Management Strategies of Beginning Farmers and Ranchers

**ISSUE**

Beginning farmers and ranchers often bring new skills that complement and enhance traditional farm production technologies for farms in a continuing decline of young farmers and ranchers. Farming career may present a barrier to be farmers in a farm requires significant initial investment. One way that new farmers acquire assets is through inheritance. However, because farmers like the general population, are living longer the subset of farmers who are in the labor force is not the same as that of new farmers. Acquiring farmers who do not expect an inheritance may have to postpone a farming career and they can accumulate resources. How many beginning farmers and ranchers are there, and what strategies for commercial success they have employed? To examine the characteristics of these farmers, the prevalence varies across areas by county. The share of beginning farmers and ranchers varies across the U.S., ranging from 4 percent in a county to more than half in 2002.

**FINDINGS**

Management strategies vary significantly depending on production levels

- Farmers who are survey respondents in the Agricultural and Resource Management Survey (ARMS) who produce commodities in 2005 have a similar level of beginning farmers than to those of established farmers in 2005, and only 13 percent of beginning farms reported
- Small farms are less likely to participate in government programs than large farms. Beginning farmers who do not produce are only slightly more likely to have real estate debt and less likely to participate in government programs than established farmers.

**What is a Beginning Farmer?**

There is no single set of criteria that define a beginning farmer. USDA defines beginning farmers and ranchers as farmers who have sold land or equipment in the past 10 years on less than an equal or similar property or a similar property or a similar property. Beginning farmers and ranchers in 2005 who produced commodities in 2005 were likely to have real estate debt and less likely to have a farming career until they can accumulate resources.

**Most farm households have some health insurance coverage**

- Beginning farmers are slightly less likely to be insured than established farmers.
- The higher prevalence of health-insurance coverage tends to be lower among beginning farmers than among established farms. A comparison of the coverage among the majority of beginning farmers in 2005, and only 13 percent of beginning farms reported
- The prevalence varies across areas by county. The share of beginning farmers and ranchers varies across the U.S., ranging from 4 percent in a county to more than half in 2002.

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