By almost any standard, except perhaps for one that is so dear to at least some economists, the rate of mobility of the farm population for the past 16 years has been almost phenomenal. Data on net migration from farm to nonfarm indicate a net movement of 8.6 million persons for the period 1940-50 and of 5.1 million persons for 1950-56. These data, however, substantially underestimate the amount of mobility if we define mobility to include both change of residence and a change of occupation from a farm to a nonfarm job that occurs without a change in residence.

If we assume that a worker who changes from a farm to nonfarm occupation but continues to reside in a farm area has the same number of dependents as the average member of the labor force living on farms, the changes in occupation without a change in residence would have involved about 1.8 million persons for 1940-50 and 1.3 million for 1950-56. Thus mobility has involved an average of about one million persons annually for the sixteen-year period from 1940 to 1956.

RELATIVE INCOMES

Since 1940 farm employment has declined 28 percent if we accept estimates made by the Department of Agriculture or by 31 percent according to the Bureau of Census. During the same period the per capita income of the farm population increased only moderately, in relative terms, from 38.2 percent of the per capita income of the nonfarm population to 44.2 percent in 1956. In absolute terms, the deflated per capita income of the farm population increased 50 percent between 1940 and 1956, hardly an insignificant improvement. Since such a large portion of the income of the farm population now comes from nonagricultural sources, a more appropriate comparison might be between the average annual farm income per farm worker and some other group in the economy. Using the USDA's estimate of farm employment to compare

\[1\] Estimates based on USDC and USDA, Series Census-BAE, Nos. 14, 21, and 23. The estimate for 1940-50 ignored the farm workers doing public emergency work in 1940. Estimates for 1940-50 are probably affected by the change in the definition of the farm population between the two censuses.
earnings of farm workers with those of employed factory workers, we find essentially the same situation as in the comparison with nonfarm per capita income — 39 percent in 1940 and 43 percent in 1955.

These comparisons are not particularly helpful since any comparison of these two sets of income series does not indicate whether there is a discrepancy between the real returns to labor of equal ability or capacity in agricultural and nonagricultural employment. While one major farm organization believes that per capita incomes should be as high for the farm as for the nonfarm population, I know of no economist who holds this view. However, we must admit that we know far too little about the relative income levels that would be consistent with an efficient allocation of labor between agriculture and the rest of the economy.

In this paper I shall consider only the per capita income series and I shall attempt to approximate an answer to the following question: What level of per capita income of the farm population relative to nonfarm would provide equal real returns for comparable labor engaged in agriculture and in the rest of the economy? The analysis is based upon the situation as of 1950 since this is the most recent date for which we have the necessary data on the composition of the farm and nonfarm populations and on the relationships between the relevant characteristics and income. The results are necessarily tentative since the basic data are not entirely suited for our purposes. The income data used are from the 1950 Census of Population. Median money incomes are used for the relevant classifications and include all money income rather than income from labor alone. The inclusion of all money income tends to introduce an upward bias because nonlabor earnings are relatively more important in the older age groups, who are relatively more important in farm than in nonfarm areas.

In arriving at the estimates in Table 10.1, I have compared several characteristics of the farm and nonfarm population that affect either relative earning ability or the relationship between labor earnings and per capita incomes. In addition, the effects of differences in the purchasing power of income and of the impacts of the federal income tax are reflected. These calculations indicate that if per capita farm incomes are 68 percent of per capita nonfarm incomes, labor of equivalent earning ability would be receiving the same real returns in the two sectors of the economy. Because of the crudeness of the data and the estimating procedure, it might be safer to argue that the equivalent level is somewhere in the range of 65 to 70 percent.

A possible implication of these results is that per capita farm incomes would have to increase about 54 percent from the 1956 level, assuming nonfarm incomes did not increase, if comparable labor is to receive the same returns in the farm and nonfarm sectors. This is a substantial discrepancy. However, such an average entirely obscures the very wide interregional differences in the level of farm income in the United States. In 1950 the average labor return of workers employed in Southern agriculture was 74 percent of the average for all agriculture, while the average for the non-South was 24 percent above the national
Table 10.1. Relative Per Capita Farm and Nonfarm Incomes Consistent With Equal Real Returns for Comparable Labor

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Nonfarm relative to farm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex composition(^a)</td>
<td>0.96</td>
</tr>
<tr>
<td>Age composition(^b)</td>
<td>1.08</td>
</tr>
<tr>
<td>Labor capacity(^c)</td>
<td>1.11</td>
</tr>
<tr>
<td>Dependency(^d)</td>
<td>1.11</td>
</tr>
<tr>
<td>Relative share of labor earnings(^e)</td>
<td>0.86</td>
</tr>
<tr>
<td>Purchasing power of income(^f)</td>
<td>1.25</td>
</tr>
<tr>
<td>Income tax payments(^g)</td>
<td>1.07</td>
</tr>
<tr>
<td>Product</td>
<td>1.47</td>
</tr>
<tr>
<td>Reciprocal</td>
<td>0.68</td>
</tr>
</tbody>
</table>

\(^a\)Sex composition of labor forces:

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm</td>
<td>79.6</td>
<td>20.4</td>
</tr>
<tr>
<td>Nonfarm</td>
<td>69.6</td>
<td>30.4</td>
</tr>
</tbody>
</table>

Sources: Farm data, USDC and USDA, Farm Population, Series Census AMS, P-27, No. 23, p. 2. Nonfarm data, U.S. Bureau of Census, U.S. Census of Population, 1950, Vol. 2, Table 118. Data refer to civilian labor force. Full-time labor earnings of females are assumed to be 0.65 of males. The estimate is based on incomes of urban workers who worked 50-52 weeks. See ibid., Table 141. Data are for 1950 and 1949.

\(^b\)Because of inadequacies of the census data on the female labor force in agriculture and income earned by females, the age distribution and income data refer to males only. Data are for 1950 and 1949.

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage farm</th>
<th>Distribution nonfarm</th>
<th>Median income farm</th>
<th>Median income nonfarm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14-19</td>
<td>10.1</td>
<td>4.6</td>
<td>356</td>
<td>462</td>
</tr>
<tr>
<td>20-24</td>
<td>10.1</td>
<td>10.1</td>
<td>1,090</td>
<td>1,772</td>
</tr>
<tr>
<td>25-34</td>
<td>18.9</td>
<td>25.4</td>
<td>1,719</td>
<td>2,850</td>
</tr>
<tr>
<td>35-44</td>
<td>20.7</td>
<td>23.8</td>
<td>1,850</td>
<td>3,207</td>
</tr>
<tr>
<td>45-54</td>
<td>17.7</td>
<td>18.6</td>
<td>1,697</td>
<td>3,140</td>
</tr>
<tr>
<td>55-64</td>
<td>14.0</td>
<td>12.7</td>
<td>1,354</td>
<td>2,766</td>
</tr>
<tr>
<td>65+</td>
<td>8.5</td>
<td>5.1</td>
<td>789</td>
<td>1,246</td>
</tr>
</tbody>
</table>

Source: Ibid., Table 118. Based on data for civilian labor force.

\(^c\)See Johnson, D. Gale, "Comparability of labor capacities of farm and nonfarm labor," Amer. Econ. Rev., Vol. 43, No. 3, June, 1953, p. 311. I here assume that this figure reflects differences in capacity due to difference in race composition, in education, and any other factors responsible for difference in labor capacity.

\(^d\)The degree of dependency is measured by the relative proportions of the farm and nonfarm populations in the civilian labor force. In 1950 the farm population was 25,058,000, of which 9,711,000 (38.8 percent) were in the labor force. The nonfarm civilian population was 124,424,000, of which 53,388,000 (42.9 percent) were in the labor force. The ratio 1.11 is 42.9 divided by 38.8.


\(^e\)Based on work sheets for Johnson, D. Gale, "The functional distribution of income in the United States, 1850-1952," Rev. Econ. and Stat., Vol. 36, No. 2, May, 1954, pp. 175-82. In the nonfarm sector 79 percent of total income is labor income, and for the farm population as a whole 66 percent of the income received from agriculture is labor income. However, in 1949 farm residents received $5,200,000,000 from nonagricultural sources compared with $14,651,000,000 from agriculture. Of the income from nonfarm
sources, I have estimated that 72 percent is labor income. Thus for the total income of the farm population, 67.8 percent is labor income. This adjustment is necessary because we are attempting to adjust per capita incomes to provide a basis for determining relative labor earnings of comparable workers.

1 This is a fairly crude estimate based on Nathan Koffsky's work on 1941 data. See Koffsky, N., "Farm and urban purchasing power, studies in income and wealth," Vol. 11, Nat. Bur. Econ. Res., 1949, and comments on this article by Reid, Margaret, Grove, E. W., and Johnson, D. Gale, pp. 156-219. Since 1941 the relative importance of home-produced food in farm income has declined, but I believe that Koffsky's estimate of equal housing costs is incorrect. I have assumed that these two factors are approximately offsetting.


average. Some of the differences in the levels of labor return is due to differences in the characteristics of the labor forces. Nonetheless, the implication remains that the disequilibrium in labor earnings is much less in the non-South than is implied by the comparison of per capita earnings for the country as a whole.

A second major problem in interpreting income data as it relates to the question of migration and mobility is that some income differential is required to induce a given rate of mobility. About all we know is that such a differential would be positive, but we know little or nothing about the magnitude. Many difficulties are involved in trying to ascertain empirically the relationship between the income differential and the mobility rate, but perhaps the greatest difficulty is in determining the income expectations of members of the farm labor force. It seems fairly obvious that a person who changes occupation, especially if it involves a change in residence, does not do so solely on the basis of relative incomes in a given year. The individual must surely have some conception, hazy though it may be, of the long-run earning opportunities of the various alternatives. But there is no direct way of observing such expectations, and to my knowledge there have been no empirical studies of the migration process that have attempted to use an expectation model other than one involving the income of one or two years.

CHARACTERISTICS OF FARM MIGRANTS

Perhaps the most striking characteristic of migration from farm to city is the age selectivity of the migration process. The effect of age selectivity has been to create a rather significant modification in the age distribution of the farm population between 1940 and 1956. Table 10.2 presents data on the migration rates for certain age categories and the age distribution of the farm population for 1940, 1950, and 1956.

Two questions probably arise at once concerning the effect of the age selectivity of migration. One question relates to the effect of out-migration on the age distribution of the farm population compared with some other resident group, such as the urban population. The urban age distribution differs from the farm distribution in that urban areas
have a substantially smaller proportion under 20 years (33.7 percent compared with 41.9 percent on farms) and a substantially larger proportion in the age group 25 to 44 (29.7 percent compared with 22.3 percent). The percentage over 65 is 8.8 percent for the urban population.

Table 10.2. Outmigration Rates, 1940-50, and Age Distribution of Farm Population, 1940, 1950, and 1956.

<table>
<thead>
<tr>
<th>Age group</th>
<th>Migration rate</th>
<th>1940</th>
<th>1950</th>
<th>1956</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>32.8</td>
<td>31.5</td>
<td>32.4</td>
<td>33.1</td>
</tr>
<tr>
<td>15-19</td>
<td>55.1</td>
<td>11.3</td>
<td>9.1</td>
<td>8.8</td>
</tr>
<tr>
<td>20-24</td>
<td>39.8</td>
<td>8.3</td>
<td>6.4</td>
<td>5.0</td>
</tr>
<tr>
<td>25-44</td>
<td>17.9</td>
<td>24.1</td>
<td>24.1</td>
<td>22.3</td>
</tr>
<tr>
<td>45-64</td>
<td>24.3</td>
<td>18.3</td>
<td>19.7</td>
<td>21.2</td>
</tr>
<tr>
<td>65+</td>
<td>32.7</td>
<td>6.5</td>
<td>8.3</td>
<td>9.7</td>
</tr>
</tbody>
</table>

aFor migration rate, age in 1940.
cCalculated from USDC and USDA, Series Census-BAE, No. 14 and Series Census—AMS, P-27, No. 23. Data in original source used age groupings of under 14 and 14 to 17. According to 1950 Census of Population, 2.1 percent of farm population was 14 years old. This was assumed to be true for both 1940 and 1956.

The other question may perhaps be phrased as follows: Has the very high rate of migration in the age groups 15-19 and 20-24 significantly lowered the rate of migration that we can expect in the future? In other words, if the differentials between farm and nonfarm incomes and all other factors, except the age distribution of the farm population, were to remain unchanged, would we expect a lower rate of migration from the farm population today than we would from, say, the 1940 farm population? My first impression was that the age distribution of 1956 would be substantially less mobile because of the change in age distribution. However, if the age distributions are weighted by the migration rates by age for 1940-50, the somewhat surprising result is that the migration rate would be affected only slightly by the changes in age distribution. Following this procedure, the age distribution of 1940 would imply a migration rate of 30.8 percent per decade, that of 1950, 30.1 percent; and that of 1956, 30.1 percent. Thus we can assume that for at least another decade the age distribution of the farm population will not, by itself, prevent a high rate of migration. It may be noted that the absolute annual rate of migration has averaged 850,000 for 1950-56 compared with 860,000 for 1940-50, even though the farm population was more than a quarter smaller in 1950 than in 1940. Thus the rate of migration has been substantially higher during the fifties than during the forties.

During 1940-50 the rate of migration of nonwhite persons was substantially higher than for whites. The migration rate for nonwhites was
42.2 percent compared with 28.8 percent for whites. The higher migration rates for nonwhites than for whites may be a function of race or it may be due to income since nonwhites are concentrated in low income agricultural areas. An examination of data for Southern state economic areas with nonwhite population indicated that in only 8 out of 122 Southern state economic areas was the white migration rate higher than the nonwhite. This would indicate that some specific aspect of race was responsible, in part at least, for the higher migration rates for nonwhites.

Available data for the 1940's show the selectivity of migration with respect to the income levels of the area of origin of the migrants. Let us again refer to Gladys Bowles' excellent work on farm migration. She found that the migration rate for medium income and high income farming areas was 28.0 percent, while for low income farming areas the rate was 33.8. Within the low income farming areas the rate increased from 27.8 for moderate low income areas to 36.9 for serious low income areas.

THE MAGNITUDE OF THE TASK

During the past 17 years the rate of mobility from agriculture to the rest of the economy has been sufficient to permit farm people to achieve approximately the same or slightly larger gains in real per capita incomes as the nonfarm population. Any gap that may have existed in the levels of real returns to comparable labor resources has not been narrowed. A reduction in farm employment of 30 percent during this period has apparently been required to stabilize the relative return to agricultural labor. If we were to accept a simple extrapolation of the basic factors influencing agriculture, this would imply that farm employment might decline by about 30 percent by 1975 without resulting in any increase in relative returns to farm labor. Absolute returns would increase substantially, of course.

If the rate of decline in farm employment for the period for 1950-56 were to continue until 1975, farm employment would decrease by between 30 and 35 percent from the 1956 level. The implication of this tenuous reasoning and its not too substantial empirical base is that farm incomes relative to nonfarm may not improve substantially by 1975. Such a result is not inevitable since the rate of increase of other inputs used in agriculture might be significantly less than the rate of increase of the past half dozen years. If this were true, then farm prices could increase

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3Bowles, op. cit., p. 17. The migration rates for nonwhites were higher than for whites during the 1930's as well. The nonwhite male migration rate was 17.1 per cent, while the white male rate was 9.0 per cent. The migration rates for females were 22.4 for nonwhite females and 14.0 for white females. See Bernert, Eleanor H., "Volume and composition of net migration from the rural-farm population, 1930-40, for the United States, major geographic divisions and states," USDA, BAE, Jan., 1944 (mimeo.), p. 8.


ibid., p. 13.
substantially compared with recent levels. But here our crude model breaks down since we do not know how higher labor returns from farming would affect the rate of decline of farm employment.

The recent changes in the age distribution of the farm population indicate farm employment will decline somewhat more rapidly than would be implied by current rates of migration or mobility. In 1940 the percentage of the farm population 45 years of age or older was 24.8; by 1950 this percentage had increased to 28.0 percent and by 1956 to 30.9 percent. The proportion from 15 to 24 had declined from 19.6 percent in 1940 to 13.8 in 1956. Thus more people will be retiring from farming and fewer will be entering working ages during the next five years than during the past decade and a half. However, it must be noted that the percentage of the farm population under 15 has increased slightly from 31.5 in 1940 to 33.1 in 1956. Thus the future course of farm employment is going to depend upon the mobility of young people who are now 15 or less. We might also expect that social security will result in more farm people retiring at age 65 than in the past.

ALTERNATIVES TO MIGRATION

I was asked to discuss certain alternatives to migration as a means of increasing the incomes of farm people. One of the alternatives is the payment of a subsidy to those groups in the farm population that have a very low rate of potential mobility. Existing knowledge seems to indicate that a low rate of potential mobility is associated primarily with age. The age group with the lowest rate of migration is 30 to 49. The next lowest migration rates are in the 25-29 and 50-54 age groups. Available evidence also indicates that certain groups of individuals with very low educational attainment are relatively immobile.

If we were to pay subsidies on the basis of past migration rates for persons classified by age and area, we would find that the lowest migration rates are concentrated in the age group 30-39 in the high income farm areas. The much more mobile but much poorer Negro in the Mississippi Delta would fail, in all probability, to qualify for the subsidy. I have been unable to devise any meaningful criterion that might serve as a basis for such a subsidy, assuming the subsidy idea were desirable. With the exception of a fairly limited number of mentally or physically handicapped in agriculture, there is undoubtedly a fairly close negative association between the rate of mobility and the absolute (as well as relative) level of earnings in agriculture. Migration rates are lower in the higher income farm areas, and the peak level of income of farm people is in the 35-44 year bracket with 25-34 a close second. There may be reasons other than income why low mobility rates are found in these particular age groups, but income must be one of the major factors affecting the differences in mobility rates between areas. Studies made by Charles Berry and Karl Fox emphasize another variable, namely the replacement rate, as being closely associated with migration or
mobility rates. However, we find that the highest replacement rates are found in low-income areas in general and in areas with large Negro populations in particular. As both Fox and Berry point out, there is a very close empirical, and probably causal, relation between replacement rates and long run levels of income. The relationship is an inverse one, of course.

A second alternative is that of changing the ratio of capital to labor. One of the functions, or at least effects, of mobility is to increase the amount of capital per worker and thus the marginal physical productivity per worker and, if the absolute amount of capital remains unchanged, the value of the marginal product of labor. I have difficulty imagining how to go about changing the ratio of capital to labor in agriculture, except by making capital and capital goods either more or less expensive than it otherwise would be. With the same quantity of labor, the marginal return to farm labor would probably rise if we could restrict the flow of capital into agriculture. If the price elasticity of demand for agricultural output is no more than 0.25, it seems likely the elasticity of substitution between labor and capital is greater than this. Consequently, the proportional increase in produce prices resulting from a reduction in capital would be greater than the fall in the marginal physical product of labor. The value of the marginal return to labor would increase. But, as noted above, I doubt if the employment of capital in agriculture can be restricted except by raising the prices of capital goods and increasing the cost and difficulty of acquiring credit. I am confident that no Congress nor any Secretary of Agriculture would even consider such a suggestion!

A third alternative is to reduce the flow of new technology into agriculture, or at least the flow of technology that substantially reduces the relative value productivity of labor in agriculture. I suspect that in the final analysis any specific technological advance in agriculture lowers the value productivity of farm labor until resource adjustments are made. If we could have technological advances that reduced costs of production, other than labor and land, but did not permit an increase in output, labor and land engaged in agriculture might receive higher returns. But I find it difficult to imagine a technological innovation that carries with it a built-in output control. It would have to be a technique that did not increase output per acre of farm land, either directly through crop yields or indirectly through increasing livestock output per unit of feed. This statement is somewhat extreme since a decline in farm prices due to a given increase in output could be more than offset by a reduction in costs. However, it is my opinion that the substitutability of capital and other purchased inputs for labor is sufficiently high that technical

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5Berry, Charles, "Occupation migration from agriculture, 1940-1950," unpublished Ph.D. dissertation, University of Chicago, 1956 and Fox, Karl, "Low-income problems in a high-employment economy," Jour. of Farm Econ., Vol. 37, No. 5 (Dec., 1955), p. 1087. The concept of replacement rates is used somewhat loosely here to indicate the relationship between the number of persons who would enter the labor force relative to the number now in the labor force if there were no migration from the area during the period under consideration.
changes that reduce the cost per unit of output for such inputs will re- 
sult in an increase in their employment and a decline in the returns to 
labor unless labor employment is reduced.

But perhaps more important than the above is the fact that American 
agriculture is but one part of a dynamic, growing economy with a con- 
tinuous flow of new technology and capital forms. I see no way to isolate 
agriculture from these developments. I do not see how we can restrict 
the adoption of new techniques in agriculture without stopping or restrict- 
ing technological developments in many other areas — drugs, chemicals, 
automobiles, road building machinery, electricity, to mention only a few. 
I am confident also that, in the long run, farm people gain from the 
growth of real income in the economy as a whole.

My conclusion, admittedly arrived at prior to the above biased anal- 
ysis, is that there is no satisfactory alternative to greater mobility of 
labor if agricultural incomes are to be increased relative to nonagricul- 
ture. Labor must be made more expensive by making it scarcer.

INCREASING MOBILITY

I have nothing new to say about programs for increasing mobility.¹
The measures required to increase mobility certainly include the follow- 
ing:

1. More and improved primary and secondary education is needed 
in rural low-income areas to increase the productivity of rural youth 
and to increase their understanding of the total economy and society.

2. More adequate information about nonagricultural job opportunities 
should be available. This information should be of a general nature deal- 
ing with the level of earnings in various jobs and occupations in terms 
of probably lifetime earnings, the type of training and capacities required 
for the various jobs and occupations, and the general location of the par- 
ticular occupations (city size, region, or area). In addition, the informa- 
tion should be specific at any given time with respect to the types of job 
openings that are available in a given place or area. (This would require 
a true federal employment service or much more extensive cooperation 
between state employment services than now exists).

3. For those who wish such assistance, employment agencies should 
be in a position to help individuals determine the types of jobs for which 
they may be suited in terms of training, innate skills, and temperament. 
Employment agencies should perhaps make arrangements for jobs for 
individuals prior to movement from the home area, especially if the 
move involves a considerable distance.

4. In many low-income agricultural areas, outmovement would be

¹Johnson, D. Gale, "Policies and procedures to facilitate desirable shifts of manpower," 
Jour. of Farm Econ., Vol. 33, No. 4 (Nov., 1951), pp. 722-29. See also "Development of 
agriculture's human resources," A Report on Problems of Low-Income Farmers prepared 
increased if loans or grants were made to finance movement to nonfarm jobs. The cost of such a program should be quite small compared with the amount now being spent on agricultural programs. Even the suggestion of my colleague, Prof. T. W. Schultz, for homesteads in reverse involving a cash payment of $5,000 for any full-time farm family that would leave agriculture and locate in a city, involves a relatively small cost compared with the recent scale of agricultural programs.

Since Mr. Ruttan has discussed the possibilities and promise of local industrial and economic development, I shall not comment upon this means of increasing mobility from agricultural to nonagricultural employment.

While greater labor mobility will increase the incomes of those persons who leave agriculture in the vast majority of the cases, additional resource adjustments are required in low income areas if those who remain in agriculture are to realize equal gains. Farm enlargement, farm reorganization, and the acquisition of additional labor and managerial skills are necessary. In the higher income areas such adjustments seem to occur with relatively little difficulty. In the low income areas greater mobility is not all that is required, but greater mobility is a prerequisite for the other adjustments that must be made.
PROFESSOR JOHNSON has presented a systematic analysis of problems of labor mobility in agriculture. He reminds us of the very large movement of persons out of agriculture during the last 16 years — nearly 17 million persons. Using the equilibrium model as a norm, even this has not been fast enough. While per capita income of the farm population at the beginning of the period (1940) was 38 percent of the per capita nonfarm income, at the end of the period it stood at 44 percent. Barring any peculiarities of the base year (1940) and ending year (1956), I have difficulty in reconciling this apparent improvement in the relative position of agriculture with a statement in the conference outline that adjustments have not been sufficiently rapid to allow farmers to share equally in the increased production. Even in reference to the real returns to labor, Professor Johnson indicates that the gap has not narrowed, which to me is something different from a deterioration of the position of agriculture.

Professor Johnson points out that, in an equilibrium context, the comparison between farm and nonfarm per capita incomes has little meaning if we wish to compare real returns to the labor input in agriculture and nonagricultural occupations. After adjustments for a variety of factors, he estimates that an increase of approximately 54 percent in per capita 1956 farm incomes would be needed to equate returns to comparable labor. One adjustment which he makes entails the imputation process in determining the relative share of labor earnings. The important point is that estimates of productivities of the other resources are required and that the imputation problem has not been avoided by computing an adjustment for the per capita income figure.

Problems of interpretation of this 54-percent necessary increase in relation to labor mobility are complicated by the grossness of the data and the magnitude of the differential necessary to induce a given rate. He cites determination of income expectations as the greatest problem in relating income differential to mobility rate. His emphasis on long-run earning opportunities would be important if expected trends among alternatives differ widely. Otherwise, the immediate income differential may be quite satisfactory. The income differential-mobility rate schedule would, of course, be also dependent on the absolute level of incomes. This might be expected to vary with the prevailing community values.
Has the very high rate of migration in the age groups 15-19 and 20-24 significantly lowered the expected rate of migration in the future? Weighting the current age distribution by 1940-50 migration rates, Professor Johnson’s analysis indicates little change in the expected migration rates for the next decade. This prediction depends, of course, on the maintenance over a 15-year period of similar values held by farm people with respect to those factors affecting migration associated with age, but not explicitly included in the analysis. Certainly such factors as the impact of World War II must have had some differential effect on the migration rates among age classes. In other words, the 1940-50 weights for the current age distribution could probably be sharpened by adjustment for those characteristics associated with age that are relevant for prediction.

In discussing the effect of income on migration, the point is made that outmigration is quite high in serious low-income areas but is lower in the low-income areas than in any of the other areas. This relation between income and migration is also not likely to be a net one. In a high-income area in central Illinois a study of 146 farms over approximately the same period under consideration here indicated that the ratios of the marginal productivities of labor with respect to its costs had dropped significantly but cash balances available for family living were sufficiently high to provide little incentive for outmigration.\(^1\)

To help close the farm-nonfarm income gap, Professor Johnson discards several alternatives to improving labor mobility and then states his recommendations for increasing mobility which he is fair to indicate are not new; but with each retelling the proposals do become more convincing. Recommendations dictated by the equilibrium norm to increase mobility rate must, in general, be tempered by consideration of the geographic variability in rate of migration. Some very high rates of rural outmigration were reported for 1940-50. For example, 61 of the 102 Illinois counties had rural outmigration over 10 percent, but one county in southern Illinois lost 36.3 percent of its rural population. Such high mobility rates cause considerable strain on the remaining population and their community organizations.

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