*What Heritage Do We Pass Onto the Next Generation

Twenty-five years ago, Dr. Donald A. Williams, third head of the Soil Conservation Service, met with you and talked about conserving our Nation's legacy of land and water. That was in 1959, the year that the world's first soil conservation postage stamp was issued. This year another was released to commend 50 years of soil conservation.

Like my predecessor, I was honored to address your venerable society as the sixth chief on November 6, 1980 and am now most pleased to be invited back as a private citizen.

When we consider historic items you can take great pride in being the oldest, continuously active agricultural organization in America (February 11, 1785).

In reading then about your society, I was impressed by the words of Richard Peters, "the only practical farmer among the charter members." He said, "It was a leading motive with us, in the establishment of our society, that facts on all sides of agricultural questions should be collected and promulgated, so as to enable every farmer to judge for himself according to the circumstances in which he is placed."

On March 20th, the nation again celebrated Agriculture Day as an official national observance to honor the marvelous system that feeds, clothes and helps shelter us.

I'm proud to have spent my lifetime working for a strong, viable agriculture because the facts are impressive:

o The agricultural system is basic to human needs. It provides food, clothing and shelter.

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*Material used by Norman A. Berg, Senior Advisor, American Farmland Trust at a luncheon meeting on May 3, 1984 at the Union League of the Philadelphia Society for Promoting Agriculture.

o Agriculture is a business. One of the facts highlighted is that the producers on the two-point-four million farms in the Unites States generate another twenty million or more jobs throughout the economy.

o The agricultural system and all other segments of our society are interdependent. Industrial areas are dependent on primary farming areas for food, farming areas are dependent on industrial areas for demand; agricultural technology affects the quality and quantity of the supply, consumer lifestyles and demand affect agricultural technology and production.

o The U.S. agricultural system and agriculture in other countries of the world is "interdependent." Supply, demand and weather factors in one nation constantly affect agricultural decisions in other nations.

o The agricultural system is influenced by public policy. From the earliest days of our republic, by distributing public lands in ways that encouraged different types of farming, government has been involved in agriculture. Today, farming programs, tax policy, trade matters and other government action all influence agriculture.

o Agriculture is historically significant. From the technological developments that continue to allow a smaller percentage of the population to produce food for everyone, all the way back to prehistoric times when primitive agriculture led to settled communities, new social role-patterns and the world's first legal and political systems, agriculture has changed the course of history.

o The agricultural system requires research and development to maintain its vitality.

o The agricultural system is a dynamic system. It is ever-changing, because it must constantly adapt to internal and external economic and technological changes.

o The agricultural system requires continual access to resources. (all types)

o The agricultural system and the natural environment are interdependent. To raise crops and livestock, producers must have sufficient supplies of good land, water and air. And climate is and will be important though unpredictable.

Dr. Bartholmew, in the kind invitation to be here today said the Society desired more information on the American Farmland Trust. We are honored that President Douglas Wheeler was also invited. Under his leadership he would tell you that:

Three years ago, the American Farmland Trust was founded as the only national, nonprofit organization committed exclusively to conserving the natural resources that sustain agriculture -- our fertile land and the soils that comprise it. Responding to official findings that the United States is losing millions of acres of its farmland to urban sprawl and soil erosion, the AFT charter contemplates a balance of three programs to address these concerns.

These three basic programs -- policy development, private land conservancy and public education -- are mutually reinforcing so that what emerges is a broad, unified strategy for conserving farmland and promoting farming opportunity in a way that is responsive to the economic realities facing a traditionally rural enterprise in an increasingly urban society.

Because we believe that the most important land use decisions are made by individual landowners. AFT demonstrates innovative private methods of conserving land for farming. Because government has such a pervasive influence on land use, AFT conducts public policy research and helps officials devise effective agricultural conservation programs. And because progress in maintaining and improving our agricultural resource base depends on citizen understanding and support, AFT helps inform people and their representatives about the stake we all have in saving farmland and soil.

Taken together, AFT's three major programs represent a "middleground" approach to agricultural resource conservation, one based on consensus rather than confronta-

tion, one that unites our principal constituencies -- those who grow our food and all who consume it.

In May, 1982, the Pennsylvania Farmland Project (hereinafter referred to as the Project) began full-time operation. With start-up funding provided by the J. N. Pew, Jr. Charitable Trust, and jointly sponsored by the American Farmland Trust (AFT) and the Pennsylvania Farmers' Association, the Project's stated purpose is: to establish a private sector program to protect both the state's farmland and its agricultural economy. Toward this end, the Project has three principal objectives:

1. To inform Pennsylvanians about the importance of protecting farmland from threats posed by soil erosion and unnecessary conversion to non-farm uses.
2. To assist farmers and landowners in the use of conservation easements and other private farmland protection techniques, and to act as the common ground between the production agriculture and conservation communities.
3. To support existing and new public policy initiatives which encourage farmland retention and agricultural enterprise.

In April, 1982, after a cooperative agreement was executed between AFT and the Pennsylvania Farmers' Association (PFA), Mr. Christopher Allen was selected as the Project director. Mr. Allen previously had served as a staff member of PFA. A Project Steering Committee was then assembled, comprised of Mr. Allen and representatives from AFT and PFA. The Steering Committee planned and guided the work of the Project to assure stated objectives were met.

The Pennsylvania Project, through PFA, arranged a joint meeting of the state House and Senate Ag Committees on March 20, 1984. The purpose was to discuss state participation (funding) of section 14 of P.A. 43, which authorizes county PDR programs for farmland.

Speakers included the chairman of both committees, Noah Wenger (Senate) and Sam Morris (House), Doug Wheeler, Keith Eckel (PFA President), and Ag Secretary Penrose Hallowell.

The highlight of the meeting was that Hallowell carried the Governor's endorsement of state funding for a PDR initiative. This was contrary to pre-meeting expectations.

Ed Thompson was in Harrisburg (4-26-84) drafting legislation to provide funding for PDR.

We are prepared to visit at length or answer questions later about AFT.

As I said four years ago -- the question of whether America's mighty agricultural machine might break down some time in the future has been on a lot of people's minds. Concern has centered on a number of possible threats:

- o Continuing soil erosion and loss of soil fertility;
- o Last summers severe drought and possible changes in climate;
- o Mining of underground aquifers;
- o Energy supply and cost;
- o Crop vulnerability to pests and diseases due to monoculture and heavy reliance on chemicals;
- o Declining increases in crop yields per unit per acre; and the continued
- o Conversion of prime and unique farmland to nonagricultural uses.

Emotionalism still runs high on both sides of the land conversion issue. There are those who claim that the United States has an almost <u>limitless</u> supply of current and potential cropland and that we can go on forever feeding ourselves and much of the world. And there are those who claim that we have already reached the point of no return. As in most arguments, the truth probably lies somewhere in between; the "middleground" approach. It certainly was an issue to the more than 50 private landowners who sought AFT help during 1983 in finding alternatives to selling their land out of agriculture. We negotiated conservation easements -- deed covenants limiting non-farming uses of the land -- on over 10,000 acres of

high quality farm and ranch lands nationwide! Double the acreage we helped protect the year before.

And through cooperation with local conservation organizations and government agencies, AFT played a role in saving thousands more acres.

From the beginning, AFT has been committed to demonstrating how voluntary, private initiative can save threatened farms and ranches one at a time -- the same way they are lost to agriculture unless nothing is done to stem conversion.

By acquiring legal interest, in significant agricultural lands, we maintain their resource values while keeping the land itself in private ownership. This, we strongly believe, is consistent with the spirit of an enterprise that, above all others, owes its remarkable productivity to individual initiative. And based on my experience, of working throughout this great Nation, with local leaders in their townships and counties and in their State Capitol, the retention of the very best lands that we have in this country for growing crops is an important part of a viable sustained agriculture.

How much is being lost and why is the loss so important? Based on 1977 data, every day, nearly 3,000 acres of these prime lands are removed from agriculture to make way for urban development and other uses. That's about 1 million acres each year or an area the size of a half-mile-wide strip of land between New York and California. At that rate, about 60 more acres will be shifted out of agriculture forever during the time we meet here.

But it's not just prime farmlands that are going out of agricultural production. Another 2 million acres of lesser-quality agricultural lands each year . . . lands that grow unique crops or are of special importance to State or local people are converted out of agriculture.

While the Nation is losing important farmlands daily, studies by the Soil Conservation Service show that there are 117 million acres of land with medium potential for conversion to cropland remaining in the United States, but only 35 million have a <u>high</u> potential for conversion.

The loss of our farmlands might not be so ominous for U.S. agricultural productivity if our per-acre crop yields were still escalating sharply. But after tripling or quadrupling after World War II, they've leveled off in recent years and are expected to stay that way . . . or even decline without increased research and new technology.

Compounding the problem is the fact that modern agriculture is so heavily dependent on petroleum and irrigation water -- two substances that have limited reserves.

In some States, underground water supplies are sinking to lower and lower levels. In these areas, we are actually taking out more water than can be replaced by normal rainfall.

But maintaining U.S. agricultural productivity is not the only reason why the loss of important farmlands is of such concern. As these lands are shifted to other uses, farmers have no choice but to use marginally productive lands . . . lands that need more fertilizer and tractor fuel and are more susceptible to soil erosion. Everyone suffers when second-class lands are cultivated -- the farmer, the consumer, and the environment.

However, the key point is that if nonagricultural use of our important farmlands continues at the present rate -- or at an accelerated rate -- then we have to seriously question the outlook for a continuing high level of U.S. food production. Some have predicted that such farmland conversions will result in reduced food supplies and much higher domestic prices as early as the turn of the century.

Any cutback in U.S. agricultural productivity would have serious repercussions both at home and abroad . . . at home because we would have difficulty offsetting trade deficits incurred by foreign oil import . . . and abroad because many people would literally starve without our food exports. The loss of our prime farmlands is especially serious, because they are our most productive acres.

As former head of one of the Federal Governments leading natural resource agencies, I can still tell you emphatically -- yes, the loss of our important

farmlands is a serious national concern. I won't call it a "crisis," because that word is so overworked -- at least in Washington -- that it scarcely raises an eyebrow any more. But the implications of the steadily decreasing "important farmland" acreage -- especially prime acreage -- are of concern of even greater magnitude. Lester Brown, in his recent Worldwatch Institute Report on Progress toward a Sustainable Society - State of the World - 1984 - said, "Because of the short-sighted way one-third to one-half of the world's croplands are being managed, the soils on these lands have been converted from a renewable to a non-renewable resource. At the current rate of excessive soil erosion, topsoil assuming an average depth of seven inches is being depleted at 0.7 percent per year - 7 percent each decade. In effect the world is mining too much of its cropland treating it as a depletable resource, not unlike oil."

Therefore, AFT with policy research and program development work, recognizes that although most farms and ranches are privately owned, there isn't an acre of agricultural land in the United States untouched by the influence of government. Local, state and federal policies -- some deliberate, others de facto -- profoundly affect how landowners use the resource and their range of choices for conserving it. AFT critically examines these policies and, working with public officials and private citizens, helps develop policies and programs to encourage the conservation of agricultural land, and to change those that do not.

In 1983, AFT addressed agricultural conservation policy issues at every level of government. Most gratifying in many ways were our efforts to provide technical assistance to local communities that expressed a desire to start new conservation programs. We took on a half dozen major projects of this kind and a score of somewhat less comprehensive ones this year.

AFT also added a couple very significant, new national conservation policy projects to its 1983 agenda. One of them, commissioned by a Congressional committee, was a year-long review of erosion data and government policies affecting soil resources. It included the most comprehensive, scientific survey of farmer attitudes on erosion ever done.

Our report, Soil Conservation In America: What Do We Have To Lose?, was widely-publicized in the press and on the airwaves. Its major finding -- nothing less than a revelation to many policymakers -- was that much of the nation's soil erosion occurs on a small percentage of our cropland. And its key recommendation was that this highly-erodible land should be put into long-term "conservation reserve" through incentive payments to farmers that would partially substitute for those they now can receive to reduce planted acreage when we have temporary commodity surpluses.

This timely AFT initiative has helped rekindle national interest in soil conservation at a time when, unbeknownst to most people, erosion is again approaching Dust Bowl levels.

Finally, we began in 1983 a broad examination of the economic nuts and bolts of U.S. farm policy. With the assistance of a distinguished steering committee representing a wide range of agricultural interests, AFT will identify ways that resource conservation can be integrated with government and private efforts to stabilize commodity production and prices.

From political left to right, there is near unanimity: the complex federal support system of farm loans, subsidies, reserves and other market controls is broken and needs fixing, reshaping or just plain euthanasia.

Policies that have guided U.S. farming since the New Deal era are under unprecedented scrutiny spurred by record-high federal payments to farmers, crop surpluses that are depressing markets, declining exports and the reality that tens of thousands of farmers are edging toward insolvency.

With Congress scheduled to go through its quadrennial exercise of writing farm legislation in 1985, the debate over remedies is well under way. In private and public forums nationwide, there are brainstorming, publication of studies, talk about studies, scrambling for position, staking out turf on future farm policy.

Agriculture Secretary John R. Block and Senate Agriculture Committee Chairman Jesse Helms (R-N.C.) say U.S. agriculture is at "a crossroads." House Agriculture

Chairman E (Kika) de la Garza (D-Tex.) says the problem is that there is no long-term policy, that recent farm bills have been just more patches and baling wire.

What's new is that even some of the most doctrinaire adherents of the current farm-support system are wondering openly if there might not be better ways. And the debate, unlike that of previous years, is occurring long before congressional consideration of new legislation.

There are variations, but the debate clearly is developing along several lines. Another part is the realization that U.S. and world agriculture are far different than in the 1930s, when the basic federal farm-support programs were established. U.S. farmers rely increasingly on foreign sales and, the thinking goes, U.S. price supports and production controls have spurred new trade competition from other nations.

Still another element is a growing understanding that traditional farm programs in many ways have encouraged overproduction and accelerated a concentration of economic and productive power among a small minority of the nation's 2.8 million farmers.

This is the concentration of power: 1 percent of the nation's landowners control nearly one-third of U.S. farm and ranch land, and the same 1 percent corners 65 percent of total net farm income, according to the Agriculture Department.

Put another way, about 30 percent of U.S. farms total more than $40,000 in sales annually, generate 87 percent of all farm receipts, receive three-fourths of the direct federal farm payments, have an average net income of $36,000 and have assets averaging more than $1 million.

These developments, acknowledged by all sides as a threat to the small family-farm structure that most believe essential to diversity in U.S. agriculture, may be crucial in the 1985 debate.

"If the trend continues," Bergland said at de la Garza's first hearing, "family farming will disappear and, in its place, there will be enormous economic power concentrated in huge corporate operations, where profit rather than producing food

will hold sway . . . The realities in agriculture scream out for an entirely new approach."

Part of the hyperactivity is political, of course. Agriculture's many and diverse interests, from export promoters to conservationists, are jostling for position and looking for ways to influence the next farm bill.

We have created an agricultural system that in the short-run is productive, but in the long-run is not sustainable. Its a system that measures success only in terms of how much a farm can produce. By that measure we have ignored both social and environmental costs.

Safeguarding the long-term productivity of agricultural resources can no longer be regarded as mere icing on the food production cake. We must bring farmland and soil conservation into the farm policy mainstream so that, while assuring near-term economic stability for both producers and consumers, we are not mortgaging the future of our food supply. This is AFT's -- and perhaps America's -- greatest challenge.

What we all want is an agriculture that is both abundant and sustainable, an agriculture that doesn't deny our children and their children their share of the bounty this land can provide.