

# Contents

Chapter	Page
1. Overview .. . . . .	3
2. The New Technologies .. . . . .	7
Survey of Emerging Technologies .. . . . .	i
Biotechnology .. . . . .	8
Information Technology .. . . . .	10
Impact of Emerging Technologies on Production .. . . . .	12
Projections of Agricultural Yield .. . . . .	13
Projections of Food Production .. . . . .	14
S. The Changing Character of the U.S. Agricultural Sector... . . . .	113
The Present Structure of Agriculture .. . . . .	19
Changes in Farm Size and Numbers .. . . . .	20
Changes in Distribution of Sales and Income .. . . . .	20
Changes in Sources of Income .. . . . .	21
Changes in the Structure of Debt in the Farm Sector .. . . . .	22
Defining Structural Change in Agriculture. . . . .	23
The Economic Perspective .. . . . .	23
The Sociological Perspective .. . . . .	25
Causes of Structural Change .. . . . .	26
Technological Forces .. . . . .	26
Institutional Forces .. . . . .	28
Economic and Political Forces .. . . . .	31
The Dynamics of Structural Change .. . . . .	31
4. Economic Impacts of Emerging Technologies and Selected Farm Policies for Various Size Crop Farms .. . . . .	35
The Crop Farms Analyzed .. . . . .	36
Corn-Soybean Farms in the Corn Belt .. . . . .	36
Wheat Farms in the Southern Plains .. . . . .	37
General Crop Farms in the Delta Region of Mississippi .. . . . .	38
Cotton Farms in the Texas Southern High Plains, .. . . . .	39
Policy and Technology Scenarios .. . . . .	39
Farm Policy Scenarios. . . . .	40
Tax Policy Scenarios .. . . . .	45
Technology Scenarios .. . . . .	46
Implications for the 1985 Farm Bill .. . . . .	46
Financial Stress and New Entrants Scenarios .. . . . .	47
Financial Stress Scenarios .. . . . .	47
New Entrants Into Farming Scenario, .. . . . .	48
Implications for the 1985 Farm Bill .. . . . .	49
5. Economic Impacts of Emerging Technologies and Selected Farm Policies for Various Size Dairy Farms .. . . . .	53
Background .. . . . .	53
Technologies and Practices .. . . . .	5.5
Policy and Technology Scenarios. . . . .	56
Farm Policy Scenarios.... . . . .	57
Tax Policy Scenarios .. . . . .	59
Technology Scenarios .. . . . .	60
Financial Stress Scenarios, .. . . . .	61
Implications for the 1985 Farm Bill, .. . . . .	61

## Contents-continued

Appendix A.—Summary Analysis Tables for Crop Farms ... , . . . . .	77
Appendix B.—Summary Analysis Tables for Dairy Farms . . . . .	84

References . . . . . 89

Tables

Table No.	Page
2-1. Emerging Agricultural Production Technology Areas . . . . .	7
2-2. Estimates of Crop Yields and Animal Production Efficiency . . . . .	14
2-3. Projection of Major Crop Production . . . . .	15
3-1. Sales Classes of Farms . . . . .	20
3-2. Distribution of Farms, Percent of Cash Receipts, Percent of Farm Income, and Farm and Off-Farm Income per Farm by Sales Class, 1982 . . . . .	21
3-3 The Distribution of Farms With High Debt-to-Asset Ratios, by Sales Class for January 1984 . . . . .	22
3-4. Historical and Projected Percentages of Cropland Harvested by Farms With Sales in Excess of \$200,000 . . . . .	24
4-1. Financial Characteristics of Three Representative Corn-Soybean Farms in East Central Illinois . . . . .	36
4-2. Financial Characteristics of Three Representative Irrigated Corn Farms in South Central Nebraska. . . . .	37
4-3. Financial Characteristics of Three Representative Wheat Farms by Size in the Southern Plains . . . . .	38
4-4. Financial and Resource Characteristics for Three Representative General Crops Farms in the Delta of Mississippi, 1983 . . . . .	38
4-5. Financial Characteristics of Three Representative Cotton Farms by Size in the Texas Southern High Plains . . . . .	39
5-1. Total Producers and Size Distribution of Herds Selling Milkto Plants Regulated by Federal Milk Marketing Orders, May 1983 . . . . .	54
5-2. Representative Dairies by Region and Herd Size . . . . .	55
5-3. Financial Characteristics Assumed for Eight Dairy Operations in Four States . . . . .	56

## Figures

Figure No.	Page
3-1. Factors Influencing the Structure of Agriculture . . . . .	27
5-1. How the Dairying Picture Has Changed . . . . .	54