percent		
	Agree	Disagree	Not sure
<b>Bargaining has a place</b>			
Farm Bureau	70	12	18
MFA	74	10	16
NFO	96	2	2
Mid-Am	82	2	16
<b>Higher price objective</b>			
Farm Bureau	79	7	14
MFA	82	6	12
NFO	95	3	2
Mid-Am	85	2	13
<b>Withholding as last resort</b>			
Farm Bureau	49	31	20
MFA	59	24	17
NFO	91	6	3
Mid-Am	45	24	31
<b>Need more legal authority</b>			
Farm Bureau	34	30	36
MFA	38	27	35
NFO	46	36	18
Mid-Am	33	22	45

A second round of questions related to the likely future for bargaining in agriculture. The questions and responses are:

#### Future of Collective Bargaining

Opinion	Percent
Farmers too independent to join	33
Will bargain only if other marketing fails	30
Farmers will gradually accept as they see economic power in collective action.	37
	100

This is obviously almost an even three-way division.

Again on this battery of questions age and other characteristics had little influence on the opinions

held. Even membership in farm organizations made little difference, with the single exception that NFO members are much more confident than other farmers that bargaining will gradually be accepted as the power advantage is recognized. Farm Bureau, MFA, and Mid-Am members did not differ much.

**Voluntary vs Compulsory Membership**

Most farmers continue to prefer voluntary membership in a bargaining association. The score in the survey was as follows:

Any membership in a bargaining association should be entirely voluntary	74
To make bargaining effective, it should become compulsory if 2/3 of farmers approve	26
	100

The only category of farmers showing a majority vote in favor of compulsory membership was NFO members. And for them the margin was the smallest possible: 49 percent voluntary, 51 percent compulsory.

**Contracting in Agriculture**

Contractual production and marketing of farm products is on the increase. Opinions vary about whether the practice is good and how it can best be dealt with.

Missouri's leading farmers were asked to check which among four points of view comes closest to theirs. The viewpoints and tally of responses are as follows:

Attitude toward Contracting	
Opinion	Percent
Is inevitable; accept it	2
Helps reduce risks; is desirable	26
Hurts agriculture; resist it	23
Is acceptable only if farmers take joint action to set contract terms	49
	100

Attitudes toward contracting vary more by age and organizational affiliation than any other personal characteristic. Data follow:

**Attitude toward Contracting  
by Age and Organization Membership**

Opinion	Percent				
	Under 30	30-39	40-49	50-59	Over 60
Age					
Is inevitable; accept it	0	0	3	2	2
Helps reduce risk; is desirable	50	39	24	23	18
Hurts agriculture; resist it	9	19	20	24	26
Is acceptable only if farmers take joint action to set contract terms	41	42	53	51	54
Organization membership	Farm Bureau	MFA	NFO	Mid-Am.	
Is inevitable; accept it	3	2	0	0	
Helps reduce risk; is desirable	29	21	12	18	
Hurts agriculture; resist it	18	24	21	18	
Is acceptable only if farmers take joint action to set contract terms	50	53	67	64	

Younger farmers are much less alarmed about contracting than older farmers are. Farm Bureau members show somewhat less concern than members of other organizations. But a substantial number of farmers in all categories want protective joint action. NFO and Mid-Am members want it most of all.

### Contract with Coop?

If many farmers feel a little squeamish about the trend away from open markets and toward contracting, how do they regard contracting with their own cooperative or bargaining association? The questionnaire inquired about farmers' willingness. The response was close to an even division but with a majority on the favorable side: 58 percent are willing to contract with their own group; the other 42 percent are not.

The near-balance was found among farmers of all ages, education, and farm size. There was more difference according to organizational membership. The percent of farmers willing to contract with their cooperative or bargaining association is as follows for four principal organizations:

Farm Bureau	55 percent
MFA	61 percent
NFO	83 percent
Mid-Am	80 percent

NFO and Mid-America members are clearly the more willing to enter into tight contracts with their own associations.

### Who will Control Agriculture?

In 1975 as in 1971, one of the policy issues that does not surface so often but never disappears is who will own and control agriculture in the future.

Persons filling out the questionnaire were first asked which of four opinions is closest to theirs. The four choices and the answers follow:

#### Forecast of Future Kind of Agriculture

Opinion	Percent
Family farm "will be main force"	52
Family farm will dominate only if protected by law or tightly-knit coops	30
Family farm will give way to individual non-farm investors	5
Family farm will give way to agribusiness	13
	100

Only 18 percent of Missouri's leading farmers believe the family farm will be displaced. However, a big chunk of them—30 percent—think some defensive action will be necessary.

In general, confidence in survival of the family farm, particularly in the absence of defensive measures, is least for the older farmers, those who

work off the farm, the least educated, the smaller farmers, and, among farm organizations, the NFO members. Farm Bureau members are highly confident the family farm will survive.

#### Forecast of Future Kind of Agriculture by Organization Membership

Opinion	Farm Bureau	MFA	NFO	Mid-Am
Family farm as main force	64	46	27	45
Family farm only if protected	24	36	55	40
Individual non-farm investors.	4	4	2	2
Agribusiness firms.	8	14	16	13
	100	100	100	100

### Tax Loss Farming

Another line of questioning was related to so-called "tax loss farming," also known as tax shelter farming, or even tax subsidized farming. This is a fairly new issue in farm policy.

Only a portion of the respondents showed concern, but many who did so added written comments indicating that their concern was deeply felt.

Farmers were asked to indicate their agreement, disagreement, or uncertainty about four statements. The statements are given below, verbatim:

*Tax concessions have brought large amounts of new risk capital into farming.*

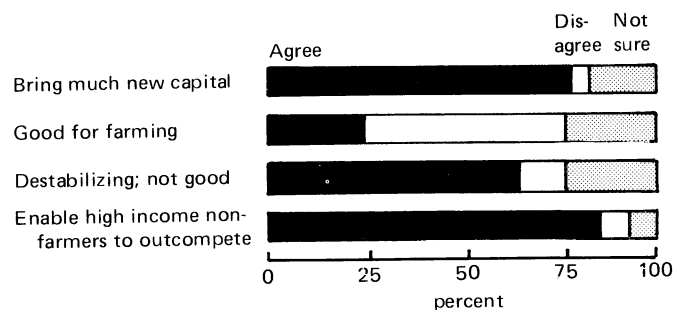
*Tax concessions have been good for farming in general.*

*Injecting more risk capital via tax concessions causes production to be greater and more variable, and is harmful to farming.*

*Tax concessions have made farm investments particularly attractive to high-income nonfarmers who get a tax-loss income while operating farmers take a loss. The average farmer cannot compete with this.*

The responses are shown in the chart:

Attitudes toward Tax Concessions ("Tax-loss")



The second and third questions are almost (but not quite) opposites. The big 24 percent not-sure group for those questions indicates considerable uncertainty.

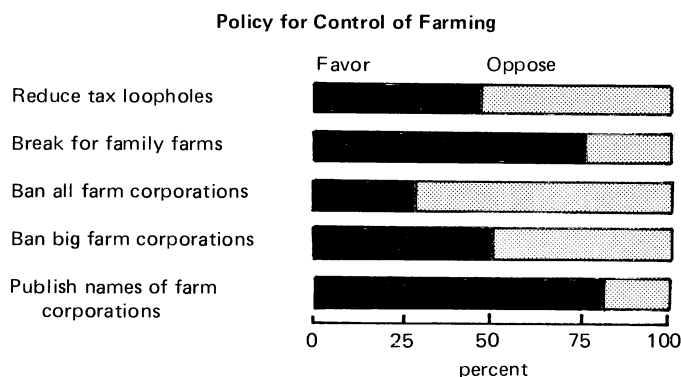
The prevailing opinion is that tax concessions bring added capital but are destabilizing and definitely enable high-income nonfarmers to outcompete traditional operating farmers.

Older farmers are more negative toward tax-loss farming than younger ones. So are the smaller farmers and farmers with less schooling. Among members of organizations, NFO and Mid-Am members are most negative, Farm Bureau members least so. But Farm Bureau members too were on the unfavorable side.

### Control Policy

Farmers were asked whether they favored or objected to five possible kinds of policies affecting who will control agriculture. The choices ranged from tough actions such as to cut income tax concessions sharply and to prohibit all farming corporations, to a gentle one that would require publishing names of corporations that farm. Another direction is to give family farm units special favorable treatment in taxes, pollution control rules, and such.

The responses are shown in the chart:



Missouri's leading farmers divide about equally on plugging tax loopholes. Half would do so, half would not.

The division is particularly meaningful, not only because the tax deduction issue is relatively new but also because it puts each farmer in a dilemma. Any deduction is individually attractive, yet a general tax deduction policy can recast the competitive balance within agriculture, and especially between farm and nonfarm investors in agriculture.

Although the majority would not want to prohibit all corporations, about half would prohibit giants. (An Act of the Missouri legislature restricting new farming corporations of largest size was signed into law by Governor Bond.)

The vast majority want at least to make known what corporations are farming in Missouri.

For some policy questions, opinions differ by age category of farmer. For example, with respect to reducing tax loopholes the differences are as shown in the table. Data are the percentages of farmers wanting to close some of the loopholes. The rest would not take the action.

### Percent Favoring a Sharp Reduction in Income Tax Concession in Farming by Age, Education, Size of Farm, and Organization

Category	Percent
<b>Age</b>	
Under 30	27
30-39	48
40-49	44
50-59	57
Over 60	48
<b>Education</b>	
Elementary	57
Some high school	46
High school graduate	52
Some college	41
College graduate	40
<b>Size of farm</b>	
Less than 300 acres	5
300-600 acres	55
600-900 acres	42
More than 900 acres	33
<b>Organization membership</b>	
Farm Bureau	45
MFA	47
NFO	58
Mid-Am	50

The older farmers are more interested in plugging tax loopholes that give high-bracket investors an advantage over lower-bracket ones. The same attitude is held by farmers with less formal schooling, and the small farmers. NFO members are more inclined that way than members of other organizations.

Farmers do not differ much regarding the desirability of giving family farms certain advantages. Older ones feel more strongly than younger. College graduates are somewhat less enthusiastic than farmers with less schooling. Farm Bureau members do not vote as high as members of other organizations. But farmers in all categories show a majority preference for favorable treatment for family farms.

Almost the same pattern of opinion appears with respect to banning all farming corporations. Though no category has a majority vote the highest support for restrictions come from older and smaller farmers and those with least schooling. NFO and

Mid-Am members give higher support than Farm Bureau and MFA members.

That pattern follows through to the idea of prohibiting only the largest corporations, though the differences are not sharp. Most categories of farmers divide about equally on this question.

Every sub-group of farmers wants to publish names of corporations engaged in farming.

### **General Attitudes**

Farmers filling out the questionnaire were invited to add any comments. Although it is difficult to summarize them, a few ideas showed up often. One is that the questionnaire itself did not permit the farmer to reflect his opinions exactly. To some extent there is always a conflict between making an opinion questionnaire detailed enough to allow exact reporting of attitudes, and keeping it short enough that farmers will fill it out.

In another sense, many farmers replying indicated that their position on various issues is not

set in concrete but subject to modification as conditions change. For example, collective bargaining is not everybody's favorite yet many farmers would consider it if circumstances seemed to call for it.

On a few issues, some categories of farmers felt differently than others. Yet opinion did not range widely on the whole. There seems to be a considerable degree of similarity among Missouri's leading farmers. Even when they disagree, the disagreements do not follow class lines closely—by age, size of operation, or even organizational membership.

Nor do the attitudes reported in 1975 differ greatly from those of 1971. Apparently there is not only some uniformity in Missouri farmers' opinions about policy, but stability also.

The tone of the comments shows a little more confidence born of the better times for most farmers the last few years. Yet even this is tempered with considerable apprehension. Few of Missouri's leading farmers think Missouri agriculture "has it made."



## APPENDIX

### Data for Graphs

<b>First Preference for Farm Program</b>		<b>Preferred Policy for Food Donations Abroad</b>	
Program	Percent	Policy	Percent
1973 law:		Minimum donations	44
unchanged	9	Generous donations	
higher support/target prices	50	U.S.-managed	35
Stricter control	23	World reserve	<u>21</u>
No program	<u>18</u>		100
	100		

### Opinions about Cooperatives

Opinion	Agree	Disagree	Not sure
OK as they are	40	28	32
Fair to small farmers	59	23	18
Service equals non-coops'	65	19	16
Farmers need more voice	82	5	13
Business, not members' needs, comes first	48	29	23
Overcompete with other coops	18	54	28

### Attitudes toward Tax Concessions ("Tax-loss")

Bring much new capital	78	5	17
Good for farming	24	52	24
Destabilizing; not good for farming	63	13	24
Enable high income nonfarmers to outcompete	84	8	8

### Policy for Control of Farming

	Percent	
	Favor	Oppose
Reduce tax loopholes	47	53
Favorable tax, pollution, and other rules for family farms	77	23
Prohibit all farm corpora- tions	29	71
Prohibit very large cor- porations in farming	51	49
Publish names of farm corporations	82	18



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