



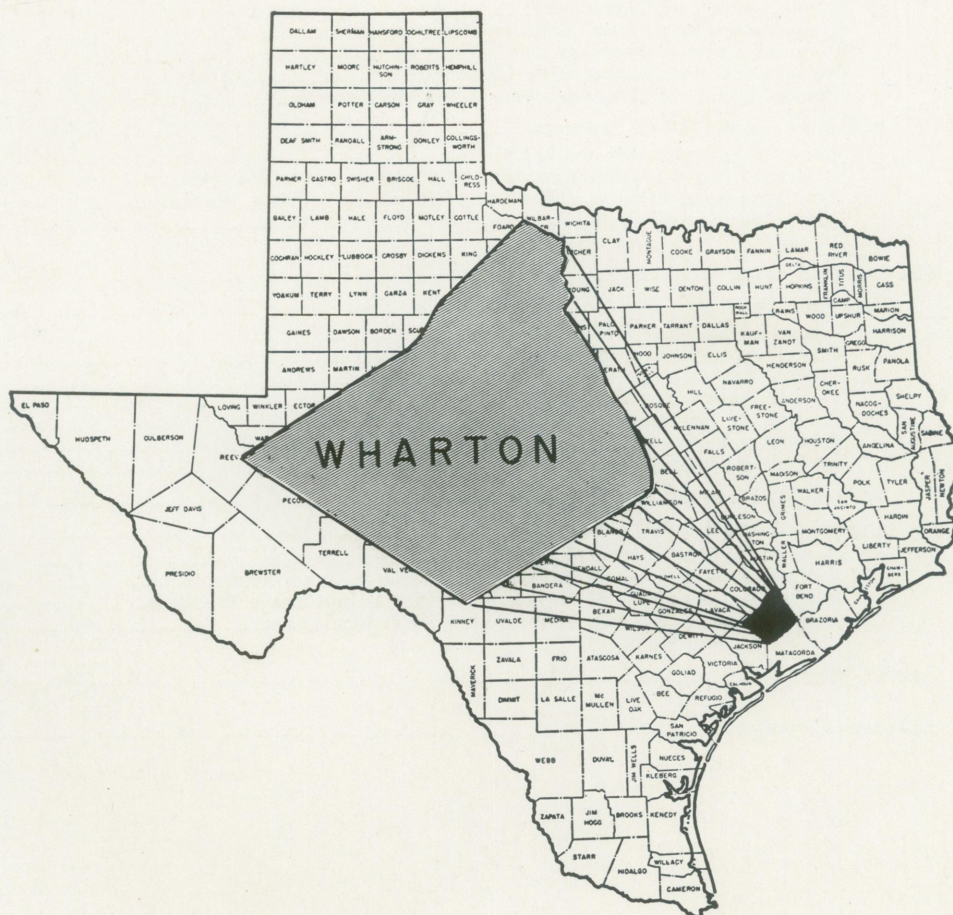
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Old age - Economic problems ✓

January 1954

# • The Farmer Looks at His • Economic Security

*A Study of Provisions Made for Old Age by  
Farm Families in Wharton County, Texas*



in cooperation with the  
UNITED STATES DEPARTMENT OF AGRICULTURE

TEXAS AGRICULTURAL EXPERIMENT STATION

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## SUMMARY

Progressively more attention is being given to means for protecting the farm family against the misfortunes of the death or disability of the breadwinner and for meeting the needs of retirement. Because of this interest, the Bureau of Agricultural Economics, U. S. Department of Agriculture, in cooperation with the respective land-grant colleges, made studies of these problems in Wisconsin, Connecticut and Texas.

In Texas, Wharton county was selected as the survey location. This report presents the results of interviews conducted in July and August 1952 with 257 farm operators and 60 farm laborers and sharecroppers in that county. The study was designed to analyze the provisions that farm people make for retirement and related family contingencies, problems resulting from extension of Old-Age and Survivors Insurance to regular hired farm workers and the views of farm people toward further extension of the program to other groups in the farm population.

### Economic Security

The present financial position of farm families was regarded in this study as the primary measure of their capacity to withstand possible economic distress. In Wharton county, about a sixth of the operators reported net worths of less than \$1,000, and the debts of a third of these were greater than their assets. A fourth of the operators had net worths of \$1,000 to \$4,999. Slightly more than 30 percent had net worths of \$20,000 or more.

Net worth was closely associated with several interrelated factors, chief of which were age, race or nationality background, education and current nonfarm employment. Education was directly correlated with net worth and it was also a function of race or nationality background. Nearly 9 out of 10 Negro operators had a net worth of less than \$5,000 and little formal education. Mainly because of the race factor, the oldest operators (65 and over) had the greatest proportion of any age group in both the lowest and the highest net-worth categories. Nonfarm income and property were major items among the resources of some farmers. Operators whose principal earning activities in 1951 were nonfarm had a significantly higher average net worth than those who depended mainly or altogether upon farm income.

A combination of financial interests in farm land, livestock or farm improvements, plus one or more kinds of non-farm holdings, was the most common type of savings or investment; 60 percent of the operators reported this combination and the proportions increased as net worth increased. Thirteen percent had invested in farm property only, and 22 percent had invested in nonfarm property only. Five percent of the operators had no savings or investment.

More than half of the operators in the sample had some income in 1951 from sources other than their farming operations. Nonfarm work was the chief source of outside income, followed by oil and gas royalties or rentals and non-farm investments. Such income varied with the size of farm and tenure of the operator. Owner operators received a greater share of their income from sources outside their farming operations than did tenants; 58 percent of the tenants had no outside income in 1951, as compared with 32 percent of the full owners.

Insurance was not widely used by farmers in Wharton county as a protection against the contingencies of death or disability. Nearly a third of all farmers interviewed had little or no insurance protection. Most of the larger life insurance policies were found among farmers 35 to 44 years of age. The highest proportion of operators who had no life insurance was among those 55 and over.

Relatively few of the operators had even discussed the matter of planned economic security with their wives or other family members. Paradoxically, it appeared that those families which were in the weakest financial position had given the least consideration to the problem. For many, this apparent apathy probably resulted from the dim prospects of their actually achieving economic security. More than half of the operators indicated that they had made no real progress in saving for old age. Most of those who had accumulated some assets believed that their farms would be their chief sources of income in old age. Old-age assistance—"the pension"—was mentioned frequently by others as a source of support in old age.

Translated into dollars at current prices, the estimated retirement needs of the operator (and his wife) ranged from less than \$40 to more than \$160 per month. Made by the operators themselves, these estimates obviously were closely related to present levels of family expenditures. The figure most often named was \$100 a month, although about a third of the operators mentioned a larger amount and more than a fourth thought they could live "fairly comfortably" on less than \$60 a month.

Half of the farmers interviewed believed that farming gives them no better chance than other occupations to provide for old age. The rest were about equally divided between "uncertain" and the belief that farming offers superior opportunities. Those answering "No" to this question often reasoned that risks of weather, costs and prices make it difficult to plan for old age with confidence. Advantages cited included the opportunity that farming provides to buy land, the argument that living costs on the farm are comparatively low and net savings are high, and that saving is easier when incomes are received in lump sums as when crops are sold.

### Retirement Plans

Only 12 percent of the operators had made definite plans for retirement; 10 percent had given the matter some thought without reaching a definite decision; and the remaining 78 percent had given little or no thought to retirement. The extent of planning for retirement was directly proportionate to the age of the operators, although a comparatively

high percentage of operators with some college training, most of them young men, had developed definite retirement plans. Among all operators, as net worth increased, the disposition to plan for retirement tended to increase. Many operators in the lower net-worth categories said that they could not "afford" to quit working in the foreseeable future. About three-fifths of all farmers interviewed indicated that they did not expect to retire. About half the operators of all classifications suggested they might ease into partial retirement by reducing the scale of their farm operations.

Only 1 operator out of 5 had discussed with his children, even casually, the possibility of their participating in some plan to provide for the parents in old age. Of these, very few had made specific arrangements with the children. More than 3 out of 4 operators said they would prefer to live on a farm after retirement, generally on the farm where they were living at the time of the interview, and most of them preferred to live alone or with their respective spouses only. Only 1 out of 9 said he wanted to live with his children after retirement.

### Attitudes toward OASI

Eighty-three percent of the operators expressed general approval of Old-Age and Survivors Insurance, 10 percent disapproved of the program and the rest took no position on the question. Operators did not endorse coverage of certain farm groups as often as they did the OASI program in general. However, 69 percent favored the legislation of 1950 which extended OASI coverage to regular farm workers and 56 percent favored further extension of coverage to include farm operators either with or without some qualification. Only 13 percent unqualifiedly opposed OASI coverage of regular farm workers and 23 percent unqualifiedly opposed the inclusion of farm operators. The rest were uncertain, usually because of their lack of knowledge of the program. With respect to OASI coverage of short-time farm workers, however, the prevailing attitude was one of opposition; almost two-thirds were opposed to this type of coverage. Among operators who opposed one or more of the three types of coverage, many agreed that it was needed but they doubted that the practical problems connected with administering such a program could be overcome.

The proportion of replies favorable to the OASI program was consistently higher among operators who had social security numbers than among those who did not have numbers. By race, approval was highest among Negroes and, by tenure, among tenants. Age apparently influenced attitudes at the two extremes; a more favorable attitude was found among the oldest and the youngest operators than among those in the other age groups.

### Regular Hired Workers

Regular hired workers (including workers who received a share of the crop as wages in kind) were notably deficient in financial assets. Thirteen percent had no assets and the main type of property owned by the others was an automobile or motor truck. Forty-seven percent had a life or burial insurance policy; the latter was especially common among Negro workers because of their affiliation with fraternal organizations. Cash savings were rare. Of the 10 percent who attempted to save money, most averaged no more than \$5 to \$10 a month. About a fifth of the worker families had members other than the family head who earned some income during 1951, but the average income from this source was less than \$1,000.

Asked to estimate how long their families could live on the proceeds of all property, savings or insurance that they might have accumulated, should the family head die, more than half of the workers estimated less than 3 months. None thought his family could be supported from such sources for more than 2 years.

Few workers, even those covered by OASI, were thoroughly familiar with the program. Only 4 out of the 60 interviewed had discussed with their families this or other aspects of family support in the event of their death or disability. Old-age assistance, followed by OASI, was regarded by most as their most likely source of support in old age. Most workers thought they could live in retirement on a monthly cash income of less than \$80 at present prices. Only 12 percent believed that they could meet even these needs.

The workers generally were pessimistic about the prospects of farming giving them an opportunity to provide for old age or family emergencies. Three-fifths of the group did not anticipate that they would, or could, retire as long as they were physically able to work. About a fourth reported that their fathers were retired, but usually because of disability. In most cases, the source of support for the fathers was old-age assistance. Some were helped by their children and only 2 had been able to retire without public or private assistance. The average age of retirement for the fathers of workers was around 70 years.

Half of the workers, including sharecroppers, were covered by OASI and nearly 90 percent had social security numbers. Yet, relatively few of them understood such features as the method of paying for the insurance, its retirement benefits and its protection of survivors. Almost two-thirds of them had only a hazy knowledge of the workings of the program. Handicapped by language difficulties, Latin-American workers, in particular, were uninformed about OASI.

Thus, many workers were uncertain in their attitudes toward OASI coverage of various types of farm workers. Eight out of 10, however, favored the program in general. Almost all who had opinions concerning it approved of the coverage of regular hired workers on farms. Three-fifths of those with opinions concerning OASI favored its extension to short-time farm workers. About 4 out of 5 of them favored extension of OASI to farm operators, although a majority of the entire group were uncertain on this question.

# The Farmer Looks At His Economic Security

## *A Study of Provisions Made for Old Age by Farm Families in Wharton County, Texas*

WILLIAM G. ADKINS AND JOE R. MOTHERAL\*

### INTRODUCTION

ONCE THE FARM was regarded as a comparatively self-sufficient refuge for the family. Only calamitous misfortune, it was reasoned, could endanger the family's reliance upon the farm as a source of support from youth to old age. The farm and family relationship was something more than a vehicle of production. It tended to be an article of faith.

The depression of the 1930's convinced many people that the United States needed a social security system to provide a measure of economic security for the American worker. This objective was embodied in the programs established by the Federal Social Security Act passed by the Congress in 1935 and amended in 1939. The contributory aspects of the program providing retirement benefits to the aged and survivors' benefits upon the death of the insured breadwinner is known as Old-Age and Survivors Insurance. Essentially, the farm population was excluded from the provisions of OASI until the 1950 amendments to include regular hired workers in agriculture went into effect. Farm operators and most seasonal farm workers—unless they qualify through the medium of nonfarm work—still are not eligible to participate in this program. Serious study is being given, however, to the extension of OASI coverage to these and other categories of workers not now covered.

Many attempts have been made to explain why agricultural workers are among the last to receive consideration for inclusion in the Old-Age and Survivors Insurance program. A plausible explanation is in the historical evolution of agriculture itself. Technology, specialized production and the caprices of the modern market have made inroads upon traditional agrarian security. Today, farming as a career is hardly more predictable or secure than any other occupation. Its

people are now exposed to many of the same demographic, social and economic forces that have led to increased insecurity in other segments of the population. The aging of the country's population has drawn increasing attention to the necessity for providing systematically, as individuals or as groups, for the retirement needs of both farm and nonfarm people. That farm people have been relatively slow to seek the protection of such devices as Old-Age and Survivors Insurance may reflect a reluctance to substitute the techniques of the large group for the small, to acknowledge the narrowing span between the basic features of rural and urban life and to accept new values for old. But that farmers are adjusting to changing conditions is evidenced by their growing interest in providing for the hazards of death and disability and the needs of old age.

In recognition of this interest, the Bureau of Agricultural Economics, U. S. Department of Agriculture, in cooperation with the respective land-grant colleges, has studied the problem of retirement and economic security among the farm populations of three states—Connecticut, Wisconsin and Texas.<sup>1</sup>

In Texas, complete geographic coverage of the State was not practicable. So Wharton county was selected for interviewing farm operators, sharecroppers and hired farm workers. It was regarded as a logical choice for the location of the survey because of the variety of physical, economic and social conditions in the Coast Prairie area of which it is a part. During the last 2 weeks of July and the first week of August 1952, 257 farm operators and 60 farm laborers and croppers in Wharton county were interviewed.

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<sup>1</sup>See "Old Age and Retirement in Rural Connecticut," Bulletin 299, Storrs Agricultural Experiment Station, University of Connecticut, June 1953, and "Farmers Conceptions and Plans for Economic Security in Old Age," Research Bulletin 182, Wisconsin Agricultural Experiment Station, University of Wisconsin, September 1953.

Few other Texas counties show greater diversity of farm employment conditions. According to the 1950 Census of Agriculture, half of the 2,724 Wharton county farm operators (including 213 croppers) were tenants. About 30 percent of the operators were full owners. Except for a few managers, the rest were part owners. The scale of farm operations ranges from plantation holdings and large cattle ranches to tracts less than 40 acres in size.

The pattern of crop and livestock production requires the employment of a large number of seasonal and migratory farm workers in addition to a substantial regular farm and ranch labor force. Cotton and rice are the principal crops, followed by corn, grain sorghum, hay, alfalfa, clover, flax and truck crops. Raising of beef cattle and poultry contributes importantly to farm income and dairying is a growing enterprise.

Development of oil, gas and sulphur resources, together with small industries, provides many opportunities for nonfarm employment. A mixture of racial and ethnic groups is found in both the farm and nonfarm population. In addition to the predominant Anglo-Saxon population in the county, there are many Negroes and persons of Latin American and Czech descent.

Many of the replies summarized in this report are classified by the race or nationality background of the farm family. Farm operators differed from farm workers in this category. Persons of Czech extraction comprised about a fourth of the operator group, but only about 3 percent of the worker group. More than half of the workers were Latin Americans, but less than 5 percent of the operators fell in this nationality category. Thus, while operators were classified as Czechs, "other white" and Negroes, workers were classified as Latin Americans, "other whites" and Negroes.

The specific purposes of the Wharton county study were to analyze:

1. Provisions made by farm people for retirement and related family contingencies.
2. Problems of farm employers and workers resulting from the extension of social security coverage to regular wage earners on farms.
3. Possible consequences of the extension of social security programs to other groups in the farm population.

The present report does not include an appraisal of the consequences of further extension of social security. It does provide a basis from which such appraisals may be made. It is anticipated that further consideration will be given to this matter by farmers and other groups, with encouragement from extension editorial services.

Attitudes of farm people toward retirement programs were considered to be important in the

prospects for further development of such programs. Several questions, therefore, were designed to learn the opinions of persons interviewed regarding the operation of the amended Social Security Act and the extension of coverage to other farm groups. Additional data collected included a work history of farm operators and workers, their present accumulations of resources and their plans for retirement or for meeting financial emergencies. Previous research in this general field suggested that many Texas farmers are without effective protection against family financial crises. Within the limitations of the area surveyed, the Wharton county study confirmed and clarified this supposition.

Three short reports based on Wharton county findings were published in 1953 by the Texas Agricultural Experiment Station. These reports are: *Life Insurance Protection of Farm Operator Families, Wharton County, Texas, 1952*, Progress Report 1529; *Retirement Plans of Farm Operators, Wharton County, Texas, 1952*, Progress Report 1565; and *Attitudes Toward the Old-Age and Survivors Insurance Program, Wharton County, Texas, Farm Operators, 1952*, Progress Report 1584.

## THE FARM OPERATOR

### ECONOMIC SECURITY

Some occupational groups in the United States depend upon organized programs sponsored by government and private enterprise for a basic amount of old-age protection and economic security against misfortunes. The farm operator, however, to meet the financial adjustments associated with death, disability, unemployment and old age, must rely primarily upon his individual efforts and those of his family unless through certain types of nonfarm work he acquires benefit rights under these programs.

To accomplish his individual task of achieving economic security against emergencies, the farmer has a limited number of means available to him. He may seek to protect himself through ownership of land. This goal has become increasingly difficult of attainment in recent years and when obtained might prove to be inadequate protection. Other methods accessible to the farmer for dealing with economic hazards are investments in retirement annuities, life insurance, non-farm real estate, stocks and bonds and other non-farm holdings. The farmer may seek to build security by accumulating a herd of livestock or he may consider the residual value of his farm machinery as some protection. Cash savings in a regular bank account or in a postal or bank savings account may be used.

The farmer's use of these investment and saving means is a subject for later attention. Net worth is considered first, however, because it is

perhaps the best single index of a farm operator's progress in making use of the methods available to him for protecting himself and his family from the consequences of emergencies and old-age dependency.

### Net Worth of Wharton County Farm Operators

Farm operators were asked to estimate their financial condition by subtracting their existing indebtedness from the value of farm real estate, equipment and nonfarm property owned by them. The answer in each case was a rough measure of the net worth of the operator.

The net worth of the 257 farm operators interviewed ranged from debts greater than assets to well over \$30,000. Seventeen percent of the operators were worth less than \$1,000 and about 1 out of 3 had debts greater than assets. The net worth of 19 percent was \$30,000 or more (Table 1). Of the latter group, about two-thirds had a net worth of \$40,000 or over. A fourth had a net worth of \$1,000 to \$4,999. The remaining operators were about evenly distributed in the other net-worth categories.

Most of the operators—56 percent—had a net worth of less than \$10,000; 42 percent were classed in the less-than-\$5,000 group. Since advancing years indicate the length of time that the operators have had to accumulate net worth, the effect of age on amounts of savings and investments is revealing.

The proportion of operators 65 and older having a net worth of \$30,000 and over was greater than for any other age group (Table 1). However, this older age group also had the largest proportion of operators with a net worth of less than \$1,000. Thirty-eight percent of those 65 and older had a net worth of less than \$5,000 and 52 percent of less than \$10,000.

The youngest operators, those under 35, apparently had made less progress toward security than any other age group. Sixty-two percent of them had accumulated less than \$5,000 net, and 75 percent less than \$10,000. Thus, operators in the 65-and-over age group, some of whom had as long as 40 years of active working time, were in

better financial condition than operators in the group under 35.

The oldest age group, however, had not made more progress than all of the younger age groups. The 35-44 age group had made considerable progress in relation to other groups. Half of the farmers in this age group had a net worth of \$10,000 or more. The only other age group with a higher proportion of its operators having a net worth of \$10,000 and over consisted of operators from 55 to 64 years of age. Seventy percent of the 35-44 age group had a net worth of \$5,000 and over, a proportion not equaled by any other age group.

Operators from 45 to 54 years of age had better financial conditions than operators under 35 but apparently were not as well off as operators from 35 to 44 years old and those 55 and older. The 55-64 age group had made more progress than any other age group except perhaps the 35-44 group.

The relationship between age and net worth for Wharton county farmers was not constant. However, it was evident that many operators had failed to attain adequate economic security. In view of the limited number of productive years left to them, many of the older operators face dependency in old age and, in the meantime, may not be able to cope independently with economic emergencies.

Another factor which affects net worth, and in turn the adequacy of a farm operator's protection for himself and his family, is the composition of the farmer's family. One measure of family composition is, of course, family structure. The families of Wharton county farm operators fell predominantly into two major types—operator and spouse alone, and operator, spouse and children alone. Because of few occurrences, other family types were combined, as shown in Table 2.

Net worth averaged higher for families composed of the operator and his spouse alone than for any other family type. Only 29 percent of this type of family had a net worth of less than \$5,000. Nearly two-thirds of the operators living

Table 1. Relationship between net worth and age of farm operators

Net worth	All ages		Age of operator				
			Under 35	35 - 44	45 - 54	55 - 64	65 and over
Dollars	Number	Percent	Percent				
Total <sup>1</sup>	257	100	100	100	100	100	100
Less than 1,000 <sup>2</sup>	44	17	21	10	21	12	28
1,000 to 4,999	63	25	41	20	24	26	10
5,000 to 9,999	37	14	13	20	14	9	14
10,000 to 19,999	35	13	11	20	12	13	10
20,000 to 29,999	30	12	3	15	14	15	3
30,000 and over <sup>3</sup>	48	19	11	15	15	25	35

<sup>1</sup>The number of operators in each age group was: Under 35, 37; 35-44, 60; 45-54, 77; 55-64, 54; 65 and over, 29.

<sup>2</sup>Includes 15 operators having "debts greater than assets."

<sup>3</sup>Includes 33 operators having net worth of \$40,000 and over.

Table 2. Relationship between family structure and net worth of farm operators

Net worth	Structure of operator's family			
	Operator and spouse alone	Operator, spouse, children and with others	Operator, spouse and others not their children	Other types <sup>1</sup>
Dollars	Percent			
Total <sup>2</sup>	100	100	100	100
Less than 5,000	29	42	54	64
5,000 to 9,999	8	16	8	18
10,000 to 19,999	12	15	15	4
20,000 and over	51	27	23	14

<sup>1</sup>Includes operators living alone, those having children with them, and a few having other kin with them.

<sup>2</sup>From left to right, the types of family structure included 49, 173, 13 and 22 operators, respectively.

alone or with others not their spouses had a net worth of less than \$5,000, and more than four-fifths had a net worth of less than \$10,000. This latter group, therefore, appeared to be in poorer financial condition than the other types of families.

A majority of the families in the sample consisted of the farm operator, his spouse and their children; some had other persons in the household. Forty-two percent of these operators had a net worth of less than \$5,000. Age did not seem to influence this family financial relationship.

Age, however, did have a positive association with the net worth of an operator living with his spouse only. Forty-six percent of such operators under 45 had a net worth of less than \$5,000, as compared with 30 percent of the operators 45 to 54 years old and only 20 percent of the operators 55 and older.

There was a fairly high inverse relationship between the number of persons in the households of operators and the net worth of operators. In other words, operators with large households were likely to have a small net worth. Of operators with households of 4 persons and fewer, older operators generally had a larger net worth than did the younger operators. For households con-

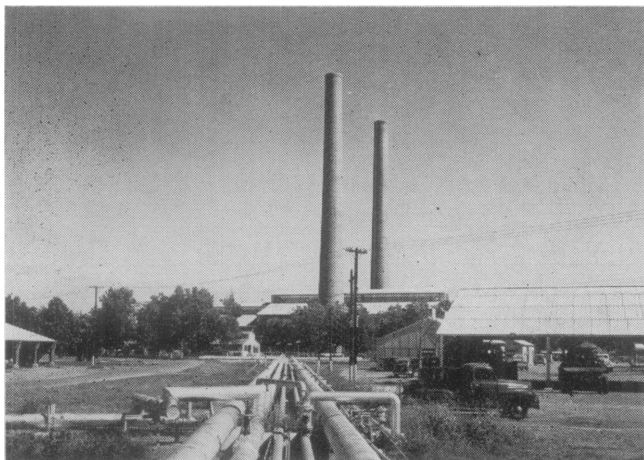


Figure 1. Texas Gulf Sulphur Company plant, Newgulf. Another source of nonfarm employment, sulphur production provides economic security for some families.

Table 3. Relationship between net worth and race or nationality background

Net worth	Race or nationality background of operator		
	Czech	Other white	Negro
Dollars	Percent		
Total <sup>1</sup>	100	100	100
Less than 5,000	39	25	87
5,000 to 9,999	20	14	9
10,000 to 19,999	15	17	4
20,000 and over	26	44	0

<sup>1</sup>66 Czech, 138 other white and 53 Negro operators.

taining more than 4 persons, younger operators appeared to have slightly higher average net worth than older operators.

Race or nationality background is significant in appraising economic status. The average net worth of Negro operators, for example, was smaller than that of the other race or nationality groups. Eighty-seven percent of the Negro operators interviewed had a net worth of less than \$5,000 (Table 3). None reported a net worth of \$20,000 and over. Many of the Negro farmers classed in the less-than-\$5,000 category in reality had a minus net worth.

This condition was not restricted to Negro farmers, however, for about two-fifths of Czech American farmers also had a net worth of less than \$5,000. Although operators classified as "other white" were in a much better financial position than Negro and Czech farmers, a fourth owned less than \$5,000 in net assets. In each race or nationality group, older operators had a higher average net worth than younger operators.

Education apparently influences the chance that farm operators have for accumulating capital. In general, the more formal education possessed by farmers in Wharton county the higher was the level of their net worth (Table 4). The relationship was striking; 59 percent of the operators who had 4 years or less of schooling were in the lowest net worth group and only 19 percent were in the highest, while these percentages were almost exactly reversed for operators whose education was equal to 4 years completed in high school or more.

In the several age and race or nationality groups it appeared that relatively greater education improved the chance of operators to acquire a larger net worth. Similarly, of course, the same economic conditions that make education possible

Table 4. Relationship between net worth and education

Net worth	Education of operator			
	4 years and less in school	5-7 years in school	1-3 years in high school	4 years in high school and more
Dollars	Percent			
Total <sup>1</sup>	100	100	100	100
Less than 5,000	59	43	33	20
5,000 to 9,999	15	20	10	7
10,000 to 19,999	7	17	16	13
20,000 and over	19	20	41	60

<sup>1</sup>There were 68 operators with 4 years and less schooling, 89 with 5-7 years, 70 with 1-3 years and 30 who had had at least 4 years of high school.



Table 5. Relationship between net worth and nonfarm work experience

Net worth	Nonfarm work of operator			
	No nonfarm work, past nor in 1951	Nonfarm work prior to 1951 but none in 1951	Nonfarm work in 1951, but not as main activity <sup>1</sup>	Nonfarm work in 1951 as main activity <sup>1</sup>
Dollars	— — — — —	Percent	— — — — —	— — — — —
Total <sup>2</sup>	100	100	100	100
Less than 5,000	43	42	51	11
5,000 to 9,999	15	17	10	11
10,000 to 19,999	10	18	12	28
20,000 and over	32	23	27	50

<sup>1</sup>Without regard to nonfarm work prior to 1951.

<sup>2</sup>From left to right the nonfarm-work categories included 126, 72, 41 and 18 operators, respectively.

for the individual tend to improve his chance of increasing his net worth.

Other variables may affect net worth and in turn may be affected by it. A farmer may turn to nonfarm work because his farm income is insufficient to meet his needs. Or, the farmer's nonfarm work may be an important factor in raising his net worth above that of his neighbor's. Wharton county farmers whose main earning activities in 1951 were nonfarm in nature had a higher average net worth than did other operators (Table 5). About 4 out of 5 operators who reported nonfarm work as their main activity in 1951 had a net worth of \$10,000 or more. Only about 2 out of 5 of the other operators had a net worth of \$10,000 or more. Half of the operators with nonfarm work as their main activity in 1951 had a net worth of \$20,000 or more, as compared with about a third of the operators with no nonfarm work.

### Types of Savings and Investments

One out of 20 operators in Wharton county stated that he did not use any type of saving or investment (Table 6). Such operators indicated that they were "just getting along." All of these operators were in the less-than-\$5,000 category of net worth and most of them had a net worth of less than \$1,000. But many other operators having a low net worth—some with no net worth—named various methods they were using to save

Table 6. Types of savings or investment of 257 farm operators, by net worth

Types of savings or investment	Net worth of operator				
	All operators	Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over
	Number	— — — — —	Percent	— — — — —	— — — — —
Total	257	100	100	100	100
None	13	5	12	0	0
Farm land, livestock or improvements only	33	13	22	14	6
Farm land, livestock or improvements and some other type	153	60	29	54	83
Savings or investments other than farm land, livestock or improvements	58	22	37	32	11

or invest money. Most frequently these were life insurance and farm machinery.

Thirteen percent of all operators had investments in farm land, livestock or farm improvements as their only method of increasing their security. Successively higher net worth groups made less use of this type of saving or investment alone. For example, 22 percent of the operators with a net worth of less than \$5,000 used this method and no other, while only 4 percent of the operators with a net worth of \$20,000 and over used this method by itself.

Sixty percent of all operators were using some other medium for investment or saving, in addition to farm land, livestock or improvements. Greater proportions of operators in each successively higher net-worth group were investing in farm land, livestock or improvements and also were using other ways to invest or save money.

Life insurance was named more often than any single item as a means of obtaining family security. The residual value of farm machinery was named frequently as a "saving." Life insurance and farm machinery were often the only ways of saving or investing that operators having a net worth of less than \$5,000 were using to gain security. Since life insurance amounts are not reflected in net worths as are other types of savings and investments, more detailed attention is given later to this method of protection against economic hazards.

### Nonfarm Income

More than half of the farm operators had some income from sources other than their farming operations in 1951 (Table 7). Of the operators who had such additional income, a large percentage received the income for their own personal labor or investments. Comparatively few reported that income was received by other members of the operator's family.

The most frequent source of supplemental income was nonfarm work (Table 8). Of operators who had income in 1951 in addition to that from their farming enterprise, more than half received all or a part of such income from working at nonfarm jobs. These operators comprised 28 per-

Table 7. Income in 1951 from sources other than farming operations

Income and recipient	All operators	
	Number	Percent
Total	257	100
No source of income from other than farming operations	121	47
Source(s) of income from other than farming operations	136	53
Income received by farm operator only	110	43
Income received by other member(s) of family only	13	5
Income received by operator and other member(s) of family	13	5

Table 8. Sources of income of farm operators in 1951 other than farming operations, by net worth

Source of income other than farm operation	All operators		Net worth of operator			
			Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over
	Number	Percent				
Total	257	100	100	100	100	100
No other source	121	47	56	68	43	27
Other sources	136	53	44	32	57	73
Labor on other farms	14	5	12	0	3	0
Custom work on other farms	9	4	6	0	3	3
Nonfarm work	71	28	23	22	31	35
Investments	28	11	5	3	14	23
Oil and gas royalty or rental	41	16	0	3	17	44
Veterans' benefits	12	5	6	5	6	3
Other	5	2	3	0	3	1

cent of all operators interviewed. Second in frequency were oil and gas rentals and royalties which were received by 16 percent of the operators. This type of income was usually a small proportion of the operator's total income. Investments in farm land, nonfarm real estate and other holdings provided varying amounts of income to 11 percent of the operators. Smaller proportions of operators received income from labor on other farms, custom work on other farms, veterans' programs and other sources, among which old-age assistance was the most common.

Operators who had a net worth of \$20,000 or more were far more likely to have income from sources other than farming than were other operators. Almost three-fourths of these operators with a relatively high net worth had such income, as compared with less than half of the operators with a net worth of less than \$5,000. The farmer with a substantial net worth is able to invest his surplus capital in holdings which return an income. Moreover, a large number of the Wharton county farmers with a high net worth were part-

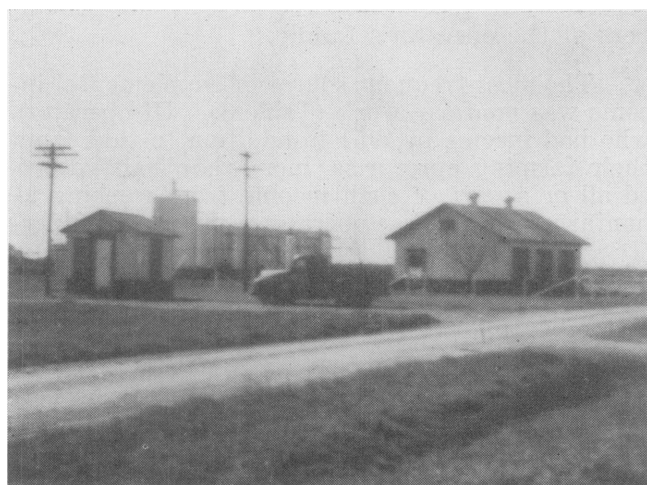


Figure 2. Many farms in Wharton County are in or near areas of oil or gas production. Income from mineral rights frequently figures in the economic security of landowners. For others, nonfarm employment supplements farm wages.

time farmers who owned and operated nonfarm businesses or perhaps held full-time nonfarm jobs. Many of these wealthier farmers were landowners, and 44 percent received mineral royalties or rentals. Farmers with a net worth of less than \$5,000 were more likely to have nonfarming income than were operators in the \$5,000-9,999 net worth bracket.

Slightly more than half of the operators interviewed received some income in 1951 other than from their farming operations (Table 9). About 1 operator out of 6 received 50 percent or more of his income from sources other than farming. Three-fourths of the farmers either had no income from sources other than farming or received less than one-fourth of their total income from such sources.

Both tenure status and size of farm influenced the proportion of a farmer's income which came from sources other than farming (Table 10).

Among the tenure groups, without regard to size, tenants were least likely to have an income from sources other than farming; 58 percent had no such income. Most of the remaining tenants received less than a fourth of their income from nonfarm sources. Only 9 percent of the tenant farmers received as much as half of their total income from such sources. Full owners were the most likely to have some proportion of their income from nonfarm sources; 68 percent received such income. Part owners fell between tenants and full owners in the degree of dependence on supplemental sources of income, 46 percent having no income except from their farming operations.

Within tenure groups, farm size was closely related to the composition of operators' incomes. Among tenant farmers, two-thirds of those operating large farms had no nonfarm income. Of the tenants on large farms who had other income, the majority had less than a fourth of their total income from such sources. Tenants on medium-size farms differed only slightly from large-farm tenants in types of income. Small-farm tenants, however, having more free time and probably a greater need for supplemental income, frequently received income from outside sources.

Among full owners, the effect of farm size seemed to be reversed. Forty-eight percent of

Table 9. Percent of total income in 1951 from sources other than farming operations and net worth

Percent of income from other than farming operations	All operators		Net worth of operator			
			Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over
	Number	Percent				
Total	257	100	100	100	100	100
None	121	47	56	68	43	27
1 - 24	68	26	23	17	29	36
25 - 49	27	11	9	5	0	19
50 - 74	22	9	8	5	11	9
75 and more	19	7	4	5	17	9

the full owners of small farms had no outside source of income, as compared with 28 and 15 percent of the owners of medium-size and large farms, respectively. When small-farm owners did have nonfarm income it was likely to make up three-fourths or more of their income. Of the 85 percent of the full owners of large farms having supplemental income, the majority reported that such income was less than a fourth of their total income.

Age of operators apparently had little to do with proportions of income from nonfarm sources. On the other hand, race and nationality background did have some effect, especially within tenure groups. Among full owners and part owners, fewer Negro farmers had a nonfarm income source than did white farmers. In contrast, Negro tenants often had income from nonfarm sources and white tenants seldom had nonfarm income.

### Insurance Coverage of Farm Operators

Farmers are accustomed to dealing with tangible things in their day-to-day activities. Their economic interests are naturally centered on material production and their savings tend to flow into land, livestock and equipment. In Wharton county, it was found that many farmers had given little serious consideration to such intangibles as insurance, either for investment purposes or as a means of family protection. Some operators were even uncertain as to the status of their life insurance; wives often were better informed than their husbands as to the type and amount of insurance owned by the family head.

Information was obtained on burial, life and sickness and accident insurance. Burial policies were classified separately because they have a small face value which ordinarily covers little more than funeral expenses.<sup>2</sup> Standard types of life insurance, including endowments, are usually

<sup>2</sup>"Burial insurance," as used in this report, is a term of convenience to identify small policies of several types reported in the sample area. Under Texas law, true burial associations are usually serviced by undertakers, with benefits payable in funeral goods and services. Under such insurance, a maximum benefit of only \$150 may be offered (Ch. 22, Art. 5068-1, Sec. 3, and Ch. 274 of the Acts of the 41st Legislature, 1929, and amendments thereto).



Figure 3. Negro Masonic Lodge, Glen Flora. Fraternal organizations are a significant factor in the lives of Negro farm families in Wharton county. Besides their social importance, these lodges provide members with minimum financial protection in the event of death.

bought in units of \$1,000 and, therefore, provide some additional funds above the minimum financial requirements occasioned by the death of the family head. Fraternal organizations and lodges are the main source of burial insurance in Wharton county, and the holding of such policies involves membership functions of a broader social character than that of policyholding in commercial or government insurance programs.

Fourteen percent of the farmers did not have any of the types of insurance on which information was obtained (Table 11). Fifteen percent had burial insurance only and 3 percent had sickness insurance and no other. Thus, about 32 percent of the farmers had little or no insurance protection.

Thirty percent of the operators had life insurance alone or with burial insurance. Life and sickness insurance policies, with or without burial insurance, were held by 16 percent of the operators. Eleven percent had life, sickness and accident insurance. Very few farmers had all the types of insurance.

Life insurance was used more frequently by Wharton county operators than any of the other

Table 10. Percent of income in 1951 from other than farming operations of 257 farm operators, by tenure status and size of farm

Percent of income from other than farming operations	Tenure status and size of farm <sup>1</sup>									Tenure status without regard to size of farm		
	Full owner			Part owner			Tenant			Full owner	Part owner	Tenant
	Small	Medium	Large	Small	Medium	Large	Small	Medium	Large			
Total <sup>2</sup>	100	100	100	100	100	100	100	100	100	100	100	100
None	48	28	15	70	38	33	40	63	67	32	46	58
1 - 24	11	32	47	12	25	42	32	24	21	28	27	25
25 - 49	4	15	15	6	31	10	8	7	8	11	15	8
50 - 74	4	17	15	12	0	5	16	6	0	13	6	7
75 - 100	33	8	8	0	6	10	4	0	4	16	6	2

<sup>1</sup>Small farms are defined as those of less than 80 total acres; medium-size farms are those of 80-159 total acres, and large farms are those of 160 total acres or more.

<sup>2</sup>Among the 87 full owners, 39 operated small farms, 31 medium-size farms, and 17 large farms; of the 54 part owners, 19 operated small farms, 9 medium-size farms, and 26 large farms; of the 116 tenants, 43 operated small farms, 41 medium-size farms, and 32 large farms.

Table 11. Types of insurance held by farm operators<sup>1</sup>

Types of insurance	All operators	
	Number	Percent
Total	257	100
No insurance	35	14
Burial only	40	15
Sickness only	7	3
Burial and sickness and/or accident	12	5
Life only and with burial	78	30
Life and sickness with or without burial	41	16
Life and accident with or without burial	9	4
Life, sickness and accident with or without burial	30	11
Accident and sickness	5	2

<sup>1</sup>Without regard to combinations of types of insurance, 20 percent of the operators had burial, 61 percent life, 37 percent sickness and 19 percent accident insurance

types. Eighteen percent, however, had neither life nor burial insurance, the latter being life insurance of a small amount (Table 12). A fifth of the total sample group carried policies with face values of less than \$500. Another fourth were insured for amounts between \$500 and \$1,500, most of which consisted of \$1,000 policies. Nearly one-fourth of all operators owned policies providing for \$1,500 to \$5,000 in death benefits. Slightly more than 1 operator out of 16 was insured for amounts ranging from \$5,000 to \$10,000 and a similar proportion was insured for \$10,000 or more.

In general, the amount of life insurance carried by farm operators in Wharton county was inversely related to the age of the operator. Sixteen percent of the operators under 35 years of age were insured for \$10,000 or more, as contrasted with only 3 percent of those 65 and over. The highest proportion of uninsured farmers, 28 percent, was among those 55-64 years of age.

Burial policies were far less popular with the younger than with the older operators. Only 3 percent of those under 35 years of age were insured for sums of less than \$500, but 45 percent of those 65 and older had such protection. Insurance coverage in the next smallest category—\$500-1,500—was common in all age groups, ranging from 17 percent for those 65 and over to 30 percent for those under 35.

Younger farmers attached more significance to life insurance than did the older farmers. Several tentative explanations might be offered for the effect of the age factor upon the maintenance of some kind of insurance program. Most of the veterans of World War II who were interviewed

Table 12. Amount of life insurance of farm operators, by age of operator

Amount of life insurance	Age of operator						
	All operators	Under 35	35-44	45-54	55-64	65 and over	
Dollars	Number	Percent	Percent	Percent	Percent	Percent	Percent
Total	257	100	100	100	100	100	100
None	47	18	16	15	14	28	21
1-499 <sup>1</sup>	52	20	3	16	24	18	45
500-1,499	63	25	30	22	27	24	17
1,500-2,999	31	12	13	15	10	15	3
3,000-4,999	28	11	11	10	17	7	4
5,000-9,999	17	7	11	12	3	4	7
10,000 and over	19	7	16	10	5	4	3

<sup>1</sup>All policies in the \$1-499 class are burial policies.

were under 35 years of age; virtually all of this group had at one time carried a National Service Life Insurance policy and a fairly large number had kept it active. Educational levels were higher among the younger farmers, and they may have developed a keener appreciation for the value of life insurance than had their elders. The older farmers who did not take out life insurance in their youth now find it impossible to obtain, or too expensive, even though their recognition of the need for additional protection may be as great or greater than that of the younger operators. A third possible reason is that the family responsibilities of the average younger farmer were often greater than those of older farmers. Finally, a much higher proportion of the older farmers owned land and other property which would lessen the financial impact on their families in the event of their deaths.

Tenure of the operator bore comparatively little relation to the amount of life insurance carried by Wharton county operators. Landowners generally had greater amounts of life insurance than tenants, but the difference was not striking, and fewer tenants than full owners were actually without insurance protection.

In each tenure group, it was chiefly the operators of large farms who had the greatest amount of life insurance. For example, only 7 percent of all the operators were insured for as much as \$10,000 but on large farms 18 percent of the full owners, 34 percent of the part owners and 12 percent of the tenants were insured for \$10,000 or more. None of the operators of small farms carried this much insurance, and few of them were insured for more than \$3,000.

A high percentage of the small operators had burial insurance; among full owners it was 31 percent, among part owners 74 percent and among tenants 40 percent. Virtually none of the operators of large farms confined his insurance coverage to one of these small policies.

As might be expected, net worth and the amount of life insurance were closely associated in most instances. This relationship, however, was probably modified by the "G.I." insurance program available to many young farmers.

The proportion of operators with no life insurance did not vary much with net worth. Op-

Table 13. Amount of life insurance of farm operators, by net worth

Amount of life insurance	All operators	Net worth of operator						
		Less than \$1,000	\$1,000-4,999	\$5,000-9,999	\$10,000-19,999	\$20,000-29,999	\$30,000 & over	
Dollars	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Total	100	100	100	100	100	100	100	100
None	18	14	20	16	26	20	14	
1-499	20	55	30	11	8	3	2	
500-1,499	25	23	25	41	11	30	19	
1,500-2,999	12	2	16	13	20	17	6	
3,000-4,999	11	2	5	11	23	13	17	
5,000-9,999	7	4	2	8	6	7	15	
10,000 and over	7	0	2	0	6	10	27	



erators with net worths of \$30,000 or more were exactly as well represented in the uninsured group, at 14 percent, as were operators in the lowest net-worth class. The lack of insurance among those farmers having little or no net assets is easily understood, but in the case of those with substantial amounts of unencumbered property the explanation probably is found in differentials of age, education, veteran status and investment preferences. The \$10,000-19,999 net-worth bracket contained the highest percentage of operators with no life insurance—26 percent. More than half of these operators, however, had life insurance of \$1,500 or more.

Burial policies appeared in a familiar pattern, suggesting not only a difference in wealth but in social status as well. The relationship was almost straight line, ranging from 55 percent of the operators in the lowest net-worth class to only 2 percent of the operators in the highest net-worth class.

### Family Support in Event of Death or Permanent Disability of the Operator

Three-fourths of the operators had not discussed with their families the problem of family support in the event of either the death or permanent disability of the operator (Table 14). Almost all of the operators who had considered family support in the event of their death also had discussed family support in the event of their permanent disability.

A greater proportion of the operators in high net-worth categories had discussed these problems with their families than had operators of less secure financial standing. While questions concerning the specific planning of the families revealed little, it was evident that the plans of families in higher net-worth brackets were more exact and complete than the plans of operators with a lower net worth. The latter operators often said that they and their families had "just talked about it." Family discussions of these

Table 14. Consideration through discussion with family of family support in event of death or total disability of operator, by net worth

Discussion of family support	All operators	Net worth of operator					
		Less than \$1,000	\$1,000-4,999	\$5,000-9,999	\$10,000-19,999	\$20,000 and over	
	Number						Percent
Total	257	100	100	100	100	100	100
In event of death of operator only	18	7	2	3	5	9	13
In event of permanent disability of operator only	1	1	0	2	0	0	0
In event of death and of permanent disability of operator	45	18	7	11	16	20	28
Have not discussed either problem	193	75	91	84	79	71	59

<sup>1</sup>Less than .5 percent.

Table 15. Sources of income in old age of farm operators, by net worth

Sources of income in old age	All operators	Net worth of operator				
		Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over	
	Number					Percent
Total	257	100	100	100	100	100
Farm land, livestock or improvements	102	40	5	30	54	86
Other sources of income <sup>1</sup>	24	9	5	11	17	11
No source of income	131	51	90	59	29	3

<sup>1</sup>Includes cash savings and nonfarm investments.

problems had occurred with greatest frequency among white operators of comparatively high educational attainment. Similarly, older operators and operators with large amounts of life insurance had more often discussed family support with the families. Each of these classes of operators was generally identified with the high net-worth categories. Thus, while race, education, age and experience with formal types of financial security were all related to an apparent consciousness of the need for family protection, these in turn were associated with the economic means for providing such protection.

### Sources of Income in Old Age

Each farm operator was asked if he held a saving or investment which he expected to be of importance as a source of income in old age. Operators having more than one type of saving or investment were asked to name the type they believed would be the most important. About half of the operators, while having some saving or investment, did not believe that any of their holdings would serve as important sources of income in old age (Table 15).

In terms of their net worth, a few operators perhaps were unduly pessimistic. For example, 3 percent of the operators who had a net worth of \$20,000 or more were not certain that they held any saving or investment which would serve as an important source of income in old age. Ninety percent of the operators with a net worth of less than \$5,000 did not believe that they had yet obtained an important source of income for old age.

Farm land, livestock or improvements most often were given as an important income source in old age. Forty percent of the operators listed these sources. Only 9 percent of the farmers named other types of holdings as future sources of income. These consisted mainly of life insurance, cash savings and nonfarm real estate. Sources of income in old age were related to race or nationality background in much the same way as net worth. Negro operators, who were predominantly in the low net-worth categories, also were the most likely to be without a source of income in old age. Czech farmers had much brighter expectations than Negroes but were not as well off as other white operators.

Table 16. Sources of support in old age of farm operators, by net worth

Sources of support in old age	All operators		Net worth of operator			
			Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over
	Number					
Total	257	100	100	100	100	100
Saving or investment already held <sup>1</sup>	126	49	9	40	71	98
Continue farming only	45	18	28	27	14	0
Continue farming and other sources of support	53	20	41	14	9	1
Sources of support other than continue farming	23	9	17	5	6	1
Uncertain regarding sources of support	10	4	5	14	0	0

<sup>1</sup>Operators in this category were not asked specifically about sources of support in old age because they had previously reported assets which would be important sources of income and support in old age.

### Other Sources of Support in Old Age

Farmers not reporting assets which would be important sources of income in old age were asked what they thought would be their sources of support in old age. Many of these operators replied that they would continue farming as long as they were able. Continuing to farm was the only source that 18 percent of the farmers named (Table 16). Twenty percent said that they would continue to farm to support themselves but thought they would have other sources of support. Only 4 percent of the operators failed to name an expected source of support.

None of the operators with a net worth of \$10,000 or more failed to name a source of support. The majority of these operators already had established that they had a source of income in old age from their present holdings. Sixty-nine percent of the operators with a net worth of less than \$5,000 believed that farming would continue to be their source of support even in old age. For 28 percent of these operators, farming was the only anticipated source of support, while

Table 17. Sources of support in old age of 131 operators not having sources of income in old age, by race or nationality background

Sources of support in old age	All operators		Race or nationality background		
			Czech	Other white	Negro
	Number				
Total <sup>1</sup>	131	100	100	100	100
Continue farming	98	75	74	76	75
Other job	13	10	6	7	17
Expects to acquire land	12	9	9	15	2
Old-age assistance	36	28	6	15	62
Assistance from relatives	10	8	6	5	12
Old-age and survivors insurance	2	2	3	2	0
Other source	14	11	12	9	12
Uncertain regarding sources of support	10	4	15	7	2

<sup>1</sup>The number of operators in each of the race or nationality groups was: Czechs, 34; other whites, 55; Negroes, 42.

41 percent felt that their support would come from farming and other sources.

When only those operators without a source of income were considered, it was found that the race and nationality groups were very similar in their dependence on farming in old age. About three-fourths of each group said that they would continue farming as a means of support in old age (Table 17). The groups differed widely in their thinking about other sources of support. For example, 62 percent of the Negro farmers, 6 percent of the Czechs and 15 percent of the other whites named old-age assistance as another source. Negro operators also considered assistance from relatives as sources of support more often than did the other groups. Many Negro farmers also stated that they would continue to farm or do odd jobs and, when too old and feeble to work, would get the "old-age pension." Czech and other white operators quite often did not consider any source of support except continuing to farm.

Very few operators under 45 named assistance from relatives and old-age assistance as probable sources of support in old age. These younger operators stressed sources of support which would involve work on their part, either on the farm or in nonfarm employment. Older operators recognized the possibility that their own efforts might prove inadequate and often placed their main reliance in aid from relatives and the old-age pension.

### Employment in Jobs Covered by Old-Age and Survivors Insurance

Since social security laws went into effect in 1936, only 36 percent of the farmers for whom work histories were available had worked in jobs now covered by OASI (Table 18). Some of the operators having such work experience did not have social security numbers. Therefore, not more than 29 percent of all operators interviewed could have obtained any social security credits. A far smaller proportion actually had participated

Table 18. Employment of farm operators since 1936 in jobs now covered by old-age and survivors insurance, by possession of social security number and age of operator

Covered employment and possession of social security number	All operators		Age of operator				
			Under 35	35-44	45-54	55-64	65 and over
	Number						
Total <sup>1</sup>	234	100	100	100	100	100	100
No covered employment	150	64	12	61	70	78	93
Had covered employment but not social security number	16	7	26	4	3	4	3
Had covered employment and possessed social security number	68	29	62	35	27	18	4

<sup>1</sup>Complete work histories were not obtained for 23 operators. The number in each age group from whom this record was obtained was: under 35, 34; 35-44, 54; 45-54, 71; 55-64, 46; 65 and over, 29.

in the OASI program because some of the jobs now covered by OASI were not covered when the operators were doing the work.

Younger operators were more likely to have had such employment now covered by OASI than were older farmers. Only 12 percent of the operators under 35 had not worked in employment now covered; 62 percent possessed social security numbers and had worked in jobs now covered by OASI. The remaining 26 percent did not have social security numbers but had worked in jobs now covered. Operators in the next oldest age group—35 to 44—were less likely to have had covered employment; 61 percent of these operators had had none. Smaller proportions of successively older age groups had been employed since 1936 in jobs which are now covered by OASI. The oldest group of operators, 65 and older, seldom had been employed in jobs for which there is now OASI coverage. Only 7 percent of the latter operators had held such jobs.

Of the operators who had worked in jobs now covered, the majority had worked in such jobs for 5 years or more. These operators, however, comprised less than one-fifth of the total. About 14 percent of all operators had worked from 3 to 5 years in covered employment and 4 percent had 2 years or less in such employment.

Farmers as a whole had few OASI credits. Even if all of the jobs now covered by OASI had been covered at the time of their employment, few of these operators would be able to depend upon OASI benefits in old age.

### Monetary Needs of Farmers in Old Age

"If prices stay the same as they are now, about how much cash per month will be required for you (and your wife) to live fairly comfortably after retirement?" This question was asked of farmers in order that a comparison could be made of retirement needs and the adequacy of the farmers' program toward economic security. At the same time, the opinions of farmers concerning cash requirements in old age could be compared with the benefit payments available to persons covered by OASI. (The maximum OASI benefit for a husband and wife is \$127.50 per month.)

Monthly cash requirements after retirement, as estimated by the farmers, ranged from below \$40 to above \$160. The figure most commonly named was about \$100 a month (Table 19). About half of the farmers estimated their monthly needs at \$100 or more, while the rest guessed their monthly retirement needs would be less than \$100. Comparatively few operators believed that they could live fairly comfortably on less than \$40 a month.

Operators of higher net worth usually foresaw higher cash requirements than did operators with lower net worth. Thirty percent of the farmers in the net worth class of \$20,000 and over felt

Table 19. Monthly cash retirement needs by net worth

Monthly cash retirement needs	All operators	Net worth of operator				
		Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over	
Dollars	Number	Percent	Percent	Percent	Percent	Percent
Total <sup>1</sup>	251	100	100	100	100	100
Less than 40	11	5	8	6	0	1
40-59	43	17	26	20	8	8
60-79	41	16	28	12	3	9
80-119	75	30	26	34	43	27
120-159	41	16	8	14	26	25
160 and over	40	16	5	14	20	30

<sup>1</sup>Six operators did not estimate their retirement needs.

that their retirement needs would be \$160 or more each month.

The needs of the operators in the lowest net-worth bracket seemed to center around the \$60-79 requirement interval, and each successively higher net-worth group showed a tendency to concentrate its needs around a higher amount. It was evident that the retirement needs of farmers are conditioned by the level of living to which they have been accustomed, although net worth as a measure of level of living does not account for all of the variation between the expressed needs of the farmers.

Apparently, age also affected the opinions of operators as to what their retirement needs would be. Forty-two percent of the farmers under 35 set their retirement needs at \$120 or more per month. Smaller proportions of each older age group named this relatively high amount. Three-fourths of the younger operators felt that \$80 a month or more would be required to allow them to live comfortably after retirement. Successively older age groups predicted successively smaller retirement needs. Only about half of the older operators would require \$80 or more.

Race and nationality background appear to have had more effect on expectations with regard to retirement needs than can be accounted for by net worth. A tenth of the Negro operators felt that they could live comfortably after retirement on less than \$40 a month, but, only 3 percent of the other two groups named sums this small. About 3 out of 4 of the Negro farmers believed that less than \$80 a month would meet their retirement needs, as compared with fewer than half of the Czech farmers and only 20 percent of the other white operators.

### Prospects for Financing Retirement Needs

About half of the operators interviewed felt that they would be able to finance their retirement (Table 20). Twenty-eight percent were uncertain as to their ability to meet retirement needs and 22 percent believed that they would not have the cash requirements that would allow them to live comfortably in old age. Operators with monthly cash requirements of \$160 or more, more often than others, expressed confidence in their ability to meet retirement needs; three-fourths of

Table 20. Confidence of farm operators in their ability to finance retirement, by amounts of retirement need

Confidence in ability to finance retirement	All operators		Monthly cash retirement need of operator						
			Less than \$40	\$40-59	\$60-79	\$80-119	\$120-159	\$160 and over	Needs unknown
	Number	Percent							
Total	257	100	100	100	100	100	100	100	100
Will be able to finance retirement	128	50	55	44	27	51	51	75	50
Uncertain as to ability to finance retirement	72	28	36	30	46	21	34	13	17
Will not be able to finance retirement	57	22	9	26	27	28	15	12	33

these operators believed that they would be able to meet their retirement needs.

Farmers with very low retirement needs also were fairly confident of their ability to finance retirement, but operators with retirement needs of \$60-79 a month were least assured about their retirement income prospects. Landowners were generally confident of their ability to support themselves in old age. More than three-fourths of the farmers who owned all of the land they operated felt that they could finance their retirement. Only about a fourth of the tenant operators believed that they would be able to meet these needs. Farmers who owned part of the land they operated fell between full owners and tenants in this degree of confidence.

To all operators, the size of the farm under their operation largely determines the capacity of the operator to gain economic security. Full owners with large acreages were more certain of their ability to finance retirement than were other tenure groups in Wharton county; nearly 90 percent expressed such confidence. Less than half of the tenants operating large farms were certain that they would have sufficient funds to permit them to live comfortably in old age. Full owners and part owners who operated medium-size and large tracts also were quite confident regarding financing their retirement. Only the small-farm owners were uncertain about the outlook for financial security in old age.

#### Attitudes Toward Farming as an Occupation

It is frequently asserted that farming is different from other occupations because it gives farm people a better chance to provide for their old age. Almost without exception, Wharton county farmers were profoundly interested in the subject. The argument provoked a great deal of deliberation, for it necessitated a critical comparison of their chosen occupation with all others.

Many of the Wharton county farmers in recent years had an opportunity to go into other occupations. Some had come into farming from other occupations. Some of the farmers interviewed had left farming at some time for other types of work, but later returned to farming. These farmers would be expected to have a strong preference for farming as an occupation, but they failed to show it in their opinions. Almost half of them expressed the belief that farming gave

no better chance to provide for old age than any other occupation.

About a fourth of the farmers believed that farming did give them a better chance than other occupations. Twenty-seven percent, who were undecided on the question, felt that under some condition farming presented the best opportunity for providing for old age. These operators often stated that landowners, but not other farm people, had a better opportunity to achieve economic security than people in most nonfarm occupations.

Of those who thought that farming did not give a better chance to provide for old age, some believed the opportunity depended upon the individual rather than his occupation. A significant majority, however, went a step further and declared that farming did not provide as good an opportunity as other occupations. They pointed out that "farming is just like gambling" because of weather, cost and price risks, and that the income of a great many farmers is so irregular that planning for old age is difficult.

Those favoring farming as an occupation often supported their views by reasoning that farm people had an opportunity to buy land. That farmers could live more cheaply and thus save more of their earnings was another common reason given in support of farming. Some operators felt that farmers have a better opportunity to save because their incomes usually are received in lump sums.

The size of the farming operations seemed to have a greater effect on attitudes toward farming than any other operator characteristic. A third of the large-farm operators regarded farming as the best occupation in which to provide for future security; less than a fourth of the operators of medium-size farms and only a sixth of the small-farm operators held the same opinion. Uncertainty on this question was found among operators in each of the different farm-size groups. The conviction that farming is not a superior method for attaining economic security was expressed most frequently by the operators of the smaller units.

#### RETIREMENT PLANS OF FARM OPERATORS

Many factors act as conditioners of the degree of interest that farm operators show toward retirement. Age itself is such a factor. The ability to finance retirement, of which net worth is



a measure, is another such factor. The ownership of land seems to encourage feelings of security which in turn make the retirement outlook more promising. Hopes for retirement may cause farmers to strive for land titles. The views of Wharton county farmers on this subject are an indication of the possible outcome for many farmers in their efforts to attain economic security in old age.

### Consideration of Retirement

It seems that farmers do not yet accept retirement as a normal conclusion to their work history. Only 12 percent of the farm operators included in the survey had considered retirement to the extent of developing definite retirement plans (Table 21). Another 10 percent had given some consideration to retirement. The remaining 78 percent had given little or no consideration to the question.

The proportion of operators having made definite plans increased from 4 percent for operators under 45 years of age to 31 percent for those 65 and over. Of operators who had given little or no consideration to retirement, the percentage decreased from 90 for the youngest operators to 55 for operators in the oldest age group.

Almost all of the operators with definite retirement plans, and who were 65 and over, already had curtailed their operations or their degree of participation in such operations. Of the younger operators with definite retirement plans, some had retired from other occupations and considered their farming a state of semiretirement. A few young operators with definite retirement plans were part-time farmers and were providing for retirement through nonfarm organizations. A relatively high proportion of operators with some college education had developed definite retirement plans. Most of the operators with some college training were younger operators; thus, the effect of education on retirement planning tends to counteract the effect of age.

The most common reasons that farm operators gave for their reluctance to retire were that they did not wish to "quit work" and that they could not "afford" retirement. As net worth increased, therefore, the disposition to form definite

Table 21. Consideration given to retirement by farm operators, by age of operator<sup>1</sup>

Consideration given retirement	All ages	Age of operator			
		Under 45	45-54	55-64	65 and over
	Number	Percent			
Total	257	100	100	100	100
Have definite plans	30	12	4	9	31
Some consideration, but no definite decision reached	25	10	6	7	19
Have given little or no consideration to retirement	202	78	90	84	62

<sup>1</sup>The number of operators in each age group was: under 45, 97; 45 to 54, 77; 55 to 64, 54; 65 and over, 29.

Table 22. Consideration given to retirement by operators, by net worth of operator

Consideration given retirement	Net worth of operator			
	Less than \$5,000	\$5,000-9,999	\$10,000-19,999	\$20,000 and over
	Percent			
Total	100	100	100	100
Have definite plans	2	8	11	27
Some consideration, but no definite decision reached	8	11	6	13
Have given little or no consideration to retirement	90	81	83	60

retirement plans also increased (Table 22). In contrast with 27 percent of the farmers with a net worth of \$20,000 or more, only 2 percent of those with a net worth of less than \$5,000 had made such plans. The middle net-worth classes were somewhat similar as far as retirement planning was concerned, but fell between the lowest and highest classes in their degree of planning.

Tenants who ordinarily had the least security on the land among the tenure classes, also had the lowest degree of confidence in their ability to finance retirement. These circumstances may have kept tenant-operators from considering retirement for only 3 percent of the tenants interviewed had made definite retirement plans, whereas 25 percent of the full owners had made such plans (Table 23). Part owners, whose security on the land is between these two groups, had made definite plans in 10 percent of the cases. The proportions of the tenure classes who had considered retirement without reaching definite decisions showed about the same pattern.

Only a few Negro operators had considered retirement as compared with Czech and other white farmers. Most Negro farmers had a low net worth and were either tenants, small part owners or very small owners.

### Expectations Regarding Eventual Retirement

Farmers in the sample were asked if they expected to retire and give up all work as a farm operator. About 1 operator out of 6 answered affirmatively (Table 24). Three out of 5 were sure that they would not go into full retirement unless forced to do so by ill-health. The remaining 23 percent were uncertain as to whether they would eventually give up all work as farm operators.

Table 23. Consideration given to retirement by farm operators, by tenure classes

Consideration given retirement	Tenure of operator		
	Full owner	Part owner	Tenant
	Percent		
Total <sup>1</sup>	100	100	100
Have definite plans	25	10	3
Some consideration but no definite decision reached	15	9	7
Have given little or no consideration to retirement	60	81	90

<sup>1</sup>There were 83 full owners, 58 part owners and 116 tenants included in the survey.

Table 24. Expectations with regard to retirement of farm operators, by age groups

Expectations regarding retirement	Age of operator					
	All ages	Under 45	45-54	55-64	65 and over	
	Number	Percent	Number	Percent	Number	Percent
Total	257	100	100	100	100	100
Expect to retire	41	16	9	13	26	28
Do not expect to retire	158	61	60	68	57	53
Uncertain as to whether will retire	58	23	31	19	17	14

The percentage of operators who expected to retire increased for each successively older age group. The greatest difference in expectations to retire was between operators under 55 and operators in the 55-64 and 65-and-over age groups. More than a fourth of the operators in these two older age groups expected to retire, while 13 percent of the 45-54 group and 9 percent of those under 45 had such expectation. Operators in the youngest age group showed the most uncertainty about the question of retirement.

Tenure status apparently influenced expectations as well as considerations of retirement. Seven percent of the tenants expected eventually to go into full retirement. Part owners and full owners were similar in their expectations, however, as less than a fourth of each group anticipated full retirement. Within tenure groups, size of farm had little apparent effect on retirement expectations. Race and nationality groups also were similar in their expectations.

Two-thirds of the operators who anticipated full retirement thought that they would be able to meet their retirement needs, whereas a fourth felt that they would not (Table 25). Less than half of the operators who did not expect to retire thought that they would be able to finance retirement. A slightly smaller proportion, 43 percent, of the farmers who were uncertain about retiring felt that they could finance retirement. Over half of the uncertain farmers also were uncertain of their ability to meet retirement needs.

### Reduced Farm Operations as a Means of Retirement

Partial retirement for farm operators is either more acceptable or more practicable than full retirement. Almost half of the farm operators interviewed had reduced their operations or plan-

Table 25. Relationship between expectations in regard to retirement and ability to finance retirement of farm operators

Confidence in ability to finance retirement	Expectations regarding retirement		
	Expect to retire	Do not expect to retire	Uncertain as to whether will retire
	Number	Percent	Number
Total	100	100	100
Will be able to finance retirement	68	47	43
Will not be able to finance retirement	24	28	5
Uncertain as to ability to finance retirement	8	25	52

Table 26. Plans made by farm operators to reduce farming operations as they grow older, by age groups

Plans regarding reduction of farming operation	Age of operator					
	All ages	Under 45	45-54	55-64	65 and over	
	Number	Percent	Number	Percent	Number	Percent
Total	257	100	100	100	100	100
Reduction of farm operation planned <sup>1</sup>	127	49	33	41	72	83
Uncertain regarding reduction of farm operations	46	18	30	16	8	3
No reduction of farm operation planned	84	33	37	43	20	14

<sup>1</sup>Operators of any age who had made definite plans for retirement were included in this group, although they were not asked this specific question. Operators 50 years of age and over who had already curtailed farm operations also were included.

ned such reductions as they grow older (Table 26.) Older operators reported past or expected curtailments of farming operations in greater proportions than did younger operators. About 4 out of 5 of the operators 65 and over either had reduced, or planned to reduce their farming operations. A third of the operators under 45 reported plans for a reduction of operations. The proportion who had no plans for reducing their operations, or who were uncertain about such plans, decreased for successively older age groups.

Tenure status, in addition to age, apparently influenced plans to curtail farming operations. Only 26 percent of the tenant-operators expected to cut down on their farming operations as they grow older, whereas about 70 percent of the full owners and part owners had such expectations.

There was some indication that Negro and Czech farmers were not as likely to curtail operations as were other farmers. Also, farmers in the higher net-worth groups more commonly predicted partial retirement than farmers of smaller net worth. However, age and tenure were the most significant characteristics affecting the attitudes of farmers toward partial retirement.

Operators 50 years of age and older were asked if they already had begun to reduce their farming operations. More than half reported that they had (Table 27). The rest often replied that they

Table 27. Reports from 122 farm operators 50 years of age and older, on reduction of farming activities, by tenure groups

Reduction of farming activities	All operators 50 and older	Tenure status of operator 50 and over		
		Full owner	Part owner	Tenant
	Number	Percent	Number	Percent
Total	122	100	100	100
No reduction of activities	58	48	35	67
Reduced activities	64	52	65	33
Reduced size of farming operations only <sup>1</sup>	27	22	32	6
Reduced personal participation in activities only <sup>2</sup>	23	19	18	12
Reduced both size of farming operations and own activities	14	11	15	15

<sup>1</sup>Reduced acreage operated or adopted a less intensified type of farming.

<sup>2</sup>Reduced amount of personal labor or transferred management to others.

could not afford to reduce their farming operations. The tenure status of these older operators apparently had a great deal of influence on their farming activities. Almost two-thirds of the full owners 50 and older had reduced farming activities. Nearly half of the part owners and about one-third of the tenants reported reductions. The low proportion of tenants who had reduced operations is not surprising in view of the joint landlord-tenant decisions involved on rented farms.

Full owners most often curtailed their operations by reducing the acreage operated and by changing to a less intensified type of farming (raising beef cattle instead of cotton, for example). Part owners most frequently retained the scope of their operations but hired more labor or transferred some management activities to others, such as sharecroppers and members of the operator's family. Tenants who had curtailed their farming operations most often did so by reducing both the size of operations and the degree of personal participation in such farming activities by hiring more labor.

### Retirement Discussions with Children

Operators with children 16 years or older were asked the following question: "Have you ever talked with your children about their taking part in some plan to provide you (and your wife) an income after you retire?" Less than 20 percent had talked with their children about such a plan. Most of the latter operators had not decided on a definite plan but had merely touched on the subject in casual conversation. These farmers often said that their children had agreed to "help them some." A few operators had taken sons into partnership with them but this arrangement usually was not a plan to support the operator after his retirement.

Only 16 farmers had made definite plans with their children. Three of these were to be partially supported by regular contributions from children but no land transfer would be involved. In 4 cases the farmer had made plans with his children whereby they would buy the farm and the farmer would live on the proceeds of the sale. But no details had been worked out. Another informal understanding between operators and their children, reported by 3 operators, was that the farm would be transferred to the child (or children) who in turn would contribute to the support of the operator (and his wife) for the rest of his life. The remaining 6 operators, having definite arrangements with their children, planned to rent the farm to the child (or children) and derive support from the rent payments. In 4 of the 6 cases this plan was already in effect.

### Preferred Living Arrangements After Retirement

Farmers in the sample who had not expressly denied the intent to retire were asked about their preferred living arrangements after retire-

Table 28. Preferred living arrangements after retirement of 97 farm operators, by race or nationality background of the operator

Preferred living arrangement	All operators	Race or nationality background of operator		
		Czech	Other white	Negro
		Percent		
Total <sup>1</sup>	100	100	100	100
On a farm	78	70	80	80
Alone or with spouse only	57	40	67	45
With children	10	13	6	20
With other arrangement	11	17	7	15
In village or city, alone or with spouse only	10	13	9	10
Uncertain about place of residence	12	17	11	10
Alone or with spouse only	8	13	7	5
With children	1	0	2	0
With other arrangement	3	4	2	5

<sup>1</sup>Out of the 97 operators, 23 were Czech, 54 were other white and 20 were Negro.

ment. Specifically, they were asked where and with whom they would live. More than 3 out of 4 replied that they preferred to live on a farm after retirement (Table 28). Of those who preferred living on a farm, about 4 out of 5 chose to live "on this farm." These operators were also predominantly in favor of living alone or with their respective spouse. Thus, the first choice of most operators who were asked about living arrangements was to live on a farm after retirement and to live alone or with their spouse. Another 10 percent preferred to live in a village or city and all of these operators chose to live with their spouse only, or alone.

More than 80 percent of the operators who chose to live "on this farm" owned the farm to which they referred. Less than half that proportion of the other operators owned farm land. Operator characteristics seemingly did not influence preferred living arrangements to a great extent. There was some indication, however, that Negro and Czech farmers were less likely to live alone than were other farmers.

### ATTITUDES TOWARD OASI PROGRAM

Many of the Wharton county operators reported some experience with the Old-Age and Survivors Insurance program. More than half of those in the sample possessed social security numbers. Many had worked in nonfarm jobs since 1936 and some held such jobs in 1951. Other operators with no recent experience in nonagricultural industries reported that members of their immediate families had done such work. Some operators were, at the time of the interview, paying social security taxes on their regular farm workers.

Due largely to this experience, more than a fifth of the farmers in Wharton county were fairly well informed about the functions of the OASI program (Table 29). These operators knew how the program is financed, of the retirement and survivors' benefits available under the program and

Table 29. Knowledge of the Old-Age and Survivors Insurance program indicated by farm operators

Knowledge of OASI program	All operators	
	Number	Percent
Total	257	100
Fairly well informed on program	56	22
Some knowledge of program	40	16
Hazy understanding of program	68	26
No knowledge of program	93	36

of the eligibility requirements of workers. A sixth had some knowledge of the program but were uncertain about one of the major provisions; an operator in this group may have known about the financing of the program and its retirement benefits without being aware of the provisions protecting the survivors of the insured. A fourth had some understanding of the program without knowing any of its specific provisions. The last group, comprising the remaining 36 percent, had no apparent knowledge of OASI. Some confused the program with other major divisions of the broad federal social security program, while others could not recall having heard of the program at all.<sup>3</sup>

### General Attitudes Toward OASI

Eighty-three percent of the farm operators included in the survey expressed general approval of OASI, 10 percent disapproved the program and the remaining 7 percent took no position on the question (Table 30). Inability of people to protect themselves from financial emergencies brought about by old age, ill-health and economic depression, was the most common reason for approval. Operators who disapproved felt that the program was an overextension of federal responsibility and that individuals should provide their own economic security. Some dissenting operators thought that the benefits of the program were outweighed by the costs involved. Operators who qualified their disapproval usually held that an altered or improved program would be acceptable. Similarly, operators who approved with qualifications were dissatisfied with some aspect of the existing program.

<sup>3</sup>A short statement of the general plan of the OASI program was read to those operators who had shown they did not have a comprehensive understanding of the program. In many cases this review of the program stirred the memory of the operator and it often developed that he actually was not as uninformed as he had indicated originally.

Table 30. Attitude of farm operators toward the OASI program, by tenure status of operator

Attitude toward program	All operators		Tenure status of operator		
	Number	Percent	Full owner	Part owner	Tenant
Total	257	100	100	100	100
Approval	153	59	58	56	62
Qualified approval	61	24	20	27	25
No position	17	7	7	4	8
Qualified disapproval	10	4	6	2	3
Disapproval	16	6	9	11	2

Table 31. Attitude of farm operators toward the OASI program, by age groups of operator

Attitude toward program	Age of operator				
	Under 35	35-44	45-54	55-64	65 and over
Total	100	100	100	100	100
Approval	67	55	58	54	73
Qualified approval	27	25	19	26	24
No position	0	5	13	6	3
Qualified disapproval	3	5	3	7	0
Disapproval	3	10	7	7	0

Tenure status apparently affected attitudes toward OASI. Tenant-operators generally enjoy less security on the land than other tenure groups. In addition, they usually fall into a smaller networth bracket than farmers who own all or a part of the land they operate. Consciousness of their lack of economic security may be reflected in their attitudes toward OASI. Eighty-seven percent of the tenants interviewed expressed approval of the program. Only 2 percent disapproved the program without qualifying their opinion. Of the full owners, 78 percent approved the program. Akin to both groups, part owners fell between full owners and tenants in the degree to which they favor OASI. Eighty-three percent of the part owners approved the program.

Operators in the oldest age group expressed approval of the program more often than did other operators, 97 percent approving it (Table 31). None of the operators in this group of 65 years of age and over disapproved the program. The youngest operators were almost as likely to approve OASI, as 94 percent of those under 35 favored the program. Operators in the 45 to 54 age group approved the program least often, 77 percent approving.

Approval of the program appeared to be related to the possession of a social security number, which is some indication of an operator's experience with the program. Eighty-eight percent of the farmers possessing social security numbers approved the program (Table 32). A smaller proportion, 78 percent, of the farmers without numbers approved the program. A high proportion of Negro operators with social security numbers approved OASI, 92 percent favoring the program. None of these operators opposed OASI. Eighty-three percent of the Czech farmers with social security numbers approved the program and 78 percent of the other white farmers with numbers expressed approval.

Of the farmers not having social security numbers, Negro operators again were the most likely to approve OASI, as 81 percent either approved the program outright or expressed approval but were dissatisfied with some part of it.

Without regard to possession of social security numbers, Negro farmers commonly qualified their approval of OASI by saying that the coverage of the program should be extended.



These same operators often stated, in support of their approval, that the program forced people to save money and provide for their own old age.

Net worth, size of farm and other operator characteristics did not appear to have much influence on the attitudes of the Wharton county farmers toward the general OASI program. There was an indication, however, that high school graduates and farmers with some college education were more likely to favor OASI than were farmers with less formal education.

#### Attitudes Toward OASI Coverage of Regular Farm Workers

Farmers did not endorse OASI coverage of certain farm groups as often as they did the OASI program in general. However, 69 percent favored the legislation of 1950 which extended OASI coverage to regular farm workers (Table 33). Only 13 percent felt that regular farm workers should not be covered, while the remaining 18 percent were uncertain.

Farmers approving coverage of regular workers felt that these workers needed protection and were just as entitled to OASI as any other group of people. Many said that unless farm workers were forced to save they would not provide security for themselves. Farmers who opposed such coverage gave a variety of reasons in support of their views. About 20 percent thought that the bookkeeping and administrative tasks were too much trouble. A few opposed the interference by government in their activities as employers. Other reasons for opposition were that social security tax payments increased labor costs, that workers did not want the tax withheld from their wages and that many regular workers, as defined by law, do not "deserve" OASI coverage. Without regard to their opinions of the coverage of regular workers, many farmers said that loopholes in the present law were distasteful to them.

Like the approval of OASI in general, approval by the operators of the coverage of regular workers appeared to be more closely related to possession of a social security number than to any other apparent characteristic of the operators. Operators with social security numbers approved the inclusion of regular workers in the

Table 33. Attitudes of operators toward OASI coverage of regular hired farm workers, by possession of a social security number

Attitude toward OASI coverage of regular hired farm workers	All operators		Operators with social security number	Operators not having social security number
	Number	Percent	Number	Percent
Total	257	100	100	100
Should be covered	177	69	73	64
Should not be covered	34	13	11	16
Uncertain	46	18	16	20

OASI program in 73 percent of the cases (Table 33). A smaller proportion, 64 percent, of farmers not having numbers expressed approval.

#### Attitudes Toward OASI Coverage of Short-time Farm Workers

As a whole, Wharton county farmers were predominantly in favor of the OASI program in general and almost 7 out of 10 felt that the coverage of regular farm workers was justified. These favorable attitudes, however, did not extend to the coverage of short-time workers. Only 17 percent of the farmers interviewed favored the coverage of such workers (Table 34). Twenty percent were uncertain, but 63 percent opposed the inclusion of short-time workers in OASI. Of those who opposed such coverage, 60 percent stated that the bookkeeping task would be prohibitive and that keeping up with names alone would be almost impossible. Some of the operators who were uncertain about the coverage of short-time workers also gave these objections but were impressed by the need of this category of workers for such protection. Some of the operators who opposed such coverage commented that migratory and local seasonal workers needed a program of this type, but were extremely doubtful that administrative difficulties could be overcome. Other operators who opposed the extension of coverage felt that short-time workers were employed irregularly by choice and were not entitled to coverage, that such workers would oppose the deduction of taxes from their wages, that they would not understand the deductions and that these workers could not afford even the small amount withheld. Labor costs of farmers would rise and could not be passed on, argued some of the operators.

Table 32. Attitudes of farm operators toward the OASI program, by race or nationality background of operator and possession of a social security number

Attitude toward program	Race or nationality background of operator							
	Operators with social security number				Operators without social security number			
	Czech	Other white	Negro	All	Czech	Other white	Negro	All
	Percent				Percent			
Total <sup>1</sup>	100	100	100	100	100	100	100	100
Approval	65	63	62	63	59	50	68	55
Qualified approval	18	25	30	25	19	27	13	23
No position	7	3	8	5	3	9	19	8
Qualified disapproval	0	7	0	3	8	4	0	5
Disapproval	10	2	0	4	11	10	0	9

<sup>1</sup>Of the 134 operators with social security numbers, 29 were Czech, 68 other white and 37 Negro. Of the 123 operators not having numbers, there were 37 Czech, 70 other white and 16 Negro.

Table 34. Attitudes of operators toward OASI coverage of short-time farm workers, by possession of a social security number

Attitude toward OASI coverage of short-time farm workers	All operators		Operators with social security number		Operators not having social security number	
	Number	Percent	Number	Percent	Number	Percent
Total	257	100	100	100	100	100
Should be covered	44	17	19	19	14	14
Should not be covered	161	63	60	60	66	66
Uncertain	52	20	21	21	20	20

Farmers gave two basic reasons for the coverage of short-time workers. That such workers need protection as badly and probably more than any other group was a reason given by the majority. A few operators said that such workers are entitled to coverage and that it is discriminatory not to include them.

The possession of a social security number increased somewhat the likelihood of a farmer's expressing a favorable attitude toward OASI and its coverage. A slightly higher proportion of farmers who had social security numbers approved extension of coverage to short-time workers than did farmers without numbers (Table 34). The outstanding factor which appeared to influence attitude on the question was the number of short-time workers the operators had hired during the crop year preceding the survey. All of the operators who had hired as many as 40 short-time workers in 1951 opposed OASI coverage of these workers (Table 35). Some of the farmers who hired very large numbers of workers said that they would have to hire bookkeepers during periods of peak-labor use if coverage was extended to part-time workers.

#### Attitudes Toward OASI Coverage of Farm Operators

Forty-one percent of the operators expressed unqualified approval of their coverage under OASI (Table 36). Another 15 percent, however, approved coverage of operators under certain conditions. Conditional approval often deemed extension of OASI to farmers desirable only if the program was made optional to individual farm operators. Some of the operators who conditionally approved the program felt that "large" operators and especially "large" owner-operators should not be covered. Others approved with the

Table 35. Attitudes of farm operators toward OASI coverage of short-time farm workers, by number of such workers employed by operator in 1951

Attitude toward OASI coverage of short-time farm workers	Number of short-time workers employed by operator in 1951			
	Less than 10	10 - 19	20 - 39	40 and more
	Percent			
Total <sup>1</sup>	100	100	100	100
Should be covered	26	16	17	0
Should not be covered	48	57	65	100
Uncertain	26	27	18	0

<sup>1</sup>Ninety-seven operators hired less than 10 short-time workers; 56 operators hired 10-19; 60 operators hired 20-39; and 43 operators hired 40 or more

Table 36. Attitudes of farm operators toward OASI coverage of operators, by possession of social security number

Attitude toward OASI coverage of farm operators	All farm operators		Operators with social security number		Operators without social security number	
	Number	Percent	Number	Percent	Number	Percent
Total <sup>1</sup>	255	100	100	100	100	100
Should be covered	105	41	46	46	36	36
Conditional approval of coverage	38	15	11	11	19	19
Should not be covered	59	23	22	22	25	25
Uncertain	53	21	21	21	20	20

<sup>1</sup>Information was not obtained for 2 operators.

reservation that the administrative details of the program must be developed satisfactorily.

Only 23 percent of the operators expressed unqualified disapproval of operator coverage and 21 percent were uncertain whether they would like to see operators in the program. If the uncertain farmers are disregarded, about two-thirds of the rest of the operators approved OASI coverage of farm operators either conditionally or unconditionally.

About 3 out of 5 farmers who expressed unqualified approval of operator coverage felt that farmers needed the protection badly and that many of them would not be independent in old age unless they had such protection. About 1 out of 5 said that farmers were being discriminated against since they were not in the program. Farmers with negative attitudes commonly believed that farmers should "take care of themselves," an opinion held by almost two-thirds of the dissenting operators. Others opposing the coverage of operators expressed a dislike for the government interference that such coverage would involve. A few felt that there would be too much red tape and doubted that a satisfactory program could be worked out for farm operators.

Farmers who had social security numbers more often expressed outright approval of operator coverage than did those without numbers. Considering both unqualified and conditional approval, however, the two groups differed only slightly.

Relatively more operators 65 and older approved OASI for farm operators unconditionally, and relatively fewer operators between 45 and 64 gave the coverage full support (Table 37). When the "should be covered" and "unconditionally approval" groups were combined, it was found that 65 percent of the farmers under 35 approved the coverage, as compared with only 55 percent of the oldest operators.

The race and nationality groups differed slightly in the proportions which favored OASI coverage of farmers without qualifying their attitudes. Because of their general lack of understanding of the conditions of such a program, more than a third of the Negro operators were uncertain in their position toward operator coverage.

Table 37. Attitudes of farm operators toward OASI coverage of operators, by age groups

Attitude toward OASI coverage of farm operators	Age of operator				
	Under 35	35-44	45-54	55-64	65 and over
	Percent				
Total <sup>1</sup>	100	100	100	100	100
Should be covered	41	47	36	36	52
Conditional approval of coverage	24	10	16	19	3
Should not be covered	19	29	26	19	17
Uncertain	16	14	22	26	28

<sup>1</sup>Information not obtained for 2 operators.

Tenure status had no apparent effect upon attitudes toward operator coverage. Size of farm, seemingly had some influence. A higher proportion of small farmers favored the coverage than did large farmers.

In summary, it appears that farm operators in Wharton county are receptive to the OASI program in general. They favor the legislation of 1950 which extended the benefits of the program to regular farm workers. They oppose the extension of coverage to short-time farm workers. A majority of farm operators approve the extension of OASI to operators, although some of these qualified their approval. The belief that individuals are generally unable to provide their own security was the most common reason for favorable attitudes toward the OASI program in general and its coverage of various farm groups. Problems of administering the program were the most common reason for not favoring it.

## THE REGULAR FARM WORKER

### ECONOMIC SECURITY

In terms of their relations with the farm operator, regular farm workers in Wharton county are of two principal types. One type is paid cash

wages only, while the other depends partially or completely on a share of the crop for his compensation. Many of the latter may be classified as sharecroppers, as they own no farm implements, exercise few if any functions of management and receive the customary one-half share of the cash crop. In most instances, however, the crop share is merely a device for supplementing cash wages and stabilizing the labor force; essentially it represents wages paid in kind. As the differences in the economic and social status of straight wage workers and crop-share workers were generally minor, the same questionnaire was used for interviewing both groups in Wharton county and the results are combined in this report. Of the 60 workers in the sample, 29 were wage workers and 31 were crop-share workers.

### Assets of Regular Farm Workers

A preliminary survey in the sample area showed that the net worth of workers would be quite difficult to determine. Thus, instead of being asked to estimate their net worth, workers were asked to name the items that they owned.

The asset or item which was most commonly named by workers was an automobile or a truck, 68 percent reporting this asset (Table 38). For 35 percent this was the only asset except for personal effects. Less than half of the workers had life insurance—either burial or larger policies—and this holding was the only asset that 18 percent of the workers did have. None of the workers owned farm land and only 3 percent owned dwellings. Savings, bonds and other securities of small value were held by 8 percent of the workers interviewed. Thirteen percent reported no assets.

Whether one was a wage or a crop-share worker seemed to have some effect on the type



Figure 4. Headquarters, Pierce Ranch, Pierce. Size of operating units in Wharton County range from farm tracts of 10 to 20 acres to large-scale ranch enterprises. This is an 80,000-acre ranch which employs about 150 regular hired workers and combines the production of cotton, rice and feed crops with beef cattle.

Table 38. Assets of regular farm workers, by type of worker

Item	All workers		Wage workers		Crop-share workers	
	Number	Percent	Number	Percent	Number	Percent
Assets and combinations of assets:						
Total <sup>1</sup>	60	100	100	100	100	100
Automobile or truck only	21	35	24	45	45	45
Life and/or burial insurance only	11	18	28	10	10	10
Automobile or truck and life and/or burial insurance	13	22	24	19	19	19
Other combinations	7	12	14	10	10	10
None	8	13	10	16	16	16
Total occurrence of types of assets:						
House without farm land	2	3	7	0	0	0
Automobile or truck	41	68	62	74	74	74
Savings, bonds or other securities	5	8	7	10	10	10
Life and/or burial insurance	28	47	66	29	29	29

<sup>1</sup>Of the 60 workers, 29 were wage and 31 were crop-share workers.

of assets held. Seventy-four percent of the crop-share workers owned motor vehicles, as compared with 62 percent of the wage workers (Table 38). Life insurance of some kind was held by almost two-thirds of the wage workers and by considerably less than a third of the crop-share workers. The workers who owned dwellings were wage workers. The fact that crop-share workers receive a fairly large lump sum of money at least once a year may contribute to their chance of owning an automobile.

Workers in the 35-44 age group were the most likely to own motor vehicles, 84 percent owning a car or truck (Table 39). About three-fourths of the workers in this group were crop-share workers. A car or truck was the only asset that about half of the workers from 35 to 44 claimed. But workers in this age group apparently were better off than other workers. Almost as large a proportion of this group as of other groups had life or burial insurance, and only 5 percent were without assets. Workers under 35 apparently had the fewest assets, 20 percent having none at all.

Other white workers seemingly had more assets than Latin American or Negro workers. Due to the few cases observed however, clear and consistent differences did not appear among the race and nationality groups nor in relation to a great many other worker characteristics.

Table 39. Assets of regular farm workers, by age groups

Occurrence of assets	Age of worker <sup>1</sup>			
	Under 35	35-44	45-54	55 and over
	Percent			
None	20	5	13	17
House without farm land	5	0	0	17
Automobile or truck	55	84	73	50
Savings, bonds or other securities	5	5	13	17
Life and/or burial insurance	45	42	53	50

<sup>1</sup>Percentages for each age group total more than 100 because some workers owned more than one type of asset.

## Insurance Coverage of Regular Farm Workers

As has been seen, Wharton county workers, as a whole, had little insurance protection. More than half of them had neither burial policy nor any other life insurance (Table 40). Of the 25 percent that had burial policies only, many—especially Negro workers—held such insurance because of their affiliation with fraternal organizations. Only 22 percent of the workers had life insurance other than burial policies, 8 percent having burial policies also. The life insurance policies were not for large amounts; three workers had policies of \$2,000 each and the remainder were insured for \$1,000 or less.

The influence of race or nationality background on insurance coverage was quite evident. Only a third of the Negro workers had no insurance and the remainder had burial policies. In contrast, two-thirds of the Latin Americans and more than half of the other white workers had no insurance. Burial insurance was seldom used by other white workers and only about a fourth of the Latin Americans had such insurance, but this was the main type of insurance held by these latter workers. When other white workers had insurance, it was usually a regular life insurance policy. Age of workers apparently had little influence on insurance holdings.

The workers were asked if they had followed any regular plan for saving a part of their wages during the past 2 years. Many of the workers replied that they would like to follow such a plan but less than 10 percent reported such savings. The amounts that these workers had been saving were usually \$5 or \$10 each month.

## Income Received by Other Family Members

About a fifth of the workers who were family heads reported that other members of their families worked in 1951. Earnings of these other members ranged from \$150 to \$4,000 during that year but were usually less than \$1,000. In the cases involved, however, the amounts earned were important contributions to the family's income.

Two of the workers reported parents who received old-age assistance. The amount received in each case was about \$350 for the year.

## Family Support in Event of Worker's Death

Workers with families were asked the following question: "If you were to die now, about how

Table 40. Burial and life insurance of regular farm workers, by race and nationality background

Type of insurance	All workers		Race or nationality background		
	Number	Percent	Latin American	Other white	Negro
	Number — — — — — Percent — — — — —				
Total	60	100	100	100	100
None	32	53	61	55	33
Burial insurance only	15	25	21	0	54
Life insurance only	8	14	12	36	0
Life and burial insurance	5	8	6	9	13



long could your family be supported by the proceeds from the sale of your property, your savings and your insurance after paying off all debts?" More than half of the workers answered that their families could be supported from such sources for less than 3 months. Another 31 percent estimated a period of 3 months to a year. Only 13 percent named a period of 1 to 2 years, and none of the workers estimated a time of 2 years or longer.

Families of wage workers seemingly were a little better protected than were those of crop-share workers. A smaller proportion of the wage workers reported less than 3 months as the length of time their families could be supported and a larger proportion reported a period of 1 to 2 years than did crop-share workers.

Old-age and survivors insurance coverage was not taken into account in the preceding question. It should be pointed out, then, that wage workers are much better off than crop-share workers when OASI is considered. Twenty of the 22 wage workers who were family heads were covered by OASI at the time they were interviewed. Only 4 of 28 crop-share workers who were family heads were in the OASI program. Some indication of the value of OASI for these workers is given by an illustration of the benefits involved. A widow and surviving child of an eligible worker would receive \$37.50 per month in case of the worker's death if the worker had established his eligibility with an average monthly wage of \$50. The child must be less than 18 years of age if in school and less than 16 years of age if not in school. The eligibility requirements and program benefits are much broader than described here, of course.

Only 4 of the workers reported that they had given consideration to means of family support in event of the death of the worker by discussing the problem with their families. One of these said that he and his family had not been able to reach any decision. Two workers said that their children would help the surviving family and one reported that his wife would go to work. Workers that had not discussed specifically the problem with their families stated that the family would just have to do the best it could. These statements indicate, to some extent, that many of the workers were not familiar with OASI benefits for which about 40 percent of the family heads had established or were establishing eligibility.

### Sources of Support in Old Age

Like operators, workers were asked what they thought their sources of support would be in old age. Eighteen percent reported that they did not know of any source of support that they would have (Table 41). Old-age assistance was the source most frequently named and was reported by 42 percent. OASI was considered as a source by slightly more than a fourth of the workers, as were odd jobs and assistance from relatives. Sav-

Table 41. Sources of support in old age of regular farm workers, by type of worker

Sources of support in old age	All workers	Type of worker	
		Wage	Crop-share
	Number	Percent	Percent
	60	100	100
<b>Total</b>			
Sources and combinations of sources:			
None	11	18	21
OASI only	4	7	10
OASI and other sources	12	20	31
OAA only	5	8	7
OAA and other sources except OASI	15	25	7
Other combinations	13	22	24
<b>Total occurrences of sources:</b>			
OAA	25	42	24
Odd jobs	17	28	28
OASI	16	27	41
Assistance from relatives	16	27	17
Savings and insurance	4	7	7
Other	5	8	10

ings or insurance were mentioned by 7 percent of the workers and 8 percent were hopeful that they would acquire land, keep working on a farm or have a little business of their own. The most frequent combination of sources named by individual workers was old-age assistance plus some other source, a fourth of the workers naming this combination. OASI and some other source formed a combination name by a fifth of the workers.

Wage workers tended to rely more on OASI and less on old-age assistance than did crop-share workers. This is not surprising since 90 percent of the wage workers were covered by OASI, as compared with about 13 percent of the crop-share workers.

Latin American and Negro workers were more likely to name old-age assistance than were other white workers. Workers under 35 more frequently gave no sources of support than older workers, but other differences between age groups were not evident.

### Monetary Needs of Workers in Old Age

Each worker was asked to estimate the amount of cash per month that would allow him (and his wife) to live comfortably after retirement. The workers, as a whole, estimated much smaller amounts than farm operators (Table 42). Only 5 percent of the workers felt that they would need \$120 or more each month. Almost a third of the operators named needs of \$120 and over. A

Table 42. Monthly cash retirement needs of regular farm workers, by race or nationality background

Monthly cash retirement needs	All workers	Latin American	Other white	Negro
	Number	Percent	Percent	Percent
	60	100	100	100
<b>Total</b>				
Less than \$40	3	5	3	13
\$40 - 59	17	28	21	33
\$60 - 79	13	22	26	27
\$80 - 119	17	28	35	7
\$120 and over	3	5	0	18
Uncertain	7	12	15	0

majority of the workers named amounts of less than \$80. Amounts most frequently mentioned were \$50 and \$100 per month. Twelve percent of the workers did not make estimates.

There was no clear relationship between the cash requirements and the ages of the workers; nor were there differences between wage and crop-share workers in amounts of retirement needs. Race or nationality background, however, did seem to affect the retirement needs of workers. None of the "other white" workers felt that they would need less than \$40 per month and none was uncertain as to needs. More than half named amounts of \$80 or more. Negro workers named smaller amounts, most of them making estimates of less than \$80. The needs of Latin American workers were usually more than those of Negro workers but less than the estimates of other whites.

More than half of the workers were uncertain as to whether they would have the cash requirements named (Table 43). Only 12 percent felt that they would be able to meet their retirement needs and 36 percent were certain that they would not. Other white workers seemingly had more confidence than Negro and Latin American workers. All groups had sizable proportions of workers who were uncertain on the question. None of the workers who listed needs of \$120 or more per month felt that they could meet their needs.

#### Attitudes Toward Farm Work as an Occupation

The proposition that farming is different from other occupations and gives its people a better chance to provide for old age was presented to regular farm workers as it was to farm operators. About a fifth of the workers felt that farming gives its people a better opportunity to provide for old age. Almost half of the workers disagreed with the statement and nearly a third were undecided. The proportions of the workers taking various stands on the argument were very similar to the responses of operators.

Common reasons for favoring farming were that farming requires less education than other occupations and that a worker has a chance "to gradually get into farming on his own." A few mentioned the subsistence aspect of farming, say-

ing that "it's cheaper to live on a farm" and that "a man can always get something to eat."

Some of the workers who disagreed with the argument gave as their evidence the fact that "farm workers don't have anything—most of them." Others felt that farm work being more irregular than work in other industries denies the worker a chance to get ahead. Most of the workers considered only their own positions but a few believed that farm operators might have a better chance. A majority of the workers who disagreed with farming being advantageous said that it was "just like any other occupation—no better, no worse."

Workers who received some share of a crop in addition to their wages generally had a more favorable attitude toward farming than did wage workers.

There also is some evidence that Latin American workers had more favorable attitudes toward farming than other workers. However, this may be because Latin Americans comprised almost three-fourths of the crop-share workers. About 40 percent of the Latin American crop-share workers favored farming whereas less than 10 percent of the Latin American wage workers felt that farming gives a better chance to provide for old age than other occupations. Age groups did not differ significantly in their attitudes.

#### RETIREMENT PLANS OF REGULAR FARM WORKERS

Regular hired farm workers had given even less attention to retirement than had farm operators in Wharton county. Ninety-two percent had given the problem no consideration at all. About 5 percent had thought about retirement without making any plans and only 3 percent reported definite plans for retirement.

Workers were asked if they expected to give up all regular work and retire. Three-fifths of the workers felt that they would not, replying in many instances "not unless I have to." Only 1 out of 12 believed that they would eventually retire and the remainder were uncertain. Each worker was also asked if his father was retired or had retired prior to death. About a fourth of the workers reported that their fathers had retired, usually because of disability. In most cases, the source of support for the fathers was old-age assistance. Some were helped by their children and only 2 had been able to retire without public or private assistance. The average retirement age of these fathers was around 70 years.

When the workers were asked about the living arrangements they preferred after retirement, most of them answered that they would live alone or with their wives. Except for those who were uncertain, the remainder preferred to live with their children or have their children live with them.

Table 43. Confidence of regular farm workers in ability to finance retirement needs, by race or nationality background

Confidence in ability to finance retirement	All workers	Race or nationality background			
		Latin American	Other white	Negro	
	Number	—	—	—	Percent — — — —
Total	60	100	100	100	100
Will be able to finance retirement	7	12	9	27	7
Uncertain as to ability to finance retirement	31	52	53	55	46
Will not be able to finance retirement	22	36	38	18	47

## ATTITUDES TOWARD OASI PROGRAM

In 1950, the Old-Age and Survivors Insurance program was extended to cover regular hired farm workers who received cash wages. Half of the Wharton county workers interviewed were covered by OASI. Only 3 of these workers who were having the OASI tax paid on their cash wages by their farm operator-employers were crop-share workers; the remaining 27 were wage workers. Among workers not covered by OASI, more than two-thirds possessed social security numbers. Only 8 of the 60 workers did not have social security numbers. Thus, the workers as a whole have been in a favorable position from which to observe and learn of the OASI program.

The regular workers interviewed were not, however, as familiar with the OASI program as were farm operators. Only 12 percent knew how the program is paid for, its retirement benefits and of its protection of survivors (Table 44). (Twenty-two percent of the operators were "fairly well informed.") Twenty-three percent of the workers knew something about the program but did not know all of the aspects known by the first group. Almost two-thirds of the workers had no more than a hazy knowledge; some of these had no knowledge at all and many knew only that the program was government sponsored. There was a tendency for these workers to confuse OASI and old-age assistance.

Workers covered by OASI knew more about the program than other workers. Nevertheless, only 20 percent had a substantial knowledge of OASI; 40 percent knew little or nothing about the program. Workers with social security numbers but not in the program were less familiar with OASI and workers without social security numbers were very poorly informed. The fact that many of the covered workers knew so little of OASI may account for their lack of dependence on such coverage when they named their expected sources of support in old age.

Workers who were not already well informed on the OASI program had the main features of the program explained to them by the interview-

Table 44. Knowledge of OASI of regular farm workers, by OASI coverage and possession of social security number

Knowledge of OASI	All workers		Workers covered by OASI		Workers not covered by OASI but possessing social security number		Workers not possessing social security number	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total <sup>1</sup>	60	100	100	100	100	100		
Fairly well informed on program	7	12	20	5	0			
Some knowledge of program	14	23	40	10	0			
Hazy understanding of program	24	40	37	40	50			
No knowledge of program	15	25	3	45	50			

<sup>1</sup>Thirty workers were covered by OASI, 22 had social security numbers but were not in the program and 8 workers did not possess social security numbers.

Table 45. Attitudes of regular farm workers toward OASI, by race or nationality background

Attitude toward program	All workers		Race or nationality background of worker		
	Number	Percent	Latin American	Other white	Negro
Total	60	100	100	100	100
Approval	48	80	68	100	93
No position	12	20	32	0	7
Disapproval	0	0	0	0	0

er on this survey. There was some indication, however, that some workers—especially Latin Americans—were unable to understand the general principles of the program.

### General Attitudes Toward OASI

None of the regular hired farm workers in the sample disapproved the OASI program in its general application. Eight out of 10 of the workers expressed their approval of the program and the remainder neither opposed nor approved it (Table 45). In the group that took no position on the question, all except one were Latin Americans, some of whom were covered by OASI.

Of the Latin American workers who took no position on the issue, 6 were covered by OASI and all but one had social security numbers. Their ages ranged from 21 to 71 years. Most of them had no experience in nonfarm work, however, a fact which together with their language difficulties may tend to explain the uncertainty of their attitudes.

### Attitudes Toward OASI Coverage of Regular Farm Workers

Regular farm workers were almost as receptive to their own inclusion in the OASI program as they were to the program in general. Almost all of the workers who had an opinion were in favor of worker coverage (Table 46). Again, a sizable proportion was uncertain on the issue and again the uncertain workers were predominantly Latin Americans—the same workers who were uncertain on the first issue.

Workers approving the coverage frequently stated that without it, workers wouldn't have anything in old age. The majority simply stated that they "need it." The worker who opposed the coverage felt that most workers cannot afford de-

Table 46. Attitudes toward OASI coverage of regular farm workers, by race or nationality background

Attitude toward OASI coverage of regular farm workers	All workers		Race or nationality background of worker		
	Number	Percent	Latin American	Other white	Negro
Total	60	100	100	100	100
Should be covered	43	71	62	91	80
Should not be covered	1	2	0	0	7
Uncertain	16	27	38	9	13

Table 47. Attitudes of regular farm workers toward OASI coverage of short-time farm workers by race or nationality background and type of workers

Attitude toward OASI coverage of short-time farm workers	All workers	Latin American workers	Other white workers	Negro workers	Wage workers	Crop-share workers
	Number					
Total	60	100	100	100	100	100
Should be covered	19	32	38	0	40	39
Should not be covered	13	22	15	36	27	31
Uncertain	28	46	47	64	33	45

ductions from their wages. Some of the workers who took no position on the issue gave the same reason.

#### Attitudes Toward OASI Coverage of Short-time Farm Workers

The extension of OASI to cover short-time farm workers was approved by about a third of the regular workers and a smaller proportion opposed its extension (Table 47). Nearly half of the workers were uncertain on the question.

Workers approving the coverage emphasized the need of short-time workers for protection and many felt that their needs were greater than those of any other group of workers. Opposition to short-time worker coverage usually was based upon the bookkeeping difficulty. A few regular workers, however, felt that short-time workers do not "deserve" coverage. One indignant worker said: "If they take our money, they should take theirs and include them." Workers who were uncertain on the issue were uncertain indeed for only one made a comment other than "don't know." This worker felt that short-time workers cannot afford deductions from their wages.

None of the "other white" workers approved short-time worker coverage, while about two-fifths of the Negro and Latin American workers had favorable attitudes. More of the crop-share workers approved the coverage than opposed it; the opposite was true for wage workers.

#### Attitudes Toward OASI Coverage of Farm Operators

Relatively fewer regular farm workers approved operator coverage than was the case with the operators themselves. Only a fourth of the workers believed that OASI should be extended to farm operators (Table 48). A far smaller pro-

Table 48. Attitudes of regular farm workers toward OASI coverage of farm operators, by race and nationality background and type of worker

Attitude toward operator coverage	All workers	Latin American workers	Other white workers	Negro workers	Wage workers	Crop-share workers
	Number					
Total	60	100	100	100	100	100
Should be covered	15	25	23	27	27	10
Should not be covered	4	7	12	0	0	7
Uncertain	41	68	65	73	73	83

portion, however, were opposed to coverage for operators. Most of the workers were unable to make a decision on the question. Some of them thought that it should be optional with the operators. Others said that they did not know whether farmers actually need it.

Workers approving extension of coverage to operators felt that small farmers are particularly in need of protection. Other common statements were: "Everybody should be under it," and "Most farmers need it because they may have bad years." The few workers opposing the coverage generally felt that operators do not need OASI.

Ten percent of the wage workers approved the inclusion of operators in OASI. A substantially larger proportion, 39 percent, of the crop-share workers approved. The degree of approval by the crop-share workers cannot be ascribed to any particular race or nationality group; within the race or nationality groups crop-share workers were far more likely to favor operator coverage than were wage workers.

## SURVEY METHODS

Sampling was confined to the open country and to "farms" as defined by the U. S. Census of Agriculture.

Area sampling was used as a basis for selecting the farm operators to be interviewed. Schedules also were completed on the regular farm laborers and sharecroppers who were identified with farms falling in the sample. Wharton county has a total of 459 sample segments as defined in the development of the Master Sample of Agriculture. From these a geographically stratified random sample of 77 segments was selected. All farmers with their farm headquarters inside these segments were to be interviewed. Farmers who owned land inside these segments but had their farming headquarters outside were not included. Farmers who merely lived elsewhere, as in Wharton or El Campo, but did not farm there, were counted in the segment in which they had their farming headquarters.

The sampling rate was 17 percent (1 out of 6). Usable schedules were completed for 257 farms, or 93 percent of 276 farms identified as being in the sample. In addition to the 257 farm-operator records, schedules were completed on 60 regular wage workers and sharecroppers. The ratio of laborers and sharecroppers to farm operators was higher than these figures indicate. Headquarters of several of the largest farms and ranches in the county, which employed many non-operator workers, were outside the sample segments. In other instances, the laborer divided his time approximately evenly between two or more farms and was, therefore, not clearly identified with the sample unit.

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### SCHEDULE AVAILABLE

Persons interested in the techniques used in field interviews in Wharton county may obtain a copy of the schedule for farm operators from the Agricultural Information Office, Texas A&M College System, College Station, Texas. With some modifications, the same schedule was used for interviewing hired farm workers and sharecroppers.