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A VIEW FROM THE FARM

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Agriculture has changed a great deal since my father started farming. But the economic condition of farming today is not very different than when my father was in his prime.

The high debts and low income we see today in farming have been experienced before. My family has seen these conditions before.

My grandparents moved to this land when my father was one year old. He grew up and left the farm for Pleasantview Luther College, but returned to work the land when his father was killed in a grain wagon accident.

Dad had three brothers and decided to buy the farm from them. The brothers bought other farms with the money they received from him. Some of this was financed with borrowed money which all were confident would some day be paid back.

At first they prospered. In fact, one of my Dad's brothers became well known in purebred circles for his fine cattle, hogs, and sheep. But they lost their farms during the hard days of the Depression.

The farm debt in those days was a burden that is difficult to describe. It was humiliating and degrading what many farmers went through. My mother has told me about the people who held the note on our farm. The wife of the man who held the note would come into the house and look around to see if my folks had spent money frivolously. She inspected the furniture and even looked closely at the drapes!

My parents, along with others, made tremendous sacrifices. Having been born in 1929, I have great admiration for Dad and Mom because I know a little of what they experienced. My sister and I always had the necessities, but luxuries were not known in those early years. I can remember how my mother used to dream of inside plumbing, a gravelled lane into our yard, and paint on the buildings. The thrill we experienced when we got these and other amenities is im-

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possible to describe.

With debts high and incomes low, not everyone could stay on the farm. My father's cousin worked as a hired man for my father at one time. But he decided the work was too hard and the pay too low and went to seek his fortune in Chicago. He found it, apparently, rapidly becoming wealthy.

I'm sure my father's cousin was convinced that he made the right decision by seeking greener pasture. But there was a stigma for people who were born into farming and later decided to leave. It was a way of life and they knew it.

Unfortunately, many good farmers failed because of conditions beyond their control. During the difficult years from 1929 to 1932 net income for farmers fell from \$6.3 billion to \$1.9 billion. According to records from Purdue University, 500 farms in Indiana averaged \$208 a year.¹

I heard my Dad tell of a neighbor who shipped his hogs to Chicago. The price was so low that the commission man urged the neighbor to haul his hogs back home and bring them another day. The poor fellow couldn't afford to take them back home because the transportation would have cost more than the hogs were worth.

I am not too fond of farm programs, but can readily see why farmers of that day felt the need for them. There was a feeling of despair. Farm income had dropped 56 percent from 1929 to 1932.² People were doing hard physical labor and making no money doing it. A feeling existed that a dramatic change had to be made.

In 1933, President Roosevelt's administration devised the Agricultural Adjustment Act which led us into the commodity programs. We started limiting production and producing for our own needs. One positive aspect of these programs was that it put money into the hands of desperate farmers. It gave them new hope. However, most farmers that I have talked to indicate they did not really extricate themselves from their financial plight until the war brought much higher prices.

But the government has continued programs similar to the Depression-era programs to this day. That, as we know, is typical of government. Once a new program is in place, it is difficult to get it removed.

My feeling is that the government should be involved in our lives only to the extent that we can't better be served by

1. D. PAARLBERG, FARM AND FOOD POLICY 20 (1980).

2. *Id.*

private enterprise.

I think a case can be made at the present time for commodity programs, because many farmers find themselves in a disastrous financial condition. A number of farmers were too highly leveraged in the 1970's; when inflation was reduced, land values shrank and they found themselves highly vulnerable.

The government, in my opinion, deserves considerable blame for the economic problems we are experiencing. Through embargoes, for instance, we have lost markets that will never be regained. I heard Alexander Haig say that President Reagan made a great mistake when he eliminated President Carter's embargo. I can't see how an intelligent person can think that that kind of government action can be effective. Someone else is always there to step right in and supply the need.

In a very real way, grain producers and oil producers have much in common. OPEC had much more control over a much larger percentage of available oil supplies than we had over grain. For a while their production cutbacks worked, but now their scheme is proving to be a failure. Other producers have entered the market and oil users have cut back. Oil prices have dropped dramatically. The reasons for withholding the product were different, but the results were the same.

Farmers, more than oil producers, are price-takers rather than price-setters in that they pretty much have to accept the price for their products that the market offers. From a practical standpoint, a farmer can't unilaterally cut back on production to make prices rise.

Since the 1930's, when government programs were first enacted, there has been a segment of agriculture that has argued for cutbacks in production and high price supports. The weakness in this idea is that it sets artificially high prices and prices us out of the world market. We end up growing only for our domestic market. This then encourages other areas of the world to get into production, despite the fact that they cannot produce as efficiently as we could if we were free to produce for the world market.

I feel it is all right to have a government safety net to avoid disaster, not only for the benefit of farmers, but because of the strategic nature of the product we produce. Where will the hungry turn in times of crisis if America isn't there to provide? But again, we must be competitive.

Most farmers, I think, would prefer to produce as much

as possible. If we aren't hamstrung by inconsistent, wasteful government practices, we can compete with anybody.

A strong case can be made for limiting production on marginal land, however. In an emergency we might need that land, so good conservation practices should be used to preserve it in the event it is needed in the future. I want to stress also that we in agriculture need to adopt good conservation practices on all of our land. Some farmers for years have been progressive in this respect. We need to preserve our good soil for future generations.

One problem which has prevented us from being competitive in the world markets is the power which organized labor exercises. The Congress defers to them because of their great voting strength. A certain amount of grain has to be transported on U.S. flag ships despite the fact that the higher costs involved make our grain less competitive. Foreign ships would be much less costly. It is argued that we need to maintain our shipping in case of war. If that is the case, this cost should be borne by the Defense Department, not by the American farmer.

Another problem with organized labor is that it seldom receives the blame it deserves. A case in point is when beef prices rose dramatically a number of years ago. The public became aroused. A scapegoat was sought. In his book *Farm and Food Policy*, Don Paarlberg gives the following account:

The National Commission on Food Marketing, which reported in 1966, examined agribusiness in great detail, looking for evidence of monopoly and other practices that might increase the price of food. Labor, by far the largest component of the food marketing bill, making up 48 percent of the total marketing costs in 1977 (U.S. Department of Agriculture 1978, p. 12) was ignored. This was in spite of the fact that organized labor is known to have work rules that increase marketing costs and thus retail food prices. I asked George Brandow, Director of the National Commission on Food Marketing, why the commission had not looked at labor. The enigmatic reply: "It would have been a can of worms."

During the mid-seventies there was a move, initiated in Congress, to launch another Commission on Food Marketing. The cooperation of the Department of Agriculture was sought, since USDA had many of the people and much of the information needed to conduct such a study. The department said it would cooperate if—and only if—the study

were truly comprehensive, inquiring into all aspects of the food industry, including labor practices. Thereupon the proposal was dropped. This raises the question whether the proposed study was an authentic effort to get the facts regarding food marketing costs or whether it was a witch hunt, with the witch selected in advance.³

In marked contrast to organized labor, when agribusiness has been guilty of excess, firm action has been taken. To give just one example, consider the case against the meat packers charged in the early 20th century with attempting to monopolize and restrain trade. A solution was negotiated and the firm of Swift, Armour, Morris, Wilson and Cudahy agreed to dispose of its holdings in a variety of interests including public stockyards, rail terminals, public cold storage warehouses and retail meat stores. Swift and Company was also forced to divest itself of the firm Libby, McNeill and Libby.⁴ Even acknowledging the fact that violations by agribusiness in the past have injured farmers, there has been a forceful effort made to investigate and stop these activities.

Despite these and other problems, I feel farmers have surprising strength in the political arena. The people who support our interests include those who once farmed, relatives and friends of farmers, and people in rural areas. But support is not as solid as it once was, even though a number of former urban residents have moved to the countryside to enjoy the country air. It will probably take a lot of that air to turn them into true conservatives!

Polls indicate that our city cousins generally respect farmers. Whatever the reason — respect for the rugged individualist posture of many farmers, admiration of the gambling spirit which so many say the farmer requires, or respect for the reliance and faith in God that one must have to continue in this work — I appreciate their support. It is also extremely helpful to a group which makes up no more than 3 percent of the total United States population.

We need the support and understanding of others to help us solve the problems facing farmers. But non-farm people don't always hear clearly what farmers want. Part of this is our fault. The farm community does not always agree on what directions the nation should take.

But we have ways of compromising and establishing con-

3. *Id.* at 213-14.

4. *Id.* at 207.

sensus in the farm community. I get frustrated when I hear the media and some politicians talk about having difficulty deciding what farm policy farmers want. It seems to me quite apparent that the nation's largest farm organization, the Farm Bureau, holds the key to understanding what the majority of farmers want. The Farm Bureau is a grass-roots organization that sets its policy in the most democratic way I can imagine.

Like my father, I have been active in the Farm Bureau nearly all my life. I came home from service in the Korean War and was asked to go to a policy development meeting with my folks. I wasn't too pleased, but I went. I was even less pleased when the caucus elected me Director of Freedom Township that night. However, as I learned more about my job, I began to realize I could contribute in a meaningful way. I was selected to travel throughout the county the next year and lead discussions on problems as we saw them on the local level. One of the needs was for more nurses, so I was encouraging young ladies to go into nursing. The irony of this was that I had met a nursing student who was in a four-year program but had completed only one year. I convinced her to marry me a year later, so she still had two years to go. As a matter of honor, I felt obligated to encourage her to go back to our local junior college after our four children had arrived. She now works part-time in the obstetrics division of our local hospital and teaches prenatal classes.

My wife and I headed up the first Young Farmer's Committee in LaSalle County and were invited to Chicago to help set up a pilot program for the state. This was very exciting and helped to prepare us for leadership roles later on. Several years later, I served for three years as Vice President and for five years as President of the LaSalle County Farm Bureau. I also was appointed to some state Farm Bureau activities and committees. I had the opportunity to be an alternate delegate to the American Farm Bureau Federation and learned a great deal about the regional differences in farmers' thinking. I'm very appreciative of the learning opportunities I've received.

I am currently serving as Vice President of the LaSalle County Farm Supply. Our cooperative does business in grain, fertilizer, feed, seed, fuel, buildings, and other farm products. This position, too, has enabled me to learn more.

I mention all of this so that it will be clearer as to what has shaped my philosophy. I can work with the Farm Bureau because it is conservative and in my judgment reflects what

the majority of farmers believe in. The organization started out as an educational group and grew into what it is today. I have seen the resolution process at the local, state, and national level. This grass-roots system of determining policies is the most democratic process that could be devised.

Our family has had the unusual experience of hosting a Jewish family from Hyde Park, Illinois for a weekend. We have formed a good friendship and each of us has sought to better understand the other. In a small way, this helps to foster understanding. It all resulted from the Farm-City exchange program which the Farm Bureau and WGN radio in Chicago jointly sponsored. Further efforts must be made to expand programs such as this. It can only help to improve understanding between differing peoples and nations.

What does the future hold for agriculture and for our family farm? I don't know the details but I know the general outline.

Our children share our general outlook, as we shared that of our parents. Our daughter Karla is in nurses' training, following in her mother's footsteps. Our son Steve is finishing high school and would very much like to stay in agriculture. He particularly likes the hog business.

Phil, our middle son, was killed along with my cousin in a combine accident. He was 21 and was about to be engaged to a Minneapolis girl he had met while traveling on a gospel team. He had planned to farm with me. If it hadn't been for our own faith and Phil having made a strong commitment to Christ two years before his death, I don't know how we would have coped.

David, our oldest son and then in college, decided to come back to the farm. He and his wife, Lisa, are the proud parents of a son, Benjamin Gabriel. Dave and I have a small hog operation and farm 570 acres with much help from the family.

So you see, life on a family farm goes on, repeating itself in cycles of good times and bad.

At the moment, the job is difficult because of thin profit margins. But in our case, we are thankful to the good Lord for good to abundant harvests for several years. And if the government doesn't get too overbearing, I believe the prospects are promising for the years ahead.

My family knows from experience that we will see good times again.