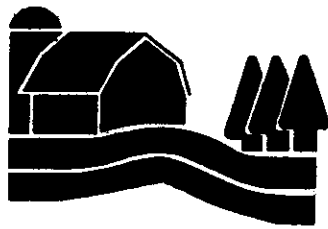


**iowa
farm and
rural life
poll**



Summary

Spring 1984

Introduction

The fourth Iowa Farm and Rural Life Poll was conducted in February and March, 1984. Information was collected from 1,983 randomly selected Iowa farm families. The poll provides a good cross-section of Iowa farmers' opinions on a number of important agricultural issues. Purpose of the poll is to provide up-to-date information on major issues facing agriculture and rural communities to researchers, policy makers, community leaders and others interested in strengthening Iowa's agricultural economy and rural communities. The poll is supported by the Iowa State University Agriculture Experiment Station and the ISU Cooperative Extension Service. Our thanks goes to the hundreds of Iowa farm families who take the time to give us their opinions on these important issues.

FINDINGS

Agricultural Policy Issues

Because Congress will be considering new farm legislation next year, several agricultural policy issues are on the agenda for possible inclusion in the 1985 Farm Bill. To facilitate the policy process, several questions pertinent to the 1985 Farm Bill were included in the survey.

Trade Issues

With the recent decline in farm export sales several possible international trade policies being discussed were included in the survey.

One alternative being considered is subsidizing credit to foreign buyers of U.S. farm products.

Among farmers in the survey, considerable diversity of opinion existed (Table 1). Thirteen percent strongly supported and an additional 31 percent somewhat supported subsidizing credit to foreign buyers. About one-fourth (26 percent) of the respondents were uncertain about this option. Twelve percent of the farmers strongly opposed credit subsidies and an additional 17 were somewhat opposed.

A second alternative being considered to strengthen the U.S. position in international trade is entering into long-term trade agreements with other countries. This was the most popular of the various trade issues included in the survey. Eighty-eight percent of the farmers favored long-term trade agreements. Only five percent were opposed to long-term trade agreements, and 7 percent were uncertain about this option.

A third policy option being advocated by some to enhance U.S. farm exports is lowering farm price supports to make U.S. farm products more competitive on the world market. Farmers had mixed reactions to this proposal, but the majority opposed it. About one-third (31 percent) of the respondents favored lowering farm price supports. Forty-six percent of Iowa farmers opposed lowering price supports. Nearly one-fourth (23 percent) were uncertain about this proposal.

The fourth trade proposal was creating a U.S. marketing board to handle all export sales of farm products. Almost one-half of Iowa farmers (46 percent) favored this proposal. Twenty-eight percent opposed creating a U.S. export marketing board and 27 percent were uncertain.

Domestic Farm Policy Issues

Domestic content legislation is a much talked about issue and undoubtedly will be considered in the 1985 Farm Bill debate. To ascertain opinion on this

issue, farmers were asked how they felt about requiring imported manufactured goods, such as automobiles and television sets, to contain a certain amount of U.S. parts or components. Nearly one-fourth (23 percent) of Iowa farmers strongly

Table 1. Farmer's opinions regarding international trade policy proposals.

<u>Option</u>	<u>Strongly Support</u>	<u>Somewhat Support</u>	<u>Uncertain</u>	<u>Somewhat Oppose</u>	<u>Strongly Oppose</u>
	-----Percent*-----				
Subsidizing credit to foreign buyers of our farm products	13	31	26	17	12
Entering into long-term trade agreements with other countries	56	32	7	3	2
Lowering farm price supports to make U.S. farm products more competitive on the world market	9	22	23	22	24
Creating a U.S. marketing board to handle all export sales of this country's farm products	18	28	27	14	14

*Totals may not equal 100% because of rounding.

Table 2. Farmers' opinions on domestic farm policy proposals.

<u>Option</u>	<u>Strongly Support</u>	<u>Somewhat Support</u>	<u>Uncertain</u>	<u>Somewhat Oppose</u>	<u>Strongly Oppose</u>
	-----Percent-----				
Requiring imported manufactured goods, such as automobiles and televisions, to contain a certain amount of U.S. parts or components. This is referred to as domestic content legislation.	23	25	23	16	13
Establishing an income insurance program in which all farmers would pay into a fund for income protection. Money from this fund would be paid to farmers if net farm income fell below a pre-determined level.	5	13	22	20	39
Requiring farmers to participate in the federal crop insurance program to qualify for other government assistance in case of crop failure due to natural disasters such as drought or flood.	17	20	13	20	31
Targeting soil conservation efforts to regions where soil erosion rates are the highest.	42	42	8	6	3

supported and an additional one-fourth (25 percent) somewhat supported domestic content legislation (Table 2). Thirteen percent strongly opposed and 16 percent were somewhat opposed to requiring domestic content in imported goods. About one-fourth (23 percent) of Iowa farmers were uncertain about the merits of domestic content legislation.

Less than one in five (18 percent) farmers supported an income insurance program. Fifty-nine percent opposed establishing a fund that would pay farmers if net farm income fell below a pre-determined level. Twenty-two percent of the respondents were uncertain about this concept.

Farmers held mixed opinions about requiring them to participate in the federal crop insurance program to qualify for other government assistance in case of crop failure due to natural disasters. Thirty-seven percent supported this policy issue and 51 percent were opposed, while 13 percent were undecided.

Eighty-four percent of Iowa farmers support targeting soil conservation efforts to regions where soil loss is the highest. Targeting of conservation efforts was opposed by just 9 percent of the farmers.

Opinions About Why U.S. Farm Exports Have Declined

Farmers were asked why U.S. farm exports have declined. They were asked to judge 10 reasons and indicate the level of importance of each item on a five-point scale which ranged from very important to very unimportant.

Farmers generally agreed that a strong dollar is an important factor in the decline of U.S. farm exports (Table 3). Almost one-half of the respondents felt the strong dollar was a very important reason why farm exports have declined. An additional 40 percent cited the strong dollar as an important reason for the sliding export sales. Ten percent of

Table 3. Farmers' opinions on important factors impeding farm exports.

<u>Factors</u>	<u>Very</u>	<u>Important</u>	<u>Uncertain</u>	<u>Unimportant</u>	<u>Very</u>
	<u>Important</u>	<u>Important</u>	<u>Uncertain</u>	<u>Unimportant</u>	<u>Unimportant</u>
	<u>Percent</u>				
Strong U.S. dollar in relation to other currencies	49	40	10	2	0
Lack of consistent U.S. policy supporting export trade	47	38	13	2	1
Carry over effects of embargoes	46	32	13	7	2
Worldwide recession	36	51	12	1	1
Failure of U.S. to be aggressive in establishing trade relations	35	42	18	4	1
Protective trade practices by other countries	30	46	22	2	1
Shipping costs	30	40	20	8	1
World tensions	23	47	21	8	1
Favorable world-wide weather patterns	18	56	19	7	1
Support prices	14	41	30	13	2

the respondents were uncertain about the importance of the strong dollar. Only two percent felt the strong dollar was unimportant in explaining the slump in U.S. farm export sales.

The second most important reason accounting for the decline in farm export sales, according to Iowa farmers is the lack of a consistent U.S. policy supporting export trade. Forty-seven percent felt this was a very important reason and an additional 38 percent felt it was an important reason for the decline in international sales. Closely related to inconsistent policies, is the adverse effects of past grain embargoes. The carryover effects of past embargoes was cited as the third most important reason for the decline in U.S. farm export sales. Seventy-eight percent of Iowa farmers felt embargoes were either a very important or important reason accounting for the decline in export sales.

Farmers also felt the worldwide recession was an important dimension in understanding the decline in farm exports. Thirty-six percent said the worldwide recession was very important and 51 percent felt it was an important reason for the slump of farm exports.

Failure of the U.S. to be aggressive in establishing trade relations was viewed by 77 percent of the respondents as an important or very important factor in explaining the loss of U.S. agricultural export sales.

Three-fourths of Iowa farmers felt that the decline in farm export markets was due to protective trade practices of other countries. Twenty-two percent were unsure about the effects of protective trade practices. Seven out of ten of Iowa farmers indicated shipping costs were either an important or very important reason for the decline in farm export sales.

World tensions were cited as a very important reason for the decline in export sales by almost one-fourth of the respondents. An additional 47 percent felt world tensions were an important reason for the decline in U.S. export markets. Favorable world-wide weather patterns were seen as either important or very important reasons for the loss of export markets by 74 percent of the respondents.

Support prices were ranked last in the list of 10 reasons for the decline in international

Table 4. Respondents' outlook on farming, 1982 and 1984.

<u>Prediction</u>	<u>Opinion</u>	<u>Fall 1982</u>	<u>Spring 1984</u>
		-----percent-----	
The number of farms will continue to decline	Very likely	67	75
	Somewhat likely	26	19
	Uncertain	4	2
	Somewhat unlikely	2	3
	Very unlikely	1	1
Low prices for farm products will put many farmers out of business	Very likely	72	69
	Somewhat likely	22	23
	Uncertain	4	3
	Somewhat unlikely	2	2
	Very unlikely	1	2
Adequate financing for beginning farmers will be difficult to obtain	Very likely	62	68
	Somewhat likely	29	24
	Uncertain	5	5
	Somewhat unlikely	3	3
	Very unlikely	1	1

agricultural sales. Fourteen percent felt that support prices were very important and an additional 41 percent felt support prices were important in explaining the loss of international markets. Nearly one-third of the respondents were uncertain about the impacts of support prices on farm exports. Fifteen percent of the respondents indicated support prices were unimportant in explaining the decline in farm exports.

The Future of Farming

To gauge how Iowa farmers' opinions about the future of farming had changed since the fall of 1982, several questions were repeated. In the fall 1982 survey, farmers were generally pessimistic. However, with the upturn in the national economy we felt farmers optimism might have increased. In general, there have been few changes in the outlook among farmers in the past 18 months. Respondents were asked the likelihood of three predictions happening in the next 10 years in Iowa.

In 1982, 93 percent felt it was likely or very likely that the number of Iowa farms would continue to decline. This spring, 94 percent felt farm numbers would decline in the next 10 years. (Table

4). Opinions that low prices for farm products will put many farmers out of business, remained unchanged between the two surveys. More than 90 percent expect this to occur. The national recovery apparently has not brought relief to the issue of adequate financing for beginning farmers. Over 90 percent of the respondents in both surveys felt that financing for beginning farmers will be difficult to obtain.

Based on these three indicators of the future of Iowa agriculture, there has been virtually no change in the past 18 months. The majority of Iowa farmers still feel it is very likely that the number of farms will decline, that low prices will force many farmers out of business and that financing for beginning farmers will be difficult to obtain in the next 10 years. The upturn in the national economy apparently has not influenced the outlook of Iowa farmers.

Opinions about government

In the fall 1982 poll Iowa farmers were very critical of the role of government in agriculture. Three indicators of farmers' opinions about government involvement in agriculture from the fall

Table 5. Farmers' opinions about government, 1982 and 1984.

	Opinion	Fall 1982	Spring 1984
		-----percent-----	
Increasingly, farmers are being "left out" of many important agricultural decisions	Strongly agree	41	52
	Somewhat agree	46	38
	Uncertain	9	6
	Somewhat disagree	3	4
	Strongly disagree	1	1
Farmers cannot count on government assistance in solving their marketing and price problems	Strongly agree	41	53
	Somewhat agree	44	35
	Uncertain	9	4
	Somewhat disagree	5	4
	Strongly disagree	1	2
Government agricultural policies are the primary cause of the present price problems	Strongly agree	39	36
	Somewhat agree	33	36
	Uncertain	18	14
	Somewhat disagree	9	10
	Strongly disagree	2	4

1982 poll were repeated to see if farmers' opinions had changed after the 1983 payment-in-kind program.

In the fall 1982 survey, 87 percent of Iowa farmers agreed that they are increasingly being "left out" of many important agricultural decisions (Table 5). In this survey, 90 percent agreed with this statement. Eighty-five percent of the respondents in the fall 1982 survey agreed that farmers cannot count on government assistance in solving their marketing and price problems, compared to 88 percent in the 1984 survey. Seventy-two percent of the respondents in both surveys agreed that government agricultural policies are the primary cause of the present price problems.

It appears that farmers remain critical of government's role in agriculture. Apparently the payment-in-kind program did not restore farmers' confidence in government. Nearly three-fourths still agree the problems stem from government policies; almost nine out of ten agreed that farmers can't count on government assistance to solve the price problems; and 90 percent feel farmers are "being left out" of important agricultural decisions.

In the fall 1982 poll, respondents were asked: "Of the farmers who are having financial problems, would you say the major reason for their situation is ...?" This question was repeated in the spring 1984 survey. There has been some shift in opinions about the reason for the financial problems in the past 18 past months (Table 6).

In the fall 1982, one-fourth indicated poor management was the primary cause for the financial problems compared to 29 percent in the latest poll. In the earlier survey, 15 percent said poor

financial advice was the reason why some farmers were experiencing financial problems. However in the latest survey 26 percent indicated poor financial advice was the primary reason -- this represents a 11 percent increase in 18 months. The proportion citing "factors beyond their control" declined from 61 percent to 45 percent in the 18 months.

Community Life

Several respondents commented in previous surveys about the changes in their communities as farm numbers have declined and as farm families have left their community.

Iowa farmers were asked about community relationships and whether neighboring had changed in the past 10 years. In general, respondents acknowledged that people don't depend upon each other like they once did, but eight out of ten felt they could always count on their neighbors to lend a helping hand and neighbors are willing to help others in need (Table 7). A major reason often given why farmers don't depend upon each other as they once did, is the level of technology present on most farms. Seventy-two percent agreed that farms are so well-equipped today, that few farmers need their neighbor's help.

Almost two-thirds (64 percent) agreed with the statement: "I'm so busy now-a-days I don't seem to have time to visit with my neighbors". However, about one-third (31 percent) disagreed with this statement.

The majority of the respondents (62 percent) agreed it is difficult to get people to volunteer to help on community projects. Likewise, a majority of Iowa farmers agreed they are not as active in community affairs as they should be.

There was divided opinion as to whether people are as willing to help each other as they once were. Fifty percent of the respondents agreed with the assertion, while 41 percent disagreed. There appears to be some contradictions in the data. On the one hand, respondents felt they could always count on their neighbors, but on the other hand, they were saying that in general people are not as willing to help each other.

A mixed opinion also existed on the statement: "The only time I see my neighbors is when they drive past

Table 6. Respondents' opinions about farmers' financial problems, 1982 and 1984.

<u>Reason</u>	<u>Fall 1982</u>	<u>Spring 1984</u>
	-----percent-----	
Poor management	25	29
Poor financial advisement	15	26
Factors beyond their control	61	45

my farm." Fifty-four percent agreed with the statement, while 43 percent disagreed.

Forty-two percent felt that their community was closely knit, and forty-three percent disagreed. Fifteen percent were uncertain about this assertion.

Changes in Neighboring

Two questions asked about perceived changes in neighboring in the past 10 years. The majority of Iowa farmers felt that neighbors visiting with each other and helping each other has either greatly declined or somewhat declined over the past 10 years. Only one percent of the respondents felt visiting or helping each other had increased in the past 10 years (Table 8).

Table 7. Farmers' views on changes in community life.

<u>Dimension</u>	<u>Strongly agree</u>	<u>Somewhat agree</u>	<u>Uncertain</u>	<u>Somewhat agree</u>	<u>Strongly disagree</u>
	-----percent-----				
People don't depend upon each other like they once did	51	42	2	4	1
I can always count on my neighbor if I need help	45	36	10	7	3
Whenever someone in our neighborhood needs help, there are always plenty of neighbors willing to help them	43	41	9	6	2
Farms are so well equipped today that few farmers need their neighbors' help	20	52	6	18	5
I'm so busy now-a-days, I don't seem to have time to visit with my neighbors	19	45	5	25	6
It is difficult to get people to volunteer to help on community projects	18	44	12	21	6
I'm not as active in community affairs as I should be	16	49	10	18	7
People don't seem to be as willing to help each other as they once did	14	36	9	30	11
About the only time I see my neighbors is when they drive past my farm	13	41	3	34	9
Our neighborhood is closely knit	10	32	15	33	10

The Future of the College of Agriculture

To assist in planning the future of the College of Agriculture and the Cooperative Extension Service, Iowa farmers were asked their opinions on 12 evaluation statements.

General Assessment

There were mixed reactions to the statement: "Creative ideas more often come from the university than from private corporations." One-third of the respondents (32 percents) agreed with this statement and 30 percent disagreed. Thirty-eight percent were uncertain whether creative ideas generally come from universities or private industries.

Reactions were also divided on the statement: "Rather than being truly innovative itself, the university tends to join the 'bandwagon' about ideas developed elsewhere." About one-third (31 percent) agreed with this assertion and almost as many (26 percent) disagreed. Forty-four percent were uncertain about this statement.

Research

Seventy-two percent of Iowa farmers agreed that the need is greater than ever for vigorous agricultural research programs. Two-thirds of the respondents (68 percent) agreed with the statement: "Research by private agri-business firms can never replace the need for university experiment stations." Respondents were less certain that research at agricultural colleges is years ahead of private industry. Twenty-six percent agreed with the statement, however, 29 percent disagreed and 45 percent were uncertain.

Iowa farmers tended to disagree that many of the problems facing rural America today can be traced to the agricultural colleges. Fifty-nine percent of

the respondents disagreed and 16 percent agreed that the problems can be traced to the agricultural colleges.

A majority of Iowa farmers (71 percent) agreed the need for the College of Agriculture is becoming more important than ever. Six out of 10 respondents (63 percent) agreed increased enrollments should be encouraged in the College of Agriculture.

Cooperative Extension

Two-thirds of Iowa farmers (65 percent) agreed that most Extension program complement rather than compete with private firms. The majority of Iowa farmers felt that Extension has responded to the needs of rural America--sixty-eight percent either strongly or somewhat agreed.

Eight out of ten farmers (81 percent) said Extension should provide educational materials to both farm and nonfarm people. Nearly six out of 10 farmers (58 percent) agreed that Extension programs have been very beneficial to their families.

Table 8. Changes in Neighboring

	<u>Greatly declined</u>	<u>Somewhat declined</u>	<u>Remained the same</u>	<u>Somewhat increased</u>	<u>Greatly increased</u>
	-----percent-----				
Do you feel that neighbors visiting each other over the past 10 years has	39	46	14	1	0
Do you feel that neighbors helping each other over the past 10 years has	25	48	26	1	0

File: CRD, 7 Rural Development
Public Affairs, 1 Ag Policy

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