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THE PILOT CROPLAND CONVERSION PROGRAM

Accomplishments in its First Year, 1963

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SUMMARY

This is a report of a study of the 1963 Pilot Cropland Conversion Program (CCP) in five areas after its first year of operation. The five areas included one each in North Dakota, Iowa, and Mississippi, and two in Georgia. Most of the land under agreements will remain in the program for 5 years. About a third of the land in North Dakota and a tenth of the land in Georgia will remain in the program for 10 years. Payment for conversion ranged from $8 an acre for the poorest land in the program in North Dakota to $70 an acre for the best land in the program in Iowa.

The quality of land in the program appeared to be slightly below the average of the respective counties, although the methods used to measure quality did not give consistent results. Except in Mississippi, 1962 crop yields on participants' farms were below those on neighboring farms, and the change in crop yields from 1962 to 1963 indicated that the poorer land on participants' farms was put under agreements. In all areas except North Dakota, however, ASC committees had rated most of the land in the program as above average. Normal yields of major crops--wheat and corn--assigned to farms by ASC committees for administration of the wheat and feed grain programs differed little between participants and nonparticipants.

From two-thirds to four-fifths of the land under agreements in North Dakota, Mississippi, and the Coastal Plain of Georgia was used for row crops or small grains the year before it was put under a Cropland Conversion Program (CCP) agreement; in the Piedmont of Georgia, less than one-half was similarly used, and in Iowa the proportion so used was only one-third. But in Iowa, one-fourth of the land in the program was diverted under the Feed Grain Program in 1962. Nearly all of the land will be used for pasture while under a CCP agreement. Except in Iowa, from 80 to 100 percent of the land will remain in a conserving use after the agreements expire. In Iowa, half the land will revert to production of cultivated crops.

In each of the five areas studied, farms in the program were larger and the size increased more from 1962 to 1963 than other farms in their respective counties. They usually had as many or more acres of allotments and feed grain base, and they had more livestock.

The number of livestock on all farms--chiefly beef cattle--rose rapidly during 1963, but they increased faster on participants' farms. The expected increase in number of beef cattle on participants' farms, during the life of the agreement, ranged from 30 percent in the Coastal Plain of Georgia to 90 percent in Mississippi. Cash crops provide the chief source of farm income for participants and it will continue to be the main source on most farms even after fully adjusting to the Cropland Conversion Program. By 1967, however, participants in the Piedmont of Georgia expect beef cattle to be their chief source of farm income.

Farmers' total cash expenditures for approved cost-shared practices ranged from one-fourth larger to three times as large as payment received. From one-third to one-half of the farmers changed their livestock enterprises to better adapt to the Cropland Conversion Program. From 4 percent of the farms in North Dakota to 31 percent in the Georgia Piedmont reported that labor requirements were reduced as a result of the program.

Farmers in the Cropland Conversion Program were younger, had more education, and except in North Dakota, a slightly larger proportion of them had off-farm jobs in 1962. Participation in the program did not affect the number with off-farm jobs in 1963. Those with off-farm jobs in 1963 ranged from 19 percent in North Dakota to 71 percent in the Piedmont. Less than 3 percent of the farmers in any area were looking for off-farm jobs.

Incomes from off-farm sources were highest in Mississippi and Georgia. In the Piedmont, two-thirds of the participants had annual incomes from off-farm sources of $2,000 or more and a third of them had $5,000 or more. Off-farm incomes of nonparticipants were lower.

Gross farm income and total debts were higher for participants than for nonparticipants, but more of the nonparticipants were debt free, especially in Mississippi and the Piedmont.

Most farmers participated in the Cropland Conversion Program because they expected a larger or more certain income. A second reason, almost as important as the first, was that the program facilitated a change to a different type of farming. Of the farmers estimating expected income before signing an agreement, from 57 percent in the Coastal Plain to 95 percent in Iowa said their 1963 incomes changed as expected.

Most farmers not in the program stayed out because they expected crop production to be more profitable or because participation would interfere with desired land use. Up to 45 percent of nonparticipants in the Piedmont did not participate because they were unfamiliar with the program.

From nearly one-half to three-fourths of the participants would extend their agreements for another 5 years on the same terms as offered for 1963. More than 90 percent in North Dakota and Mississippi would extend their contracts if payment were raised 25 percent, but very few would extend them if payments were lowered 25 percent.

Nonparticipants would be much more reluctant about participation in any future program. The proportion of nonparticipants who would participate is smaller than the proportion of participants who would put more land into the program. Likewise, the acreage that nonparticipants would divert is smaller than the additional acreage that participants would divert under the same terms.

Up to three-fourths of the participants and 40 percent of the nonparticipants would divert some of their feed grain base or wheat allotment for a premium of 50 percent over the 1963 payment. A large majority of farmers also preferred a lump sum payment to five annual payments, but not if the lump sum were 10 percent less than the sum of the annual payments.

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by

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INTRODUCTION

The 1963 Pilot Cropland Conversion Program authorized by Section 101 of the Food and Agriculture Act of 1962, authorized up to 10 million dollars of payments annually to aid farmers in converting cropland, including tame hay land, to conserving and less intensive agricultural and recreational uses. These uses include pasture for livestock, trees, wildlife habitat, and recreation. Agreements provide for maintaining the land in a conserving use for 5 or 10 years. Farmers received adjustment payments to help change their farming systems while shifting cropland to other uses. They also received payments for part of the costs of seeding, fencing, building water storage facilities, developing limited recreational facilities, and other approved conservation practices.

About 2,700 farmers in 41 counties in 13 States signed agreements to convert 122,000 acres of cropland to noncrop uses. Nearly 95 percent of the land will be converted to grassland, another 5 percent will be planted to trees, and a fraction of 1 percent of the land will be used for wildlife habitat and recreation purposes. About 107 agreements have been signed in 87 other counties to convert more than 7,000 additional acres to recreational enterprises.

Because of the experimental nature of the program, an appraisal was needed to evaluate the kinds of adjustment obtained, the permanency of the changes, the cost of reducing agricultural output through conversion of cropland to other uses, and the change in use of farm resources associated with participation in the program.

A sample of about 1,000 farmers was interviewed in five areas after 1 year of operation of the pilot program (fig. 1). In each area, approximately 100 participants in the program and 100 other farmers eligible for participation but not in the program were interviewed. Each area consisted of two or three counties. The areas in North Dakota and Iowa and each of the two areas in Georgia were composed of two counties. The area in Mississippi included three counties.

The inclusion in the study of both participants and nonparticipants permitted a comparison of changes from 1962 to 1963 in each group of farms, thus providing an indication of changes due to the pilot program. Some of the information needed for analysis was obtained from ASCS county office records of farms in the sample. However, personal interviews with farmers provided most of the data.

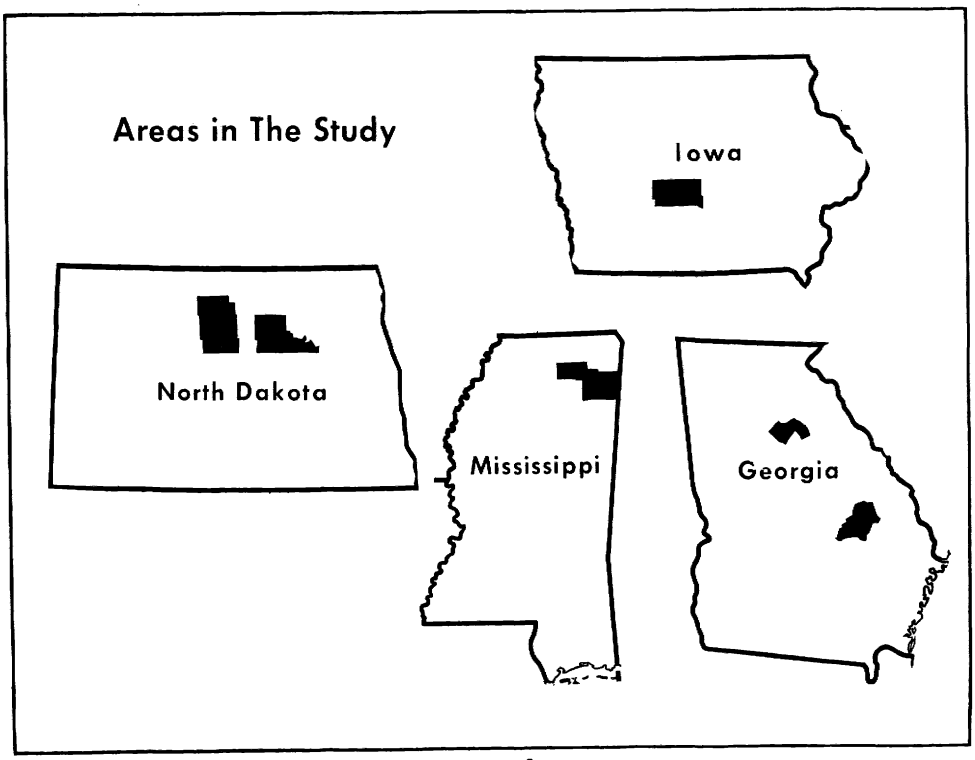

Figure 1

TERMS OF AGREEMENTS

The minimum term for a CCP agreement is 5 years except that the minimum term for an agreement on land not suited for regular use for row crops or small grains, class IV land, or land converted to woodland or recreation (other than wildlife plantings) is 10 years. However, farmers in the CCP program had the option of choosing a 10-year agreement on land for which the minimum agreement was 5 years. Authorized conservation practices entitled farmers to cost-sharing payments at any time during the life of the agreement upon installation of the practice. Most agreements were written for 5 years; however, 18 percent of the acreage under agreements in the pilot counties is in the program for 10 years. The proportion of acreage under agreements for 5 years and 10 years varied considerably among States as shown in table 1.

Payment rates for diversion ranged from $8 an acre for the lowest quality of fallow land eligible for the program in North Dakota up to $70 an acre for above average cropland in Iowa (table 2). The level of adjustment payment a farmer received was based on the quality of the land diverted. These payments are totals for 5 years or 10 years. In addition, farmers received payments to cover part of the cost of establishing authorized conservation practices on the land.

To be eligible for adjustment payments, cropland must have been classified by the Soil Conservation Service as Class IV suited for regular use for row crops or small grain, or better. The quality of the land and consequently the level of payment was determined by the ASC county committee.

In Iowa and Georgia, six classes of land were established for purposes of determining the amount of adjustment payments, whereas only four classes were used in North Dakota and Mississippi (table 2).

Table 1.--Duration of CCP agreements

State and area	Percentage of acreage for--			
	5 years		10 years	
	All agreements	Sample farms	All agreements	Sample farms
	Percent	Percent	Percent	Percent
North Dakota	68	66	32	34
Iowa	97	93	3	7
Mississippi	94	95	6	5
Georgia	91	88	9	12
Coastal Plain	1/	86	1/	14
Piedmont	1/	92	1/	8

1/ Not available.

Table 2.--Payment rates per acre for diversion, by class of land in CCP

Quality of land	North Dakota			Iowa		Mississippi		Georgia			
								Coastal Plain		Piedmont	
	Full rate	Fallow rate	Tame hay rate	Full rate	Tame hay rate	Full rate	Tame hay rate	Full rate	Tame hay rate	Full rate	Tame hay rate
	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.
Above average	34	14	20	70	52	47	19	40	16	50	20
Average plus	---	---	---	64	48	---	---	36	14	46	18
Average	28	11	17	58	43	39	16	33	13	42	17
Average minus	---	---	---	52	39	---	---	30	12	38	15
Below average	22	9	13	46	34	31	12	26	10	34	14
Class IV, suited	21	8	13	43	32	29	12	25	10	31	12

LAND IN THE PROGRAM

The quality of land in the program appears to be slightly below average for the respective areas, although the four available measures of quality are not consistent. (1) The normal yield assigned to each farm by the ASC county committee for the major grain crop (wheat in North Dakota and corn in the other four areas) indicates no significant difference in the potential yield of participating and nonparticipating farms (table 3). (2) The quality of land in the program generally was rated by the county committee as above average except in North Dakota. In all areas except North Dakota, 87 percent or more of the converted land was classified as average or above. (3) Except in Mississippi, however, crop yields in 1962 averaged lower on the farms of participants than on farms of nonparticipants (tables 11, 16, 21, and 26). (4) From 1962 to 1963, crop yields on farms of participants either rose more or fell less than on farms of nonparticipants, thus indicating that the higher producing land was retained in production, or conversely, that the lower producing land on participants' farms was converted to noncrop use.

Table 3.--Quality of land in the CCP, sample farms

Item	North Dakota	Iowa	Mississippi	Georgia	
				Coastal Plain	Piedmont
ASCS County Committee rating of land quality:					
Above average---percent----	9	20	47	29	63
Average plus------do.------	1/	58	1/	37	3
Average----------do.------	30	18	43	22	21
Average minus-----do.------	1/	3	1/	4	0
Below average-----do.------	28	0	3	1	8
Class IV, suited---do.------	33	1	7	7	4
Unsuited ---------do.------	0	0	0	0	1
Major grain crop on farm	Wheat	Corn	Corn	Corn	Corn
Normal yield of major grain crop:					
Participants----bushel-----	19.4	65.1	26.1	23.3	2/ 22.4
Nonparticiapnts---do.------	19.2	65.3	25.4	21.3	2/ 23.4

1/ No separate rate.
2/ Data for Walton County only.

Most of the land under agreements will be used for pasture. All of the land in North Dakota and in the Piedmont area in Georgia and over 90 percent of the land in all areas has been designated for this purpose (table 4). In Iowa, 6 percent of the land was designated for recreational use and in the Coastal Plain Area of Georgia, 8 percent was planted to trees.

Table 4.--Primary use to be made of land in CCP, sample farms

State and area	Primary use			
	Pasture	Trees	Recreation	Wildlife preserve
	Percent	Percent	Percent	Percent
North Dakota	100	---	---	---
Iowa	94	---	6	---
Mississippi	98	2	---	---
Georgia				
Coastal Plain	90	8	---	2
Piedmont	100	---	---	---

LAND USE ADJUSTMENT UNDER CCP

The proportion of cropland under CCP agreements ranged from about 12.5 percent of all cropland on cooperating farms in North Dakota and Iowa to 35 percent in the Piedmont area of Georgia (table 5). In 1962, the year before the CCP program was effective, 65 percent of the CCP land in sample farms in North Dakota, 72 percent in the Coastal Plain of Georgia, and 79 percent in Mississippi was in row crops or small grains. In contrast, more than two-thirds of the CCP land on the Iowa farms was in hayland or diverted under the feed grain program in 1962.

In 1963, most of the land that was not in grass already, was seeded to grass and legumes, and three-fourths or more of the land, except in North Dakota and Mississippi, was pasture. In North Dakota, only about one-fourth of the land was pastured, largely because in the shorter, drier growing season a full season was required for grass to become established.

Apparently, the CCP is obtaining permanent adjustment to less intensive use for a large proportion of the land in the program. Farmers in the program were asked if they expected to keep the land under agreement in a conserving use or return it to crop production after the agreements end. Except in Iowa, farmers said 80 percent or more of the land would remain in conserving use. In Iowa, only half of the land would remain in conserving use.

Table 5.--Use of CCP land in 1962 and 1963, sample farms

Item	North Dakota	Iowa	Mississippi	Georgia	
				Coastal Plain	Piedmont
Land in CCP, 1963-------acres----	78.4	26.8	21.5	33.4	30.2
Percentage of cropland----------percent----	12.4	12.6	21.8	15.8	34.7
Use of CCP land in 1962:					
Row crops----------percent----	3.2	24.3	65	54.1	30.9
Small grains----------do.-----	61.8	7.3	14	17.9	15.9
Sod crops----------do.-----	19.7	1/67.7	16	12.7	42.9
Cultivated fallow-- ---do.-----	9.3	0	0	11.4	4.9
Idle----------do.-----	6.0	.7	5	3.9	5.4
Use of CCP land in 1963:					
Seeded, not pastured----------percent----	75.3	6.2	38	2.5	10.1
Seeded and pastured----do.-----	12.7	24.4	49	69.0	56.3
Pastured, not seeded in 1963----------do.-----	10.4	60.4	4	12.7	33.3
Seeded 1962 or earlier, and idle in 1963------do.-----	1.6	---	9	15.8	.3
Idle----------do.-----	---	3.0	---	---	---
Trees----------do.-----	---	.1	---	---	---
Recreation----------do.-----	---	5.9	---	---	---
Expected use after agreement ends:					
Cultivated crops----percent	18.5	49	15	4	0
Conserving use--- -----do.----	81.5	51	85	96	100

1/ Includes 26.6 percentage points representing land diverted in the Feed Grain Program and in the Conservation Reserve Program in 1962.

PARTICIPANT AND NONPARTICIPANT FARMS COMPARED

In each of the five areas studied, farms in the Cropland Conversion Program were larger than other farms in the same counties. They had more land and more cropland except in Mississippi. They also had nearly as many or more acres of feed grain base and allotment crops (table 6) and more livestock. There was little difference in the normal yields of major crops. Although all farms are becoming larger, farms in the CCP grew more rapidly from 1962 to 1963 than other farms in the same counties.

North Dakota

In the two pilot CCP counties in North Dakota, nearly 10 percent of the farms were in the Cropland Conversion Program. These farms had more cropland and also more wild hay and native pasture than other farms in these counties. They averaged about 940 acres of all land in 1962 compared with 780 acres for nonparticipants. The size of farms in the program also rose more from 1962 to 1963 compared with other farms in the area (table 7).

In 1962, the year before the Cropland Conversion Program, farmers who were nonparticipants in 1963, used more of their cropland for production of wheat and barley than farmers who participated in the program in 1963. Otherwise, there was little difference in the use of cropland in 1962 (table 8). Both had about the same proportion of cropland in Government programs and fallow. In 1962, participants used about 38 percent of their total farmland for hay and pasture compared with 28 percent for nonparticipants.

In 1963, farmers in the CCP diverted about 78 acres per farm under this program, but they reduced the acreage diverted under other programs and fallowed so that the net reduction in land used for crops was only 32 acres. This reduction was obtained largely by seeding fewer acres to oats, rye, and wheat (table 9). Reduction in wheat acreage may have been due more to termination of the special durum program than to the CCP; nonparticipants also reduced the acreage of wheat on their farms.

Nonparticipants also reduced the acreage diverted under the wheat and feed grain diversion programs, but acreage of other fallow was raised about the same amount so that the total acreage of crops harvested remained almost unchanged. They also reduced the acreages seeded to oats, rye, and wheat, but this was offset by larger acreages of barley and flax.

Despite the greater reduction from 1962 to 1963 in acreage diverted under wheat and feed grain programs and fallowed by participants compared with nonparticipants, farmers in the Cropland Conversion Program still maintain a slightly higher ratio of fallow to small grains and row crops (table 10). In 1963, they had about 63 acres of fallow for each 100 acres of crops compared with a ratio of 59 per 100 for nonparticipants.

If crop yields are used as an indication of land quality, farms in the program were not as good as other farms in the area. Yields of wheat in 1962 were about the same on both groups of farms, but yields of other crops ranged from 7 percent lower for barley to 22 percent lower for rye (table 11). Tame hay yields were slightly higher.

Table 6.--Land resources of participants (P) in the CCP and of nonparticipants (N), 1963

Item	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
Total land in farm, acres per farm	970	791	287	226	244	202	769	296	233	170
Total cropland, acres per farm	633	581	212	180	83	99	211	117	87	85
Percent of total land	65	73	74	79	34	49	27	40	37	50
Feed grain base, acres per farm	125	124	116	94	24	23	100	63	21	16
Allotments, acres per farm	173	178	1	1	20	25	36	20	20	25
Total	298	302	117	95	44	48	136	83	41	41
Percent of cropland	47	52	55	53	53	48	64	71	47	48
Conserving base, acres per farm	189	170	27	21	9	17	53	18	26	29
Percent of cropland	30	29	13	12	11	17	25	15	30	34

Table 7.--Size of farm, 1962 and 1963, sample farms, North Dakota

Item	Participants				Nonparticipants			
	1962	1963	Change		1962	1963	Change	
	Acres	Acres	Acres	Percent	Acres	Acres	Acres	Percent
Cropland in farm-----	608.5	633.0	+24.5	+4.0	570.8	581.1	+10.3	+1.8
Total land in farm---	939.7	969.5	+29.8	+3.2	780.2	790.6	+10.4	+1.3

Table 8.--Land use in 1962 of land operated in 1963 by participants and nonparticipants, sample farms, North Dakota

Land use	Participants		Nonparticipants	
	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land
	Acres	Percent	Acres	Percent
Land diverted under Government programs:				
Fallowed under Feed Grain and Wheat Diversion Program--------	75.6	8.4	58.0	7.4
Conservation Reserve----------	35.7	3.1	34.2	4.3
Wheat----------	133.2	13.8	152.3	19.3
Corn for silage----------	16.6	1.7	14.2	1.8
Barley----------	52.7	5.4	57.8	7.3
Oats----------	51.4	5.3	43.7	5.5
Flax----------	28.3	2.9	31.0	3.9
Rye----------	20.1	2.1	13.2	1.7
Other crops----------	4.1	.4	2.4	.3
Tame hay harvested ----------	45.4	4.7	30.6	3.9
Fallow, idle and failure----------	141.6	14.6	126.8	16.0
Cropland pastured ----------	28.3	2.9	16.9	2.1
Total cropland----------	633.0	65.3	581.1	73.5
Wild hay harvested----------	93.6	9.7	56.1	7.1
Native pasture----------	202.0	20.8	118.4	15.0
Roads, buildings, waste, etc.-----	40.9	4.2	35.0	4.4
Total land in farm ----------	969.5	100.0	790.6	100.0

Table 9.--Change in use of cropland per farm, 1962 to 1963, on land operated in 1963, sample farms, North Dakota

Land use	Participants			Nonparticipants		
	1962	1963	Change	1962	1963	Change
	Acres	Acres	Acres	Acres	Acres	Acres
Land diverted under Government programs:						
CCP, pastured	0	18.1	+18.1	---	---	---
CCP, idle	0	60.3	+60.3	---	---	---
Wheat and feed grain diversion 1/	75.6	57.3	-18.3	58.0	42.3	-15.7
Conservation Reserve	35.7	29.6	-6.1	34.2	32.5	-1.7
Wheat	133.2	125.9	-7.3	152.3	140.4	-11.9
Silage corn	16.6	17.0	+.4	14.2	15.6	+1.4
Barley	52.7	58.5	+5.8	57.8	76.0	+18.2
Oats	51.4	39.5	-11.9	43.7	38.5	-5.2
Flax	28.3	26.7	-1.6	31.0	35.3	+4.3
Rye	20.1	9.7	-10.4	13.2	6.2	-7.0
Other crops	4.1	2.3	-1.8	2.4	2.2	-.2
Tame hay harvested	45.4	40.6	-4.8	30.6	30.6	0
Fallow, idle, failure	141.6	119.9	-21.7	126.8	143.2	+16.4
Cropland pastured	28.3	27.6	-.7	16.9	18.3	+1.4
Total cropland	633.0	633.0	0	581.1	581.1	0

1/ Largely fallow.

Table 10.--Relation of fallowed land to crops grown on sample farms, North Dakota

Item	Participants		Nonparticipants	
	1962	1963	1962	1963
Acreage of small grains and row crops	306.4	279.6	314.6	314.2
Acreage of fallow, idle and failure 1/	217.2	177.2	184.8	185.5
Ratio of fallow to crops	.709	.634	.587	.590

1/ Includes acreage diverted under feed grain and wheat program and assumes that these diverted acres, as well as idle and failure land, were fallowed.

Table 11.--Crop yields, participants and nonparticipants, 1962 to 1963, North Dakota

Crop	Participants				Nonparticipants				1962 yields of participants as a percentage of those of nonparticipants
	Acreage, 1963	Yields 1/			Acreage, 1963	Yields 1/			
		1962	1963	1963 as a percentage of 1962		1962	1963	1963 as a percentage of 1962	
	Acres	Yields	Yields	Percent	Acres	Yields	Yields	Percent	Percent
Wheat	120.0	30.9	24.0	78	135.5	30.9	22.2	72	100
Silage corn	16.2	4.65	4.74	102	15.4	5.09	4.90	96	91
Barley	55.2	41.1	31.0	75	73.0	44.1	30.7	70	93
Oats	37.3	48.7	36.8	76	36.5	55.2	36.5	66	88
Flax	24.4	10.7	10.4	100	33.0	11.9	8.9	75	87
Rye	9.7	22.6	20.5	91	6.0	28.9	18.4	64	78
Tame hay	39.0	1.43	1.34	94	29.7	1.33	1.11	83	108
All crop average	---	---	---	82.8	---	---	---	73.2	---

1/ Yields on land in farms both years.

As might be expected, land taken out of production under CCP tended to be the poorer land on the farms. Although yields of nearly all crops were lower in 1963 than in 1962, they did not decline as much on farms in the CCP as on other farms, thus indicating that the higher yielding land on these farms remained in production. The composite yield of all crops in 1963 was down 17 percent from the 1962 yield on farms in the CCP compared with a reduction of 27 percent on other farms.

The numbers of cattle on farms in December 1962, averaged 80 percent more on farms in the CCP than on other farms (table 12). Although both groups of farms had more cattle at the end of 1963 than a year earlier, the number rose faster on farms in the CCP.1/ Furthermore farms in the program planned to have about 60 percent more cattle by the time their CCP agreements expire than they had when they went into the program; comparable data are not available for nonparticipants.

Table 12.--Numbers of livestock 1962, change to 1963, and expected further change by participants by 1967, sample farms, North Dakota

Class of livestock	Participants			Nonparticipants	
	1962	Change from 1962 to 1963	Expected change, 1962 to 1967	1962	Change from 1962 to 1963
	Number	Percent	Percent	Number	Percent
Milk cows, Dec. 31	9.2	+4	+8	6.2	-5
Beef cows, Dec. 31	32.0	+14	+58	15.5	+19
All other cattle, Dec. 31	24.4	+38	+90	14.7	+22
All cattle, Dec. 31	65.6	+22	+62	36.4	+16
All sheep and lambs, Dec. 31	15.0	-23	-12	6.1	+10
Pigs weaned during year	7.3	-29	-47	2.3	+17

Iowa

In Iowa, farmers going into the Cropland Conversion Program already operated farms 25 percent larger than other farms in the community. Furthermore, they added more acreage between 1962 and 1963. Participants' farms were about 15 acres larger in 1963 than in 1962 compared with an average increase of 9 acres for nonparticipants (table 13).

1/ Part of the increase in cattle numbers during 1963 may reflect the buildup of herds following the drought of 1959-61.

Table 13.--Size of farm, 1962 and 1963, sample farms, Iowa

Item	Participants			Nonparticipants		
	1962	1963	Change	1962	1963	Change
	Acres	Acres	Acres	Acres	Acres	Acres
Cropland in farm	202.4	212.1	+9.7	172.4	179.6	+7.2
Total land in farm	272.3	287.0	+14.7	217.5	226.4	+8.9

Participants in the Cropland Conversion Program had a larger proportion of their land in conserving uses before signing a CCP agreement. About 15 percent of their land was in tame hay and cropland pasture, and 18 percent was in permanent pasture compared with 11 percent and 15 percent, respectively, on farms of nonparticipants. Also, they diverted nearly 14 percent of their land to conserving use under the feed grain program compared with 10 percent for nonparticipants (table 14).

Table 14.- Land use in 1962 of land operated in 1963 by participants and nonparticipants, sample farms, Iowa

Land use	Participants		Nonparticipants	
	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land
	Acres	Percent	Acres	Percent
Diverted under Government programs	39.3	13.7	23.2	10.2
Corn for grain	72.2	25.2	68.6	30.3
Oats	14.1	4.9	13.8	6.1
Soybeans	37.9	13.2	46.3	20.5
Wheat	1.4	.5	.5	.2
Silage	.4	.1	.6	.3
Sorghum, grain	.8	.3	0	0
Hay	27.0	9.4	19.1	8.4
Other crops	.9	.3	.3	.1
Idle, fallow	1.1	.4	.6	.3
Cropland pasture	17.0	5.9	6.6	2.9
Total cropland	212.1	73.9	179.6	79.3
Permanent pasture	52.3	18.2	33.8	14.9
Woodlands	4.1	1.4	1.1	.5
Roads, building sites, waste	18.5	6.5	11.9	5.3
Total land in farm	287.0	100.0	226.4	100.0

Participation in the CCP had little effect on farmers' participation in other Government programs. Both participants in the CCP and nonparticipants reduced the acreage diverted under the feed grain program by a fourth from 1962 to 1963.

Adjustment to the CCP accompanied a reduction in the acreage of oats, soybeans, hay, and cropland pasture; acreage of corn increased from 1962 to 1963 (table 15). The use of cropland by nonparticipants changed little from 1962 to 1963 except for the reduction in acreage diverted under the feed grain program and an offsetting increase in the acreage of corn.

Table 15.--Change in use of cropland per farm from 1962 to 1963 on land operated in 1963, sample farms, Iowa

Land use	Participants			Nonparticipants		
	1962	1963	Change	1962	1963	Change
	Acres	Acres	Acres	Acres	Acres	Acres
Diverted	39.3	55.8	+16.5	23.2	17.3	-5.9
Feed grain	1/	29.0	---	1/	16.7	---
Wheat	1/	0	---	1/	.1	---
Conservation Reserve	1/	0	---	1/	.5	---
CCP	0	26.8	+26.8	---	---	---
Corn	72.2	78.2	+6.0	68.6	75.9	+7.3
Oats	14.1	11.0	-3.1	13.8	14.0	+.2
Soybeans	37.9	31.6	-6.3	46.3	45.0	-1.3
Wheat	1.4	1.5	+.1	.5	.5	0
Silage	.4	.4	0	.6	.8	+.2
Sorghum grain	.8	---	-.8	---	---	---
Hay	27.0	21.7	-5.3	19.1	18.2	-.9
Other crops	.9	.5	-.4	.3	.3	0
Idle, failure	1.1	.8	-.3	.6	.6	0
Cropland pasture	17.0	10.6	-6.4	6.6	7.0	+.4
Total cropland	212.1	212.1	0	179.6	179.6	0

1/ Not available.

There was little difference in the quality of land on farms in the Cropland Conversion Program and on other farms in the area as measured by crop yields. Yields of corn and oats in 1962 were about the same on the two groups of farms; yields of soybeans and hay were slightly lower on participants' farms. No information was obtained on acreages fertilized or rates of application of fertilizer, but there was no significant difference between the two groups of farms in expenditures for fertilizer per crop acre in 1962. (See table 29, page 30.)

Changes in crop yields from 1962 to 1963 indicate that the less productive land on the farms was diverted under CCP. Crop yields of major crops on the land remaining in production rose more from 1962 to 1963 than the comparable increase on farms of nonparticipants (table 16). Corn yields of participants rose 10 percent compared with 6 percent for nonparticipants, oat yields rose 12 percent and 1 percent, and soybean yields 18 percent and 3 percent, respectively. Part of these differences may be accounted for by the greater increase from 1962 to 1963 in expenditures for fertilizer by participants.

Table 16.--Crop yields of participants and nonparticipants in the CCP, 1962 and 1963, Iowa

Crop	Participants				Nonparticipants				1962 yields of participants as a percentage of those of nonparticipants
	Acreage in 1963	Yield 1/			Acreage in 1963	Yield 1/			
		1962	1963	1963 as a percentage of 1962		1962	1963	1963 as a percentage of 1962	
	Acres	Yields	Yields	Percent	Acres	Yields	Yields	Percent	Percent
Corn ----------bushels------	78.2	84.5	93.2	110	75.9	85.4	90.6	106	99
Oats ----------do.--------	11.0	44.5	49.8	112	14.0	44.9	45.4	101	99
Soybeans ---------do.--------	31.6	29.8	35.1	118	45.0	31.9	32.9	103	93
Wheat----------do.--------	1.5	27.6	34.1	124	.5	28.8	35.9	125	96
Silage ----------tons------	.4	14.9	15.7	105	.8	11.1	11.4	103	134
Hay----------do.------	21.7	2.48	2.51	101	18.2	2.80	2.78	99	89
All crop average --------	---	---	---	110.7	---	---	---	103.9	---

1/ Yields on land in farms both years.

Beef cattle and hogs are the major livestock enterprises on the farms in these counties. Participants had about 70 percent more cattle in 1962 and slightly fewer hogs than nonparticipants (table 17). Increases in cattle numbers during 1963 averaged 20 percent for participants compared with 9 percent for nonparticipants. The number of pigs weaned also rose slightly from 1962 to 1963 compared with a small decrease by nonparticipants. Participants expect to expand livestock production on their farms still further during the life of their CCP agreements. By 1967, they expect to have 50 percent more cattle and 30 percent more hogs than they had in 1962, the year before the CCP agreement.

Table 17.--Number of livestock 1962, change to 1963, and expected further change by participants by 1967, sample farms, Iowa

Class of livestock	Participants			Nonparticipants	
	1962	Change from 1962 to 1963	Expected change, 1962 to 1967	1962	Change from 1962 to 1963
	Number	Percent	Percent	Number	Percent
Milk cows, Dec. 31	2.5	-3	-17	2.8	-23
Beef cows, Dec. 31	16.1	+27	+74	7.5	+2
All other cattle, Dec.31	29.4	+19	+46	17.6	+17
Total cattle, Dec. 31	48.0	+20	+52	27.9	+9
All sheep and lambs, Dec. 31	6.8	-30	-1	5.9	+4
Pigs weaned during year	101	+9	+32	114	-3

Mississippi

In Mississippi, the difference between participants and nonparticipants in farm size is not as clear-cut as in some other areas. Participants in Mississippi had about 23 percent more total land, but had 17 percent less cropland in 1962 (table 18). Total land on nonparticipants' farms increased about 1 percent more from 1962 to 1963 than on participants' farms, but cropland increased about 2 percent more on participants' farms.

The land use pattern in 1962 on participants' farms included a smaller proportion of the total land in crops than on nonparticipants' farms. Participants' farms had almost 33 percent of the land in woods, compared with 20 percent for nonparticipants and had 35 percent of their total land area in cropland compared with almost 51 percent for nonparticipants (table 19). Participants had less of their total land in cotton, and in cultivated soil depleting crops. But they also used less of their land for conserving crops. Participants diverted 4 percent of their land under Government programs in 1962, previous to the CCP, compared with 3 percent for nonparticipants.

Table 18.--Size of farm, 1962 and 1963, Mississippi

Item	Participants				Nonparticipants			
	1962	1963	Change		1962	1963	Change	
	Acres	Acres	Acres	Percent	Acres	Acres	Acres	Percent
Cropland in farm	84.4	89.2	+4.8	+5.7	101.6	105.5	+3.9	+3.8
Total land in farm	247.7	252.3	+4.6	+1.9	202.1	207.6	+5.5	+2.7

Table 19.--Land use in 1962 of land operated in 1963 by participants and nonparticipants, Mississippi

Land use	Participants		Nonparticipants	
	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land
	Acres	Percent	Acres	Percent
Land diverted under Government programs	10.5	4.2	6.6	3.2
Cotton	21.7	8.6	26.8	12.9
Corn for grain	18.2	7.2	15.2	7.3
Soybeans	11.2	4.4	24.3	11.7
Other crops	2.0	.8	1.4	.7
Hay harvested	14.0	5.5	16.8	8.1
Fallow, idle, failure	8.6	3.4	10.0	4.8
Rotation pasture	3.0	1.2	4.4	2.1
Total cropland	89.2	35.3	105.5	50.8
Permanent pasture	77.0	30.5	55.3	26.6
Roads, waste, etc.	4.0	1.6	5.0	2.4
Woodland	82.3	32.6	41.8	20.2
Total land in farms	252.5	100.0	207.6	100.0

The total amount of land diverted under Government programs on participants' farms nearly tripled from 1962 to 1963 as a result of diverting land under the CCP (table 20). During the same time, the amount of land which participants diverted under the Feed Grain and Conservation Reserve Programs, decreased 24 percent. The total amount of land diverted on nonparticipants' farms changed little.

In adjusting to the CCP, farmers reduced the acreage of cropland used for all purposes. The largest reductions of cultivated crops were in corn and soybeans, and cotton was reduced the least. Reduction in the acreage of hay and fallow-idle-failure, on the participating farms, offset some of the production-reducing effect of the program.

Crop yields increased more on nonparticipants' farms than on participants' farms from 1962 to 1963 for cotton and soybeans, but yields of corn and hay rose more on participants' farms (table 21). The index of all crop yields rose the same amount on both groups of farms. Thus, in this area participation apparently did not result in increased yields. Yields in 1962 were considerably higher for all major commodities on participants' farms indicating that participants had more productive farms than nonparticipants. Normal yields of corn were not significantly different--participants had 26.1 bushels per acre, nonparticipants 25.4 bushels per acre.

Participants had larger livestock enterprises than nonparticipants in December 1962, and larger increases during 1963. In 1962, participants had 25 head of all cattle, the major livestock enterprise, compared with about 17 for nonparticipants. During 1963, the number of all cattle rose 34 percent compared with an increase of 16 percent for nonparticipants (table 22). The participants expected to about double the size of their cattle enterprises during the life of the CCP agreements. Both participants and nonparticipants were reducing their hog enterprises.

Georgia

In Georgia, there was little change in farm size from 1962 to 1963 (table 23). Participants in both areas, however, operated larger farms than nonparticipants. In the Coastal Plain area, participants operated farms in 1962 with about 80 percent more cropland and 160 percent more total land. In the Piedmont area, participants' farms included 5 percent more cropland and 38 percent more total land in 1962.

Participants and nonparticipants, in both areas in Georgia, had about the same proportion of their cropland in conserving uses and soil-depleting crops before signing CCP agreements. In the Coastal Plain area, the participants had 9 percent of their land in corn and 3 percent in cotton compared with 17 and 5 percent, respectively, for the nonparticipants (table 24). Similarly, in the Piedmont area, participants had about 4 percent of their land in corn and 5 percent in cotton compared with 5 and 12 percent, respectively, for nonparticipants. In the Coastal Plain area, participants diverted a larger part of their land under Government programs in 1962 than nonparticipants, but the reverse was true in the Piedmont area.

Table 20.--Change in use of cropland per farm, 1962 to 1963 on land operated in 1963, Mississippi

Crops	Participants			Nonparticipants		
	1962	1963	Change	1962	1963	Change
	Acres	Acres	Acres	Acres	Acres	Acres
Land diverted under Government programs	10.5	29.3	+18.8	6.6	6.3	-0.3
CCP, pastured	0	11.2	+11.2	0	---	---
CCP, idle	0	10.1	+10.1	0	---	---
Feed grain	1/	4.5	---	1/	6.1	---
Wheat	1/	0	---	1/	0	---
CR	1/	3.5	---	1/	.2	---
Cotton	21.7	20.5	-1.2	26.8	26.0	-.8
Corn for grain	18.2	13.7	-4.5	15.2	16.0	+.8
Soybeans	11.2	7.1	-4.1	24.3	25.3	+1.0
Other crops	2.0	.7	-1.3	1.4	1.4	0
Hay harvested	14.0	11.6	-2.4	16.8	16.9	+.1
Fallow, idle, failure	8.6	4.1	-4.5	10.0	8.6	-1.4
Rotation pasture	3.0	2.2	-.8	4.4	5.0	+.6
Total cropland	89.2	89.2	0	105.5	105.5	0

1/ Not available.

Table 21.--Crop yields, participants and nonparticipants, 1962 and 1963, Mississippi

Crop	Participants				Nonparticipants				1962 yields of participants as a percentage of those of nonparticipants
	Acreage in 1963	Yields 1/			Acreage in 1963	Yields 1/			
		1962	1963	1963 as a percentage of 1962		1962	1963	1963 as a percentage of 1962	
	Acres	Yields	Yields	Percent	Acres	Yields	Yields	Percent	Percent
Corn----------bushels-------	13.7	57.0	63.9	112	16.0	41.4	43.4	105	138
Soybeans---------do.---------	7.1	24.9	24.0	96	25.3	19.2	19.6	102	130
Cotton---------bales---------	20.5	1.03	1.04	101	26.0	.81	.89	110	127
Hay----------tons----------	11.6	2.09	2.23	107	16.9	1.56	1.56	100	134
All crop average---------	---	---	---	105	---	---	---	105	---

1/ Yields on land operated both years.

Table 22.--Numbers of livestock 1962, change to 1963, and expected further change by participants by 1967, Mississippi

Class of livestock	Participants			Nonparticipants	
	1962	Change from 1962 to 1963	Expected change, 1962 to 1967	1962	Change from 1962 to 1963
	Number	Percent	Percent	Number	Percent
Milk cows, Dec. 31	6.4	+21.9	+23.4	3.4	+5.9
Beef cows, Dec.31	13.8	+35.5	+123.9	10.1	+18.8
All other cattle,Dec.31	4.8	+45.8	+91.7	3.7	+18.9
All cattle, Dec. 31	25.0	+34.0	+92.0	17.2	+16.3
Pigs weaned during year	7.2	-1.4	-22.2	4.7	-12.8

Table 23.--Size of farm, 1962 and 1963, Georgia

Items	Participants				Nonparticipants			
	1962	1963	Change		1962	1963	Change	
	Acres	Acres	Acres	Percent	Acres	Acres	Acres	Percent
Coastal Plain								
Cropland in farm	211.1	211.1	0	0	116.8	118.2	+1.4	+1.1
Total land in farm	769.0	769.0	0	0	296.0	297.6	+1.6	+.5
Piedmont								
Cropland in farm	86.6	87.7	+1.1	+1.3	82.8	84.5	+1.7	+2.0
Total land in farm	232.6	232.7	+.1	+.1	168.0	170.3	+2.3	+1.4

Table 24.--Land use in 1962 of land operated in 1963 by participants and nonparticipants, Georgia

Land use	Coastal Plain				Piedmont			
	Participants		Nonparticipants		Participants		Nonparticipants	
	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land	Acreage per farm	Percentage of all land
	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent
Land diverted under Government programs	40.1	5.2	12.2	4.1	14.7	6.3	20.9	12.3
Tobacco	2.9	.3	2.2	.7	0	---	0	---
Wheat	.9	.1	0	---	1.7	.7	1.4	.8
Cotton	24.5	3.2	15.3	5.1	13.0	5.3	20.6	12.1
Corn for grain	68.5	8.9	49.7	16.7	9.8	4.2	8.0	4.7
Peanuts	3.5	.5	1.8	.6	0	---	0	---
Oats	13.7	1.8	1.2	.4	4.7	1.8	2.4	1.4
Other crops	16.7	2.2	1.8	.6	10.5	4.5	3.5	2.0
Hay harvested	2.6	.3	1.3	.4	8.7	3.8	3.6	2.1
Fallow, idle, failure	11.2	1.5	13.9	4.7	7.4	3.2	15.1	8.9
Rotation pasture	26.5	3.4	18.8	6.4	17.2	7.4	9.0	5.3
Total cropland	211.1	27.4	118.2	39.7	87.7	37.2	84.5	49.6
Permanent pasture	28.2	3.7	12.9	4.3	49.8	21.4	20.8	12.2
Roads, waste, and so on	4.5	.6	1.8	.7	3.8	1.7	1.5	.9
Woodland	525.2	68.3	164.7	55.3	91.4	39.7	63.5	37.3
Total land in farms	769.0	100.0	297.6	100.0	232.7	100.0	170.3	100.0

Participation in the CCP had little effect on participation in other Government programs. Only participants in the Piedmont area made a reduction from 1962 to 1963 (of 3.8 acres) in the acreage diverted under other Government programs (table 25). The total amount of land diverted under programs increased 84 percent on participants' farms in both areas. The acreages of nearly all crops were reduced to allow for this diversion. The largest reduction was in corn acreage. Nonparticipants continued to use their land about the same in 1963 as in 1962.

In the Piedmont area, changes in crop yields from 1962 to 1963 indicate that either the least productive land was diverted or that participants adopted improved practices at a faster rate. Crop yields of the major crops on the land remaining in production rose more from 1962 to 1963 than the comparable increases in yields on farms of nonparticipants (table 26). The average yields of all crops rose 9 percent on participants' farms while they declined 7 percent on nonparticipants' farms. The greatest difference was in the change in yields of corn; on participants' farms they rose 25 percent while declining 11 percent on other farms.

In the Coastal Plain area, the comparison of yield changes is not as dramatic. Corn yields increased 4 percentage points more on participant farms, oats 9 percentage points more, and changes in cotton yields were the same. Yields of peanuts and tobacco rose more on nonparticipants' farms. The lack of consistent differences between yields of the major crops on participants' and nonparticipants' farms in 1962 indicates that the two groups of farms in the Coastal Plain were about equally productive.

Participants had larger livestock enterprises of all types than nonparticipants in 1962, and planned larger increases. Participants in the Coastal Plain area had about 43 head of cattle in December 1962, compared with 16 head for nonparticipants, and expanded their herds at a faster rate during 1963 (table 27). Participants in this area planned to increase the size of their cattle enterprises by about one-third by the end of the CCP agreement.

Participants in the Piedmont area had about 28 head of cattle compared with 9 head for nonparticipants; both groups expanded at about the same rate in 1963. Participants in this area planned to increase the size of their cattle enterprises by about two-thirds by the end of the CCP agreements. These results are as would be expected. The Cropland Conversion Program permits grazing and consequently is most attractive to farms and farmers experienced with livestock and desirous of expanding herd size.

Table 25.--Change in use of cropland per farm, 1962 to 1963, on land in farms in 1963, Georgia

Crops	Coastal Plain						Piedmont					
	Participants			Nonparticipants			Participants			Nonparticipants		
	1962	1963	Change	1962	1963	Change	1962	1963	Change	1962	1963	Change
	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres
Land in Government programs	40.1	74.0	+33.9	12.2	12.5	+0.3	14.7	41.7	+27.0	20.9	20.8	-0.1
CCP, pastured	0	23.6	+23.6	---	---	---	0	27.7	+27.7	---	---	---
CCP, idle	0	9.0	+9.0	---	---	---	0	3.1	+3.1	---	---	---
Feed grain	1/	13.1	---	1/	7.5	---	1/	5.9	---	1/	5.1	---
Wheat	1/	0	---	1/	0	---	1/	1.9	---	1/	2.3	---
CR	1/	28.3	---	1/	5.0	---	1/	3.1	---	1/	13.4	---
Wheat	.9	.3	-.6	0	0	0	1.7	1.2	-.5	1.4	1.3	-.1
Tobacco	2.9	3.2	+.3	2.2	2.2	0	0	0	0	0	0	0
Cotton	24.5	24.1	-.4	15.3	14.7	-.6	13.0	9.2	-3.8	20.6	19.5	-1.1
Corn for grain	68.5	53.1	-15.4	49.7	50.6	+.9	9.8	4.9	-4.9	8.0	9.0	+1.0
Peanuts	3.5	3.3	-.2	1.8	1.7	-.1	0	0	0	0	0	0
Oats	13.7	8.1	-5.6	1.2	1.3	+.1	4.7	3.6	-1.1	2.4	1.5	-.9
Other crops	16.7	15.8	-.9	1.8	2.0	+.2	10.5	7.2	-3.3	3.5	3.1	-.4
Hay harvested	2.6	3.1	+.5	1.3	1.3	0	8.7	6.2	-2.5	3.6	4.0	+.4
Fallow, idle, failure	11.2	6.1	-5.1	13.9	13.0	-.9	7.4	2.2	-5.2	15.1	15.6	+.5
Rotation pasture	26.5	20.0	-6.5	18.8	18.9	+.1	17.2	11.5	-5.7	9.0	9.7	+.7
Total cropland	211.1	211.1	0	118.2	118.2	0	87.7	87.7	0	84.5	84.5	0

1/ Not available.

Table 26.--Crop yields, participants and nonparticipants, 1962 and 1963, Georgia

Area and crop	Participants				Nonparticipants				1962 yields of participants as a percentage of those of nonparticipants
	Acreage in 1963	Yields 1/			Acreage in 1963	Yields 1/			
		1962	1963	1963 as a percentage of 1962		1962	1963	1963 as a percentage of 1962	
	Acres	Yields	Yields	Percent	Acres	Yields	Yields	Percent	Percent
Coastal Plains									
Corn--------bushel ----------	53.1	39.9	44.3	111	50.6	39.4	42.3	107	101
Oats----------do.----------	8.1	50.2	54.7	109	1.3	50.0	50.0	100	100
Cotton------bale ----------	24.1	.84	.82	98	14.7	.90	.88	98	93
Tobacco-----pound ----------	3.2	1,796	1,819	101	2.2	1,482	1,531	103	121
Peanuts-------do.----------	3.3	1,375	1,461	106	1.7	1,133	1,406	124	121
Hay---------ton ----------	3.1	1.5	1.6	107	1.3	3.3	3.1	94	45
All crop average----------	---	---	---	107	---	---	---	105	---
Piedmont									
Corn--------bushel ----------	4.9	31.2	39.0	125	9.0	33.6	29.9	89	93
Oats----------do.----------	3.6	47.7	48.4	101	1.5	46.1	38.7	84	103
Cotton------bale ----------	9.2	.92	.97	105	19.5	.91	.86	94	101
Wheat-------bushel ----------	1.2	30.0	33.8	113	1.3	34.5	32.6	94	87
Hay---------ton ----------	6.2	1.5	1.6	107	4.0	.87	.88	101	172
All crop average----------	---	---	---	109	---	---	---	93	---

1/ Yields on land operated both years.

Table 27.--Numbers of livestock, 1962, change to 1963, and expected further change by participants by 1967, Georgia

Class of livestock	Coastal Plain area					Piedmont area				
	Participants			Nonparticipants		Participants			Nonparticipants	
	1962	Change from 1962 to 1963	Expected change, 1962 to 1967	1962	Change from 1962 to 1963	1962	Change from 1962 to 1963	Expected change, 1962 to 1967	1962	Change from 1962 to 1963
	Number	Percent	Percent	Number	Percent	Number	Percent	Percent	Number	Percent
Milk cows, Dec. 31	2.8	-7.1	-3.6	0.3	0	4.0	-7.5	-12.5	0.7	0
Beef cows, Dec. 31	24.4	+11.9	+39.8	10.5	+4.0	15.7	+29.9	+90.4	4.6	+15.2
All other cattle, Dec.31	15.7	+17.2	+26.8	5.7	+17.5	8.5	+18.8	+44.7	3.4	+38.2
All cattle, Dec. 31	42.9	+12.6	+32.2	16.5	+8.5	28.2	+21.3	+62.0	8.7	+22.9
Pigs weaned during year	46	+8.3	+31.7	37.4	+3.7	25.1	+4.0	+4.4	3.3	+21.2

Table 28.--Most important enterprise and change in ranking of enterprises following adjustment to CCP

Most important enterprise for nonparticipants and before and after CCP for participants	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Prior to CCP:										
Cash crops	55	81	43	55	64	81	65	69	59	72
Dairy	13	8	4	3	10	6	3	0	11	0
Hog	0	0	23	25	6	3	12	18	2	0
Beef raising	32	11	17	8	17	6	15	5	21	7
Beef feeding	0	0	10	7	0	0	1	0	0	0
Other	---	---	3	2	3	4	4	8	7	21
After CCP:										
Cash crops	44	1/	41	1/	45	1/	51	1/	27	1/
Dairy	13	---	3	---	13	---	2	---	9	---
Hog	0	---	17	---	2	---	11	---	3	---
Beef raising	42	---	28	---	34	---	27	---	38	---
Beef feeding	1	---	10	---	0	---	1	---	0	---
Other	---	---	1	---	6	---	8	---	23	---

1/ Nonparticipants assumed to be unaffected by CCP.

CHANGE IN TYPE OF FARMING

Each of the farmers interviewed was asked to indicate the enterprise that provided most of his net income, and farmers in the CCP also were asked to name the enterprise that would provide most of their net income after adjusting to the program. In all areas, production of cash crops proved to be the most important enterprise (table 28). The proportion of farmers reporting cash crops as the major enterprise ranged from 81 percent of the nonparticipants in North Dakota and Mississippi to 43 percent of participants in Iowa. In each area, the proportion of cash crop farms was greater among nonparticipants.

Some farmers in each area expected that participation in the CCP would cause beef raising to become more important than production of cash crops. In the Piedmont area of Georgia, for example, the proportion of cash crop farms among participants was expected to drop from 59 percent of all farms to 27 percent, while the proportion of beef raising farms was expected to increase from 21 percent to 38 percent of the total. In Iowa, where the proportion of beef raising farms was expected to rise from 17 percent to 28 percent of the total, the proportion of hog farms was expected to decline sharply. In most areas, the proportion of dairy farms was expected to remain stationary, but in Mississippi they are expected to become more numerous.

CHANGE IN USE OF RESOURCES

The Cropland Conversion Program in its first year caused several changes in the use of resources on farms in the program. From about one-third to over one-half of the participants made some change in their livestock program as a result of participation, usually an increase in the number of beef cattle (table 29). In the first year, however, the change was more one of emphasis than number of livestock. Changes in numbers of livestock are shown in detail in the section beginning on page 8. (Participant and nonparticipant farms compared.)

In 1963, total cash expenditures for approved cost-sharing practices ranged from only a fourth larger than the cost-share payments received in North Dakota to about 3 times as large in Iowa. In addition to their cash costs, farmers used their own labor, tractors, and machinery in carrying out the practices. Most of the cash costs were for seed, fertilizer, fence, wells and other material needed in converting cropland to pasture.

In addition to practices in which the Government and farmers shared the cost, farmers invested their own funds in barns, corrals, livestock equipment, and livestock, and in fences, terraces, and pasture improvement not included in cost-sharing agreements. Such expenditures were few in the Coastal Plain of Georgia. However, 26 percent of the participants in Mississippi invested an average of $1,100 in such improvement, and about a sixth of the participants in Iowa and the Piedmont area of Georgia averaged some $2,200 and $1,300, respectively, in such investments.

There was little change in the machinery requirements of these farms. Only a few farmers sold machinery no longer needed and a few others left machines idle because of the program. Even on these few farms, usually only one machine was sold or idle.

Table 29.--Change in use of resources associated with participation in CCP

Change made	North Dakota	Iowa	Mississippi	Georgia	
				Coastal Plain	Piedmont
Sold some machinery, percent of farms	0	3	5	0	3
Left some machines idle, percent of farms	2	8	2	4	8
Changed livestock program, percent of farms	39	31	58	48	47
Expenditures for cost sharing practices, 1963:					
Percent of farms reporting	90	64	98	87	98
Average expenditure per farm, 1963, dollars	723	509	411	990	775
Cost share payments received per farm, dollars	576	179	231	358	300
Additional investment for cropland conversion:					
Percent of farms reporting	1/	17	26	3	16
Investment per farm reporting, dollars	1/	2,198	1,100	1,438	1,267
Expenditures for fertilizer per crop acres, 1962:					
By participants, dollars	.32	3.23	8.12	10.39	11.64
By nonparticipants, dollars	.35	3.40	5.80	9.54	7.80
Change in expenditures for fertilizer, 1962 to 1963, by--					
Participants, percent	+26	+38	+8	+7	+7
Nonparticipants, percent	+13	+28	+9	+2	+.8
Farmers reporting change in labor requirements:					
Labor requirements increased, percent of farms	6	4	2	3	0
Labor requirements decreased, percent of farms	4	22	24	9	31

1/ Data not available.

Farmers' expenditures for fertilizer rose sharply from 1962 to 1963, and such expenditures rose slightly faster for participants than for nonparticipants. In some areas there was little difference between participants and nonparticipants in the amount spent for fertilizer in 1962. In Mississippi and the Piedmont area of Georgia, however, fertilizer expenditures per crop acre by participant was much greater than for nonparticipants.

In four of the five areas studied, most farmers reported either no change or a reduction in labor required following participation in the Cropland Conversion Program. A few farmers, however, reported increases in labor requirements because labor needed for the addition or expansion of their livestock programs was greater than the labor saved through the reduction in crops grown.

CHARACTERISTICS OF FARM OPERATORS

Age of Operators

Younger farmers participated more readily than their older neighbors. In each area, farmers in the Cropland Conversion Program averaged 1 to 5 years younger than other farmers in their respective areas (table 30). Except in the Coastal Plain of Georgia, the proportion of farmers 65 years old and older in the program was only about half as large as among nonparticipants.

Education of Operators

The fact that farmers participating in the Cropland Conversion Program tend to be younger than their neighbors suggests that they also may be better educated. This is borne out by the average years of schooling completed. In each area, participants in the program had more education than nonparticipants. In North Dakota, the difference was small, but in the Coastal Plain of Georgia attendance in school averaged a third longer for participants than for nonparticipants (table 31). In the other three areas, participants averaged at least 1 more year of schooling than nonparticipants.

Off-Farm Work

Except in North Dakota, the proportion of farmers in the five areas working off their farms in 1962, the year before the Cropland Conversion Program, was greater among participants than among nonparticipants. Also, in North Dakota, only one-sixth of the participants worked off their farms the year before the program, whereas in the other four areas from about one-half to two-thirds of the farmers had off-farm work.

The change from 1962 to 1963 in the proportion of farmers with off-farm jobs was not significant (table 32). Neither is there much evidence to indicate that the little change that did occur was attributable to the Cropland Conversion Program. In North Dakota, for example, the percentage of participants with off-farm jobs rose slightly, but so did the percentage of nonparticipants with off-farm jobs. In Iowa, the percentage declined in both groups. In Georgia there was little change. Only in Mississippi did the percentage of participants with off-farm jobs rise while the percentage of nonparticipants with off-farm jobs declined slightly.

Table 30.--Age of operators, participants (P) and nonparticipants (N)

Age group	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Under 25 years	1	0	0	2	0	0	1	0	0	1
25 to 34	11	11	11	12	3	5	4	1	3	7
35 to 44	32	24	30	24	32	16	12	18	33	13
45 to 54	39	31	31	26	41	27	40	42	33	30
55 to 64	13	27	23	26	15	30	24	20	20	30
65 and over	4	7	5	10	9	22	19	19	11	19
	Years		Years		Years		Years		Years	
Estimated average age	45.9	48.9	47.7	48.9	49.0	54.7	53.3	54.6	50.2	53.2

Table 31.--Education of operators, participants (P) and nonparticipants (N)

Years of schooling completed	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Less than 8	7	8	1	6	8	16	24	50	17	37
8	42	45	8	27	16	29	15	13	14	17
9 to 11	17	14	15	6	27	29	32	25	32	34
12	24	31	56	41	29	13	12	5	16	5
13 to 15	9	2	9	11	13	5	8	5	17	7
16	1	0	6	6	4	6	7	2	4	0
More than 16	0	0	5	3	3	2	2	0	0	0
Average years of schooling completed	9.9	9.6	12.1	11.1	10.9	9.6	10.0	7.5	10.2	8.5

Table 32.--Off-farm work of operators, participants (P) and nonparticipants (N)

Item	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
Percentage working off-farm, 1962	16	28	48	38	52	48	46	36	68	49
1963	19	30	45	37	59	46	45	38	71	49
Weeks of off-farm work 1962	26	20	34	35	43	41	38	41	41	43
1963	26	20	37	34	42	42	41	40	44	41
Percentage furnishing equipment for off-farm business	5	14	1/	1/	16	13	22	14	15	20
	Percent		Percent		Percent		Percent		Percent	
Operators with time available for off-farm work	7	17	12	14	7	4	13	6	3	14
Operators looking for off-farm work	2	1	0	2	1	1	1	0	0	0
Operators who thought they could find suitable off-farm work	1	6	3	3	1	3	1	1	1	1
Principal source of off-farm income:										
Off-farm job or business	19	26	40	30	51	33	44	36	71	43
All other	(18)	(31)	(31)	(45)	(31)	(45)	(33)	(41)	(16)	(39)
Property rental	0	0	0	5	0	2	3	4	2	6
Stocks, bonds, savings, loans	7	4	9	12	0	0	5	1	1	3
Social security, pensions	2	7	1	6	9	18	15	21	9	16
Custom work	7	14	14	7	6	4	2	4	1	3
Other	2	6	7	15	16	21	8	11	3	11
No off-farm income	63	43	29	25	18	22	23	23	13	18

1/ Not available.

In North Dakota, participants averaged more weeks of off-farm work per year, whereas in the other States participants and nonparticipants worked about an equal number of weeks at off-farm jobs. There was little change from 1962 to 1963 in the amount of time spent in off-farm work.

Although most operators with off-farm jobs worked as common or skilled laborers, several were also employed in administrative or professional positions (table 33). Some were self-employed off their farms and provided substantial amounts of capital in the form of motortrucks, tools, or complete business establishments such as gas stations, machine shops, hatcheries, canning factories, and golf courses. Some of the professional personnel--doctors, lawyers--also had sizeable investments in their nonfarm jobs.

Relatively few of the farm operators without off-farm work thought they had time available for such employment, thus indicating that a large majority of the farm operators who wanted off-farm jobs had found them. Only 1 to 2 percent of the farm operators were looking for off-farm jobs. A slightly larger proportion thought they could find satisfactory jobs if they looked for them. The information obtained in the survey indicates that the Cropland Conversion Program had little, if any, effect on the off-farm employment of farm operators.

Off-Farm Income of Farm Operators

In addition to incomes from nonfarm jobs or businesses, several farmers reported incomes from other sources. Frequently these other sources were more important than off-farm jobs as sources of supplementary income. They included rental property, stocks, bonds, savings, loans, social security, pensions, retirement systems, custom work, and off-farm work by another member of the family (table 34).

Nonparticipants, more frequently than participants in the Cropland Conversion Program, reported that incomes from other than off-farm jobs or businesses were their chief sources of nonfarm income.

Farmers' Incomes and Debts

Except in North Dakota, 70 percent or more of the farmers interviewed reported family incomes from off-farm sources. Only 36 percent of the participants and 57 percent of the nonparticipants in North Dakota had off-farm incomes.

For those farmers reporting off-farm incomes in North Dakota and Iowa, there was little difference between participants and nonparticipants in the distribution of those incomes. However, farmers in Iowa reported higher incomes from these sources (table 34). In the Southern States, off-farm incomes were higher among participants. In Mississippi, for example, 55 percent of the participants had off-farm incomes of $2,000 or more with 24 percent having $5,000 or more compared with 42 percent and 7 percent, respectively, for nonparticipants.

Table 33.--Kind of off-farm work done by farm operators, participants (P) and nonparticipants (N)

Classification	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Administrative	0	5	11	5	4	5	4	4	3	2
Professional	2	0	5	0	6	2	2	1	6	3
Clerical	0	3	4	5	9	4	2	7	7	6
Skilled labor	7	10	8	14	10	11	8	6	14	11
Common labor	8	11	15	8	20	20	17	18	22	21
Self-employed	3	5	6	7	13	6	15	4	19	6
No off-farm work	80	66	51	61	38	52	52	60	29	51

Table 34.--Distribution of off-farm income, gross farm income, and debts of participants (P) and nonparticipants (N)

Item	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Off-farm income, 1963:										
None	64	43	29	26	18	22	23	23	13	18
$1.00 to $499	12	17	14	20	8	8	5	6	4	6
$500 to $999	6	11	5	5	6	14	8	18	6	12
$1,000 to $1,999	4	14	7	7	13	14	13	22	8	12
$2,000 to $4,999	10	12	20	23	31	35	32	17	36	38
$5,000 or more	4	3	25	19	24	7	19	14	33	14
Gross farm income, 1963:										
Under $2,500	6	3	16	16	38	56	28	46	54	58
$2,500 to $4,999	12	19	14	14	27	16	16	18	23	28
$5,000 to $9,999	33	29	14	19	18	15	23	19	9	5
$10,000 to $19,999	33	42	34	32	11	9	16	11	4	6
$20,000 to $39,999	12	6	14	13	6	4	12	4	9	3
$40,000 or more	4	1	8	6	0	0	5	2	1	0
Debt, Dec. 31, 1963:										
None	25	32	24	33	26	43	43	43	39	66
$1.00 to $4,999	21	37	17	25	31	37	27	43	19	21
$5,000 to $9,999	21	13	18	16	25	9	10	6	17	8
$10,000 to $24,999	24	16	26	17	13	7	17	8	18	5
$25,000 to $49,999	8	2	12	7	4	3	1	0	6	0
$50,000 to $99,999	1	0	2	1	1	1	2	0	0	0
$100,000 or more	0	0	1	1	0	0	0	0	1	0

In North Dakota and Iowa, farm families were more dependent on farming for their income than farm families in the Southern States. In North Dakota, 64 percent of the participants and 43 percent of the nonparticipants had no off-farm income. But about 80 percent of each group had gross farm incomes of $5,000 or more. In the Southern States, from 50 to 70 percent of the participants and 30 to 50 percent of the nonparticipants had off-farm incomes of $2,000 or more. At the same time, from nearly 50 to more than 80 percent had gross farm incomes of less than $5,000. Thus, although both participants and nonparticipants in the Southern States had large off-farm incomes relative to farm incomes, participants in the CCP had the larger incomes.

A part of the larger farm incomes of participants is accounted for by their payments under the CCP in 1963. Total payments under the program ranged from an average of about $2,400 in North Dakota to $1,100 in Mississippi (table 35). In addition, participants received payments averaging from nearly $300 to $1,700 for participation in other farm programs. Other farmers also received payments for participation in other farm programs, but the amounts averaged less than that received by farmers in the CCP.

Debts owed by farmers in the Cropland Conversion Program were larger than those of other farmers. 2/ More of the participants owed money to lenders, and those with debts owed larger amounts compared with nonparticipants (table 34). But as pointed out earlier, participants had larger farms and larger gross farm incomes so that their assets and income relative to debts may be as favorable as for nonparticipants.

PARTICIPATION IN OTHER GOVERNMENT PROGRAMS

Participants in the Cropland Conversion Program also tended to participate more readily in other Government programs. In each of the five areas, participation in the 1961 and 1962 Feed Grain Programs was highest among farmers participating in the Pilot Cropland Conversion Program in 1963 (table 36.) In 1963, some farmers apparently stayed out of the Feed Grain Program in order to participate in the Cropland Conversion Program. This shift was particularly noticeable in the northeast Mississippi area and the Piedmont area in Georgia. In these two areas, participation in the 1963 Feed Grain Program by farmers in the Cropland Conversion Program declined sharply relative to participation in the Feed Grain Program by other farmers in the areas.

Some farmers participated in the Feed Grain Program in all 4 years that it was available to them. From one-third to nearly three-fourths of the farmers who participated at all were in the program 4 years. For example, of the 50 out of 100 farmers who were in the 1961 program--the year of lowest participation in North Dakota--31, or 62 percent, were in the program all 4 years. In Mississippi and Georgia, nonparticipants in the Cropland Conversion Program rated at least as high as participants in the Feed Grain Programs.

2/ Debts were defined as all farm and personal obligations, excluding open charge accounts payable in 90 days or less.

Table 35.--Government payments received in 1963 by participants and nonparticipants

Government program and kind of payment	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Dollars		Dollars		Dollars		Dollars		Dollars	
Cropland Conversion										
Adjustment payment	1,837	---	1,647	---	872	---	1,143	---	1,256	---
Total cost share payment	704	---	712	---	369	---	634	---	629	---
Cost share earned, 1963	576	---	179	---	231	---	358	---	300	---
Feed Grain										
Diversion payment	167	124	650	342	72	94	128	88	106	86
Price support payment	173	159	866	618	12	18	42	15	11	8
Wheat										
Diversion payment	603	424	0	2	2	0	0	0	43	52
Price support payment	371	285	0	0	0	0	0	0	4	2
CR rental payment 1/	219	282	0	10	49	9	157	54	25	230
ACP payment 2/	156	141	80	41	130	60	116	55	84	33
Total payments earned, 1963	4,102	1,415	3,422	1,013	1,368	181	1,944	212	1,829	411
Excluding CCP payments	1,689	1,415	1,596	1,013	265	181	443	212	273	411

1/ Conservation Reserve.
2/ Agricultural Conservation Program.

Table 36.--Participation in Government programs other than Cropland Conservation Program

Program and year	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Farms in Feed Grain Program in--										
1961	50	41	83	56	29	24	21	18	16	12
1962	67	66	82	71	42	38	31	21	26	17
1963	55	52	87	66	27	36	34	32	23	30
1964	58	68	87	68	24	38	41	36	16	36
All 4 years	31	20	NA	NA	8	17	12	13	7	8
Out all 4 years	16	13	NA	NA	48	50	42	49	38	26
Farms in CR Program, 1962 1/	21	15	1	2	4	3	14	10	4	13
Farms in Wheat Diversion Program, 1963	76	68	0	1	0	0	3	1	11	30
Percent of feed grain base diverted, 1963	18	15	25	15	20	25	13	11	29	30
Percent of cropland in CR Program, 1963 1/	5	6	2/	1	4	2/	13	4	4	15

1/ Conservation Reserve.
2/ Less than 0.5 percent.

The relation between the Cropland Conversion Program and the Conservation Reserve and Wheat Diversion Programs may be significant within the areas studied, but it is not consistent among areas. Thus, the relation between participation in the Cropland Conversion Program and other farm programs may be positive, but the evidence does not indicate a very high correlation.

REASONS FOR PARTICIPATION

The expectation of a larger net income and the desire to change from crop production to a livestock system of farming were the principal reasons for participation in the program, as reported by farmers in the five areas studied (table 37). The expectation of a more certain income and the possibility of obtaining a better balance between hayland and pasture without sacrificing income were factors that appealed to North Dakota farmers.

In both North Dakota and Iowa, farmers saw in the program an opportunity to improve or maintain the fertility of their soil. This possibility appealed to farmers in Mississippi and Georgia, too, but it had less influence on their decisions. Nearly one-fourth of the farmers in Iowa participated in the program as a method of partial retirement, and one-tenth said that the program offered payments for changes they had already planned. This last reason probably was a factor in other areas, also, but it was not reported separately.

Table 37.--Reasons given by farmers for participating in CCP

Reason	Percentage reporting in 1/--				
	North Dakota	Iowa	Mississippi	Georgia	
				Coastal Plain	Piedmont
	Percent	Percent	Percent	Percent	Percent
1. Expected a larger net income	32	32	21	24	29
2. Expected a more certain income	43	13	16	7	5
3. Wanted to improve the soil	39	48	6	10	10
4. Wanted to support a desirable program	4	13	2	3	1
5. Wanted to reduce workload for reason of health or old age	3	23	9	11	15
6. Wanted to take off-farm work	---	3	9	3	8
7. Wanted to change to a different type of farming	27	32	36	42	32
8. Had already planned identical adjustment	1	11	---	---	---
9. Landlord made the decision	---	3	---	---	---
10. To extend recreation enterprise	---	3	---	---	---
11. Misunderstood program	1	1	---	---	---
12. Needed more pasture	32	---	1	---	---

1/ Many farmers gave more than one answer.

From one-half to four-fifths of the participants in the five study areas said that before signing the agreements they had estimated the effect the program would have on their net incomes, and from two-thirds to nine-tenths of those who made estimates expected that their incomes would be higher as a result of participation (table 38). Apparently the program had worked out as expected because the proportions whose expectations were realized were even higher.

Table 38.--Farmers' estimates of the effect of CCP on net income

State and area	Percentage of farmers estimating	Percentage expecting increase	Realized income was as expected
	Percent	Percent 1/	Percent 1/
North Dakota	52	89	86
Iowa	60	63	95
Mississippi	65	84	91
Georgia			
Coastal Plain	69	62	57
Piedmont	80	68	67

1/ Of those who made estimates.

A large proportion of the farmers in the program were pleased with their decision to participate (table 39). A few, usually less than 10 percent, were dissatisfied with the program because their incomes were lower than expected, or they had not anticipated the extent of the adjustments that would be necessary.

REASONS FOR NOT PARTICIPATING

The three reasons for not participating most frequently reported by farmers were that they expected crop production would be more profitable than livestock production plus program payments, the program would interfere with desirable land use, or they were not familiar with the provisions of the program. The "interference with desired land use" included many situations in which the land the farmer wanted to convert to pasture, if he went in the program, was not located where it could be pastured conveniently. Other reasons for not participating are shown in table 40.

Table 39.--Participants dissatisfied with decision and their reasons for dissatisfaction 1/

Item	North Dakota	Iowa	Missis-sippi	Georgia	
				Coastal Plain	Piedmont
	Percent	Percent	Percent	Percent	Percent
Satisfied with decision	91	88	96	91	96
Dissatisfied	9	12	4	9	4
Reasons for dissatisfaction	---	---	2/	2/	2/
Income was lower than expected	4	2	2/	2/	2/
Adjustment required was greater than anticipated	5	6	2/	2/	2/
Did not agree with landlord's decision	---	1	2/	2/	2/
Situation changed	---	1	2/	2/	2/
No reason given	---	2	2/	2/	2/

1/ Would not sign a CCP agreement if they could make the choice at time of interview.

2/ No report.

Table 40.--Reasons given by farmers for not participating in CCP 1/

Reason	North Dakota	Iowa	Missis-sippi	Georgia	
				Coastal Plain	Piedmont
	Percent	Percent	Percent	Percent	Percent
1. Expected growing crops would be more profitable	57	55	30	17	23
2. Program would interfere with desired land use	61	28	29	28	21
3. Prefer not to participate in any Government program	6	12	3	4	2
4. Dissatisfied with local administration of program	2	3	2	6	4
5. Was not familiar with provisions of program	17	39	31	35	45
6. Payment came too late	---	1	1	---	1
7. Landlord did not want to participate	6	14	---	---	---
8. Minimum period (5 yrs.) too long	---	8	1	---	---
9. Applied too late	4	---	2	---	---
10. All or most of cropland in CR 2/	3	---	1	---	---
11. Did not need more pasture	8	---	---	---	---
12. Other	12	---	---	10	4

1/ Percentage may total more than 100 because some farmers gave more than one reason.

2/ Conservation Reserve Program.

RESPONSE TO PROGRAM ALTERNATIVE

As a part of the study, farmers were asked what their likely response would be to specified changes in the Cropland Conversion Program. The suggested changes, if adopted, would extend the term of the agreement, expand the acreage under agreement on farms in the program, bring additional farms into the program, reduce the cost of the program, or accomplish some combination of these objectives.

Relatively few participants would extend their agreements at payments below those provided presently; however, from nearly one-half to three-fourths of them would extend the length of their agreements at rates equal to those they were receiving (table 41). A few additional farmers would extend their agreements at rates 25 percent above those they were receiving. If payment for the whole program were raised 25 percent, however, the cost per acre for the additional acreage would be two to three times as high as for the acreage that could be contracted at the present level of payments.

The pilot program does not provide for any payment on land poorer than Soil Conservation Service Class IV suited for regular use for row crops and small grains. Some of this land has remained in cultivation on farms in the program because no payment was offered for converting it to pasture, woods, or some other noncrop use.

Table 41.--Participants' response to specified alternative provisions of CCP

Specified provision	North Dakota	Iowa	Mississippi	Georgia	
				Coastal Plain	Piedmont
	Percent	Percent	Percent	Percent	Percent
Percentage of participants willing to extend the length of CCP agreements if adjustment payments were--					
25 percent below 1963 rates	12	17	27	12	6
The same as 1963 rates	66	45	72	64	76
25 percent above 1963 rates	93	76	91	76	86
Percentage of farms with cropland unsuited for regular use for row crops and small grains	18	18	13	9	17
Percentage of such cropland	5.1	1.6	4.6	2.6	.6
Percentage of unsuited acreage that would be included under CCP if rates were--					
25 percent of 1963 rates	41	34	14	0	1/
50 percent of 1963 rates	53	34	46	43	1/

1/ Not available.

Farmers who had such land were asked if they would have included it in their agreements if a small payment had been offered. The acreage of such land reported by farmers, however, was small and would not have materially affected the results of the program (table 41).

In the five areas studied, from about one-fourth to two-fifths of the farmers in the Cropland Conversion Program would put more land into the program on the same terms offered for the 1963 pilot program (table 42). A smaller proportion of the nonparticipants in these areas also would retire cropland at the 1963 payment rates. Despite the fact that they already have converted 12 to 35 percent of their cropland as shown in table 5, participants said they would convert an additional 4 to 12 percent to noncrop uses. Thus, participants would add more acres to their present agreements than nonparticipants would offer on initial agreements. Apparently, each farmer needs experience with the program to demonstrate to him its possibilities for his farm. Therefore, for a program to be most successful, it should be open for participants to add acreages or for new participants to come into the program after they have had an opportunity to see it in operation.

Table 42.--Farmers' indication of willingness to participate in CCP with specified alternative provisions of the program

Specified provision	North Dakota		Iowa		Mississippi		Georgia			
							Coastal Plain		Piedmont	
	P	N	P	N	P	N	P	N	P	N
	Percent		Percent		Percent		Percent		Percent	
Percentage of farms that would increase participation with adjustment payments--										
25 percent below 1963 rates	7	6	5	2	9	4	4	1	2	0
Same as 1963 rates	40	23	26	8	41	12	36	19	31	20
25 percent above 1963 rates	69	56	44	22	82	28	64	44	41	25
Additional percentage of cropland that would be diverted with adjustment payments--										
25 percent below 1963 rates	1.1	.6	.5	.2	4.0	.8	.4	.1	.4	0
Same as 1963 rates	5.5	3.2	4.2	1.0	12.1	3.6	7.5	3.8	10.3	10.2
25 percent above 1963 rates	10.3	9.8	8.5	4.5	26.1	12.9	15.7	11.4	14.7	11.6
Percentage of farms that would include part of wheat allotment and feed grain base--										
For 50 percent premium	49	39	29	14	58	28	62	36	76	42
Method of payment preferred										
Lump sum	42	17	68	19	82	63	77	58	66	55
Annual payments	58	83	31	75	18	36	22	40	33	42
Of those preferring lump sum, percentage that would accept 10 percent less than sum of 5 annual payments	9	24	32	37	32	7	6	2	10	5

The additional acreage that would come into the program at rates 25 percent below those offered in the 1963 pilot program appears to be very small. Rates 25 percent above those of the pilot program would bring in considerable land, but at sharply higher cost per added acre.

As payment rates under the Cropland Conversion Program are low relative to feed grain diversion rates, an increase of 50 percent in Cropland Conversion Program rates would still leave them considerably below diversion payments in the feed grain program. Under the Cropland Conversion Program, the payment was assured for 5 years; whereas, under the feed grain and wheat programs, some payment is available for 2 years, but the level of payment is assured for only 1 year. Against this background, farmers were asked if they would include in a Cropland Conversion Program agreement a part of their wheat or feed grain allotment for a premium of 50 percent.

Except for the nonparticipants in Iowa, about 30 percent or more of both participants and nonparticipants in all areas said they would include in a Cropland Conversion Program Agreement some of their wheat or feed grain allotment if payments for this land were 50 percent above average. Generally the proportions favoring such a change were higher among participants, and higher in the South. Three-fourths of the participants in the Piedmont area of Georgia favored such a change.