Economists List "Predictions" For — After Farm Programs are Dropped

Could farm income problems work themselves out in the open market? Suppose all State and Federal controls on production, marketing, and consumption were to be removed.

The effects would be immediate and long range In a paper presented at the recent National Conference on Agricultural Policy at Gull Lake, Mich., Dr. Fred F Robertson, extension agricultural economist at Penn State Univ listed nineteen of these effects — twelve short run (3 to 4 years), seven long run

Dr. Robertson, a specialist in public affairs, developed in his presentation one of nine alternatives in agricultural policy as outlined at the 1957 conference by Dr. George E Brandow, of the department of agricultural economics at Penn State

Dr. Brandow reported on last winter's Joint Congressional Economic Committee hearings in Washington at which he and other economists presented his farm policy alternatives in detail He also helped to summarize the findings of nine different work groups, each of which had under study one of his alternatives

Dr Robertson, resource person for his work group, explored in his paper the possible effects from lifting all controls and letting the farmer deal in the open market

His conclusions are as follows

SHORT RUN EFFECTS

1 Fewer inputs (land labor capital, etc) would be used in production than would be the case under supports.

2 A slowing down in the use of known technology by a large number of farmers would occur

3 Aggregate total agricultural output would increase but at a slower rate than would be the case with government price programs in effect

4 There would be an increase in the acreage of crops now under acreage control

5 Prices and income to most producers would be reduced but the effects would vary widely among groups of farmers

6 An equalization of prices between corn, wheat, and other feed grains would take place.

7 Feeding of livestock and competition between livestock producers would increase.

8 Milk producers would experience more price fluctuation and lower incomes without the assistance furnished by marketing orders

9 Cotton acreage per farm would increase and rapid shifts in location of production from the Southeast to the Delta and the West would occur

10 Poultry producers would face more competition from lower priced livestock products, but would have cheaper feed.

11. Fruit and vegetable producers would be least affected because many of them have or can develop strong, highly integrated marketing organizations that would continue without marketing orders and agreements.

12 Wheat acreage would increase, and income to wheat producers would be cut considerably below present levels

LONG RUN EFFECTS

1 Discovery of new technology aimed at reducing per unit cost of production would continue but the rate of adoption would slow down.

2. Strong marketing organizations would develop along the lines of vertical and horizontal integration.

3 Relative marketing margins would widen because of the lowering of prices at the farm level.

4 Incomes of efficient producers of most commodities would increase from short term levels and the gap between the level of income of efficient producers on adequate size farms and inefficient producers on inadequate size farms would widen. An increasing number of the latter group would leave agriculture if non-farm employment opportunities were available.

5. Vertical integration and contract farming would increase in all commodity lines.

6. The decrease in the number of farms and the increase in size of farms would continue unabated

7 Farm land prices would remain strong but probably cease to rise for some time.

State Forestry Trees Order Deadline Oct. 15

LANCASTER — Final deadline for orders to be placed with the Penn. Dept. of Forests and Waters for forest tree seedlings for fall plantings is October 15, according to John Kitch, district forester. Spring deadline is February 15, 1959.

Planting stock tentatively available for shipment during the fall and spring is listed below. Trees will be reserved in the order in which applications are received until available nursery stock of each species is exhausted.

Minimum orders acceptable are: Forest tree seedlings — 1,000; Multiflora rose — 250; Chinese chestnut — 25. Orders must be submitted on Nursery Stock Application Form FWPE-5.

The price of forest tree seedlings and multiflora rose is $6.00 per thousand. Chinese Chestnut seedlings are 25 cents each.

Under normal weather conditions, seedlings of the following species will be available.

White, Pitch, Banks, and Austrian pine; Norway and White Spruce; Hemlock; Japanese and Europe Larch; Black Locust; Green Ash; Red Oak; Multiflora Rose and Chinese Chestnut.

Shipments will be made by Railway Express C.O D. Will Call orders will be paid for at the nursery.

Kitch suggests that Lancaster area farmers order trees for planting in late February or March, before spring plowing. White Pine and Spruce have been proven in open fields, and Hemlock is proven in the valleys along streams under shade. However, all three can be planted under large trees with good success with the owner cutting openings as they grow.