

Table 1--Number of farms, land in farms, and acres per farm

Year	Number	Land in farms	Average size
	<u>1,000</u>	<u>Million acres</u>	<u>Acres</u>
1940	6,102	1,065	175
1945	5,859	1,141	195
1950	5,388	1,161	216
1954	4,782	1,158	242
1959	3,711	1,124	303
1964	3,158	1,110	352
1969	2,730	1,063	389
1974	<u>1/</u> 2,466	1,026	416

1/ Not adjusted for census underenumeration.

The number of farms reported by the Bureau of the Census is based on the 1959 definition of a farm: any place from which \$250 or more of agricultural products are sold, or normally would have been sold, during the census year, or any place of 10 acres or more from which \$50 or more of the agricultural products were sold, or normally would have been sold, during the census year.

The definition was changed in 1974 to exclude places with less than \$1,000 of gross receipts in the census year. The effect of this change was to reduce the number of farms in 1974 from the 2.5 million to 2.3 million.

Source: U.S. Department of Commerce, 1974 Census of Agriculture, Vol. II, Part 2, June 1978.

the farms produced 80 percent of the total output. In 1974, only 20 percent of the farms were required to produce the same output. In other words, 80 percent of the output came from 655,000 farms in 1969 and from 493,000 farms in 1974. The shift of the Lorenz curve to the right illustrates this further concentration of production.

The increasing concentration of production on larger farms carries implications beyond just the numbers. Larger farms are becoming more involved with vertical integration and contractual arrangements; such arrangements suggest that farm management decisions may gradually become controlled by the nonfarm sector.

While the concentration of total farm production increased, the extent of that concentration varied widely among farm commodities. Vegetable, poultry, nursery, and greenhouse farms were more concentrated than other types of farms in 1969 (table 4). In addition, considerable increase in concentration occurred in grain, cotton, and dairy industries. Production of tobacco and forest products, as in the past, was not dominated by big farms. The same pattern of concentration was evident in 1974.