The Application of the Agricultural Adjustment Program

To Dairy Farming

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The vital problem concerning the dairy farmer of Wisconsin is that of getting a price for his dairy products large enough so that the majority of farmers can get the cost of production and a reasonable profit for their products.

Attempts are being made to bring about such a situation by means of a controlled production. One of the methods aimed at to control production is culling herds of boarder cows and diseased cows, which would leave more feed for the better cows and would lower production very little if any. I grant that it is better efficiency to produce the same volume of milk with fewer cows, however in my opinion this matter should be left up to the initiative of each individual farmer. If any aid is to be administered along this line I would suggest that all herds be tested each month by means of a testing association sponsored by the state. If all the states did this it would provide work for about five thousand farmer boys, and put three million dollars into circulation in rural communities every year.

The other method cited to control production is the allotment plan with its benefit payments. This plan calls for a reduction of 10% in production of butter fat for all milk produced from April this year to April 1935 or longer, established on the base of average production in 1932 and '33. The funds for these benefit payments are to be raised by means of a processing tax of probably five cents per pound of butter fat. The processor does not want to raise this tax by raising the price to the consumer because it will lower his volume of business, he does not want to stand the tax himself because it will reduce his profit. There is only one way left to raise the tax--lower the price to the producer. This results in the farmer taking the money out of his own pocket, putting it in a general fund, and getting it payed back to him in the form of a benefit payment for the butter fat that he has quit producing.

Why be so concerned with our production anyhow? Yes--I know you are afraid of surpluses and overproduction--but don’t you suppose old mother earth provided for that when she established her balance of nature? The balance of nature has not yet deserted us, we haven’t yet been swarmed with mosquitoes even as fast as they reproduce. The birds of the air haven’t yet become so numerous as to shut out the sunshine from our fields. Nor have we been trampled on by thundering herds of buffalo.

You say “What bearing does that have on controlling the production of dairy products?” The same balance of nature that keeps the insects, the birds, or the beasts from becoming dominant on this earth will take care of the amount of dairy products produced. We can’t raise more dairy cattle than we can raise feed for. We may, of course, get an exceptional crop one year, or some farmer may over-work his land to raise more feed over a period of years, only to disable his land and curtail his future production.
It is true that through the efforts of our agricultural experiment stations we have been able to increase our production, but our population has also been steadily on the increase. We have at present more dairy products than our 123 million people can buy but not more than our 123 million people can eat. According to 1933 World Book figures it is estimated that our population will not become stable until it reaches 160 million. Our land area in the United States will not increase with that population and by the time we increase our production per acre another stretch to satisfy that increase in population we won't need to worry about any over-production. Such a production control program as I understand is being advocated by our present administration would be a step backward in the progress of our civilization.

I say as Victor Hugo said, "Ever onward, for if God had intended that man should go backward he would have given him an eye in the back of his head."

One of the main reasons for the dairy farmers' situation today is the fact that he is already a step behind the times in his marketing methods. He has depended too much on the bombastic oratory of politicians. It is time for the farmers to begin to use a little foresight and forethought, time to quit looking entirely to the government for help and begin to help themselves.

The farmers seem to have forgotten that bit of socialism that was advocated by Lincoln when he said that all men are created with equal rights. So they have gone on quarreling over markets, selling products to the highest bidder or to the most convenient marketing place whether it be private or cooperative. All this is done in the attempt of one farmer to outdo the next. In a few public spirited communities cooperative milk plants have been set up but only to struggle with private concerns that have already gained too strong a foothold. Chicago's P.M.A.'s have been holding to their fluid milk market but they have been content to let Chicago milk distributors distribute their milk at a margin of six cents per quart when a cooperative set-up of their own could have done the job for four cents per quart.

The time is near at hand, however, when citizens of Chicago and the city council of that city will awake to the realization of the fact that they can get their milk outside of the one hundred mile milk zone of the P.M.A. There are plenty of farmers outside of that milk zone that would be ready to grab at a chance to market their milk to Chicago milk dealers even at $1.40 per hundred weight. Yet these farmers would be defeating their own purpose as well as hurting the members of the P.M.A. by so doing. It is therefore necessary that the dairy farmers of the midwest set up their cooperative distributing plan to avoid that competition among producers which gives the independent dealers so much bargaining power in setting the producers' price.

I therefore urge that dairy farmers of the midwest forget about flowery sounding relief programs and double their efforts to establish cooperative milk plants that would be farm owned and operated under the board of directors elected by the farmer stock holders. These cooperatives should take care of the marketing of all dairy products whether it be the fluid milk in the Chicago milk zone or if it be the milk of the dairy farmer of northern Wisconsin which most logically would be converted into butter or cheese because of the lack of fluid milk markets in that section. The milk receipts from all these cooperatives
should be pooled at executive headquarters, then rebated back to the farmers. Then all farmers would receive the same price per pound of butterfat for their product with the exception of a difference of about five cents per pound for quality A and quality B milk. This to me seems to be a just method for after all—isn't a pound of butterfat produced by one farmer worth as much as a pound of butterfat produced by another farm providing they were produced under equally sanitary conditions.

What Should Be Done With the 40 to 50 Million Acres Taken Out of Production?

Miss Beth Miller
Evansville, Wis.

(Copy of talk not available)

What Should Be Done With the 40 to 50 Million Acres Taken Out of Production?

Mrs. L. G. Lambert
Elk Mound, Wis.

Disposal of land contracted to the federal government is a question of vital interest to the farmers of Wisconsin. Will this land be utilized for legumes and consequently compete with Wisconsin's important dairy industry? Consider the fact that these retired acres represent an area four times the amount of land under cultivation in the state of Wisconsin.

What will be done with this land? Various sections of our country are adapted to certain industries. The mid-western states are important for the production of wheat. The southern states for the production of cotton. These sections need not be apprehensive of our state competing against them in the production of these products. But what of Wisconsin's important industry? Its chief source of income is derived from dairy products. Is there danger of other states competing against us? Decidedly yes, We find the dairy cow in every section of the United States. With the advent of our federal program of crop reduction farmers all over the nation will be encouraged to expand their dairy activities because certain AAA provisions permit contracted acres to be planted to legumes.

Permit me to cite a few figures regarding the dairy industry of Wisconsin: Livestock and livestock products amount to 85.7% of the total agricultural income of Wisconsin. Milk alone provides 51.3% of all farm income. Wisconsin produces over one-tenth of all milk produced in America. From these figures one can readily understand the importance of protecting the dairy interests of Wisconsin.

How can we dispose of these retired lands?

The official answer as given in Section 5 of the AAA ruling provides for the use of these lands as follows: