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STARTING FARMING: SUGGESTIONS AND ADVICE FROM SUCCESSFUL FARMERS

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STARTING FARMING: SUGGESTIONS AND ADVICE FROM SUCCESSFUL FARMERS

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Problems Confronting the Beginning Farmer

Starting farming has never been easy. It is not easy today.1/ The starting farmer is confronted with a variety of perplexing problems. Usually he has only limited capital resources. He may have only limited experience as a farm worker or a manager. He wishes to use his limited capital and experience in a way that will maximize returns and yet carry with it a reasonable degree of security and an assurance of ultimate success. Such questions as the following arise in his mind. How much capital do I need? Should I start as a tenant or as an owner-operator? What are the minimum capital needs for either system of tenure? How much capital am I justified in borrowing to supplement my own financial resources? From whom should I borrow and on what terms? What type of farming should I choose? How large a farm should I start with? Should I start with a low priced farm or wait till I have enough capital to purchase a good improved farm large enough for efficient operation? Satisfactory answers to such questions as these would be an invaluable guide to the young man starting out as a farm proprietor.

The Experience of Established Farmers Points the Way

Experienced operators who have established themselves successfully in the business of farming can supply valuable information and guidance to the beginner. They started at an earlier period and perhaps under somewhat different conditions but with their experience and seasoned judgment they are in a position to answer some of these questions that perplex the beginner. With this idea in mind a questionnaire was sent to all members of the Southeastern and Southwestern Minnesota Farm Management Services.2/ Some of these were young men who had started farming since World War II and had recently encountered the problems that confront the beginner. Most of them, however, were well established successful operators, whose experience stretched back over a period up to 25 or 30 years. They were operating farms somewhat larger and more productive than the average of the locality and in general had above average earnings. This report is based on the replies received from 157 members of these farm management associations.

1/ Swanson, H. W., Pond, G. A., and Cavert, W. L. - Starting Farming Today, Report No. 211, Department of Agricultural Economics, Institute of Agriculture, University of Minnesota.

2/ These services include farmers in the following counties: Cottonwood, Dakota, Dodge, Faribault, Freeborn, Goodhue, Jackson, LeSueur, Martin, Mower, Murray, Nicollet, Nobles, Olmsted, Redwood, Rice, Rock, Scott, Steele, Wabasha, Waseca, Watonwan, and Winona.

How Much Working Capital Does the Beginning Farmer Need?

The first question asked of these experienced farmers was the current value of the personal property such as machinery, power, livestock, feeds and supplies they were using in their farming operations as of January 1, 1953. Their replies are indicated in table 1. The average estimates for the 147 men answering this question was $19,315. The range was from $4,000 to $56,000. Two-thirds of these men reported a current value of their personal property of $20,000 or less.

Table 1. Amount of Working Capital Needed by a Beginning Farmer As Compared with that Used by Established Farmers.

Value of Personal Property Used by Established Farmers, Jan. 1, 1953 — Group	Average	Number of Farms	Average Val. of Personal Property Needed by Beginners	% of Val. of Working Cap. of Experienced Farmers Needed by Beginners
Under $10,000	$ 8,689	28	$5,660	65
$10,001 - 15,000	13,206	35	8,063	61
15,001 - 20,000	18,375	35	8,843	48
20,001 - 25,000	23,212	19	10,842	47
25,001 - 30,000	28,750	15	12,333	43
over 30,000	41,229	15	15,867	38
Total or Average	19,315	147	9,382	48

The data in table 1 cover farmers who have been operating over a period of years and have in many cases acquired more working capital than the minimum that a beginner with limited funds would need. With less working capital than that now being used by these established farmers the beginner might have somewhat lower earnings but he would have greater security than if he operated largely on borrowed funds. The established farmers were asked to estimate the minimum amount of personal property a beginning farmer would need to operate successfully a farm similar to their own under the most common rental basis in the community. A summary of their replies is given in table 1.

The estimates of the established farmers as to the minimum capital needs of a beginning farmer starting as a tenant varied considerably but followed a fairly consistent pattern. The average of all the estimates was that the minimum value of working capital needed by the starting farmer was about one-half of that used now by the present established operator. In general where the present value of working capital was low the proportion needed by a beginner was high. In other words the established farmers with smaller amounts of working capital were nearer the minimum requirement for a tenant. On the other hand the estimated proportion of the value of their current working capital that would be needed by a starting farmer ranged as low as 38% for those established farmers who had the largest investments in working capital. One-fifth of the established operators estimated $5,000 or less as the minimum need of a starting farmer, two-fifths estimated the minimum need as $7,500 or less and only 28% estimated a minimum of over $10,000. Unfortunately it was impossible to relate these capital needs to size of farm as no acreage figures were available.

How Much of His Working Capital is it Safe for the Beginning Farmer to Borrow?

Most beginning farmers acquire some of their working capital from savings and then borrow enough additional capital to provide at least their minimum requirements. Each of these established farmers was asked how much of the minimum working capital requirement for his farm a beginning farmer starting as a tenant under the rental system most common in his community would be justified in borrowing from a bank or production credit association and how much he would need to furnish himself. There was fairly general agreement that the starting farmer would be justified in borrowing about one-half of the minimum working capital needed. The average of all the answers was $5,029 or 53.8% of the average capital needs of $9,382. He would need to supply $4,353 of his own capital in addition to this. It is interesting to note that this checks closely with the actual amount of owned capital used by a group of men who started farming in southern Minnesota during the past four years, 70% of whom had G.I. benefits.[1] This group included a few men starting as part owners. Hence some of their capital was in the form of real estate and not all working capital.

There was no consistent relationship between the estimated percentage of working capital needed that could be safely borrowed and the total amount of working capital needed. The average variation among the size groups shown in table 1 was small. These established farmers were in substantial agreement that the beginner might safely borrow one-half of the working capital he needed at the start.

How Much of a Down Payment Should a Purchaser Make When Buying a Farm?

Each of the established farmers was asked to estimate the current sale value of a farm such as the one he was operating. He was also asked how large a down payment it would be necessary for a young farmer to make in order to justify the purchase. It was stipulated that the young farmer would have the necessary working capital to operate the farm and that his personal property would be free from debt. The assumption was also made that the unpaid balance could be financed by a long term mortgage upon which interest plus payments of principal would be annually about 8% of the original amount of the mortgage. In addition it was assumed that prices of farm products during the next ten years would be about the same as during 1952 and early 1953 and that operating and living expenses would also be about the same as in this period.

Replies were received from 133 established farmers. These replies are summarized in table 2. In general it was estimated that approximately one-third of the purchase price should be paid down regardless of the size of the farm in terms of market value. This would make it necessary for the buyer to borrow two-thirds of the purchase price of the farm. Most credit agencies are unwilling to loan as large a proportion of the purchase price as this. It might therefore be necessary for the

1/ Swanson, H. W., Pond, G. A., and Cavert, W. L. - Starting Farming Today, Report No. 211, Department of Agricultural Economics, Institute of Agriculture, University of Minnesota borrower either to get the seller of the farm to carry the loan or to get his capital from relatives or other individuals who have interest or confidence in him that would justify such a loan. It is, of course, quite possible that if the lender was willing to accept the assumption that there would be no change in the general price level of farm products he would be willing to loan up to two-thirds of the purchase price. This assumption stipulated in the question put to these established farmers doubtless led them to assume that under conditions of stable prices a larger loan is justified than would otherwise be true.

Table 2. Total Value of Farm and Size of Down Payment Necessary to Justify Purchase

Current Market Value of Farm		Number Farms in Group	Necessary Down Payment	
Group	Average		Amount	% of Purchase Price
$20,000 & under	$15,532	14	$ 5,116	33
20,001 - 30,000	27,159	41	9,036	33
30,001 - 40,000	36,323	34	12,758	35
40,001 - 50,000	48,175	13	15,000	31
50,001 - 60,000	58,020	12	21,343	36
over - 60,000	83,540	19	28,205	34
Average or total	41,171	133	14,007	34

It is obvious from these data that a considerable amount of capital is required for owner operation of farms such as those covered in this study. The average minimum value of personal property needed to operate these farms is estimated at $9,382 (see table 1). The average down payment needed for purchase is $14,007. Thus a total of over $23,000 is needed to start as an owner-operator on the average farm included in this group. Of course it would be possible to start with less capital on some of the smaller farms in the group. Even if we take the value of the personal property needed on the smallest group of farms shown in table 1 and the smallest average down payment shown in table 2, a total of nearly $11,000 is required for a start as an owner-operator. Relatively few men ready to start farming have savings as large as this. Except as gifts or purchases from the family below the market and very favorable loan terms are available to him from relatives or friends, the starting farmer usually finds his best opportunity on a rented farm.

General Suggestions to Starting Farmers

The established farmers offered a large number of suggestions, both as how best to start farming and how to work one's way up the "agricultural ladder". They also mentioned some of the personal or human factors that condition or determine the success of the beginning farmer. A summary of these suggestions follows.

Established Farmers Generally Favor Starting as a Renter

Nine out of ten of the established farmers who commented on the subject, strongly favored starting as a renter. One farmer in Scott County, who now owns his farm, says, "I would by all means suggest beginning as a tenant and accumulate a good amount of livestock, machinery, and feed before buying a farm". The majority seemed to feel that the young farmer should not only have the needed working capital free from debt but also enough additional cash to make a substantial down payment on the farm before assuming ownership. Others stressed the importance of gaining experience while operating as a tenant so that he could later assume ownership with less risk. Experience gained under a good landlord is often a very valuable asset.

A Nobles County farmer expressed this word of caution as to the immediate situation, "due to the uncertainty of prices caused by unsettled world conditions, it would seem that a young man just getting started would have less risk as a tenant". Another Nobles County farmer suggested, "You need a larger farm today. Work and save for at least ten years before climbing the ladder to ownership." A Murray County farm owner commented on this same point, "I think it would be much better for a beginning farmer to rent a large farm (320 acres) than buy a small farm (120 acres) and carry a mortgage on it". Another Murray County operator expressed this idea quite effectively, "It's a better feeling to be a rich renter than a poor land owner".

A considerable number of those replying advised the beginning farmer, especially if he has limited capital, to start either on a partnership basis with his father or some good farmer who knows him or else with a 50-50 crop and livestock share lease. It was pointed out that in this way it would be possible to operate with a minimum of owned capital. One tenant in Olmsted County put it this way, "I think a livestock share lease is about the easiest way to get started if you can finance the machinery end of it. It's awfully handy to have someone who has a little money who will back you up to get started. In this community it is customary to buy half the livestock or else take half of the increase as they are born. In this case the landlord gets the money from the sales of cattle and hogs that are on the farm when you take over." This latter plan reduces the investment that the renter must make at the start. Help in the form of management advice and counsel from the landlord under the partnership or livestock share lease was mentioned in a number of replies as a valuable contribution.

Under the livestock share or partnership plan the amount of working capital to be furnished by the renter may be adjusted in line with what he has available. In some instances the landlord furnished not only the livestock but much of the machinery as well. A Freeborn County farmer says, "Often a farmer with no children will give a capable energetic young man a start by furnishing most of the capital with the young man doing most of the work on a one-third share. This limits the risk and if the young man does well he can buy the machinery and one-half of the livestock and work into a 50-50 basis. If a young man proves his worth there are always people willing to help him advance to a better farm and eventual ownership."

A considerable number of the experienced farmers who adivsed starting under a partnership or livestock share arrangement suggested also the desirability of shifting to a cash lease as soon as the beginner had accumulated sufficient funds to provide the working capital he would need. It was suggested that in this way the operator would get a larger proportion of the total income from the farm than under the partnership arrangement.

A Few Experienced Farmers Favor Owner-Operations at the Start

A few experienced farmers favored a start as an owner-operator. One farm owner in Dodge County said, "I think a man should buy as soon as possible. A large debt will make him dig a little harder." A Freeborn County farm owner on the other hand, who was considering the purchase of additional land involving a substantial mortgage, advised against carrying a heavy mortgage. That the worry occasioned by a heavy debt would cause him some sleepless nights is indicated by his remark, "perhaps some people sleep better than I do".

A young man operating under a crop and livestock share lease in Wabasha County said, "If I had to start farming again I would rather borrow all the money I could and start on my own right away. I would be working all for myself then and not for two parties." One cannot help wondering whether he would be able to get a loan of the size needed and then whether he might not still be dividing his earnings with a second party - the money lender on a basis that does not permit an adjustment in case of a poor year.

Some of the reasons advanced as to why a starting farmer should buy rather than rent were (1) the dearth of good farms available for rent (2) the preference of landlords for experienced tenants with plenty of working capital (3) the uncertainty as to length of tenure and (4) the reluctance of many landlords to share the cost of certain good farm practices such as the use of lime and fertilizer, weed control, grass and legume seedings, and soil conservation.

An Olmsted County operator who started farming within the past ten years said, "I, myself, started quite slowly with the idea that farms would be cheaper (later on) and less money would be required. I know now that I would have been farther along today if I had bought a farm five or six years ago." Obviously hindsight is better than foresight. Since the future is always veiled in uncertainty the beginning farmer with limited capital usually leans toward the side of conservatism. The majority of the respondents in this study felt that this attitude of prudent caution is both wise and sound.

Keep Machinery Investment Down to Minimum Needs

One of the most frequent cautions expressed by these experienced farmers was the importance of avoiding over investment in machinery and equipment at the start. A farm owner in Murray County states the case in these words, "A lot depends on the ambition and willingness to sacrifice for future goals. Often if a young man is really ambitious and willing to exchange labor for machine work there are still a lot of farmers that like to help out a good hard working beginner. - - - -If he is willing to buy some used machinery and start within his means and not look at the 'Joneses' he can still make a go of it." A Martin County farmer who started in 1946 said, "When I started - - - -I could get only a small amount of machinery and only on veteran's preference- - - -I couldn't afford to buy at any farm sale at that time. - - - -now I think one can buy some very good used machinery either from dealers or at farm sales."

An Olmsted County farm owner says, "Of the young men starting today the tendency is to overload on farm machinery. In some cases in our neighborhood the young farmers are using their fathers' machinery where they are within reasonable distance of each other. On a farm of our size (66 cultivated acres) one can hire machinery such as combines and balers cheaper than own it. I do own a one-third share of a corn picker, sheller, and sprayer." Sharing ownership of expensive machines is one way of keeping down the machinery investment. The operator of a large farm in Mower County also suggests the sharing of machine use with relatives or neighbors, "The best way for a young man to start farming is to live close to his father, father-in-law, or some one he has worked for and be able to use some of their machinery. My son-in-law is starting that way."

A farm owner in Pipestone County who started as a renter in 1941 said that he started with "a new tractor, plow, and cultivator. All the rest of the machinery was second hand - - -I did without or exchanged labor for machines with neighbors. - - - Later I was able to buy a new binder on time and slowly exchanged old machinery for new - - - tractor still going strong after nearly 13 years."

A Steele County owner counsels the starting farmer to "get along with used machinery which, at the present time, is quite reasonable and have combining, etc. hired (on a custom basis)". The same suggestion comes from the owner of a farm in Dodge County, "I have noticed that the young farmers like to have new equipment and lots of it, where I think they could get along with less. Hire some and buy a little used machinery." An established Nicollet County farmer suggests, "If I were to start farming today - - - I would buy only haying machinery and hire the plowing, planting, etc. - - - - - If you have a brother or friend in the same financial position as you - - - - let him own the planting machinery. With a good set of modern machinery between you two, there should be some time for custom work."

A slightly different slant on this matter of machinery purchased policy is expressed by a Faribault County farmer who started as a tenant five years ago, "Don't be afraid to invest in labor saving machinery such as waterers and self-feeders. Starting out, buy new or nearly new machines, essential ones first, so that they won't need replacing in two to five years. Hire machines instead of buying old, used ones." A Scott County farmer adds these comments "when a young farmer buys equipment he should buy new and fewer items and hire work done (silo-filling, threshing, corn-picking, etc.). What he buys should be good and not just to get along. Machinery wears out fast enough, so why start with worn out stuff."

Give Preference to Investments that Bring Quick Returns

Many of the established farmers, especially those who started farming within the past ten years urge beginners with limited capital to make investments that yield quick returns. They stress the fact that chickens and hogs require a relatively low investment in breeding stock and the returns come quickly. For the same reason they stress dairy cows which bring in an immediate and fairly continuous income. A LeSueur County farm owner advises the young farmer to "concentrate his capital on livestock such as dairy cattle, hogs and chickens that give relatively high returns for the investment". A Winona County owner-operator suggests "buying young cattle to hold down the original investment". Buying heifer calves does reduce the original investment in cattle but they must be fed and cared for till they freshen with no income in the meantime.

Choose a Good Productive Farm of Ample Size

Many of the established farmers stressed the importance of getting on a good productive farm regardless of whether one is starting as a renter or an owner-operator. A poor farm is a poor bargain regardless of the price. Buying a farm with the idea of building it up is too much like "marrying a man to reform him". It too often results in bitter disappointment for all concerned.

A Winona County owner advises the beginning farmer "to choose a good farm of good location". A farmer in Wabasha County in urging the importance of a good farm with good improvements cautions "buy a good farm - - - - it is almost always cheaper to buy improvements than to make them - - the first consideration would be the land - whether it is or could be in the shape one wants". A Jackson County farmer stresses this same idea "avoid starting on a poor farm". A Waseca County tenant says, "it is best not to try to start on too small a unit".

Sources of Credit for the Starting Farmer

There seemed to be a wide variation in experiences in securing credit and in the appraisal of different sources of credit among the farmers included in this study. One crop-share renter in Waseca County said, "I started on this farm seven years ago with only $2,500 of personal property and (it was) mortgaged. The young man today should start out any time he has a <u>good farm</u> offered him - - if the farm is good and of the right size to make a good business. He can usually borrow the money from the Farmers' Home Administration or banks, or secure a G. I. loan if he and his wife are willing to put themselves out for a few years with the bare essentials, work long hours, maybe help your neighbor to pay him for combining your grain, etc. To do this husband and wife must <u>both</u> like farming."

Family partnerships help the starting farmer to accumulate capital. A crop and livestock share renter in Rice County described his start as follows, "After finishing college, my father and I tried to arrive at a workable share arrangement involving no capital outlay for me - - - - - I received one-fourth of the income. I was required to furnish all labor, my father all expense. After two years I hunted high and low to find someone to loan me enough money to buy all machinery and one-half of the cattle, pigs, and crops, placing me on a livestock-crop share basis. All loan agencies and banks turned down my request for $6,500. I finally found an individual who loaned me the full amount on a ten-year payment basis at 5% interest - - - - - I consider my case a lucky one. Other young men wanting to start out are going to have a hard time finding the money unless an interested individual will back them up. Most loaning agencies at the present time have such stiff requirements to meet that the average young man would have a hard time qualifying." A family partnership helped this man to start farming with no capital but the very favorable terms of his loan also played a large part in helping him to get established on an adequate earnings basis.

Some young farmers start farming with no family help. A cash tenant in Nicollet County who started farming in 1948 says, "I started on a 120 acre farm giving 2/5 of the crops and $7.00 per acre for pasture and hay land. My total capital at the beginning of 1948 was $1,700. I borrowed

$1,000 from a bank. I went under G. I. "on-the-farm" training in March, 1948 and continued $3\frac{1}{2}$ years. My closing inventory in 1948 was $5,900 - - - since then it has jumped to $20,000.00." He gives benefits under the G. I. bill credit for a substantial part of his successful start.

A crop and livestock share tenant in Faribault Countys says, "I started farming three years ago on 240 acres with 200 acres tillable with a loan of $5,500 from Farmers' Home Administration and family notes of $2,000. If things progress for others as they did for me the total property valuation after several years should be over $10,000. So you see a person can sort of grow into business by just being on a farm." A Jackson County tenant with the same type of lease points out how financial aid from his family made possible a successful start for him - "I started farming on this place in 1947. My father loaned me $8,000 at 5% interest for ten years and I had saved $5,000 during my time in service - - - - -. With this $13,000 I was able to borrow $11,000 from a bank."

A renter in Jackson County describes the family help he received in this way, "I started in 1947 just out of service, buying out my uncle's machinery - no big pieces but just the usual run of average machinery. I had a total of $500 and I used my father's name to borrow at the bank for expanding. Then as I became established I moved more and more on my own, acquiring cattle and better machinery." This initial financial help from a father, father-in-law or other relative at the start is often the deciding factor that makes it possible for the beginner to start with a farm unit adequate to provide a fair living.

Personal Factors That Condition a Starting Farmer's Success

The importance of capital as a factor in the success of a starting farmer has been heavily stressed in this report. However one should not overlook some of the personal factors that may be just as important to the success of the beginning farmer. He must know farming and he must like it. This was strongly stressed by the established farmers contributing to this study. A farm owner in Freeborn County says, "The 'know-how' is what counts." A Goodhue farmer expresses it this way "in order to start farming a man must have love and ability for farm work. He must be willing to give up pleasures or the time he would have for pleasure in some other job for the joy of seeing things grow, for the feeling of accomplishment when he grows 100 bushels of corn where 75 used to grow, and a herd of cows that produce better than a pound of butterfat a day."

From Wabasha County comes this statement, "I believe some capital is necessary but that <u>courage</u> and <u>faith</u> <u>in</u> <u>the</u> <u>future</u> are some of the best assets a young farmer can have. - - - - - - I have been close to the farming problem all my life but have never been able to foresee a period in the future that was just right to start farming. Some rich farmer's daughter or just anybody's daughter is a good reason to start farming and the right time probably is now or never." This suggestion of the importance of the role of the wife in the farm business was echoed in many of the replies. Two heads are better than one in operating a farm business and a wife who has a genuine interest in and love for farming and farm life goes a long way toward insuring the success of any farm business - starting or established.

From a Murray County farmer comes this statement, "My observation is that the qualities of thrift, determination, and ambition are just as important as capital or lack of it which a prospective farmer might have." A member of the F.H.A. committee in Scott County adds along this same line "It is my observation that a good man can make a go of farming under poor conditions (start on a shoe-string). A poor manager and farmer cannot make a go of it under the best conditions. I do not believe that as much stress should be put on what a man has to start with financially as what he has to start with from a character, managerial and industry standpoint. In other words if I were to lend money I would first consider character (does he drink? where does he spend his spare time? is he honest, etc.?)."

A Nobles County farmer who bought his farm recently says, "I think the ability and determination of the operator is a much more important factor to reckon with than the size of his bank account. Some operators with every odd against them and no financial assets become very successful in a relatively short period while other operators with sound financial backing and everything in their favor manage only to eke out a bare existence or lose everything they have. If a young man asked me about starting to farm I would not ask him how much money he had but how clearly he saw farming as a business enterprise and how he contemplated operating his farm."

The operator of a large livestock farm in Mower County outlines the qualifications that determine the success of a farmer in these words, "I have watched young men in our community. It does not make too much difference what they have when they get started or how much of a down payment they make on the farm. It is the ability to make money and to save it that counts.

"I have had a dozen or more men work for me - then quit and start farming. They have all made good, and most of them had little to start with. One man that worked for me in 1933-34 for $12.50 per month has just bought his second farm. The thing most important is what you have above the shoulders, - a good name and a good reputation. The farm is no place for a man that can't do anything else." This farmer might well have added another very important aid to a young farmer - getting the experience of working for a successful operator. Undoubtedly the training and experience under this individual was an important factor in accounting for the fact that his hired men were successful later as farm operators.

Summary and Conclusions

This report is based on replies to a questionnaire on the problems and needs of a beginning farmer received from 157 members of the Southeastern and Southwestern Minnesota Farm Management Services. These were established successful farmers representing a fairly wide range of experience. Some of their answers and suggestions are as follows:

1. The average estimate of the minimum amount of working capital needed by a young man starting as a tenant on farms such as those of the respondents was about $9,400. This was approximately one-half of the amount now used by these established farmers.

2. The starting farmer should own at least one-half of his working capital at the start.

3. Young men purchasing farms should have their personal property clear and be able to pay down at least one-third of the price of the farm they purchase.

4. It is safer for the young man with limited capital to start as a renter. Crop and livestock share leases and partnership arrangements permit a start with a minimum of owned capital.

5. A starting farmer with limited capital should avoid excessive investment in machinery and equipment. Buying good used machinery, hiring custom work, and exchanging labor for machine work are ways of doing this.

6. Give preference to investments that bring quick returns such as dairy cows, hogs, and chickens.

7. Make every effort, whether buying or renting, to get on a good productive farm of a size adequate to provide a satisfactory living. The experienced farmers do not give any encouragment to buying a run-down farm and trying to build it up.

8. <u>Financial</u> assistance from relatives in the form of gifts, loans at rates and in amounts more favorable than commercial lending agencies can offer, and the loan of some machinery are valuable aids to the starting farmer.

9. In many cases such personal factors as experience, "know-how", interest in farming and liking for farm life, courage, faith in the future, ambition, determination, honesty, industry, frugality, and the cooperation of a wife who is interested and shares in the management of the farm may be far more important determinants of the beginning farmer's success than the capital resources he starts with.