



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

Papers downloaded from AgEcon Search may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

SMALL FARMS AND IMPLICATIONS FOR PUBLIC POLICY EDUCATION

*James L. Mosely
Program Leader for Rural Development
Langston University*

Defining the small farmer apparently is a rather difficult task, because the literature has many descriptions. Terms such as low-income farmer, limited-resource farmer, marginal farmer, and others are used to describe the small operator.

One of the major problems in attempting to define this audience is one of geography. Many of the studies using samples from the small farm population, the low income farm group, or other similar groups have specified the samples in terms of the location of the study. As a result, these definitions may not be universal in scope. Some of the definitions are based on such things as production units, income eligibility related to certain poverty program criteria, and on the value of farm products sold.

Definitions are generally arbitrary. The problem arises due to changes in these definitions over time because of lack of uniformity as well as different individual perceptions of the definitions.

While the Food and Agriculture Act of 1977 defines the small farmer as one who annually markets less than \$20,000 of agriculture products, apparently there is still no consensus on which designation to use. Another means of identifying the small farm operator is by socio-economic characteristics. Members of the small farm population have lower incomes, generally lower education levels, and less social mobility than society members in general. They also have less access to resources and opportunities to improve their quality of life. The small farm family also belongs to few organizations and exhibits less social participation than is usually found in the larger society.

For my purposes, this is the type of definition that I will use in attempting to describe or identify the small farm operator — one that is socially and economically disadvantaged.

Small Farm Situation

The 1974 Census of Agriculture indicates that two-thirds of the nation's farmers market agricultural products valued at less than

\$20,000. These farms accounted for approximately 10% of the nation's total agricultural production. Additionally, farms which had production of less than \$10,000 accounted for slightly less than 5% of the total production but those farms represented more than 50% of the nation's farms. These data suggest that small farm policies necessarily relate to the quality of life dimension more than to increased production.

Technological progress has been occurring at an increasing rate during the past three decades. This progress has benefited many farm operators, but mostly the larger ones. The lack of technological benefits accruing to the small farm operator has contributed to the widening of the economic gap between small and large operations. On the average, small farms netted only \$760 in 1974. Farms in some sales classes below \$20,000 operated at a net loss.

Why has this economic gap continued to widen? Is it because of a lack of education of the operators? Is it because those organizations that have worked with the larger middle-class type farms have intentionally ignored the disadvantaged farm? Is it because we did not have the knowledge to work with and assist the small farm group?

A report of the Task Force on Southern Rural Development asserts that one of the reasons is because "the United States government's rural policy since World War II has been virtually synonymous with policy favorable to commercial agriculture; that is, oriented toward technical advancement and high farm output through capital intensive production processes. This policy has largely ignored the needs and problems of small farmers, farm workers, and especially non-agricultural workers and their families in rural non-farm communities. Moreover, it has resulted in loss of jobs through displacement from farming and has done little to help those displaced adjust to employment situations in urban areas. Between 1950 and 1970, 2.7 million people were displaced from southern farms. During those years, 46% of farm subsidies went to 5% of the nation's farmers."

Most of us have seen the ramifications of such policy as manifested by urban social upheavals in the 60's and early 70's. Clearly, over the past few years, the agriculture scene illustrates the need for different policies if disadvantaged farmers are to survive. For instance, the period between 1949 and 1969 saw a decline from 2.6 million farms in the South to 1.1 million. The number of farms operated by blacks has declined much faster than the number operated by whites. Non-white farms have all but disappeared.

Fewer than 90,000 non-white owned farms remained in the southern region in 1969. Just 20 years earlier there had been over a half million such farms. While only 4% of all small farm operators

belong to minority groups, nearly 90% of all minority farmers operate small units. For example, in 1969, the average black farm operator in the South controlled only 78 acres whereas the average of all farms was 310 acres.

It has been reported that minority families depend more on farm earnings and thus are more likely to be poor. As a rule, minority operators are older than other farmers, work fewer days off the farm, and have smaller farms, mainly producing crops.

In a speech to the first of five regional Small Farm Conferences recently, Joan Wallace, assistant secretary of agriculture, expressed her personal concern as well as a concern of the Department of Agriculture. "The concern is in regard to the decline of black farm land ownership in the nation. Since 1910, when black farmers owned 15 million acres of land, primarily in the southern region, the ownership has declined to less than 6 million acres." Department economists predict that by the year 2,000, black farm ownership will be virtually eliminated if present trends continue. What can we do to reverse this trend?

Concern for Small Farm

There is a growing interest in the small farm and problems related thereto. The idea of a family being able to independently own and manage a farm has long prevailed in this country. However, the rapid decrease in farm numbers since World War II, due to the increase in average farm size and money needed, is seriously threatening this idea. This idea for minorities of course has nearly been destroyed.

To aid farmers in producing and marketing their products more efficiently, the Department of Agriculture has, over the years, carried out and helped finance research and extension activities aimed at securing and applying knowledge and technology to all phases of production, processing, and distribution.

In recent years, much concern has been expressed about whether research and extension have been directed toward the small farm and/or disadvantaged operator. For example, during the senatorial deliberations on the Rural Development Act of 1972, there were expressions that indicated a need for special research and extension programs to aid in improving small farm operations, thereby, encouraging small farmers to remain on the farms and maintain ownership of the land.

David Brewster, of the Economics, Statistics, and Cooperatives Service of USDA, has reported recently that "since the 1950's the federal government has favored small farm programs that are aimed at the entire rural community of which the small scale operator is a part — as opposed to measures specifically designed for him as a working farmer. In other words, the emphasis has been on Rural

Development." Brewster further asserted that "some analysts are not sold on the notion that Rural Development alone is sufficient to deal with the problems facing small farmers. What distinguishes the small scale operator from the rest of the rural population is his farm — a unique package of resources with economic potentials that need to be realized no matter how modest."

Hence, there are two philosophical approaches to dealing with the small farm problem. One, believes that the small farm operator benefits most from welfare and rural development type programs; the other believes that basic changes are needed in agriculture itself.

As I view it, these two philosophies really are the fundamental issues concerning the problems related to small farms. The first is a matter of human welfare involving both farm and non-farm programs and policies. The second is a matter of agriculture's structure as an industry. The first is the most pressing because it relates to the need for disadvantaged farm operators to achieve a higher living quality. The second is centered around the changes in agriculture which have made it difficult for the small farmer or disadvantaged farmer to compete.

Congress' concern for the small farm, in part, was expressed through the Agriculture Act of 1977 which provided for a spending authorization of \$20,000,000 for small farm research and extension programs. The concern is additionally manifested by the fact that the secretary of agriculture must now present an annual report to Congress on small farm research and extension activities.

1890 College Participation

Efforts are being made to address small farm concerns. Some of the efforts are being directed toward increasing productivity, improving the quality of life, and increasing the income of the disadvantaged farm family. However, according to one study of disadvantaged farmers, established means of communication have failed to work for low-income farmers.

Programs for small farm operators must be designed which utilize effective communication channels and sources of information if a reasonable degree of success is to be achieved. Would it not then be important to consider the attitudes of the target audience? Would it not be important to consider factors which influence the potential for adopting new and different practices? Would it not also be important to consider the characteristics of the individual who might work with this audience?

Recently some programs have been devised by both the 1862 and 1890 colleges and universities specifically for small and part-time farmers and home gardeners. The main objective is to provide assistance to small and part-time farmers and home gardeners who could improve their nutritional standards, have more food for their family, and produce vegetables and other farm products for sale.

Many of these programs have utilized paraprofessionals to teach families on a regular basis. These paraprofessionals are indigenous to the particular community which they serve and usually already have rapport with the clientele. They are provided continuous training and support by Extension professionals. Over the past two years this technique has worked rather successfully for us in Oklahoma, as well as in Texas and North Carolina.

The 1890 colleges have a role, if not indeed a responsibility, to participate in the improvement of conditions for the disadvantaged farm operator. In 1972, Congress appropriated additional funds in support of Extension and research programs in the 1890 colleges. The intent was for Extension to develop new patterns of activity to benefit all citizens of the state. However, there was to be a particular emphasis on reaching the "unreached" and the "hard to reach" by utilizing the resources, rapport, and the unique channels of communication with such clientele available at the 1890 colleges. The very clear implication was that there were competencies, communication links, and understandings in these institutions that could be utilized to help enrich the lives of rural people.

The Task Force on Southern Rural Development report, "Increasing the Options," asserts that "it is clear that the small farmers' lack of political and economic power has diminished their ability to affect agricultural policies. Small farmers need to develop strong organizations to take advantage of such external economies as quantity discounts and marketing strength, and to be in a position to exert pressure for legislation affecting them. Public and private support for cooperatives is needed to help small farmers achieve self-sufficiency."

The report also states that educational institutions in rural areas should pay special attention to leadership training for low-income people. It would appear to follow that the 1890 colleges appropriately should concentrate some of their efforts in assisting the disadvantaged farmer with the knowledge, understanding, confidence, motivation, and skill to become involved in the formulation of policies which may have profound impact on them.

By doing so, these institutions aid in the Jeffersonian principle that democracy can only function if the average citizen is fully informed, and has a voice in the major policy decisions of government.

Equality of Opportunity

Of course, the fundamental reason that the disadvantaged farm operator, as well as other deprived members within the society, has not participated in policy formulation to the degree that members of the large society have is related to the equality of opportunity concept. This brings to mind the question, is not the small farm issue also an equality of opportunity issue? There are two basic

components to equality of opportunity. One is "equal access to resources" and the second is, "essential to one's needs." Equal access connotes equal admittance to, as well as equal accessibility of, resources. It implies further the overcoming of barriers. Barriers such as limited education, cultural differences, historical separations, economic limitations, and individual and institutional discrimination. The concept of "essential to one's needs" implies that individuals and groups will be evaluated to determine if they have special needs, and then programs designed to meet those needs. To state in another way, a difference in needs should not preclude one from being the recipient of aid and assistance, particularly in this society. This of course puts quite a responsibility on those individuals and organizations charged with providing public resources to individuals and groups throughout the society.

However, that responsibility has not always been met regarding some segments of the farm community. Luther Tweeten and Dean Schreiner have reported that while "government programs have displaced farm workers, the programs have created jobs for people who administer the programs. Various jobs associated with the government are the largest single source of off-farm income for farm people. It is doubtful that these jobs go to marginal farmers. Until quite recent years, for example, considerable racial discrimination was practiced, virtually ruling out administrative jobs for blacks. It is unlikely that marginal white farmers fared much better."

If the small farm concern is indeed an equality of opportunity issue, it may be difficult to deal with if other equality of opportunity issues such as affirmative action and public school desegregation are indicators. The last step of the *issue cycle* suggests that if the action is evaluated and people are satisfied with it, the issue recedes. If they are not satisfied, the cycle resumes and the process continues until the issue is finally resolved. It seems that the equal opportunity issues of affirmative action and public school desegregation for example, continue to cycle.

Production or Quality of Life Policies

Some would argue that it is all important to implement those policies which will enhance the production of small farms. This idea seems to be reasonable and appropriate. For example, the comptroller general in a 1975 report to Congress, stated that USDA should:

- Identify small farm operators in their productive years who depend on the farm as their primary source of income and categorize them according to their resources, abilities, educational experiences, and willingness to improve their operation by using available technology and efficient management practices.

- Estimate the costs and benefits of programs needed to extend training and technical assistance to small farm operators having improvement potential.
- Examine the potential for research designed to economically improve the small farm. If the potential exists, consider the priority of such research in relation to other agriculturally funded research.

Of course everyone does not hold the view that technical inadequacy is the only or prime problem confronting small farm operators. Tweeten and Schreiner stated that "marginal farms are neither helped nor hurt very much by technological change and progress. They are simply out of the mainstream of costs and benefits of technological change."

Moreover, the Task Force on Southern Rural Development reports that "the problems of small farmers are not limited to technical inefficiency. Small farmers also face severe capital and land limitations. Many of their problems arise from a general lack of credit. Small farmers have not been adequately served by existing credit institutions, including the Farmers Home Administration. The creation of a rural bank with a special program for small farmers would help fulfill the small farmer's credit needs."

It is evident that the disadvantaged farm operator population is diverse and the problems are varied. Therefore, policies and programs related to the small farm should be multi-faceted. According to Brewster there seems to be a consensus emerging within the Economics, Statistics, and Cooperatives Service in favor of a middle course between the basic changes in agriculture approach and the welfare and rural development approach. "It springs from an awareness of the small farm population's great diversity: Some small scale operators are old, some combine farm and nonfarm jobs, some depend entirely on farm income. Data deficiencies abound, but it appears that small farmers have different resources and aspirations, which suggest that a diversity of programs may be called for."

Policies of the disadvantaged farm operator should provide for assisting them to improve their production capacity, provide for increased off-farm employment opportunities, and combine both when necessary. I think the emphasis has to be on doing what is necessary to improve the quality of life of the small farm operator. I believe that sole emphasis on improving the production of the small farms is not realistic. The production improvement aspect should be a part of a total program to enhance the quality of life for the disadvantaged farm operator.

The ECOP Report on Public Affairs Education, among other things, indicated that "public affairs educational programs should help develop in people the ability to analyze problems and clarify

goals, understand proposed alternative solutions to problems and develop an interest and willingness to participate in public affairs."

I believe that the small farm issue is one that needs educational programs to help the influentials, the general public, and those most affected understand the problems associated with the issue, and help them determine goals for the disadvantaged farm operator. In addition, if public affairs education programs can stimulate the interest and provoke the willingness to have this clientele participate more in public affairs matters, no greater purpose could be served by our efforts.

PART III

International Agricultural Trade

