Farming no longer dominates the rural economy. Of the more than 2,000 nonmetropolitan (nonmetro) counties in 2000, 420 were farming-dependent, down from 618 in 1990. ERS classified a county as farming-dependent if 15 percent or more of earnings (in 1998-2000) or employment (in 2000) came from farming.

Farming-dependent counties, located largely in the Great Plains, accounted for 10 percent of farm proprietors, although they garnered 21 percent of total U.S. farm cash receipts in 2000. Many farm counties owe their dependence on farming less to an overabundance of agriculture than to a dearth of other industry. Technological change and farm consolidation are often used to explain the loss in farm population and support services, but the reverse relationship may be true: the lack of off-farm job opportunities and out-migration, particularly of young adults, may have spurred farm consolidation in these farm counties. (See “How Does Farmland Retirement Affect Rural Counties?” page 9.)

The economies of other nonmetro counties depend more on industries such as machinery manufacturing, health services, telemarketing, prisons, or recreation than on farming. While 37 percent of farm cash receipts went to farms in these counties, their farms tend to be relatively small, with receipts per proprietor less than half those in farming-dependent counties in 2000. Farm operators in other nonmetro counties rely more on off-farm work than do farm operators in farming-dependent counties.

Although the overall metro economy depends on farming for less than 1 percent of earnings, 40 percent of all farm operators are located in metro counties, and they account for 42 percent of U.S. farm cash receipts. Some of these farms are in sparsely settled sections of metro counties, and many face suburban encroachment. While some metro farms, especially in the West, are very large, metro farm operators are the most likely to have off-farm employment. Less than half considered themselves to be primarily farmers in 1997.

Farming is not disappearing in the United States: farm jobs declined by less than 2 percent in the 1990s, following a 15-percent decline in the 1980s. While most farm counties lost some farm jobs during the 1990s, one in five had at least 10 percent more farm jobs at the end of the decade than at the beginning. These gains, often associated with large poultry or livestock operations, occurred both in and outside of the Great Plains.