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# STAFF REPORT

THE STATUS OF MINORITY FARMS  
IN THE UNITED STATES, 1974

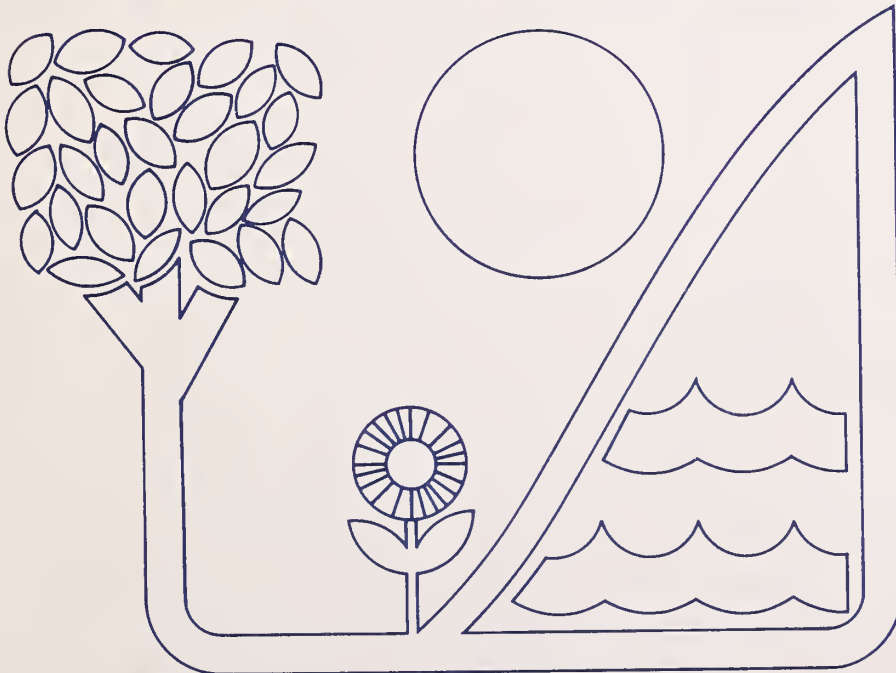
ESS Staff Report, NRED 80-14

Allen R. Thompson  
Michael Green

## NRE

Economics,  
Statistics, and  
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Department  
of  
Agriculture





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ABSTRACT

This report, based principally on unpublished tabulations from the 1974 Census of Agriculture, discusses and compares incomes and operations of over 76,000 minority farmers who control 13 million acres of farmland and who sold \$1.1 billion of agricultural products. Compared to the average farm, blacks, American Indians and Hispanics have lower total incomes and lower farm incomes. Orientals have higher economic positions than other minorities and all farms. Minority farm operators have higher average incomes than their non-farm counterparts. Limited quantity of resources, including land, is a serious constraint on the total income of minorities. Each group on the average appears to do well, given their available resources.

Key words: Landownership, Minority farms, blacks, American Indians, Spanish origin, Orientals, small farms.

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## 1. An Overview of Minority Farms in the U. S.

Racial and ethnic minorities play a significant part in U. S. agriculture. The major labor input of minorities is provided through the hired farm labor force (in 1976 there were an estimated 707,000 minority farm workers), the focus of the present report is the 76,000 minority farm operators who in 1974 controlled close to 13 million acres of farm land and sold \$1.1 billion of agricultural products.

While minority farm operators are a very heterogeneous group, until 1974 the Census of Agriculture lumped all minorities together under the label "Negro and other." For the first time in 1974 the Census of Agriculture reported data on minority farms in each of the following sub-groups: a) Black, b) American Indian, c) Spanish origin, d) Japanese, Chinese, and Filipino origin, and e) other minorities.<sup>1</sup> Thus, for 1974, it is possible to describe the status and characteristics of each of the major groups separately.

Some of the data on the various minority groups were published in the printed reports of the 1974 Census of Agriculture. These reports, however, contain only a small part of the information collected and are only a limited beginning for an analysis of minority farms. In order to learn more about minority farms, the Economics, Statistics, and Cooperative Service of the U. S. Department of Agriculture contracted with the Bureau of Census for some special tabulations, for each state and county in the U. S. As described in Appendix B, a data tape for counties with a significant number of minority farms has been prepared and is available for future research. The present report is based exclusively on the state and national tabulations, however.

## 1.1 The Declining Relative Role of Black Farms

In most traditional studies the subject of minority farm operators was synonymous with black farm operators because that one group accounted for almost all minority operators. However, as the data in Table 1.1 indicate, this pattern is changing. In 1964 blacks constituted 92 percent of all minority operators, but by 1974 they represented only 69 percent. Even in the South, where most black farms are located, black as a percentage of all minority farms fell from 98 percent in 1964 to just under 87 percent in 1974. Blacks share of farm land operated by minorities fell from 46 percent in 1969 to 35 percent in 1974, if the land of Hispanics is considered for both years.<sup>2</sup>

The changing percentages are the result of a continuing dramatic decline in the number of black farm operators. Between 1969 and 1974, the number of black farm operators fell by 37,600, a drop of 40 percent. The number of other minorities has apparently declined also, but at a much lower rate. Subtracting the operators of Spanish origin from the data from 1974, to allow for the fact that in previous years this group was not included in tabulations of minorities, the number of other minorities declined by only 1,600 or less than 10 percent, a rate which compares favorably to the 9.6 percent drop in the number of all farms meeting the 1969 definition. While black operators remain the predominant minority group, other minorities are becoming increasingly important. Moreover, while there has also been a dramatic drop in the acreage farmed by blacks, the number of acres in other minority farms seem to be almost stable. The number of acres in black farms fell from 7.6 million in 1969 to 4.6 million in 1974, a decline of 40 percent. Not counting the

reservation land for American Indians, which is not included in the farm land totals for 1974, or the four million acres in Hispanic farms in 1974, since this group is not included in minority tabulations for 1969 and earlier, the acres farmed by other minorities in 1974 was only 4 percent smaller than the land in farms in 1969, a decline which again compares favorably to the 3.5 percent decline in the acres in all farms meeting the 1959 definition.<sup>3</sup> Thus while other minorities seem to follow the trend for all farms, the decline for black operators is considerably larger.

The differing trends for blacks versus other minority groups stimulates an interest in the differences in the characteristics of black and other minority farms and underscores the reasons for considering the groups separately.

Table 1.1 Number of minority farm operators,<sup>1</sup> United States, 1940-1974

Year	Total	Blacks	All others	Land in farms, all minorities
	<u>Number</u>			<u>Million acres</u>
1940	723,504	681,790	41,714	46.0
1945	689,215	NA	NA	40.7
1950	585,917	559,980	25,937	63.3
1954	483,650	467,656	15,994 <sup>2</sup>	58.0
1959	290,831	272,541	18,290	53.1
1964	199,952	184,004	15,948	46.8
1969	103,847	87,393	16,454	52.3
1974	76,295	52,919	23,376 <sup>3</sup>	13.3 <sup>4</sup>

Source: U.S. Department of Commerce, Bureau of Census, 1959 and 1969 Census of Agriculture and unpublished 1974 census tables on race of operators

<sup>1</sup>The data in this table and in most of the report differ from published census tables on minorities because they include units with less than \$1,000 in sales in 1974, that is, the data are based on the 1959 definition of a farm.

<sup>2</sup>Excludes Alaska and Hawaii

<sup>3</sup>The Hispanic group is not included in minority tabulations for 1940-1969. They operated 4 million acres in 1974 and represented almost 8,600 farm operators.

<sup>4</sup>Drop from 52.3 million acres in 1969 to 13.3 million acres in 1974 is explained by the 39.7 million acres of reservation land held in trust by Indians which are excluded from 1974 data.

## 1.2 Regional Distribution of Minority Farms

The distribution of farms across regions for each minority group, found in Table 1.2, leads to two conclusions: a) Minority farms tend to be geographically concentrated, although the regions which are important are different for each group, and b) while black farms are overall the most significant minority group, the relative importance of black farms varies by region. It should be noted that here and throughout this report, the data shown are for all farms meeting the 1959 definition of a farm and therefore will differ from the published Census of Agriculture reports for 1974 but are consistent with reports for earlier years.

Almost all black farms (97 percent) are located in the three Southern regions, with a few (2 percent) scattered throughout the North Central states. Less than one percent of all black farms are found in the Northeast (which has few minority farms) and West. While the equating of minority farms with black farms appears to be reasonably accurate for two of the Southern regions, it is not true elsewhere. Practically all minority farms are black in the East South Central (98 percent) and South Atlantic (93 percent), although the latter area also contains a large number of American Indian farms. In the West South Central, however, black farms account for only 60 percent of all minority farms, in the North Central for just one-third, and in the West for less than 3 percent. Black farms are largely Southern, and especially Southeastern, phenomena.

Farms operated by persons of Spanish origin are heavily concentrated in the Southwest. Nearly half of all Hispanic farms are located in the West South Central, where they account for more than one-fourth of all minority farms. More than one-fourth of the Hispanic farms are located in the Mountain region, with a fifth found in the Pacific region. Hispanic farms account for one-sixth of the minority farms in the Pacific,

TABLE 1.2: MINORITY FARMS<sup>a</sup> BY RACE AND REGION, 1974

REGION	UNITS	ALL U.S. FARMS	ALL MINORITY FARMS	BLACKS	AMERICAN INDIANS	SPANISH ORIGIN	JAPANESE CHINESE FILIPINO	OTHER MINORITIES <sup>b</sup>
Total U.S.	No. of farms	2,466,123	76,295	52,919	4,773	8,561	6,588	3,454
North East	"	137,323	536	151	86	34	42	223
New England	"	25,962	122	20	25	5	5	67
Mid-Atlantic	"	111,361	414	131	61	29	37	156
North Central	"	1,060,255	3,516	1,226	828	300	143	1,019
East N. Central	"	468,938	1,550	653	215	165	40	477
West N. Central	"	591,317	1,966	573	613	135	103	542
South	"	1,008,677	58,884	51,213	2,710	4,241	109	611
South Atlantic	"	324,176	24,677	23,056	1,316	94	41	170
East S. Central	"	333,823	18,496	18,183	151	60	17	85
West S. Central	"	350,678	15,711	9,974	1,243	4,087	51	356
West	"	259,868	13,359	329	1,149	3,986	6,294	1,601
Mountain	"	119,458	4,061	48	768	2,356	551	338
Pacific	"	140,410	9,298	281	381	1,630	5,743	1,263

SOURCE: 1974 Census of Agriculture, Volume I, Part 51, plus unpublished tabulations by Race of Operator from the 1974 Census.

NOTES: <sup>a</sup>Data in this table are based on the 1959 definition of a farm and therefore, differ from the published data on minorities.

and for nearly 60 percent in the Mountain region. The data by state show the geographical concentration to be largely in the Southern parts of the Pacific and Mountain areas.

Unlike the other minority groups which are found clustered in a single general area, American Indian farms are concentrated in four somewhat scattered geographical areas. The South Atlantic and West South Central areas each contain about one-fourth of all American Indian farms, with most of the rest in either the Mountains or West North Central regions. American Indian farms are most significant in the West North Central, where they account for almost one-third of all minority farms, and in the Mountain region where nearly one-fifth of all minority farms are American Indian farms. It should be remembered that American Indian farms as reported here exclude the operations on reservation lands. As was true for Hispanic farms, the data by state indicates American Indian farms are even more geographically concentrated.

Operators of Oriental origin (Chinese, Japanese, or Filipino) are overwhelmingly found in the West and especially in the two states of California and Hawaii which together contain 80 percent of all Oriental farms. Some 62 percent of all minority farms in the Pacific region are Oriental, showing the importance of the group in that area.

Overall, minority farms account for only three percent of the total U.S. farms in 1974. However, in the regions where minority farms are concentrated, their importance is greater. In the South Atlantic, with large numbers of black farms and a large group of American Indians, minority farms represent over seven percent of all farms. In the Pacific region, with concentrations of Oriental and Hispanic operators, minorities constituted almost seven percent of all operators. In the East South



Central region, with mostly blacks, and in the West South Central region, with blacks, American Indians, and Hispanics, minorities account for between four and five percent of the farms.

### 1.3 Selected Characteristics of Minority Farms

An examination of a few selected characteristics of minority farms, presented in Table 1.3, indicates that generalizations about minority farms are hazardous. There are some important differences between minority farms and all farms in the U.S., but also some quite significant differences among the various minority groups. Almost nothing of any real significance can be said to be characteristic of minority farms taken as a whole, which is not contradicted by one or more of the groups taken individually.

Blacks: Compared to the U.S. average farm and to each of the other minority groups, the average black farm operator is clearly economically worse off. The average black farm contains only 87 acres, one-fifth the average size of all U.S. farms, and smaller than any other minority group. The average value of sales on black farms is only 20 percent the U.S. average and less than half as large as the average sales of other minorities. Almost two-thirds of all black farms had sales under \$2,500 and 94 percent had less than \$20,000 of sales. Both of these percentages are higher than for any other minority. Only black farmers are significantly older than the average U.S. farmer. In addition, not only is the percentage of blacks reporting debt lower than for any other minority, but only for blacks is the percentage less than the national average. These characteristics are reflected in the low farm and farm-related incomes, less than half the national average and lower than other minorities except American Indians where much high off-farm income was reported.

Moreover, blacks appear to be heavily dependent on farm income. Compared to the national average, almost as many black operators report farming as their major occupation, fewer report as many as 200 days of

TABLE 1.3: SELECTED CHARACTERISTICS OF MINORITY FARMS<sup>a</sup>, 1974

ITEM	UNITS	ALL FARMS	BLACKS	AMERICAN INDIANS	SPANISH ORIGIN	JAPANESE CHINESE FILIPINO	OTHER MINORITIES <sup>c</sup>
Characteristics of farms							
Average size of farm	acres/farm	416	87	473	467	119	486
Average value of land and buildings	\$/farm	140,890	42,158	98,830	110,601	172,226	201,556
Average value of products sold		33,076	6,200	12,926	18,100	69,067	43,427
Percentage of farms with sales under \$2,500	% of all farms	32.5	62.7	45.2	52.0	20.2	34.1
Percentage of farms with sales under \$20,000	"	67.5	93.7	84.3	83.8	51.2	66.1
Characteristics of farm operators							
Average age	years	51.7 <sup>b</sup>	57.7	51.8	51.3	54.0	51.3
Percentage reporting farming as major occupation	% of all farms	60.3 <sup>b</sup>	59.1	52.4	48.2	71.6	53.6
Percentage reporting 200 or more days of off-farm work	% of all farms	37.3 <sup>b</sup>	28.4	38.3	40.6	29.1	42.7
Income and Debt for farms with sales of \$2,500 or more							
Average farm and farm related income	\$/farm	12,834	6,236	6,070	9,239	26,524	14,757
Percentage reporting off-farm income	% farms with sales of \$2,500 or more	58.5	45.7	56.5	58.8	62.9	59.4
Average income from farm, farm related, and off-farm sources	\$/farm	18,074	9,913	11,604	15,248	33,126	20,958
Percentage reporting debt, all types	% farms with sales of \$2,500 or more	32.8	27.2	36.3	39.9	35.4	44.9

SOURCE: 1974 Census of Agriculture, Volume 1, Part 51 and unpublished tabulations by race of operator.

NOTES: <sup>a</sup>Except where indicated, the data in this table are based on the 1959 definition of a farm.

<sup>b</sup>Data is for operators only and is based on the 1974 definition of a farm.

<sup>c</sup>Minorities for which a major group was not identified.

off-farm work, and fewer report off-farm earnings. The average dollars earned from off-farm sources is lower than the national average and the lowest among minority groups.

In only two respects do black farms appear better off. First, the value of land and buildings per acre is higher than the U.S. average and second among minorities to Orientals. Secondly, the net farm and farm-related income earned per dollar value of land and buildings is almost 15 percent, a return which is much higher than the U.S. average of nine percent and exceeded only by Orientals. While these statistics seem to indicate blacks fare well with the resources they have, it also suggests their limited resources constitute a major handicap to increased incomes.

American Indians: In terms of total incomes, American Indian farmers are only slightly better off than blacks, and only because they were more successful in earning off-farm income. While the average farm size of American Indian farms is quite large, the value of land and buildings per acre and the dollar sales per acre are much lower than the national average and the lowest of all minority groups. The net farm income earned per dollar value of assets is two-thirds the national average and once again the lowest among minorities. The low farm income and sales is also reflected in the large percentage of farms with sales under \$2,500 and under \$20,000, although blacks had higher percentages in both categories. On the average, American Indian operators seem to have the least successful farm operations of any minority group. The section below which discusses American Indian farms by state indicates that there is some considerable variation in this average pattern among the states with significant numbers of American Indians.

Hispanics: Farms operated by persons of Spanish origin tend to appear somewhat better off when compared to black and American Indian farms but worse off when compared to Orientals and the "other minority" category or to U.S. farms in general. The net farm and farm related income is lower for Hispanics than the U.S. average but higher than that of blacks and American Indians. The value of sales is greater than for blacks and American Indians, but lower than other groups. A larger proportion of Hispanic farms report sales over \$20,000 than either black or American Indian farms, but significantly smaller percentages than either the U.S. average or other minorities.

Off-farm income is also quite important for Hispanic farms. Only for this group did fewer than half the farmers report farming as an occupation. Moreover, the percentage of income earned from off-farm sources is greater than for any other group, except American Indians.

Orientals: The operators of Japanese, Chinese, or Filipino origin are by far and away the most successful group of minorities and compare quite favorably to the average U. S. farm. While average size of Oriental farms is lower than any other group except blacks, the value of products sold is greater, the value of land per acre is much greater, the farm and farm-related income earned per dollar value of land and buildings is the largest. Net income from farm and farm-related sources is over twice the national average. Few Oriental farms report sales of under \$2,500 and nearly one-half had sales of \$20,000 or more compared with about one-third of all U. S. farms. A significantly larger percentage of Orientals report farming as a major occupation and significantly fewer report 200 or more days of off-farm work, yet a greater proportion of Orientals reported some off-farm earnings. While the average black, American Indian,

and Hispanic farms are typically small and no more than moderately successful, the average Oriental farm is clearly in the successful range.

Other minorities: The final group shown in Table 1,3 is "other minorities", the designation used for minorities where no major group could be identified. While having slightly more valuable farms, and slightly higher net income, this group in most respects resembles the average for all farms. While the following sections report on each major minority group, no separate analysis will be presented for this group.

#### 1.4 Effect of Change in Farm Definition on Minority Farms

In 1974 a new definition of a farm was officially adopted. The old definition used first in the 1959 Census of Agriculture, was based on a combination of minimum acres and value of products sold. Sales of at least \$250 was required if the farm had less than 10 acres, or at least \$50 if the farm had more than 10 acres. If a place failed to meet the sales criteria, but could normally be expected to, it was also counted. For 1974 the criteria was revised to include only farms that had or could normally be expected to have sales of \$1,000 or more. The effect was to exclude, by definition, farms which would have otherwise been counted.<sup>4</sup>

For the U. S. as a whole, there were 152,110 farms meeting the 1959 definition but not the 1974 definition. Those farms contained 8.6 million acres with a value of \$5.4 billion. Table 1.4 shows the number of minority farms affected by the definition change as well as a few characteristics.

Altogether 9,303 minority operations, 12 percent of all operations, were affected by the change, twice as large a percentage for minorities as for all farms. The change clearly affected data on black operations more. Some 14 percent of all black farms, containing 6 percent of all black controlled land and 8.4 percent of all black owned land, were excluded. The change affected some one-tenth of all American Indian and Hispanic operations although less than 5 percent of the total farm land of each group. Less than 5 percent of the Oriental farms and land were excluded. The value of sales of agricultural products was changed by only one-half of 1 percent for blacks and insignificantly for other groups.

While by the measures above, the change may seem small, an interesting picture is obtained by looking at the percentage of those excluded operators reporting farming as their major occupation and those who reported no off-farm work. Forty percent of the minority operators excluded reported farming as their major occupation and over one-third reported no off-farm work. In both cases excluded blacks reported higher percentages than any other group, although at least one quarter of the excluded American Indians, Hispanics, and Orientals reported farming as their major occupation and at least one-fifth reported no off-farm work. While no income data is available for this group, those who regard themselves principally as farmers and those with no off-farm work may well be considered farmers in some respects, even if the enterprises are of a small scale.



TABLE 1.4: MINORITY FARMS EXCLUDED BY 1974 DEFINITION CHANGE

ITEM	UNITS	ALL FARMS	TOTAL MINORITIES	BLACKS	AMERICAN INDIANS	HISPANICS	ORIENTALS	OTHER
Number of Farms % of all Farms	Number %	152,110 6.2%	9,303 12.2%	7,323 13.8%	452 9.5%	941 11.0%	313 4.8%	274 7.9%
Land in Farms % of all Farms	Acres %	8,657,228 10.8%	494,168 3.7%	282,146 6.1%	103,173 4.6%	91,184 2.3%	4,905 0.6%	12,760 0.8%
Value of Land & Buildings % of all Farms	(\$1000) %	5,354,548 1.5%	243,037 4.4%	169,252 7.6%	18,489 3.9%	28,085 3.0%	16,320 1.4%	10,891 1.6%
Land Owned % of all Farms	Acres %	10,143,276 1.5%	495,605 5.7%	303,566 8.4%	95,412 7.9%	70,400 3.0%	4,987 1.0%	21,240 2.1%
Value of Agricultural Products Sold % of all Farms	(\$1000) %	39,255	2,267 0.2%	1,666 0.5%	119 0.2%	276 a	131 a	75 a
Operators Reporting: Farming as Major Occupation % of all Excluded Farms	Number %	39,956 26.3%	3,660 39.3%	3,129 42.7%	136 30.1%	249 26.5%	90 28.8%	56 20.4%
No Off-Farm Work % of all Excluded Farms	Number %	33,609 22.1%	3,211 34.5%	2,774 37.9%	120 26.5%	214 22.7%	67 21.4%	36 13.1%

SOURCE: 1974 Census of Agriculture, Vol II, Part 3, "Tenure, Type of Organization, Contacts, Operator Characteristics, Principal Occupation", Chapter III, Table 37

1974 Census of Agriculture, Unpublished Tabulations by Race of Operator

1974 Census of Agriculture, Vol. I, Part 51, "U.S. Summary and State Data", Chapter I, Tables 9 and Appendix B.

NOTE: <sup>a</sup>Less than 0.5 of one percent.

### 1.5 Summary

The preceding discussion of minority farms has revealed a great deal of diversity among the minority groups. Based on the national averages, blacks and American Indians both appear considerably worse off economically although for blacks the income problem seems to revolve around age and resource limitations while for American Indians the problem appears to be related to lower returns on assets. Hispanic farms fare worse than the average U. S. farm, but better than either blacks or American Indians. Oriental farms stand out as the most successful by far, with farm incomes over twice the national average.

Using sales under \$20,000 as the definition of small, blacks, Hispanics, and American Indians are much more likely to be small than the average farm, a fact which also is reflected in the lower farm incomes. Orientals, however, are very much the exception with a much smaller percentage of farms in the small sales category than the national average.

Each minority group is highly concentrated geographically, although different minorities are located in different regions--blacks in the South, especially the Southeast, Orientals in the West, especially the Pacific region, Hispanics in the Southwest. Given the regional differences in agriculture, some of the differences between all farms and minority farms and among the various minority groups may be traced to differences in geographical location. In the sections which follow, each major minority group will be separately examined in each state with a significant concentration. The emphasis will be on comparisons between minority farms and all farms in the selected states. While even this level of analysis takes place at a high level of aggregation, it does reveal considerable diversity within the various minority groups. In the final section, the

minorities will be compared to each other, especially in the few states with significant numbers of more than one minority group.

By its very nature a descriptive report such as this will leave many questions unanswered. As noted above, Appendix B contains a description of a data set available on a county level. Using this data, some of the questions of interest may be examined more closely by future research efforts.

Notes for Section 1

1. The category "Spanish Origin" is used for operators identifying themselves as Mexican American, Chicano, Mexican, Puerto Rican, Cuban, Central or Spanish American, or other Spanish. The term "Hispanic" will be used as well to refer to this group in this report. Likewise those of Japanese, Chinese, and Filipino origin will also be described as "Oriental".
2. Prior to 1974, persons of Spanish origin were included in the count for whites and were not included in the data for minorities. For this calculation the 4 million acres in Hispanic farms in 1974 was added to the total minority land for 1974. In addition, the reservation land for American Indians was excluded in both years.
3. The data for all farms is from [18] Chapter I, Table 1 and Appendix B.
4. See [18] Introduction, page IX-X for a discussion of the changes. Data on those farms meeting the 1959 definition but not the 1974 definition are contained in the same volume, Appendix B.

## 2. Characteristics of Black Farms and Black Farm Operators

This section of the report examines the characteristics of black farms and black farm operators in 1974. The key features identified in Section 1 based on the national data were that: a) Blacks remain the most numerous minority group in agriculture, but in recent years have declined very rapidly, reducing their relative importance; b) Black farms are overwhelmingly concentrated in the South, and especially the Southeast, although a significant number are scattered across the North Central region; c) The average age of black farm operators is significantly higher than the U. S. average, and black operators are much more likely to be 65 years of age or more; and d) The average total incomes and average farm incomes of blacks are quite low relative to the U. S. average and relative to other minorities. By most definitions, the typical black farm is small, both in terms of sales and in terms of income.

Black operated farms are largely confined to the South, where some 98 percent of all black farmers and 94 percent of the land controlled by blacks is located. In fact, blacks in the South, are principally located in 10 southern states, as shown in Table 2.1. These 10 states account for 90 percent of all black farms in the U.S. and 87 percent of the black controlled land. Moreover, in many of these states, blacks represent a significant fraction of farms and land in farms.

As the rest of this section demonstrates, the data by state reveals some significant variations in the absolute and relative status of black farms and black farm operators. For example, while black farms represent 16 to 17 percent of all farms in South Carolina and Mississippi,

they account for only 2 percent of the farms in Texas and Tennessee. The average total incomes ranged from \$7,300 in Tennessee to almost \$15,000 in Louisiana. In addition, there are some significant differences between blacks in the South and blacks in the North Central.

In the rest of this section black farms and black farm operators in the North Central region and in the 10 most important southern states are compared to all farms on a state by state, region by region basis. Because of the differences which naturally occur between different states, it is hoped that this procedure will provide some more meaningful comparisons, controlling to an extent for geographical variations. Data for all farms comparable to that shown in the tables for black farms can be found in Appendix A of this report.

## 2.1 Income By Source for Farms Operated by Blacks

Examination of the incomes of black operators as shown in Table 2.2 leads to the following findings: a) In each state in the South and in the North Central, the average farm incomes and total incomes of blacks are low both in absolute terms and relative to the average for all farms, although there is considerable variation in the relative income of blacks across states; and b) Black farms appear overall more likely to report farm-related earnings and less likely to report off-farm income, but there is little difference between blacks and all farms in the percentage of total income accounted for by farm, farm-related, and off-farm earnings.

The average total income of Southern black farm operators with sales of \$2,500 or more was \$9,673 in 1974. By comparison, the mean income of all black families in the South was \$8,228 in 1974.<sup>1</sup> Across states the average incomes was lowest in Tennessee (\$7,281) and highest in Louisiana (\$14,986). Comparing the average income of blacks with the state averages for all farms shows blacks everywhere had lower average incomes, ranging from only 43 percent of the all farm average in Arkansas to 72 percent in Alabama.

With Louisiana being the clear exception, blacks in the North Central fare better than their Southern counterparts. Blacks in the Southern states had only 50 to 70 percent of the average income of blacks in the North Central. In addition, blacks in the North Central had incomes 80 percent that of the average for all farms in that region. Even though blacks seemed to be somewhat worse off than the typical farm in the North Central, there is a great contrast between the status of blacks in the

South and in the North Central. In later sections attention will be focused on characteristics which help explain this important difference.

If only income from farm and farm-related sources is compared, blacks in both the South and North Central regions have only two-thirds the income of all farms. This represents a significant decline in the comparative status of blacks in the North Central and reflects the greater importance of off-farm income for blacks in that region. In terms of the relative farm and farm-related incomes of blacks, there appear to be two groupings of states: Arkansas, Louisiana, Mississippi, South Carolina, and Texas, where blacks have the lowest relative income (36% to 57% that of the all farm average); and the other Southern states and the North Central region, where blacks are less disadvantaged (65% to 77% the income of all farms).

While the relative disadvantage of black farm operators is of clear interest, it should be noted that the three states where blacks are least disadvantaged comparatively speaking (Alabama, Tennessee, and Virginia) are also the three states in which average incomes of all farms are the lowest. In addition, the state with the highest average income for blacks (Louisiana) is among the areas where blacks have the greatest relative disadvantage.

Black operators and their families appear to rely on off-farm income for roughly the same percentage of total income as all farms in most areas even though blacks are less likely to report off-farm earnings. Only in the North Central, Arkansas and Louisiana was off-farm more for blacks than for all farms, and even in these states off-farm income was only one-third of total income for blacks. This finding is somewhat surprising considering the heavy concentration of blacks in the category with sales



under \$20,000 (see Table 2.3). Nationally, off-farm income is reported by 65 percent of all farms with sales under \$20,000, compared with less than half of the black farms in all areas except Texas and the North Central region. Moreover, while off-farm income contributes only about a third of black incomes, nationally off-farm income represents 60 percent of total incomes for farms with sales under \$20,000.<sup>2</sup> Thus, while the lower farm incomes and farm sales would suggest blacks would be more likely to be dependent on off-farm income this is not the case. No doubt the high average age of black farm operators is one limitation on off-farm earnings.

The relative contribution of farm-related income to total income is small on the average for both black farms and all farms. There is, however, a considerably greater percent of black farms reporting income from customwork, government payments, and rental payments. Only in the North Central region and the states of Georgia, North Carolina, South Carolina and Virginia were there insignificant differences. In the other states blacks were two to three times more likely to report income from these sources than all farms. Of the various categories of farm-related earnings, customwork and agricultural services seemed to be the most important sources for blacks accounting for one-half to three-fourths of the gross income. Customwork was less important to all farms while rental incomes were more important.

Income is, of course, the single most important indicator of economic status. The discussion on incomes of black farm operators leaves little doubt that overall blacks are in an inferior economic position in terms of farm and farm-related incomes and have lower off-farm earnings as well.

In the North Central, the average income of black operators is 95 percent of the average for all North Central families, while for the South as a whole black operators have only 75 percent of the average income of all Southern families. Only for Louisiana is the average black operator able to exceed the mean family income. In four states--Alabama, Arkansas, Mississippi, and Tennessee--the income is low enough to place the average black operator among the bottom 40 percent of all families ranked by income. In the other Southern states the average income is just above the cutoff for the second quintile, placing these families in the top 60 percent of the income distribution. Except for Louisiana and the North Central where incomes reach the mean for all families, black farm operators on the average have less than moderate income measured relative to all families.<sup>3</sup>

In the remaining sections, some of the reasons for the low incomes will be sought. It should be noted, however, that the information on incomes is restricted to those farms with sales of \$2,500 or more. Given the high percentage of black farmers with less sales, the information reveals less about black farms than all farms.

## 2.2 Size of Farm and Value of Assets for Farms Operated by Blacks

As noted in Section 1, the limited resource base for black farms in terms of number of acres and value of assets appears to be a serious constraint on the income potential of black farm operators. An analysis of the data in Table 2.1 reveals the following: a) Black operated farms are consistently smaller both in acres of farmland and in average value of assets; b) The value of assets per acre is, however, higher for black farms; c) Income from farm and farm-related sources per acre and per dollar of assets are, with a few exceptions, higher for black operators; and, finally, d) Black farms in the South are smaller in size than black farms in the North Central region.

The average size of black farms in the South is only 87 acres. The average size of black farms is greater than 100 acres in only two states -- Texas (119 acres) and Georgia (129 acres). For the South as a whole, black farms average just over one-fourth the size of all farms. Comparing size of farm only for those with sales of \$2,500 or more increases the average size of black farms in the South but improves the relative size very little in any of the states. Black farms in the North Central region have a larger average size than black farms in the South, but even here, black farms are just over half the size of all farms or 70 percent the size when comparing only those with sales exceeding \$2,500.

Looking at value of assets again reveals the smaller size of black farms. In the South black farms have only 40 percent the asset value of the average farm. While black farms in the North Central region show greater values than black farms in the South, they still have only 55 percent the average value of all farms. The average value of black farms

is over half the average for all farms in only these states--Tennessee (69 percent), North Carolina (58 percent), and Georgia (52 percent).

The relative size of black farms both in terms of acreage and value of assets helps explain the relative farm income of blacks. The states with the lowest relative incomes are also those with the lowest relative size. In Arkansas, Louisiana, Mississippi, South Carolina, and Texas, where relative farm income of blacks is lowest, the average acres in black farms is between 16 percent (Texas) and 37 percent (Mississippi) that of the average farm. In the other states and the North Central region the relative size ranges from 47 percent in Virginia to 60 percent in Tennessee. Looking at asset values, blacks in states where relative income was lowest had only 32 percent (Texas) to 43 percent (Arkansas) the assets of all farms. In the states where blacks had a lesser income disadvantage, the range was from 49 percent in Virginia to 69 percent in Tennessee.

While the average value of black farms is clearly smaller, the value of assets per acre suggest blacks have assets of similar or equal quality. Only in Georgia was the value of assets per acre lower on black farms, but the difference was only 4 percent. In four states, Arkansas, Louisiana, South Carolina, and Texas the value per acre was significantly larger (20 to 100 percent) on black farms. Examining machinery and equipment on black farms show that, per acre, blacks have more machinery and equipment. In the North Central Region the value of black farms per acre is almost identical to that of all farms.

In order to obtain a crude measure of efficiency, the farm and farm-related incomes per acre and per dollar of total assets were compared for all farms with sales of \$2,500 or more.<sup>4</sup> Farm and farm-related

income per acre is higher for blacks in all but two southern states-- Arkansas and Tennessee--and almost identical in the North Central region. The returns per acre on black farms was significantly higher in North Carolina, Louisiana, South Carolina, Virginia, and Texas. In these states the returns on black farms ranged from 131 percent (North Carolina) to 194 percent (Texas) that on all farms. Comparing incomes per dollar value of total assets shows blacks have lower rates of return in only two southern states--Tennessee (62 percent the rate for all farms) and Arkansas (77 percent). In five states--Georgia, Louisiana, South Carolina, and Virginia, the returns were significantly higher. For the North Central region returns for blacks were virtually identical with all farms.

There are three possibilities which could help explain the lower incomes of blacks: 1) They could have lower quality assets, 2) They could use their assets less efficiently, or 3) They could have fewer assets to work with. Based on the results of the preceding analysis it would appear that the first two possibilities are not confirmed. The value of assets per acre is equal or greater on black farms, and, the returns per acre and per dollar value of asset do not suggest inefficiency. The limited resource base, principally land, does, however, appear to be a major obstacle. There is a high correlation between the relative size of black farms and their relative incomes.

### 2.3 Value of Sales for Farms Operated by Blacks

The distribution of farms by value of sales categories in Table 2.3 suggests the following conclusions: a) While many farms in the South are relatively small (sales under \$20,000), blacks are disproportionately concentrated in the smallest value of sales categories, and b) While black farms in the North Central region are more likely to have higher sales than blacks in the South, most black farms in that region as well have sales under \$20,000.

Under the new definition of a farm used in the 1974 Census of Agriculture, an establishment must have had, or normally would be expected to have, sales of \$1,000 or more in order to be counted as a farm. For purposes of comparison with earlier years, the unpublished tabulations for minorities included all farms meeting the 1959 definition. While 8 percent of all Southern farms and less than 2 percent of the land in farms were affected by the definitional change, some 14 percent of all black farms and over 6 percent of the land in farms were affected. In the North Central, 4 percent of all operations but almost 10 percent of black operations are no longer considered farms under the new definition.<sup>5</sup>

Almost half of all Southern farms and nearly two-thirds of the Southern black farms had sales in 1974 of less than \$2,500. In only two states--North Carolina and Virginia--were the same percentages of blacks and all farms that small. While no income data was collected for farms with sales under \$2,500, there is little doubt their farm incomes were small. It cannot be necessarily inferred, however, that even a small amount of farm income would be unimportant. In the non-metropolitan South, 42 percent of all blacks in families and 63 percent of all black unrelated individuals had incomes below the official poverty level.<sup>6</sup>

Using the criteria that sales under \$20,000 is characteristic of small farms, Southern farms and especially Southern black farms are almost exclusively small. Some 95 percent of all black farms in the South had sales under \$20,000 compared with 81 percent for all Southern farms, a ratio which holds true for most of the Southern states. Only in North Carolina and Georgia did more than 10 percent of the black farms have sales of \$20,000 or more. A smaller percentage of black farms in the North Central have sales under \$20,000 compared with blacks in the South. However, the difference in the percentage of blacks and all farms in the North Central region with sales under \$20,000 is larger than the difference in any Southern state, once again showing an absolute advantage for blacks in the North Central region compared with Southern blacks but a relative disadvantage compared to other farms in the North Central region.

Looking only at farms with sales of \$2,500 or more, to correspond with the data on income, shows the same states where blacks had the greatest relative income difference also are the states in which a much larger percentage of black farms were small (sales under \$20,000) and a much smaller percentage were large (sales over \$40,000). The smallest difference in distribution are in the states of Tennessee, Virginia, and North Carolina where black incomes are closest to the all farm average. The greatest differences are in the states of Arkansas, Louisiana, and Mississippi where blacks have the greatest relative disadvantage. Once again while the distribution of black farms in the North Central show fewer small and more large farms compared with their Southern counterparts, the relative disadvantage is similar.

## 2.4 Major Products and Major Crops Sold on Black Farms

The important findings based on Tables 2.4 and 2.5 are: a) In the South, black farms depend more heavily on sales of crops and less heavily on sales of livestock and poultry, although there are important variations across the states; b) In terms of major crops sold, blacks in the south are more dependent on sales of tobacco and less dependent on grains. While for the South as a whole, cotton is of equal importance to blacks and all farms, there are differences in some of the states; c) In the North Central region, there are only slight differences in the importance of major products and major crops for black and all farms.

The greater dependence on sales of crops by black farms is consistently true in all areas, especially in the South. In the three states in which livestock sales account for at least one-third of all total sales--Tennessee, Texas, and Virginia--only in Texas were blacks heavily dependent on livestock. In none of the five states in which poultry accounted for 20 percent or more of all farm sales, did poultry account for as much as 10 percent of black farm sales.

However, while it has been suggested that blacks' incomes have remained behind white incomes because of their failure to move significantly towards production of livestock and poultry<sup>7</sup>, five of the six southern states in which blacks show a significantly larger share of sales accounted for by crops are the states in which relative black farm and farm-related incomes are highest, while the four states where the percentage of sales from livestock and poultry are closest are four of the five states in which relative incomes are worse. Only for Arkansas does the hypothesis seem to work.



Looking only at those farms with sales of \$2,500 or more in terms of major crops produced shows a similar pattern: little difference in crops grown in the North Central region but, especially when compared on a state level, substantial differences between the importance of crops for black farms compared to all farms.

Several crops in particular show major differences in the South. Tobacco, which accounts for more than one-third of crop sales for blacks in the South is of significantly greater importance to blacks in the major tobacco producing states of North Carolina, South Carolina, and Virginia. In Alabama, Georgia, and Tennessee, tobacco accounts for about the same percent of sales on black and all farms. Grains, which account for nearly one-half of total crop sales in the South, is typically of lesser importance to black farms. Cotton, the third most significant crop in the South is overall of nearly equal importance. In Arkansas, and Tennessee, however, cotton accounts for twice as large a percentage of sales on black farms; in Texas, cotton is twice as important for all farms.

Vegetables, and fruits, nuts and berries are relatively minor crops overall in the South, although especially important in some areas. While the relative significance of vegetables shows a mixed pattern, black farms are much less dependent on sales of fruits, nuts and berries compared to all farms.

The contribution of crop selection to an explanation of relative farm incomes is not very clear. Each of several hypotheses has both support and damaging evidence. Louisiana, Arkansas, and Texas, for example are states where black incomes are low relative to all farms and also where grains sales contribute much more to all farms sales.

Virginia and Tennessee, however, have the same pattern with respect to grain sales but are states where relative black farm incomes are highest. A better handle on the variation in crop selection between black and all farms in the same county (see Appendix B) might reveal more about the contribution of this factor to relative incomes.

## 2.5 Personal Characteristics of Black Farm Operators

There are some significant differences in the personal characteristics of black and all farm operators. Black operators are a) on the average, older, although the age differential varies across the South and North Central regions; b) more likely to report farming as their major occupation in the South, but less likely in the North Central; and c) less likely to spend a large number of days in off-farm work in the South, but more likely in the North Central region.

The average black farm operator is older than the average farmer in every area selected. In both the South and the North Central regions, the age differential is around five years. A major contributing factor to the higher average age is the fact that one-third of all black operators, compared to one-fifth of all Southern operators are 65 years of age or older.

The age structure is closely correlated with a number of other characteristics including size of operation, tenancy, and, most importantly, farm income.

In four of the five Southern states in which relative black farm incomes are lowest--Texas, Arkansas, Mississippi, and South Carolina-- 15 to 20 percent more blacks are age 65 and over. The three Southern states with the most similar age distribution--Georgia, North Carolina, and Virginia--are states where black farm incomes are relatively close to the all farm average.

Black farm operators are more likely to report farming as their major occupation in all areas except Texas and the North Central region. In addition, while blacks in the South are more likely to report some

off-farm work, they are much less likely to work as many as 100 days. In the North Central region, however, blacks are less likely to report off-farm work but more likely to work as many as 200 days off the farm.

Black farms, as noted above, have low average sales and are much more likely to have sales under \$10,000. Small size in terms of sales, however, typically mean fewer operators report farming as their major occupation and more report working as many as 200 days off the farm-- in other words, farming is largely a part-time activity for this group of farmers. For all U.S. farms with sales under \$10,000 less than 40 percent of the operators reported farming as their major occupation, compared with nearly 60 percent for blacks in the South, 87 percent of whom reported under \$10,000 of sales. Of those farms reporting some off-farm work, some 16 percent of black operators reported less than 50 days and 52 percent reported 200 or more, compared with 8 percent and 73 percent for all farms with sales under \$10,000.<sup>8</sup> In these two respects, black farms in the South, though small in terms of sales, do not resemble the typical smaller farm, but rather show a greater dependence on farming. However, in the North Central region, black farms do fit the typical smaller farm pattern. The differences for the South are likely explained by the higher average age. Older farmers are more likely to report farming and less likely to work a large number of days off the farm.<sup>9</sup> In some cases, however, there may be serious limits on how much off-farm income can be earned.<sup>10</sup> Whether the limits relate to lack of non-farm employment, age, lack of education, discrimination, or other reasons, the limitations suggest that those operators who face serious constraints might be better off if encouraged to maximize farm incomes and not rely more heavily on off-farm work. By way of comparison,

the mean income of blacks in nonmetropolitan area in 1974 was only \$7,491. Only in Tennessee did black farm operators fail to exceed that level. Moreover, with the exception of blacks in Mississippi and Tennessee, the average black operator had an income exceeding all but one-third of the nonmetropolitan blacks.<sup>11</sup>

## 2.6 Farm Debt of Farms Operated by Blacks

The data in Table 2.8 indicate that compared with all farms with sales of \$2,500 or more, those operated by blacks are a) only slightly less likely to report some debt as all farms, b) report much smaller average debt, especially in the South, and c) have lower debt to asset and debt to income ratios. The data in Table 2.8 have been calculated as averages for all farms with sales of \$2,500 or more and not just for farms reporting debt.

Looking at the percentages reporting debt shows that while blacks are less likely to report debt, there are not major differences except in the state of Texas. However, the average size of debt reported is, in all states, considerably less. In Louisiana, Mississippi, South Carolina and Texas, states where average black incomes are relatively low, the average debt for black farms was only one-fifth that for all farms. Only in North Carolina and Tennessee, states with high relatively black incomes was the average debt for black farms more than one-third that for all farms. In the North Central region, where relative incomes were higher, and most other characteristics more similar, the average debt on black farms was 60 percent that of all farms.

The average black farm has a lower debt burden as measured by the total debt to total asset ratio and the secured debt to value of land and building ratio. In all states in the South, blacks show lower debt burdens than the average farm. While for the South as a whole total debt represents 8 percent of the total asset value, the highest average for blacks was in Arkansas, where total debt was only 6 percent of total assets. Debt secured by real estate represented 6 percent of the value of land and buildings for all farms in the South, but only in Arkansas,

where the ratio was 4.3 percent, did debt account for more than 4 percent of land and buildings on black operated farms. In the North Central region, the debt to asset ratios for blacks were higher than any place in the South and not much below the ratios for all farms in the North Central area.

The debt to income ratios also uniformly show blacks with debt burdens considerably less than those for all farms. For all farms in the South, the total debt to income ratios for all farms are both almost three times larger than the ratios for blacks.

The lower debt to asset and debt to income ratios are likely related to the smaller sales of black farms and the older age of black operators. Nationally the value of sales is directly related, and age inversely related, to the size of debt as a percent of income and assets.<sup>12</sup> In fact, for the South as a whole, the ratio of total debt to total assets for blacks is 4.4 percent which compares with a ratio of 4.2 percent for all farmers in the U.S. age 65 or more. However, given the age structure of black operators it would appear blacks have less debt than would be predicted using national debt ratios by age. In addition, while it is true that debt to asset ratios are lower for farms with lower sales, black operators, especially in the South have debt ratios below the U.S. average for farms with sales under \$10,000. The same pattern holds when debt to income is compared.<sup>13</sup>

In summary, black debt is relatively low in comparison with all farms in the several states even when age, value of sales, and other characteristics are considered. Whether this pattern reflects conservative or risk-adverse financial decision-making or is related to the

availability or terms for credit is not clear. It is also possible that the low debt may reflect limited expansion and acquisition of new land either because of personal limitations such as age and wealth, or because of difficulties related to discrimination.



## 2.7 Tenure Patterns for Farms Operated by Blacks

The tenure patterns for black operated farms shown in Table 2.7 suggest that: a) Blacks are more likely to be full-owners and less likely to be part-owners than the typical farm, but with only a few exceptions, the tenure patterns of blacks are reasonably close to those for all farms; and b) The states where the differences are largest are also some of the states where relative incomes are largest.

The national trends show an increasing portion of agricultural land is operated by part-owners, that is those who operated both land they own and land under some form of rental or share agreement.<sup>12</sup> To a significant extent, blacks have not followed this pattern. As the data in Table 2.7 indicates, blacks are less likely to be part-owners and much more likely to be full-owners. While the differences are not large in terms of the number of farms, the differences are more significant in terms of land operated. In the South, black full-owners operated 60 percent of the land operated by blacks compared to 42 percent for all farms. While part-owners operated 45 percent of all land in the South, black part-owners account for only 30 percent of all black operated land.

The tenure patterns are reflective of the small sales on black farms. Only 13 percent of all farms with sales under \$10,000 are part-owners, a percentage which increases directly with sales. The fact that 87 percent of all black farms in the South had sales under \$10,000 helps explain why less than 12 percent were part-owners compared with 27 percent of all farms. The older age of black operators also is a contributing factor. Nationally, 80 percent of all farmers over age 65 and 66 percent of those ages 55-64 are full owners.<sup>13</sup> Given that the average age of black operators

is 58 years, it is not surprising that 70 percent of all blacks are full-owners.

The tenure patterns for blacks in the South, however, are reasonably close to the patterns for all farms in most states. In Texas, Mississippi, and Louisiana, however, significantly larger percentages of blacks were full-owners and smaller percentages were part-owners. As these are also states where relative black incomes are lowest, it suggests that perhaps the relatively poorer access to lands available for rent may be a contributing factor to income differences. It is also true that in Texas and Mississippi, the average age of black operators is 60 years, and in both states 40 percent of all black operators are 65 years of age or more. The relatively higher age of black operators no doubt accounts for some of the differences in these states as older operators are more likely to be full-owners.

## 2.8 Changes From 1969 to 1974 For Farms Operated by Blacks

Comparing the number of black operated farms and land in farms by tenure and value of sales shown in Table 2-9 with all farms leads to the following conclusions: a) Overall, the number of black-operated farms decreased by almost 40 percent, compared to a 10 percent decrease for all farms. Black controlled land dropped by 35 percent while all land in farms rose by almost 2 percent. The changes for blacks in the South were twice as great as for blacks in the North Central; b) The decline in farms and land in farms was twice as great for Southern black tenants as for part-owners and full-owners, although in each category Southern black farms declined nearly twice as fast as all farms; c) The number of black operated farms with sales under \$2,500 fell by nearly one-half in the South, compared to a drop of one-fourth for all farms; d) While only operations with sales of \$40,000 or more increased for all farms in the South, Southern black farms showed increases in all sales categories of \$10,000 or more; and e) The change for blacks in the North Central were less severe than for their Southern counterparts and more closely parallel those for all farms.

Between 1969 and 1974 the number of black operated farms in the U.S. fell by 34,500, a decline of 40 percent, while land controlled by blacks fell by nearly 2 1/2 million acres, or 35 percent. Most of the declines occurred in the 10 Southern states most important to blacks. Only in Tennessee, where the number of black farms fell by one-fourth, and in Virginia, where the number fell by 18 percent, was the decline less than 40 percent. Even in these states, however, the number of black farms decreased 70 to 80 percent more than all farms. In the other states the decline for blacks was no less than twice as great and as much as 4

times as great. Only in Virginia did blacks lose less than one-fourth of the land controlled in 1969, although black land decreased 3 times as fast as all farm land in that state. In other states black land dropped at a rate 3 to 7 times as fast as for all farms.

Compared to blacks in the South, blacks in the North Central lost land and farms at a much slower rate, although there were 20 percent fewer farms and 19 percent less land in 1974 operated by blacks, and black farms disappeared 2 1/2 times as fast as all farms in the North Central. Moreover, the 19 percent decline for black farm land is in contrast to a less than 1 percent drop for all farms. Once again, blacks in the North Central are seen to have an advantage relative to blacks in the South but a disadvantage relative to all farms in the North Central area.

The greatest declines in the number of black farms occurred in the tenant classification. There were only one-third as many black tenant farms in the South in 1974 as in 1969. In the states showing the smallest decrease in these number of black tenant farms--Tennessee and Virginia--the declines were only just under 50 percent. While tenant farms for the South as a whole were especially vulnerable, showing a drop of nearly one-third, black tenant farms were even more vulnerable, declining at twice the rate for all farms in nearly every Southern state. These changes from 1969 to 1974 parallel similar changes in black farms from 1954 to 1969.<sup>14</sup> If anything, the rate of decline for blacks has increased.

The drop in black full-owner and part-owner farms in the South, while less dramatic than the decline of tenants, still represented a loss of 30 to 40 percent of all black farms in the South. Black full-owner farms fell by 30 to 40 percent in nearly every state, with only

Tennessee and Virginia as exceptions, Black part-owner farms fell by 30 to 40 percent in all but four Southern states. In Virginia the decline was only 10 percent; but in Alabama, Mississippi, and Texas, there were only one-half as many part-owner farms in 1974 as in 1969. In most cases the declines in the number of black farms were at least 2 to 3 times as large as for all farms.

The declines in land controlled by tenure parallel the drop in the number of farms. However, the percentage of land lost by tenants was typically 20 percent less than the drop in the number of tenants. While this change resulted in an increase in the size of black tenant farms, the average size in 1974 was still only 80 acres, suggesting many of these farms may remain vulnerable to future changes.

Following the standard pattern, black farms in the North Central show much smaller percentage changes in each category compared to blacks in the South.

Black farms experienced greater declines than all farms in the part-owner and full-owner categories in the North Central, but almost identical changes in tenant farms.

While black farms were more heavily concentrated in the tenant classification where farms seem to be more vulnerable to change, the distribution by tenure explains only half the more rapid decline in the number of black farms. Given the distribution of Southern black farms in 1969, there would have been over 67,000 black farms in 1974, not 51,000, if black farms had declined at the same rate as all farms in each tenant class. In other words, while the decline for blacks would have been almost twice the rate for all farms--21 versus 13 percent--because of the greater concentration in full-owner and tenant farms, this is only half the actual drop of 40 percent.

Black operated farms with sales under \$2,500 fell by 45 to 55 percent between 1969 and 1974 in all Southern states except Texas and Virginia. By contrast, the total number of farms with sales under \$2,500 fell by one-fourth in the South. In all states the declines for black operated farms were significantly larger. Similarly, there were drops of one-third to one-half for black farms with sales of \$2,500 to \$9,999, again, rates above those for all farms. For several states-- Georgia, South Carolina, Tennessee, and Virginia--the number of black farms increased in every sales category with at least \$10,000 in sales. For Georgia and Virginia, the changes reflect significant gains in the proportion of black farms with sales of \$20,000 or more, something also true in North Carolina. For South Carolina and Tennessee, however, the large percentage increases reflect small numbers. In both of these states less than 5 percent of all black farms in 1974 had sales of \$20,000 or more. In Alabama, Mississippi, and Texas, where increases in the number of black farms with sales of \$20,000 or more were quite small, nearly 80 percent of all black farms in 1974 had sales of \$2,500 or less. In these states especially, but generally for the South, there was only a little improvement in the overall distribution of black farms by value of sales especially relative to all farms.

The fact that black farms are quite concentrated in the categories with low farm sales helps explain about half the declines between 1969 and 1974. If Southern black farms had declined at the same rate as all farms in each sales category the drop for blacks would have been 22 percent, compared to the actual drop of 40 percent. Most of this difference is attributable to the fact that black farms with sales under \$5,000 declined by one-half compared to one-fourth for all farms.

While it is difficult to know how to interpret all the changes by value of sales because of the difference in farm prices in the two census years, it does appear that most of the declines for blacks are accounted for by farms with sales under \$10,000 and especially by farms with sales under \$2,500. Moreover, while there were healthy percentage increases in the number of black farms with sales of \$20,000 or more, the changes were on a very small base, so that the changing distribution still leaves a wide gap between black farms and all farms.

While the older age of black operators appears to correlate well with a number of characteristics of black farms, it does not explain much of the decline in the number of black farms. Black farms fell at more than twice the rate for all farms in each age group.

The data in Table 2.10 contain several measures of the relative status of black and all farms in both 1969 and 1974. With a few exceptions, each of these indicators reveal very little change in the relative status of black farms in the South, despite some improvements in the distribution of farms by sales. That is, while black farms with low farm sales fell faster and black farms with sales of \$20,000 or more had greater percentage increases, the relative status of blacks remained in 1974 about the same as it was in 1969. In 5 states, blacks made a gain relative to all farms in farm incomes, while relative declines in status were observed for the other 5 states.

There appears to be a rather close relationship between relative farm income and relative returns on farm assets. Excluding Mississippi where there was little change in either measure, only for North Carolina and Tennessee do the measures move in opposite directions.

The index of integration was calculated for all farms meeting the 1959 definition of a farm and is presented to show disparities when the total range of farms are examined. Income data needed for the other two measures is available only for farms with sales of \$2,500 or more. The index measures the extent to which the distribution of blacks across value of sales classes is similar to that for all farms. A value of 100% would indicate perfectly similar distributions.<sup>15</sup> The index is everywhere higher than the relative farm incomes since it gives equal weight to differences in any category whereas for relative incomes, higher weight is attached to differences in the higher incomes. The overall conclusion based on this index is that the distribution of black farms by sales categories made little improvement in 4 states, but either remained the same or was worse in the remainder. In no state was there much change.



## 2.9 Summary and Conclusions for Black Farm Operators

The major findings and conclusions from the preceding analysis of the status of black farms and black farm operators are:

- The average black farm operator has much lower total income and farm and farm related income than the average farmer. Moreover, a larger number of black operators had sales of less than \$2,500 and were thus omitted from the income data. A larger percentage were affected by the 1974 change in the definition of a farm and are no longer even counted as farm operators.
- Despite the low farm income and high concentration of black farms in the groups with sales less than \$20,000, the typical black operator appears to be heavily dependent on farm and farm-related income. The proportion of black operators reporting off-farm income is lower than for all operators, and lower than expected. While 95 percent of all black farms in the South had sales of \$20,000 or more, off-farm income represented only one-third of the total income for the average black operator, compared to two-thirds for all U.S. farms with sales under \$20,000. In addition, Southern blacks are more likely to report farming as their major occupation and less likely to report working as many as 100 days off the farm, which also suggest a greater dependence on farm income.
- Compared with their Southern counterparts, black farmers in the North Central more nearly resemble the typical profile of a small farmer: low farm income together with significant off-farm employment. Fewer blacks in the North Central report farming as their principal occupation and relatively more work 100 or more days off the farm. Blacks in the North Central have higher total incomes and higher farm and farm-related incomes than blacks in the South. Compared to the average farm, however, blacks are equally disadvantaged in both the South and the North Central regions.
- In the South, the typical black farm is engaged in different enterprise than the average farm. Blacks are overall more dependent on crop sales and less dependent on livestock and poultry. In none of the states where poultry constitutes a significant fraction of gross sales for all farms was it important for blacks. Among crops, tobacco appears to be much more significant for blacks than all farms.
- Blacks are more heavily concentrated in full owner and tenant categories than all farms, although the importance of tenant farming has declined dramatically. Fewer blacks are part owners, the category where the most successful farms tend to be.

- The average black farmer is older than the average farmer, in some states by as much as 6 years. One-third of all black operators are age 65 or older, compared with only one-fifth of all farmers. Considerably fewer blacks are in the younger age brackets.
- The average black farm has a lower debt burden than the average farm. While age may be a factor the debt is lower than expected even when age, tenure, and other characteristics are considered. Whether this reflects risk aversion, less access to credit, or limited expansion opportunities is not clear.
- While each of the above are generally true for all areas where black farms exist in significant numbers--and especially in the South--there is some variation in the relative status of blacks across the 10 Southern states which contain over 90 percent of all black farms. Blacks are most disadvantaged in terms of relative farm incomes in Arkansas, Louisiana, Mississippi, South Carolina, and Texas. Moreover, 3 of the states where blacks have a smaller relative disadvantage -- Alabama, Tennessee, and Virginia -- are states where the average farm income for blacks is very low in absolute terms.
- Between 1969 and 1974 the number of black farms decreased by 40 percent while land in black farms in 1974 was 2½ million acres less than in 1969, a drop of 35 percent. Moreover, the number of black farms fell much faster than the number of all farms in each tenure class and in each sales class with sales under \$10,000. Despite the loss of nearly half of all black farms with sales under \$5,000, it doesn't appear that blacks have made much of an improvement in economic status relative to all farms. As measured by relative incomes, relative returns to assets, and the index of integration, the relative status of black farms has made a marginal improvement in a few states, but has worsened in others.
- The major explanation for the low farm income of black operators appears to be limited resources, principally land. The value of land and buildings per acre and the value of total assets per acre are both typically greater for black farms. By two measures of efficiency -- net farm and farm-related income per acre and per dollar of asset -- black farms are of equal or greater efficiency. However, overall, as well as in each tenure class, the average size of black farms in acres is considerably smaller than for all farms. While black operators appear to do well with the resources they control, the small quantity of resources controlled places a serious upper limit on farm incomes. <sup>16</sup>
- While limited farm resources limit farm incomes, there is some reason to question the general availability or suitability of non farm employment as an alternative. Explanations for the

fact that blacks report less off farm work and less dependence on off farm income could include personal preferences for farm work and farm income; personal handicaps, such as age or lack of significant off farm skills and experience; or the fact that much of the recent industrial growth in the non-metropolitan South has been outside the areas with heavy concentrations of blacks.<sup>17</sup> The extent to which these possibilities explain the differences is not clear.

- Finally, the relatively advanced age of black operators, the greater concentrations in full owner farms, and the small size of farm assets controlled by blacks are all obviously contributing factors to the lower incomes of black farms. Each of these also raise some serious questions about the long run survival rate of black farms and suggest the equity base of blacks in the rural South will likely continue to fall.<sup>18</sup> However, each of these factors also raise many unanswered questions: Why is the average age of black operators so high? Why are few young blacks entering farming? What will happen to black owned land if the number of black farmers continues to fall? Given that size of farm was seen as the major limit on farm incomes, what is the relative importance of age, low wealth, and lack of access to land and credit in explaining the small size of black farms? Why are so many black farmers full owners when the trends are for expansion of size through control by rent or lease? While the answers to these questions are beyond the scope of this report, the answers are essential to a full understanding of the reasons for and the consequences of the differences in status and survival of black farms.

TABLE 2.1 : Selected Characteristics of Farms<sup>a</sup>  
Operated by Blacks, 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
Number of Farms	Number	52,917	1,226	51,211
Land in Farms	Acres	4,623,430	231,467	4,339,317
Avg. Size of Farm	Acres/Farm	87	189	85
Value of Land and Buildings	\$1,000	2,230,850	96,499	2,099,054
Avg. Value of Land and Buildings	\$/Farm	42,158	78,710	40,989
Value of Machinery and Equipment	\$1,000	442,381	19,380	417,041
Avg. Value of Machinery and Equipment <sup>b</sup>	\$/Farm	9,170	16,779	8,940

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Notes: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

<sup>b</sup> Average value for farms reporting value of machinery and equipment

TABLE 2.1 : Selected Characteristics of Farms<sup>a</sup>  
Operated by Blacks - 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
Number of Farms	Number	4,659	2,062	3,223	3,120	9,606	8,339	5,388
Land in Farms	Acres	415,908	203,004	417,345	218,007	871,522	507,747	334,976
Avg. Size of Farm	Acres/Farm	89	98	129	70	91	61	62
Value of Land and Buildings	\$1,000	159,319	95,315	180,121	126,823	335,873	310,925	181,814
Avg. Value of Land and Buildings	\$/Farm	34,196	46,225	55,886	40,648	34,965	37,286	33,745
Value of Machinery and Equipment	\$1,000	33,612	20,397	31,946	28,207	70,778	68,717	45,760
Avg. Value of Machinery and Equipment <sup>b</sup>	\$/Farm	7,605	10,925	10,840	9,637	7,815	9,822	9,040

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Notes: <sup>a</sup> Data in this table are based on the 1959 definition of a farm.

<sup>b</sup> Average value of machinery and equipment for farms reporting value.

TABLE 2.1: Selected Characteristics of Farms<sup>a</sup>  
Operated by Blacks, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
Number of Farms	Number	2,771	4,018	4,475
Land in Farms	Acres	217,171	478,412	364,650
Avg. Size of Farm	Acres/Farm	78	119	81
Value of Land and Buildings	\$1,000	111,942	214,044	194,303
Avg. Value of Land and Buildings	\$/Farm	40,398	53,271	43,420
Value of Machinery and Equipment	\$1,000	22,157	27,567	38,133
Avg. Value of Machinery and Equipment <sup>b</sup>	\$/Farm	8,916	7,434	9,630

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Notes: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

<sup>b</sup>Average value for farms reporting value of machinery and equipment.

TABLE 2.2 : Income by Source for Black Operated Farms  
with Sales of \$2,500 or More, 1974

ITEM	UNIT	TOTAL U.S.	NORTH CENTRAL	SOUTH
Net Farm Income	\$1,000	120,439	6,136	111,594
Net Farm-Related % Reporting Farm-related	\$1,000 %	5,749 54.7	223 33.6	6,665 54.1
Off-Farm Income % Reporting	\$1,000 %	74,410 45.7	3,488 55.2	68,899 45.1
Net Income, All Sources	\$/Farm	9,913	14,502	9,673
Net Farm Income	\$/Farm	5,952	9,037	5,768
Net Farm-related	\$/Farm	284	328	344
Net off-farm	\$/Farm	3,677	5,137	3,561

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

TABLE 2.2 : Income by Source for Black Operated Farms  
With sales of \$2,500 or More - 1974

ITEM	UNIT	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
Net Farm Income	\$1,000	3,458	4,667	11,296	10,473	7,361	36,107	11,289
Net Farm-Related	\$1,000	324	645	612	381	837	1,480	792
% Reporting Farm-Related	%	73.3	50.1	37.0	50.6	70.2	28.6	40
Off-Farm Income	\$1,000	4,419	2,942	5,959	2,994	7,198	13,830	8,187
% Reporting	%	49.3	46.1	44.0	39.3	42.7	41.5	46
Net Income, All Sources	\$/Farm	8,552	8,734	10,749	14,986	7,556	10,049	9,430
Net Farm Income	\$/Farm	3,606	4,938	6,796	11,334	3,613	7,057	5,253
Net Farm-Related	\$/Farm	338	683	368	412	410	289	368
Net Off-Farm	\$/Farm	4,608	3,113	3,585	3,240	3,533	2,703	3,809

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture



TABLE 2.2: Income by Source for Black Operated Farms  
With Sales of \$2,500 or More, 1974

ITEM	UNIT	TENNESSEE	TEXAS	VIRGINIA
Net Farm Income	\$1,000	3,189	2,575	12,541
Net Farm-Related	\$1,000	422	349	703
% Reporting Farm-Related	%	57.6	79.2	35.2
Off-Farm Income	\$1,000	3,212	3,961	8,595
% Reporting	%	45.5	53.0	48.1
Net Income, All Sources	\$/Farm	7,281	9,963	9,373
Net Farm Income	\$/Farm	3,403	3,726	5,382
Net Farm-Related	\$/Farm	450	505	302
Net Off-Farm	\$/Farm	3,428	5,732	3,689

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

TABLE 2.3 : Value of Sales for Farms<sup>a</sup>  
Operated by Blacks, 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
Value of Products Sold	\$1,000	328,100	16,665	305,488
Avg. Value of Products Sold	\$/Farm	6,200	13,593	5,965
Farms by Value of Sales				
Under \$1,000 of Sales	%	39.4	26.1	39.7
Under \$2,500 of Sales	%	62.7	47.0	63.1
\$2,500 - \$4,999	%	12.9	12.5	12.9
\$5,000 - \$9,999	%	11.4	14.4	11.4
\$10,000 - \$19,999	%	6.7	7.8	6.6
\$20,000 - \$39,999	%	3.7	9.0	3.6
\$40,000 - \$99,999	%	1.9	7.0	1.8
\$100,000 and over	%	0.7	2.2	0.6

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 2,3 : Value of Sales for Farms<sup>a</sup>  
Operated by Blacks - 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
Value of Products Sold	\$1,000	13,622	15,647	34,346	22,520	28,174	80,974	31,101
Avg. Value of Products Sold	\$/Farm	2,924	7,588	10,657	7,218	2,933	9,710	5,772
Farms by Value of Sales								
Under \$1,000 of Sales	%	54.8	34.3	30.9	48.3	54.8	21.5	34.5
Under \$2,500 of Sales	%	80.1	56.6	49.0	71.6	80.0	39.1	61.0
\$2,500 - \$4,999	%	7.8	17.2	13.7	10.2	9.8	16.7	14.3
\$5,000 - \$9,999	%	6.7	13.3	14.2	7.3	6.0	18.9	12.6
\$10,000 - \$19,999	%	2.9	5.5	11.2	5.0	2.2	12.7	7.4
\$20,000 - \$39,999	%	1.4	3.9	6.8	2.4	1.1	8.2	2.7
\$40,000 - \$99,999	%	0.8	2.3	3.6	2.2	0.5	3.6	1.4
\$100,000 and over	%	0.4	1.1	1.5	1.2	0.3	0.7	0.5

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 2.3: Value of Sales for Farms<sup>a</sup>  
Operated by Blacks, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
Value of Products Sold	\$1,000	11,670	13,709	31,292
Avg. Value of Products Sold	\$/Farm	4,212	3,412	6,993
Farms by Value of Sales	%			
Under \$1,000 of Sales	%	40.4	56.5	26.6
Under \$2,000 of Sales:	%	67.5	83.7	48.3
\$2,500 - \$4,999	%	14.3	7.3	17.9
\$5,000 - \$9,999	%	9.3	4.6	16.8
\$10,000 - \$19,999	%	5.9	1.9	9.3
\$20,000 - \$39,999	%	1.7	1.2	5.2
\$40,000 - \$99,999	%	1.0	0.8	1.9
\$100,000 and over	%	0.3	0.5	0.6

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 2.4 : Farms<sup>a</sup> and Sales by Major Products Sold,  
Farms Operated by Blacks - 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
% of Farms Reporting Sales of				
Crops, Hay	% of all farms	64.2	61.0	64.4
Nursery, Greenhouse	% of all farms	0.2	0.8	0.2
Forest Products	% of all farms	3.0	1.5	3.0
Livestock	% of all farms	50.9	62.9	50.6
Poultry	% of all farms	3.6	4.8	3.6
% of Sales Resulting From				
Crops, Hay	% of total sales	75.6	55.1	77.1
Nursery, Greenhouse	% of total sales	0.5	0.2	0.4
Forest Products	% of total sales	0.7	0.1	0.8
Livestock	% of total sales	18.2	43.1	16.6
Poultry	% of total sales	4.9	1.4	5.2

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture

Notes: <sup>a</sup> Data in this table are based on the 1959 definition of a farm.

<sup>b</sup> Percentage does not add to 100% because of disclosure problems.

TABLE 2.4 : Farms<sup>a</sup> and Sales by Major Products Sold,  
Farms Operated by Blacks - 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
% of Farms Reporting Sales of								
Crops, Hay	% of all farms	51.0	71.2	71.8	54.1	50.3	85.8	82.4
Nursery, Greenhouse	% of all farms	0.2	0.0	0.2	0.4	0.2	0.1	0.1
Forest Products	% of all farms	3.9	2.7	4.9	2.3	4.8	1.9	2.2
Livestock	% of all farms	61.3	34.9	58.6	49.7	57.9	94.9	39.5
Poultry	% of all farms	3.7	3.0	3.2	4.2	5.2	2.7	2.3
% of Sales Resulting From								
Crops, Hay	% of total sales	57.6	87.7	74.5	83.6	64.8	85.4	84.5
Nursery, Greenhouse	% of total sales	0.1	—	0.1	0.3	0.1	—	0.1
Forest Products	% of total sales	3.1	0.2	1.5	0.1	1.0	0.4	0.9
Livestock	% of total sales	33.4	5.7	15.6	14.4	26.2	9.8	8.9
Poultry	% of total sales	5.9	6.3	8.3	1.6	8.0	4.4	5.6

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table are based on the 1959 definition of a farm.

TABLE 2.4 : Farms<sup>a</sup> and Sales by Major Products Sold,  
Farms Operated by Blacks, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
% of Farms Reporting Sales of				
Crops, Hay	% of All Farms	68.0	21.5	80.2
Nursery, Greenhouse	"	0.1	0.2	0.1
Forest Products	"	1.3	2.4	3.2
Livestock	"	53.8	74.6	39.6
Poultry	"	3.8	4.0	3.1
% of Sales Resulting From				
Crops, Hay	% of Total Sales	73.4	47.1 <sup>b</sup>	83.3
Nursery, Greenhouse	"	--	D	0.1
Forest Products	"	0.2	D	0.8
Livestock	"	26.1	44.7	12.4
Poultry	"	0.2	7.2	3.4

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture

Notes: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

<sup>b</sup>Percentage does not add to 100% because of disclosure problems.

TABLE 2.5 : Farms and Sales for Major Crops, Farms with Sales of \$2,500 or More, Black Farm Operators - 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
% Reporting Sales of	% of farms w/sales of \$2,500 +			
Grains	"	59.6	68.7	59.8
Tobacco	"	40.6	1.7	42.4
Cotton, Cottonseed	"	18.5	4.2	19.0
Field Seeds, Hay, Silage	"	6.8	16.2	6.3
Other Field Crops	"	15.1	1.0	15.7
Vegetables, Sweet Corn, Melons	"	8.1	1.6	8.3
Fruits, Nuts, Berries	"	1.2	2.6	0.9
% of Crop Sales Resulting From				
Grains		37.3	85.2	35.7
Tobacco		33.8	0.3	35.6
Cotton, Cottonseed		10.5	2.2	10.5
Field Seeds, Hay Silage		1.6	5.9	1.2
Other Field Crops		12.6	3.7	13.1
Vegetables, Sweet Corn, Melons		2.9	0.4	2.9
Fruits, Nuts, Berries		1.3	2.2	0.9

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture



TABLE 2.5 : Farms and Sales for Major Crops, Farms with Sales of \$2,500 or More, Operated by Blacks - 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
% Reporting Sales of	% of farms w/sales of \$2,500 +							
Grains	"	43.9	81.6	72.1	49.2	51.1	64.6	77.6
Tobacco	"	0.8	—	26.7	1.2	—	78.3	57.8
Cotton, Cottonseed	"	30.6	67.3	19.7	36.5	51.3	4.6	14.8
Field Seeds, Hay, Silage	"	8.0	2.6	5.6	5.7	8.2	3.1	4.4
Other Field Crops	"	21.7	2.6	40.9	25.3	6.4	18.5	7.3
Vegetables, Sweet Corn, Melons	"	13.8	6.7	13.4	9.8	8.1	6.7	10.4
Fruits, Nuts, Berries	"	0.7	0.6	2.2	1.0	1.0	0.5	0.7
% of Crop Sales Resulting From								
Grains		37.3 <sup>a</sup>	61.0	38.6	39.8 <sup>a</sup>	50.9	22.4 <sup>a</sup>	36.3
Tobacco		0.9	—	19.1	0.2	—	66.6	47.8
Cotton, Cottonseed		31.2	37.2	8.8	9.3	42.6	1.3	8.0
Field Seeds, Hay Silage		D	0.6	1.1	0.9	1.5	0.5	0.5
Other Field Crops		25.1	0.5	26.2	46.8	2.1	8.1	2.2
Vegetables, Sweet Corn, Melons		5.5	0.4	3.3	3.1	2.4	1.0	3.2
Fruits, Nuts, Berries		D	0.3	2.9	D	0.4	D	1.9

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Notes: <sup>a</sup> Percentage exclude sales in categories where disclosure problems preclude reporting

TABLE 2.5: Farms and Sales for Major Crops, Farms with Sales of \$2,500 or More, Operated by Blacks, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
% Reporting Sales of	% of Farms With Sales of \$2,500 or More			
Grains	"	49.1	23.0	57.1
Tobacco	"	26.3	-	61.8
Cotton, Cottonseed	"	39.6	99.8	0.2
Field Seeds, Hay, Silage	"	8.9	20.4	6.9
Other Field Crops	"	2.3	7.3	18.5
Vegetables, Sweet Corn, Melons	"	7.8	6.0	5.1
Fruits, Nuts, Berries	"	0.2	0.7	0.6
% of Crop Sales Resulting From				
Grains	"	45.6	71.8	29.0
Tobacco	"	17.5	-	48.7
Cotton, Cottonseed	"	30.3	8.6	0.1
Field Seeds, Hay, Silage	"	2.2	9.9	1.0
Other Field Crops	"	.7	5.6	18.4
Vegetables, Sweet Corn, Melons	"	3.7	3.4	2.7
Fruits, Nuts, Berries	"	-	0.7	0.2

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Percentage exclude sales in categories where disclosure of problems preclude reporting of sales.

TABLE 2.6 : Selected Characteristics of Black Farm<sup>a</sup> Operators - 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
Age				
Average Age	Years	57.7	55.6	57.7
% Under 35 years	%	5.9	8.5	5.9
% 65 years and over	%	33.5	29.5	33.7
Off-Farm Work				
% With No Off-Farm Work	%	45.5	40.0	45.8
% With 100-199 Days	%	11.7	10.8	11.8
% With More Than 200 Days	%	28.4	39.2	27.9
% Reporting Farming as Major Occupation	%	59.1	51.0	59.6

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 2.6 : Selected Characteristics of Black Farm<sup>a</sup> Operators - 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
Age								
Average Age	Years	58.7	57.5	57.1	56.2	59.6	56.2	56.4
% Under 35 years	%	5.2	7.2	6.2	7.1	5.0	6.3	6.3
% 65 years and over	%	35.1	35.9	31.1	29.8	40.0	27.5	35.5
Off-Farm Work								
% With No Off-Farm Work	%	43.0	44.8	50.7	48.0	48.3	50.7	41.8
% With 100-199 Days	%	13.4	13.0	10.5	14.3	11.6	11.4	14.1
% With More Than 200 Days	%	28.9	26.3	27.0	23.4	24.2	23.5	28.3
% Reporting Farming as Major Occupation	%	51.3	64.9	65.7	61.9	59.0	71.0	61.3

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 2.6: Selected Characteristics of Black Farm<sup>a</sup> Operators, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
Age				
Average Age	Years	57.9	60.5	57.1
% Under 35 Years	%	6.6	4.1	6.0
% 65 Years and Over	%	35.4	43.4	32.1
Off-Farm Work				
% With No Off-Farm Work	%	44.1	41.8	44.7
% With 100-199 Days	%	9.8	9.7	10.2
% With More Than 200 Days	%	31.3	34.7	32.4
% Reporting Farming as Major Occupation	%	60.7	37.7	61.7

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 2.7: FARMS AND LAND IN FARMS BY TENURE FOR FARMS<sup>a</sup>  
OPERATED BY BLACKS, 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH	ALABAMA	ARKANSAS	GEORGIA
Farms by Tenure	% all farms	69.8	64.5	69.9	69.0	62.0	67.1
Full-owners	"						
Part-owners	"	18.5	22.9	18.5	17.1	24.4	20.1
Tenants	"	11.6	12.6	11.6	13.9	13.5	12.8
Land in Farms by Tenure	% total land						
Full-owners	"	57.8	37.3	58.9	65.9	37.4	54.9
Part-owners	"	31.0	46.0	30.2	24.8	45.7	30.6
Tenants	"	12.3	16.7	10.9	9.3	16.9	14.5

SOURCE: Unpublished tabulations by Race of Operator from the  
1974 Census of Agriculture.

NOTE: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 2.7: FARMS AND LAND IN FARMS BY TENURE FOR FARMS<sup>a</sup>  
OPERATED BY BLACKS, 1974

ITEM	UNITS	LOUISIANA	MISSISSIPPI	NORTH CAROLINA	SOUTH CAROLINA	TENNESSEE	TEXAS	VIRGINIA
Farms by Tenure	% all farms							
Full-owners	"	69.8	80.3	61.5	67.3	71.4	75.6	63.8
Part-owners	"	16.0	12.1	21.8	21.4	16.0	16.3	26.1
Tenants	"	14.3	7.6	16.6	11.3	12.8	8.2	10.1
Land in Farms by Tenure	% total land							
Full-owners	"	53.1	72.2	52.4	54.8	55.0	57.0	56.0
Part-owners	"	31.5	20.4	32.5	35.1	34.5	31.9	37.8
Tenants	"	15.5	7.4	15.1	10.1	10.5	11.1	6.2

SOURCE: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture.

NOTE: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 2.8: Farm Debt for Black Operated Farms with Sales of \$2,500 or More, 1974

ITEM	UNITS	TENNESSEE	TEXAS	VIRGINIA
% of Farms with Debt	% of Farms With Sales of \$2,500 or More	29.1	24.6	20.1
Average Debt, All Types	\$/Farm	4,650	4,307	2,364
Debt Secured by Real Estate % Reporting	% of Farms With Sales of \$2,500 or More	19.4	15.8	13.9
Average Secured Debt	\$/Farm	3038	2,145	1,655
Debt Not Secured by Real Estate % Reporting	% of Farms With Sales of \$2,500 or More	15.9	14.2	10.7
Average Unsecured Debt	\$/Farm	1612	2,162	709
Debt to Asset Ratios				
Total Debt/Total Assets		.050	.025	.034
Secured Debt/Land & Buildings		.040	.014	.029
Debt to Income Ratios				
Total Debt/Total Income		.64	.43	.25
Total Debt/Farm and Farm-Related Income		1.21	1.02	0.42

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture



TABLE 2.8: Farm Debt for Black Operated Farms with Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH
% of Farms with Debt	% of farms w/sales of \$2,500 +	27.2	38.3	26.7
Avg. Debt, All Types	\$/Farm	3,821	11,165	3,438
Debt Secured by Real Estate				
% Reporting	% of farms w/sales of \$2,500 +	18.7	26.2	18.3
Avg. Secured Debt	\$/Farm	2,532	7,250	2,258
Debt not Secured by Real Estate				
% Reporting	% of farms w/sales of \$2,500 +	15.2	25.0	20.0
Avg. Unsecured Debt	\$/Farm	1,289	3,913	1,180.
Debt to Asset Ratios				
Total Debt/Total Assets		.056	.078	.044
Secured Debt/Land and Buildings		.038	.062	.035
Debt to Income Ratios				
Total Debt/Total Net Income		.38	.77	.36
Total Debt/Farm and Farm-related Income		.61	1.19	.56

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Notes: <sup>a</sup>Averages based on all farms with sales of \$2,500 or More.

TABLE 2.8 : Farm Debt for Black Operated Farms with Sales of \$2,500 or More, 1974

ITEM	UNITS	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI	N. CAROLINA	S. CAROLINA
% of Farms with Debt of \$2,500 +	% of farms w/sales of \$2,500 +	33.0	39.6	31.0	30.7	33.8	22.0	23.4
Avg. Debt, All Types	\$/Farm	3,702	5,597	4,885	3,596	3,891	2,647	2,478
Debt Secured by Real Estate								
% Reporting	% of farms w/sales of \$2,500 +	19.6	25.5	21.2	20.6	25.6	15.0	16.5
Avg. Secured Debt	\$/Farm	2,200	3,171	3,249	2,267	2,726	1,746	1,737
Debt not Secured by Real Estate								
% Reporting	% of farms w/sales of \$2,500 +	20.4	24.4	16.5	17.7	18.0	11.8	13.0
Avg. Unsecured Debt	\$/Farm	1,502	2,425	1,636	1,329	1,165	901	741
Debt to Asset Ratios								
Total Debt/Total Assets		.042	.061	.051	.038	.045	.045	.037
Secured Debt/Land and Buildings		.031	.043	.040	.030	.038	.037	.033
Debt to Income Ratios								
Total Debt/Total Net Income		.43	.64	.45	.24	.51	.26	.26
Total Debt/Farm and Farm-Related Income		.94	.99	.68	.31	.97	.36	.44

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

TABLE 2.9: CHANGES IN FARMS AND LAND IN FARMS FOR BLACK OPERATED FARMS<sup>a</sup>, 1969-1974

CATEGORY	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH	ALABAMA	ARKANSAS	GEORGIA	LOUISIANA	MISSISSIPPI
CHANGES IN NUMBER OF FARMS									
TOTAL FARMS	Number	-34,454	-307	-34,017	-5,211	-1,711	-2,347	-2,394	-7,576
	%	-39.4	-20.0	-39.9	-52.8	-45.3	-42.1	-43.4	-44.1
BY TENURE <sup>b</sup>	%								
FULL-OWNERS	%	-31.7	-23.5	-31.9	-41.4	-40.6	-37.8	-28.2	-36.8
PART-OWNERS	%	-37.8	-6.0	-38.5	-54.2	-41.4	-33.5	-41.4	-49.8
TENANTS	%	-64.9	-23.4	-65.5	-75.6	-63.4	-63.2	-72.8	-72.6
BY VALUE OF SALES	%								
LESS THAN \$2,500	%	-47.1	-25.8	-47.5	-55.8	-54.0	-54.7	-46.5	-47.1
\$2,500 - \$9,999	%	-34.2	-25.2	-34.5	-41.9	-35.9	-42.2	-48.3	-34.2
\$10,000 - \$19,999	%	+2.2	-38.9	+4.5	-12.6	-37.7	+12.1	-0.6	-11.8
\$20,000 - \$39,999	%	+55.9	0.0	+66.1	-16.7	+17.6	+48.3	-2.6	+25.6
\$40,000 OR MORE	%	+133.8	+132.7	+142.8	+34.3	+112.1	+142.6	+178.9	+27.0
CHANGES IN LAND IN FARMS									
TOTAL LAND IN FARMS	1000 Acres	2,476	-54	-2,315	-333	-140	-256	-138	-524
	%	-34.9	-18.8	-34.8	-44.5	-40.8	-38.0	-38.8	-37.6
BY TENURE	%								
FULL-OWNERS	%	-33.3	-29.2	-33.4	-37.8	-45.4	-43.2	-32.3	-33.7
PART-OWNERS	%	-32.7	-1.9	-32.3	-47.3	-36.9	-27.1	-33.3	-43.3
TENANTS	%	-46.1	-30.6	-46.9	-66.7	-40.2	-36.3	-59.7	-52.6
BY VALUE OF SALES	%								
LESS THAN \$2,500	%	-44.8	-13.6	-45.2	-49.6	-52.3	-58.1	-42.4	-43.0
\$2,500 - \$9,999	%	-46.1	-51.8	-45.4	-50.7	-52.8	-58.8	-58.2	-38.7
\$10,000 - \$19,999	%	-35.6	-65.6	-32.0	-39.4	-55.5	-36.2	-55.3	-50.0
\$20,000 - \$39,999	%	-16.6	-22.0	-13.1	-21.2	-38.4	+3.4	-52.8	+0.2
\$40,000 OR MORE	%	+91.5	+126.4	+116.4	+164.3	+98.5	+155.0	+96.7	+42.5

SOURCE: 1969 Census of Agriculture, Vol. II, Chapter 3;

1974 Census of Agriculture, Vol. II, Part 3 and

NOTES:

<sup>a</sup>Uses 1959 definition of a farm.<sup>b</sup>F

TABLE 2.9 CONTINUED

CATEGORY	UNITS	NORTH CAROLINA	SOUTH CAROLINA	TENNESSEE	TEXAS	VIRGINIA
CHANGES IN NUMBER OF FARMS						
TOTAL FARMS	Number	-4,772	-4,146	-1,356	-2,156	-977
	%	-30.4	-43.5	-25.2	-43.8	-17.9
BY TENURE <sup>b</sup>						
FULL-OWNERS	%	-27.8	-35.2	-18.4	-34.0	-14.9
PART-OWNERS	%	-29.4	-40.0	-36.4	-50.3	-9.5
TENANTS	%	-59.6	-69.8	-47.6	-66.3	-44.2
BY VALUE OF SLAES						
LESS THAN \$2,500	%	-49.2	-53.9	-50.4	-23.9	-35.4
\$ 2,500 - \$ 9,999	%	-41.4	-29.1	-36.0	-34.5	-10.8
\$10,000 - \$19,999	%	-13.2	+45.4	+60.8	-37.9	+63.1
\$20,000 - \$39,999	%	+127.5	+94.6	+42.4	-21.3	+185.2
\$40,000 OR MORE	%	+274.7	+174.5	+200.0	+52.9	+229.4
CHANGES IN LAND IN FARMS						
TOTAL LAND IN FARMS	1000 Acres	-193	-212	-112	-173	-79
	%	-27.5	-38.8	-34.1	-26.5	-17.8
BY TENURE						
FULL-OWNERS	%	-28.8	-40.8	-34.6	-23.7	-19.9
PART-OWNERS	%	-10.7	-30.7	-26.9	-31.4	-11.4
TENANTS	%	-40.0	-49.8	-50.0	-26.9	-31.7
BY VALUE OF SALES						
LESS THAN \$2,500	%	-49.0	-57.4	-48.9	-27.2	-35.6
\$ 2,500 - \$ 9,999	%	-51.8	-42.0	-44.9	-31.4	-28.7
\$10,000 - \$19,999	%	-35.3	-9.8	+3.4	-31.8	-4.9
\$20,000 - \$39,999	%	+70.1	-12.1	+7.4	-65.9	+45.8
\$40,000 OR MORE	%	+280.7	+135.4	+146.0	+97.9	+116.3

TABLE 2.10: MEASURES OF THE RELATIVE<sup>a</sup> SUCCESS OF FARMS OPERATED BY BLACKS IN THE SOUTH, 1969 and 1974

STATE	Relative Farm Income <sup>b</sup>		Relative Returns Per \$ of Asset <sup>c</sup>		Index of Integration <sup>d</sup>	
	1974	1969	1974	1969	1974	1969
Alabama	70%	60%	105%	103%	75%	77%
Arkansas	36	41	77	80	77	76
Georgia	65	52	117	86	82	79
Louisiana	45	51	118	134	78	78
Mississippi	46	44	105	107	79	81
North Carolina	66	70	142	126	89	89
South Carolina	56	62	129	148	82	82
Tennessee	77	64	62	87	88	83
Texas	57	39	92	76	63	65
Virginia	79	84	183	190	91	89

Sources: 1969 Census of Agriculture, state reports; 1974 Census of Agriculture, state reports and unpublished tabulations by race of operator.

Notes: <sup>a</sup>In each case the measure for blacks is compared to that for all farms.

<sup>b</sup>Net farm and farm-related income per farm. Only for farms with sales of \$2,500 or more.

<sup>c</sup>Ratio of net farm and farm-related income per farm and value of land, buildings, machinery, and equipment per farm. Only for farms with sales of \$2,500 or more. For 1974, value of assets for blacks computed based on average size of farms with sales of \$2,500 or more and average value of assets per acre for all farms meeting the 1959 definition of a farm.

<sup>d</sup>Calculated as a measure of similarity in the distribution of farms meeting the 1959 definition of a farm. See [20] for method of calculation. Larger numbers imply more similarity.

## Notes for Section 2 - Blacks

- <sup>1</sup>Income data from [13], Table 35, page 70.
- <sup>2</sup>Characteristics of farms by value of sales is found in [19], Chapter I, Table 31, pages I-68 ff.
- <sup>3</sup>Income data from [13] Table 23, page 39 and Table 24, pages 40-41.
- <sup>4</sup>The unpublished tabulations allowed for the calculation of farm size in acres for black farms with sales of \$2,500 or more, but do not show assets in dollars. The average value per acre for all farms was used to estimate the total values for farms with sales of \$2,500 or more. Comparing all farm averages to averages for farms with sales of \$2,500 or more in the published reports suggest the procedure if anything may underestimate minority assets. The value of land and buildings per acre for all farms meeting the 1959 definition was \$368, but \$346 for those with sales of \$2,500 or more. See [19], Chapter IV and Appendix B.
- <sup>5</sup>Based on [19], Chapter II, Table 33, pages II-49 for all farms and [20], Chapter III, Table 32, pages III-44 and 45 compared with unpublished tabulations by race of operator for blacks.
- <sup>6</sup>Poverty data from [14], Table 8, page 40.
- <sup>7</sup>See [5], page 33.
- <sup>8</sup>Data for all farms with sales under \$10,000 calculated from [19], Chapter I, Table 31, pages I-68 ff.
- <sup>9</sup>See [4].
- <sup>10</sup>See [7], pages 29-33, and [9], page 76.
- <sup>11</sup>Income data from [13], Table 24, pages 40-42.
- <sup>12</sup>See Bruce Hottell and David H. Harrington, "Tenure and Equity Influences On the Income of Farmers" in [12], page 97 ff.
- <sup>13</sup>Statistics on farms with sales under \$10,000 and over 65 years of age calculated from [19], Chapter I, Table 9, page I-6; Table 29, pages I-36 ff; Table 31, pages I-68 ff; and Appendix B. See also [4].
- <sup>14</sup>See [2]; [9], pp.22-23 and [10], Part One, pp 1-28.

- <sup>15</sup>See [22] for a description of the method of calculating the index of integration.
- <sup>16</sup>Salamon suggests that the high returns may reflect a "desperate effort to survive some serious economic pressures by working marginal lands more intensely." He suggests this limits the extent to which good soil conservation practices can be followed and therefore that "short run survival needs are necessitating farming practices that are destructive of long run farm viability." [10], page 23.
- <sup>17</sup>See [7], pp. 74-76.
- <sup>18</sup>Salamon notes: "From the point of view of using black owned land in a minority development strategy, ..., what is important about the current base of black owned land is not only its viability in supporting profitable agricultural endeavors but also its potential as an equity base to generate capital for non-agricultural pursuits as well." [10]. page 15.

### 3. Characteristics of American Indian Farms and Farm Operators

In this section the characteristics of American Indian farm operators and their farms is discussed. In Section 1, based on the national data, several key features were noted: a) American Indian farms are more widely scattered geographically than other minority farms, although still somewhat concentrated in four major areas; b) American Indian farm operations are, on the average, less successful than black farms, although because of higher off-farm earnings the average income of American Indian operators is above that for blacks. If net farm income and farm sales are used to measure size, it can be said that the average American Indian farm is small.

Because of the regional variations in the location of American Indian farms, comparisons of American Indian and all farms across the seven states where relatively larger numbers of American farms are located are necessary to reveal whether these characteristics are true in all areas. Data for all farms in these seven states, comparable to the data for American Indians shown in this section, can be found in Appendix A.

Farms operated by American Indians are quite heavily concentrated in several states and regions. Unlike other groups, however, American Indian farm operators are not found in a single concentrated geographical area. Blacks, for instance, are largely in the South; Orientals are largely in the West. There are concentrations of American Indian farms in the South (over one-half), the West (almost one-fourth), and the North Central (about one-fifth). It should be remembered that this data refers to farms outside reservation lands, although the geographical patterns are reflective of tribal land patterns.<sup>1</sup>



Two states in particular are quite important for American Indians. North Carolina and Oklahoma combined account for 46 percent of the farms, 43 percent of the farm income, one-third of the value of assets and value of products sold. The most significant states in terms of land in farms are South Dakota, New Mexico, and Montana which together have one-half the total land controlled by American Indian operators.

Typically for groups in different states and even more important for groups in different regions, there is significant variation across the several states selected as most important for American Indians. The average size of farm ranges from 2,063 acres in South Dakota to only 64 acres in North Carolina. The average total assets per farm ranges from \$56,000 in North Carolina to over \$220,000 in Texas. The average farm and farm related income ranges from over \$10,000 in Montana and \$8,000 in North Carolina down to less than \$1,000 in Oklahoma and an average net loss in California. In the remaining sections, comparisons will be made between the characteristics of American Indian farms and all farms in the several states selected as important for American Indians.

### 3.1 Income by Source for Farms Operated by American Indians

An examination of the data in Table 3.2 leads to the following general conclusions: a) Across the states important to American Indians, there is little variation in the average total incomes, but significant differences in the incomes derived from farm and off-farm sources, b) Compared to all farms in the selected states, American Indian farms had average total incomes between 70 to 85 percent of the state average, except in California where there was a net farm loss, and c) There is considerable variation in the importance of farm-related income across the states and in the relative importance of customwork, government payments, and rental payments.

The average total income of American Indian operators with sales of \$2,500 or more was \$11,636 in 1974, with a range across the seven states from some \$8,500 in Oklahoma and California to \$14,600 in Montana. Each of the other states show incomes of \$10,000 to \$12,000. Compared with the average for all farms in the several states, American Indian farm operators had 70 to 85 percent of the incomes of all farms except in California. In California, the low relative status of American Indian operators reflects the fact that on the average, American Indian farms actually lost money for 1974 while the average farm earned \$27,000.

While the variations in total incomes are small, there are significant differences in farm incomes and off-farm incomes across states. The states appear to fall into two groups. In one group, including Oklahoma, Texas, New Mexico, and California, American Indians have very low absolute and relative farm incomes, while a high percentage of operators report off-farm earnings which on the average are high relative to all operators and as a percentage of total incomes. American Indian farms in these states resemble the stereotype of a small farm -- low farm incomes generated on

a part-time basis with farming a small part of total incomes.<sup>2</sup> In the second group (perhaps including South Dakota where no information was revealed on off-farm incomes), American Indian operators have higher farm incomes both absolutely and relative to the average for all farms. In this second group, off-farm earnings are reported by smaller percentages of operators and are smaller both in absolute and relative terms. In the remaining sections, comparisons will be made between these two groups of states to see what other characteristics help explain these differences.

There is also considerable variety in the importance and kinds of farm-related earnings. The percent of American Indian farms reporting farm-related incomes ranges from one-fifth in New Mexico to 90 percent in Montana. In the other states between one-fourth and one-half of the farms report earnings from this source. The magnitude of earnings ranges from only \$31 in North Carolina, to \$800-\$900 in Texas, Montana, and South Dakota, to over \$1,000 in California. In the four states in which farm-related incomes are largest, there is a difference in the importance of custom-work, government payments, and rent of farm land. In Texas custom-work and other agricultural services are the most significant source of farm-related income, accounting for over three-fourths of the gross farm-related income. Compared to all farms, a much greater percentage of American Indian operators reported custom-work and a much smaller percentage reported government payments. In California both custom-work and rent of farm land were a significant source of farm-related income for American Indian farms and both accounted for a much greater percentage of income for American Indians than for all farms. In both Montana and South Dakota, rental income is much more frequently reported and more

significant for American Indian operators. Moreover, in South Dakota a considerable smaller percentage of American Indian farms reported income from custom-work and from government program payments.

Because of its importance as a measure of overall economic status, total family income is significant. On this measure, the average American Indian farm family had slightly less than the average income for all non-metropolitan families (\$11,600 versus \$12,500). The average American Indian operator had at least 90 percent of the average income by region for all families, except in Oklahoma and New Mexico where the percentages were two-thirds and three-fourths.<sup>3</sup> However, for one group of states--Montana, South Dakota, and North Carolina--the moderate economic status reflected moderately successful farm operations. For the other group, the result is due to moderate success in generating off-farm incomes. Once again, however, the data on income is reported only for farms with sales of \$2,500. In the states where farm incomes are lowest, it is also true (see section 3.3) that a high percentage of farms had sales below \$2,500.

### 3.2 Size of Farm and Value of Assets for Farms Operated by American Indians

Based on the data in Table 3.1, the following generalizations can be made a) The average American Indian farm is smaller in size and in terms of total assets with only a few exceptions, b) The average value of assets per acre is at least as great on American Indian farms as on the average farms, except in South Dakota, and c) The farm and farm-related income per dollar of asset is quite low on American Indian farms in some states, but relatively high in other states, a variation which helps explain the pattern of relative incomes.

In Section 1, based on national averages, American Indian farms were seen to be larger in terms of acres compared with other minorities and with the U.S. average while the value of land and buildings per acre were lower. As Table 3.1 shows, the large size and the low value per acre are both, for the most part, a reflection of farms in New Mexico, Montana, and South Dakota, where half of the land operated by American Indians is located but only 15 percent of the farms. In fact, comparing the farms by state reveals that only for South Dakota is the average American Indian farm larger in size and significantly lower in value per acre than the average farm in the state. In Texas and New Mexico, the average American Indian farm has only one-third the acres of the average farm. In Texas, the value of land and buildings per acre on the average American Indian farm is three times that on the average farms. These conclusions are also true when only those farms with sales of \$2,500 or more are compared.

In Section 1 it was noted that the return of farm and farm-related income per dollar of asset was low on American Indian farms compared with other minorities and with the U.S. average. Comparing on a state

by state basis shows that to be true mostly in the states where American Indian farm incomes are low--Oklahoma, Texas, New Mexico, and California. In California, the returns were negative and in the other three states less than one percent, or between 20 and 50 percent of the average return on all farms with sales of \$2,500 or more. In Montana, the returns were slightly higher on American Indian farms compared to 10 percent for all farms. In these two states the average farm income of American Indians was three-fourths that for all farms, a fact which reflects the smaller size of American Indian farms since assets per acre are almost identical. For South Dakota, the other state with relatively high farm incomes for American Indians, the returns per dollar value of assets is only half that on all farms, which helps explain the fact that farm and farm incomes on American Indian farms is only 56 percent that for all farms in the state. The fact that American Indian farms in South Dakota are twice as large is balanced by the fact that value per acre is only one-half that for all farms.

The low returns per dollar of assets suggests that on the average, efficiency of resource use constitutes a major limitation to the farm income of American Indians, although Montana and North Carolina are exceptions.<sup>4</sup> The limited quantity of land resources is also a constraint, but clearly some attention to improved returns on existing assets would gain much in terms of farm incomes. Of course, there is nothing in the present data to suggest the reasons for the low returns.

### 3.3. Value of Sales for Farms Operated by American Indians

The data in Table 3.3 showing American Indian farms by value of sales suggest the following: a) Compared to the average for all farms, the average American Indian farm has considerably lower sales, although the differences are much larger in the states where American Indian farm incomes are lowest; b) American Indian farms are, for the most part, more likely to have sales under \$2,500 and less likely to have sales of \$40,000 or more, although the differences in the distribution of American Indian farms and all farms are greatest in the states where American Indian farm incomes are lowest and, c) Using sales under \$20,000 as the determination of size, 85 percent of all American Indian farms are small, a finding true in all but two states.

In the discussion of incomes it was observed that there are two groups for states containing a significant number of American Indian farms: 1) Oklahoma, New Mexico, California, and Texas where farm incomes range from a loss in California to a high of \$2,058 in Texas, and 2) South Dakota, North Carolina, and Montana where farm incomes are from \$5,600 in South Dakota to \$9,517 in Montana. Examining the relative value of sales and the distributions by size it is clear that the states where farm incomes for American Indians is highest, in both absolute and relative terms, are states where relative sales are highest, and where distributions by value of sales are closest. It is also true that the relative value of sales in these three states, which ranges from 53 percent in North Carolina to 63 percent in Montana, reflects closely the relative farm incomes in these states. There are in these states more American Indians with sales under \$20,000, although

in North Carolina and Montana a large percentage of all farms had sales under \$2,500. The distributional differences are larger in South Dakota, which helps explain the lower relative income. Much the same pattern is seen when comparing only farms with sales of \$2,500 or more.

In the states where American Indian farm incomes are lowest, the value of sales also reflects the relative farm income picture. In Oklahoma, New Mexico, and California, where the farm incomes are lowest, relative value of sales on American Indian farms ranges from a high of 28 percent in Oklahoma to a low of 6 percent in New Mexico. In these three states some two-thirds of all American Indian farms had sales less than \$2,500 compared with 40 percent for all farms, while less than 8 percent of American Indian farms had sales greater than \$20,000, compared with one-fourth to one-third of all farms.

In the state of Texas, the relative value of sales is almost identical to relative farm and farm-related income, with both around 40 percent. However, the distribution of farms by value of sales would suggest that incomes and sales should be closer. Only 7 percent more American Indian than all farms had sales under \$20,000 while 3 percent fewer had sales of \$40,000 or more. Comparing those farms with sales of \$2,500 or more shows an even closer pattern. The explanation may lie in the fact that over twice as large a percentage of all farms had sales of \$100,000 or more.

The change in definition of a farm had a greater effect on the American Indian farm operators overall, compared to all operators, reducing the count of American Indian farms by almost 10 percent while lower the number of all farms by 6 percent. However, in two states-- North Carolina and Montana, states where American Indians had higher



farm incomes--the change had a greater effect on all farms. The reduction in the number of American Indian farm count was most important in Oklahoma and Texas, where some 11 percent were excluded, and New Mexico and California where there were 14 and 17 percent fewer American Indian farms using the 1974 definition instead of the 1959 definition.<sup>5</sup> As noted above, the unpublished tabulations which are the principle data source for this report use the 1959 definition.

### 3.4 Major Products and Major Crops Sold on American Indian Farms

Comparing American Indian and all farms in terms of major products and major crops sold leads to the following generalizations: a) There is no consistent pattern with respect to the percentage of sales generated for sales of livestock and poultry versus crops and hay, although significant differences can be found in all but three states, and b) In every state, except Montana, there are some important differences in the kinds of crops reported but again no consistent pattern, except that American Indian farms tend to report less dependence on sales of the most important crop in each state. Disclosure problems prevent meaningful comparisons in California.

Looking at sales of livestock, the biggest differences between American Indian and all farms are in the states of North Carolina and California, where livestock sales accounted for 11 to 14 percent less of total sales for American Indian farms, and in South Dakota, where it accounted for 13 percent more of sales on American Indian farms. The same mixed pattern is evident in looking at poultry sales. In North Carolina one-fifth of all sales were generated by poultry but no significant sales on American Indian farms. In Oklahoma and Texas, poultry was somewhat more important for American Indians, while in California, less important.

In all states there are some differences in the importance of various types of crops reported for farms with \$2,500 or more of sales. In South Dakota, Oklahoma, Texas, and New Mexico grain sales account for a large percentage of all farm sales but are consistently less important for American Indian farms. Cotton accounts for 20 and

23 percent of crop sales in Texas and New Mexico, but considerably less for American Indians. In North Carolina, tobacco sales are more important for American Indians which, given the normally small size but high return per acre on tobacco farms, may help explain the higher returns on American Indian farms in that state.

Whether these differences reflect conscious management or differences in geographical location within states or other factors is not clear, but the differences, especially in the distribution of sales by crop, very likely help explain the income differences. The differences are largest for New Mexico, where relative sales and relative incomes are lowest and less important in Montana where incomes and sales are closest.

### 3.5 Personal Characteristics of American Indian Farm Operators

A comparison of personal characteristics of American Indian farm operators indicates that a) There is little difference in the average age or the percentages of younger (under 35 years of age) or older farmers, except for two states; b) American Indians are consistently less likely to report no off-farm work and more likely to report as many as 200 or more days of off-farm work, although the magnitude of the differences varies across states; and c) In most states, American Indians are less likely to report farming as the major occupation, but the reverse is true in Oklahoma and North Carolina, the two states with the largest number of American Indian farms. Each of the characteristics provide some support for the pattern of relative incomes.

The difference in average age of American Indian operators and the average operator is less than one year in all states except Oklahoma, Texas, New Mexico, and California which are the states where relative incomes are lowest. Even here, however, the age differences are only 2 to 3 years, much smaller than the age differences found between black farmers and all farmers. Moreover, while black farmers were consistently older, American Indians are younger and more heavily concentrated in the under 35 years of age category in Texas and California. In Oklahoma and New Mexico, two of the states where absolute and relative farm incomes are lowest, 27 and 34 percent of American Indian operators were age 65 and older.

Generally, American Indians were less likely to report no off-farm work and more likely to report as many as 200 days of off-farm work. The differences were especially large in South Dakota, California, Montana, and New Mexico. These are characteristics associated with

operators having sales under \$10,000<sup>6</sup> which helps explain the differences in South Dakota, California, and New Mexico where American Indians are more heavily concentrated in the group with sales under \$10,000. However, this relationship does not help explain much of the differences for Montana, and suggests that there should have been a more significant difference in Oklahoma.

Looked at another way, the four states where 80 to 90 percent of the American Indian farms had sales under \$10,000 are also states which show the lowest percentage of operators reporting no off-farm work and highest percentages working 200 or more days off the farm. These are also the four states where farm incomes are lowest. In these states, there was less off-farm work of 200 or more days for American Indians in all states except California than would be predicted given the percentage of American Indian farms with sales under \$10,000. However, in each of these states off-farm income was greater for American Indians both absolutely and as a percentage of total family income.

Farming is less likely to be reported as the major occupation of American Indian operators in all states except North Carolina and Oklahoma. In Oklahoma, 78 percent of American Indian operators compared with 54 percent of all operators reported their occupation to be farmer. This result is surprising given the high percentage of American Indian operators in Oklahoma with sales under \$10,000, since nationally less than 40 percent of all operators with sales under \$10,000 report farming as their occupation. Except for Oklahoma, the other three states where off-farm income is most significant and farm incomes lowest, less than 40 percent of the American Indian operators report themselves as farmers, a percentage line with the 80 to 90 percent with sales under \$10,000.

The higher quantity of off-farm work in Oklahoma, Texas, New Mexico, and California supports the notion that farming is less important for American Indians in these states. The fact that 75 to 90 percent of the income is generated on off-farm sources also reimburses that conclusion. However, the farm income in each case (except California) provides a cushion sufficient to keep the family incomes above the poverty level. The low return per value of assets generated in these states suggests that consideration be given to increasing farm incomes as a way of providing substantial income gains to this group.

### 3.6 Tenure Patterns for Farms Operated by American Indians

The data showing farms and land in farms in Table 3.7 suggest the following: a) With a few exceptions, American Indian farms are more likely to be either tenant or full-owner farms and less likely to be part-owners than the average farm, and b) The states with the highest percentage of American Indian full-owner farms are also states where farm incomes are lowest.

Like blacks, American Indian farms seem to have lagged behind the national trends which show increasing percentages of land and farms in the part-owner category. Only in the state of Montana, the state where relative incomes are highest, are American Indian farms more likely to be part-owners. The difference in the percentage of part-owners is especially large in New Mexico, a state where relative incomes are lowest. In New Mexico, one-third of all farms, but less than 6 percent of American Indian farms, are part-owners. Another major difference between American Indian and all farms in New Mexico is the percentage of land operated by tenants--61 percent for American Indians compared to less than 10 percent for all farms. Montana also shows significantly more American Indian farms than all farms in the tenant class.

Contributing to the low incomes of American Indians is the fact that average size of farm by tenure class is lower, except in South Dakota. In Montana, for example, three-fourths of all land and land operated by American Indians is farmed by part-owners, but the average of all part-owner farms is twice that for American Indians. In North Carolina, the differences in size are smaller than in most states which helps account for the closer incomes. In New Mexico where farm incomes are lowest, three-fourths of all American Indians are full-owners with an average

farm size of 317 acres. For all farms in New Mexico full-owners have the smallest sized farm but it contains 2,409 acres,

The importance of tenure to incomes is evident when the ranking of the several states by relative income is compared with the ranking by percentage of full-owner farms. The three states with the highest relative farm incomes also had the lowest percentages of full-owner farms for American Indians. Full-owner farms with sales of \$2,500 or more naturally had only just over one-third the income of part-owner farms.<sup>7</sup>



### 3.7 Farm Debt of Farms Operated by American Indians

The pattern of debt on American Indian farms, shown in Table 3.8 indicates: a) The percentage of American Indians reporting some debt is much the same as that for all farms in most states; b) The size of debt reported by American Indians is much lower in most states; and c) compared with all farmers, American Indian farmers have a smaller debt burden measured both by debt to asset and debt to income ratios with a few exceptions.

In comparing debt on American Indian farms with that for all farms the most significant differences are in the state of New Mexico, a state where farm incomes are very low for American Indians. Considerably fewer American Indians report debt, especially secured debt in New Mexico and the size of debt on American Indian farms is only 6 percent the amount reported on all farms. In addition the debt to asset and debt to income ratios are much lower. Some of the explanation is obviously related to the fact that 61 percent of the land controlled by American Indians in New Mexico is farmed by tenants.

The ratio of average debt is uniformly lower on American Indian farms. Across the states the relative size of debt follows a pattern related to relative value of assets, although in every case the debt on American Indian farms is lower as a percentage of total assets than for all farms.

The debt burden as measured by total debt to total income is quite similar in most cases. The high percentage of American Indian tenants is one factor explaining the differences in New Mexico and Montana. Comparing debt to farm and farm-related incomes, shows only in South Dakota where the ratios are reasonably close. In Texas and Oklahoma,

the debt burden on American Indian farms is considerably larger, while in North Carolina, Montana, and New Mexico, the reverse is true. For Oklahoma and Texas, the high ratio reflects the very low net farm incomes of American Indians.

### 3.8 Changes From 1969 to 1974 for Farms Operated by American Indians

Comparing the number of farms and land in farms by tenure and economic class for American Indians and all farms, as shown in Table 3.9, leads to the following conclusions: a) Overall the number of farms operated by American Indians decreased by only 2 percent, compared to almost 10 percent for all farms. However, of the states selected as containing significant numbers of American Indian farms, only in North Carolina and Oklahoma were there declines; b) Despite the decline in the number of American Indian farms, the land operated by American Indians increased by almost one-fourth, compared with a 2 percent increase for all farms. The amount of land operated by American Indians increased, however, only in Montana, South Dakota, and New Mexico; c) The most significant changes in farms by tenure occurred in the tenant classification, both increases in the number of tenants occurring in New Mexico, Montana, and California, and declines in North Carolina and Oklahoma. Only for South Dakota and Montana were there significant increases in the proportion of part-owner farms; and d) Most states--Texas and California are exceptions--American Indians showed an improvement in the distribution by value of sales. That is, larger percentages had sales of \$40,000 or more and smaller percentages had sales of \$5,000 or less. However, the changes for all farms were greater, indicating that American Indian farms made no real relative gain.

While there was little change between 1969 and 1974 in the number of American Indian farms in the U.S., there were few states containing significant numbers of American Indians without major increases or decreases. The number of farms decreased by one-fourth and are sixth in North Carolina and Oklahoma, the states with the largest number of

American Indian farms. In both these states, the decline in American Indian farms was larger than for all farms. In New Mexico, the number of farms almost doubled, while in other states there were increases of one-fifth to one-fourth. In each of these states, except New Mexico where the number of total farms increased as well, the increases for American Indian farms contrasts with decreases for all farms.

Overall the land operated by American Indians was one-fourth greater in 1974 than in 1969, although none of the states selected closely resemble the average. In North Carolina and Oklahoma, land in American Indian farms fell at much the same rate as the number of farms, but three times as much for American Indians as for all farms. The number of acres farmed in Texas and California fell by one-half despite an increase in the number of farms, which led to a dramatic decrease in the average size of farms. In these two states all land in farms fell only one-tenth as much as land for American Indians. The increase in Montana and New Mexico matched closely the increases in the number of farms while land in American Indian farms in South Dakota increased twice as fast as the number of farms. In each of these states all land in farms also increased but at one-third to one-fourth the rate as for American Indians.

Comparing the distribution of farms by tenure shows that the greatest changes for American Indians were, for the most part, in the tenant classification.<sup>8</sup> In North Carolina and Oklahoma there were significant declines in the number of tenants. Some three-fourths of the overall drop in American Indian farms in North Carolina were among tenants. In New Mexico, Montana, and California on the other hand, there were significant percentage increases in the number of American Indian tenants,

although all tenant farms fell by 12 percent in each state. In the part-owner category, only for South Dakota and Montana were there significant increases in the part-owner farms, while no state showed increases for all farms. In New Mexico the number of American Indian part-owner farms fell by one-half while there was a major increase in full-owner farms.

Overall, American Indian operators showed similar increases in the percentage with sales of \$40,000 or more and decreases in the percentage with sales of less than \$10,000 compared with all farms. In three states --Texas, New Mexico, and California--however, there were significant increases in the number of farms with sales under \$10,000, especially among farms with sales under \$5,000. In fact, for California, only American Indian farms with sales under \$5,000 showed an increase, which may help explain the overall loss earned in 1974 by the average American Indian farm in California. In other states American Indians showed absolute improvements in the distribution by sales, but the improvements were everywhere greater in percentage terms for all farms. Thus while gains were made in absolute terms, the gap between American Indians and all farmers actually widened.

### 3.9 Summary and Conclusions for American Indian Farm Operators

The major findings based on the proceeding analysis are:

- Unlike other minority groups, American Indians are not concentrated in a single geographic region but have concentrations in the West North Central, South Atlantic, West South Central, Mountain, and Pacific regions. Not surprising, given this regional diversity, there are considerable variations across states in the characteristics of American Indian farms.
- There are two very different groupings of states with important concentrations of American Indians. In the Southwest (Oklahoma, Texas, New Mexico, and California) the typical American Indian farm is the stereotype of a small farm: very low farm incomes but significantly large off-farm incomes and days of off-farm work. Farm incomes of American Indians were 14-38 percent that for all farms. In the other states (North Carolina, South Dakota, and Montana) American Indian farms are much more successful: moderate farm incomes and less dependence on off-farm income. However, even in these successful states farm and farm-related income averaged less than three fourths that for the average farm.
- In most states American Indian farms are different from the average farm in terms of enterprise. In terms of crops grown, American Indians consistently have less gross sales in the crop most important to all farms.
- American Indian farms are more heavily concentrated in the tenant and full owner classes, a finding especially true in the states where farm incomes are lowest.
- The changes in the number of American Indian farms and land in farms between 1969 and 1974 was most uneven across states. Only in North Carolina and Oklahoma did the number of farms decrease, while land in farms increased in South Dakota, Montana, and especially New Mexico.
- In the states where farm income for American Indians is quite low, the major explanation seems to lie on the low returns generated by the average farm. While there is some difference in the quantity of resources available, the measures of efficiency -- income per acre and per dollar of asset -- are quite low in both absolute terms (less than 1 percent for returns per dollar of assets) and relative to all farms. The relative efficiency is higher in the other states and in 2 of them -- North Carolina and Montana -- American Indian farms show higher returns than the all farm average.

- 102.
- While average total incomes of American Indian farm operators is lower than for all farms, American Indian farm operators have higher total incomes than black farm operators and appear to be economically better off when compared to American Indians in general, who suffer from high rates of poverty and unemployment.<sup>9</sup> Even where farm incomes are low, they do constitute an important share of family income for American Indian farm operators.

TABLE 3.1: Selected Characteristics of Farms<sup>a</sup>  
Operated by American Indians, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH DAKOTA	SOUTH	NORTH CAROLINA	OKLAHOMA	TEXAS
Number of Farms	Number	4,774	828	226	2710	1174	1021	130
Land in Farms	Acres	2,258,106	685,188	466,322	451,507	74,708	297,224	33,782
Avg. Size of Farm	Acres/ Farm	473	828	2063	167	64	291	260
Value of Land & Buildings	\$1,000	471,812	101,387	40,423	182,389	45,769	84,382	27,242
Avg. Value of Land & Buildings	\$/Farm	98,830	122,448	178,861	67,302	38,986	82,646	209,554
Value of Machinery & Equipment	\$1,000	59,276	17,300	4,401	23,694	9,558	8,877	1275
Avg. Value of Machinery & Equipment <sup>b</sup>	\$/Farm	13,843	21,652	19,560	10,130	10,201	9,474	10,897

SOURCE: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

NOTE: <sup>a</sup> Data in this Table Based on the 1959 Definition of a Farm.

<sup>b</sup> Average based on farms reporting value of machinery and equipment.



TABLE 3.1 : Selected Characteristics of Farms<sup>a</sup> Operated By American Indians, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
Number of Farms	Number	1150	272	213	218
Land in Farms	Acres	1,108,788	315,067	347,981	48,519
Average Size of Farm	Acres/Farm	964	1158	1634	223
Value of Land and Buildings	\$1,000	180,592	32,078	37,816	26,961
Avg. Value of Land & Buildings	\$/Farm	157,037	117,935	177,540	123,673
Value of Machinery & Equipment	\$1,000	16,225	1,773	5,530	2,335
Avg. Value of Machinery & Equipment	\$/Farm	15,292	7,092	28,359	11,974

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 3.2 : Income By Source For Farms Operated by American Indians  
With Sales of \$2,500 or More, 1974

ITEM	UNIT	TOTAL U.S.	N. CENTRAL	S. DAKOTA	SOUTH	N. CAROLINA	OKLAHOMA	TEXAS
Net Farm Income	\$1,000	15,283	4,105	1,143	8,002	6,329	274	107
Net Farm-Related	\$1,000	1,264	262	174	512	232	159	42
% Reporting Farm-Related	%	30.4	23.7	28.1	31.7	24.4	35.7	42.3
Off-Farm Income	\$1,000	15,001	2,547	D <sup>b</sup>	8,337	2,864	3,512	467
% Reporting	%	56.5	44.0	D <sup>b</sup>	55.4	47.2	70.8	73.1
Net Income, All Sources <sup>a</sup>	\$/Farm	11,636	10,332	D <sup>b</sup>	11,463	11,786	8,594	11,852
Net Farm Income	\$/Farm	5,637	6,046	5,631	5,444	8,093	597	2,058
Net Farm-Related	\$/Farm	466	535	857	348	31	346	813
Net Off Farm	\$/Farm	5,533	3,751	D <sup>b</sup>	5,671	3,662	7,651	8,981

Source: Unpublished Tabulations By Race of Operator From the 1974 Census of Agriculture

Note: <sup>a</sup>Averages of all farms with sales of \$2,500 or more.

<sup>b</sup>Disclosure problems preclude reporting these items.

TABLE 3.2: Income By Source For Farms Operated by American Indians  
With Sales of \$2,500 or More, 1974

ITEM	UNIT	WEST	NEW MEXICO	MONTANA	CALIFORNIA
Net Farm Income	\$1,000	2,497	124	1,675	(172) <sup>b</sup>
Net Farm-Related % Reporting Farm-Related	\$1,000 %	399 33.1	19 19.8	139 89.2	92 48.8
Off Farm Income % Reporting	\$1,000 %	3,848 67.1	886 78.1	771 57.4	787 72.0
Net Income, All Sources <sup>a</sup>	\$/Farm	11,523	10,719	14,688	8,622
Net Farm Income	"	4,305	1,292	9,517	(2,098) <sup>b</sup>
Net Farm-Related	"	584	198	790	1,122
Net Cff Farm	"	6,634	9,229	4,381	9,598

Source: Unpublished Tabulations by race of operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Averages of all farms with sales of \$2,500 or more.

<sup>b</sup>Net farm income was negative.

TABLE 3.3 : Value of Sales for Farms<sup>a</sup> Operated by American Indians, 1974.

ITEM	UNITS	TOTAL US	N. CENTRAL	S. DAKOTA	SOUTH	N. CAROLINA	OKLAHOMA	TEXAS
Value of Products Sold	\$1,000	61,709	17,871	5,452	25,008	13,260	6,234	1,579
Average Value of Products Sold	\$/Farm	12,926	21,584	24,124	9,228	11,295	6,106	12,143
Farms by Value of Sales	% of All Farms	26.5	15.9	10.2	25.9	17.4	32.3	37.7
Under \$1,00 of Sales	"	45.2	29.1	13.3	47.5	34.0	58.3	61.5
Under 2,500 of Sales	"	12.9	11.5	8.4	14.7	16.3	14.7	12.3
\$2,500 - 4,999	"	14.3	13.9	21.2	15.4	18.7	13.0	8.5
\$5,000 - 9,999	"	11.9	18.5	24.3	10.7	15.4	7.0	4.6
\$10,000 - 19,999	"	8.4	13.0	16.8	6.9	9.7	4.2	4.6
\$20,000 - 39,999	"	5.8	11.0	12.8	4.0	5.2	2.4	6.2
\$40,000 - 99,999	"	1.5	3.0	3.1	.8	.8	.5	2.3
\$100,000 and over	"							

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in the table based on the 1959 definition of a farm.

TABLE 3.3: Value of Sales for Farms<sup>a</sup>  
operated by American Indians, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
Values of Products Sold	\$1,000	16,189	749	5036	2670
Avg. Value of Products Sold	\$/Farm	14,078	2,753	23,645	12,246
Farms by Value of Sales	% of All Farms	35.3	50.4	8.9	45.4
Under \$1,000 of sales	"	52.3	67.6	19.7	62.8
Under \$2,500 of Sales	"	9.9	16.2	2.8	12.4
\$2,500 - \$4,999	"	12.4	9.6	24.4	11.0
\$5,000 - \$9,999	"	10.2	5.1	14.1	6.4
\$10,000 - \$19,000	"	7.7	.7	18.3	3.7
\$20,000 - \$39,999	"	5.8	.7	17.8	2.8
\$40,000 - \$99,999	"	1.7	-	2.8	.9
\$100,000 and over	"				

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 3.4: Major Products Sold for Farms<sup>a</sup> Operated by American Indians, 1974

ITEM	UNITS	TOTAL US	N. CENTRAL	S. DAKOTA	SOUTH	N. CAROLINA	OKLAHOMA	TEXAS
% of Farms Reporting Sales of	% of all Farms							
Crops, Hay		52.7	53.1	34.5	60.4	91.1	28.4	39.2
Nursery, Greenhouse		.4	.1	-	.3	.4	-	.8
Forest Products		2.0	.8	-	2.3	1.1	1.3	.8
Livestock		63.4	76.7	91.6	54.7	71.0	81.7	61.5
Poultry		3.9	6.8	4.0	3.1	2.7	3.1	2.3
% of Sales Resulting from	% of Total Sales							
Crops, Hay		55.5	37.7	24.5	67.0	92.1 <sup>b</sup>	28.7	33.6 <sup>b</sup>
Nursery, Greenhouse		.5	.3	-	.2	-	-	D
Forest Products		.4	.1	-	.6	D	.1	D
Livestock		39.4	58.6	75.4	25.1	6.2	59.8	53.6
Poultry		4.3	3.3	.1	7.1	D	11.4	9.9

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Notes: <sup>a</sup>Date in the table based on the 1959 definition of a farm.

<sup>b</sup>Does not add to 100% because of disclosure problem on two items.

TABLE 3.4: Major Products Sold For Farms<sup>a</sup> Operated by American Indians, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
% of Farms Reporting Sales of					
Crops, Hay	% of all Farms	33.1	16.9	49.3	31.7
Nursery, Greenhouse	"	.7	-	.5	.5
Forest Products	"	2.1	3.7	.5	2.8
Livestock	"	75.5	86.0	69.0	67.0
Poultry	"	3.0	.7	1.9	8.0
% of Sales Resulting from					
Crops, Hay	% of total Sales	61.7	37.7	54.9	84.5
Nursery, Greenhouse	"	.4	-	-	-
Forest Products	"	.4	1.3	.3	.6
Livestock	"	37.4	61.0	44.8	14.1
Poultry	"	.1	-	-	.8

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm

TABLE 3.5 : Major Corps Sold For Farms Operated By American Indians  
With Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	N. CENTRAL	S. DAKOTA	SOUTH	N. CAROLINA	OKLAHOMA	TEXAS
% of Reporting Sales of	% of Farms With Sales of \$2,500 or More							
Grains	"	51.9	50.3	21.7	62.0	81.8	31.7	32.0
Tobacco	"	24.9	.2	-	45.6	80.3	-	-
Cotton, Cottonseed	"	5.6	-	-	9.8	12.4	3.1	6.0
Field Seeds, Hay, Silage	"	15.0	23.0	20.2	9.0	3.0	16.0	24.0
Other Field Crops	"	3.1	.7	-	4.0	2.6	3.3	-
Vegetables, Sweet Corn, Melons	"	4.7	.7	-	6.0	7.2	2.3	-
Fruits, Nuts, Berries	"	3.1	.3	-	.9	.4	.2	4.0
% of Crop Sales Resulting From	% of Crop Sales, \$2,500 or more							
Grains	"	46.4	77.9	31.0	36.1	30.5	68.4	50.2
Tobacco	"	23.5	0.0	-	48.6	68.1	-	-
Cotton, Cotton Seed	"	7.5	-	-	4.9	-	4.3	7.1
Field Seeds, Hay, Silage	"	10.7	20.5	69.0	3.7	.3	17.2	42.7
Other Field Crops	"	6.1	1.2	-	4.3	-	7.5	-
Vegetables, Sweet Corn, Melons	"	1.9	.1	-	1.9	1.1	2.6	-
Fruits, Nuts, Berries	"	3.9	.1	-	.5	-	.1	D <sup>a</sup>

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

Note: <sup>a</sup>Percentages excluded sales in categories where disclosure problems preclude reporting.



TABLE 3.5: Major Crops Sold For Farms Operated by American Indians with Sales of \$2,500 or more, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
% Reporting Sales of					
Grains	% of Farms With Sales of \$2,500 or More	39.7	2.1	45.4	14.6
Tobacco	"	--	--	--	--
Cotton, Cottonseed	"	2.0	--	--	3.7
Field Seeds, Hay, Silage	"	28.1	6.3	22.7	7.3
Other Field Crops	"	3.0	2.1	.6	4.9
Vegetables, Sweet Corn, Melon	"	5.9	15.6	--	2.4
Fruits, Nuts, Berries	"	13.3	12.5	.6	37.8
% of Crops Sales Resulting from					
Grains	% of Crop Sales, Farms with Sales of \$2,500 or More	44.1	D <sup>a</sup>	90.4	20.9
Tobacco	"	--	--	--	--
Cotton, Cottonseed	"	17.4	--	--	D <sup>a</sup>
Field Seeds, Hay, Silage	"	15.6	15.0	9.6	9.3
Other Field Crops	"	11.1	1.1	--	40.5
Vegetables, Sweet Corn, Melon	"	2.8	36.5	--	D <sup>a</sup>
Fruits, Nuts, Berries	"	9.0	47.4	0.0	29.3

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

TABLE 3.6 : Selected Characteristics of American Indian Farm<sup>a</sup> Operators, 1974

ITEM	UNITS	TOTAL U.S.	N. CENTRAL	S. DAKOTA	SOUTH	N. CAROLINA	OKLAHOMA	TEXAS
AGE:								
Average Age	Years	51.8	49.1	49.3	50.5	52.6	54.5	51.2
% Under 35 Years	%	11.9	15.2	13.3	9.5	8.9	9.3	14.6
% 65 Years and Over	%	21.2	15.7	13.7	23.7	19.8	27.0	17.7
OFF-FARM WORK:								
% With No Off-farm Work	%	36.8	34.7	44.0	38.1	45.8	31.6	34.2
% With 100-199 Days	%	13.0	4.4	15.7	12.0	14.7	10.2	11.1
% With More Than 200 Days	%	38.3	48.8	30.8	38.7	25.4	48.7	48.7
Major % Reporting Farming as Occupation	%	52.4	54.0	67.3	51.8	67.9	78.1	37.7

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Note:<sup>a</sup> Data in this table based on the 1959 definition of a farm.

TABLE 3.6: Selected Characteristics of American Indian Farm<sup>a</sup> Operators, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
Age					
Average Age	Years	50.5	55.5	50.5	49.9
% Under 35 years	%	14.9	8.1	16.4	15.1
% 65 years and over	%	20.1	34.2	16.0	17.0
Off Farm Work					
% With no Off-Farm Work	%	30.3	34.6	39.8	24.6
% With 100-199 days	%	12.2	7.5	10.2	14.1
% With more than 200 days	%	41.1	47.2	33.0	53.8
% Reporting Farming as Major Occupation	%	47.3	39.3	63.8	31.2

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: <sup>a</sup> Data in this table based on the 1959 definition of a farm

TABLE 3.7: Farms and Land in Farms By Tenure  
for Farms<sup>a</sup> Operated by American Indians, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH DAKOTA	SOUTH	NORTH CAROLINA	OKLAHOMA	TEXAS
Farms by Tenure	% All Farms							
Full Owners	"	65.2	59.2	48.2	68.0	64.3	71.6	67.7
Part Owners	"	21.7	27.2	34.5	20.1	19.2	22.5	23.8
Tenants	"	13.0	13.6	17.3	11.9	16.5	5.9	8.5
Land in Farms by Tenure	% Total Land							
Full Owners	"	34.3	30.8	32.5	47.1	51.4	47.4	38.0
Part Owners	"	42.3	52.0	47.8	38.8	32.6	42.1	36.7
Tenants	"	23.3	17.2	19.7	14.0	16.0	10.5	25.3

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 3.7: Farms and Land in Farms by Tenure for Farms<sup>a</sup>  
Operated by American Indians, 1974

ITEM	UNITS	WEST	NEW MEXICO	MONTANA	CALIFORNIA
Farms by Tenure	% All Farms				
Full Owners	"	62.9	73.2	23.9	73.4
Part Owners	"	21.0	5.9	55.4	12.4
Tenants	"	16.1	20.9	20.7	14.2
Land in Farms	% Total Land				
Full Owners	"	31.2	20.0	10.6	46.1
Part Owners	"	37.7	19.2	71.5	39.8
Tenants	"	31.1	60.7	17.9	14.1

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 3.8: Farm Debt for Farms Operated by American Indians  
With Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH DAKOTA	SOUTH	NORTH CAROLINA	OKLAHOMA	TEXAS
% of Farms with Debt	% of Farms With Sales of \$2,500 or More	36.3	43.4	52.7	30.1	23.3	40.1	42.3
Avg. Debt, All Types <sup>a</sup>	\$/Farm	11,886	17,820	19,315	6,737	2,549	12,379	15,846
Debt Secured by Real Estate								
% Reporting	% of Farms With Sales of \$2,500 or More	23.7	29.0	26.6	19.6	15.5	27.9	25.0
Avg. Secured Debt <sup>a</sup>	\$/Farm	7,195	9,957	6837	4,648	1,574	8,431	12,212
Debt Not Secured by Real Estate								
% Reporting	% of Farms With Sales of \$2,500 or More	23.5	27.1	43.3	20	14.8	27.0	30.8
Avg. Unsecured Debt <sup>a</sup>	\$/Farm	4,690	7,863	12,478	2,089	975	3,948	3,635
Debt to Asset Ratios <sup>b</sup>								
Total Debt/Total Assets		0.73	0.093	0.089	0.061	0.041	0.082	0.034
Secured Debt/Land & Buildings		0.050	0.061	0.035	0.049	0.032	0.062	0.028
Debts to Income Ratios								
Total Debt/Total Income		1.02	1.73	D <sup>c</sup>	0.59	0.22	1.44	1.34
Total Debt/Farm & Farm Related Income		1.95	2.71	1.36	1.16	0.31	13.13	5.52

SOURCE: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

NOTE: <sup>a</sup> Averages Based on all Farms with Sales of \$2,500 or More

<sup>b</sup> Assets for Farms with Sales of \$2,500 or More Were Estimated Based on Average Size of Farms and Asset Values per Acre for All Farms

<sup>c</sup> Disclosure problems precluded reporting of off-farm income

TABLE 3.8: Farm Debt for Farms Operated by American Indians With Sales of \$2,500 or More, 1974

ITEM	UNITS				WEST	N. MEXICO	MONTANA	CALIFORNIA
	% of Farms With Sales of \$2,500 or More \$/Farm	% of Farms with Sales of \$2,500 or More	\$/Farm	% of Farms with Sales of \$2,500				
% of Farms with Debt			43.6	33.3	49.4	43.9		
Avg. Debt, All Types <sup>a</sup>			17,610	2,521	15,045	28,427		
Debt Secured by Real Estate %Reporting			27.2	18.8	25.0	37.8		
Avg. Secured Debt <sup>a</sup>			9,836	1,750	8,472	23,365		
Debt Not Secured by Real Estate %Reporting			28.1	15.6	35.8	22.0		
Avg. Unsecured Debt <sup>a</sup>			7,774	771	6,574	5,049		
Debt to Asset Ratios <sup>b</sup>								
Total Debt/Total Assets			0.068	0.015	0.061	0.093		
Secured Debt/Land & Buildings			0.042	0.011	0.040	0.084		
Debt to Income Ratios								
Total Debt/Total Income			1.53	0.24	1.02	3.30		
Total Debt/Farm & Farm-Related Income			3.60	1.69	1.46	b		

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Notes: a Averages based on All Farms with Sales of \$2,500 or More

b Because income from farm and farm related sources are negative no ratio is given.

TABLE 3.9: CHANGES IN FARMS AND LAND IN FARMS FOR AMERICAN INDIAN<sup>a</sup>, 1969-1974

CATEGORY	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH DAKOTA	SOUTH	NORTH CAROLINA	OKLAHOMA	TEXAS
CHANGES IN NUMBER OF FARMS								
TOTAL FARMS	Number	- 103	+ 191	+ 36	- 622	- 350	- 198	+ 20
	%	- 2.1	+30.1	+18.9	-18.7	-23.0	-16.2	+15.4
BY TENURE <sup>b</sup>								
FULL-OWNERS	%	- 2.3	+21.3	- 2.7	-12.8	- 8.9	-15.6	+33.3
PART-OWNERS	%	0.0	+40.6	+32.2	-13.1	-18.7	-11.5	+ 6.9
TENANTS	%	-24.6	+18.9	+14.7	-45.9	-53.6	-36.2	-26.7
BY VALUE OF SALES								
LESS THAN \$2,500	%	-12.7	+13.6	- 8.0	-29.2	-37.9	-21.3	+32.2
\$ 2,500 - \$ 9,999	%	-14.9	+ 4.2	+27.6	-25.9	-36.5	-18.1	+20.8
\$10,000 - \$19,999	%	+16.5	+45.7	+22.2	+ 9.0	- 4.0	+ 4.4	-25.0
\$20,000 - \$39,999	%	+48.1	+35.0	- 2.2	+53.7	+111.1	+16.2	-42.9
\$40,000 OR MORE	%	+209.7	+213.5	+ 7.5	+351.7	+775.0	+107.4	+120.0
CHANGES IN LAND IN FARMS								
TOTAL LAND IN FARMS	Acres	+425,620	+220,007	+140,974	-125,793	- 26,793	- 67,417	- 23,578
	%	+23.2	+47.3	+43.3	-21.8	-26.4	-18.5	-41.1
BY VALUE OF SALES								
LESS THAN \$2,500	%	+57.6	-32.1	-40.8	-28.1	-47.2	-18.2	-37.4
\$ 2,500 - \$ 9,999	%	- 8.0	-28.1	-34.0	-23.1	-54.8	-11.0	-16.5
\$10,000 - \$19,999	%	-15.4	+68.1	+53.9	-53.1	-35.8	-55.9	-70.6
\$20,000 - \$39,999	%	+48.4	+60.0	+16.2	-13.7	- 7.5	- 4.1	-59.3
\$40,000 OR MORE	%	+79.7	+115.1	+127.9	+71.1	+320.6	+21.0	+24.6

SOURCE: 1969 Census of Agriculture, Vol. II, Chapter 3  
 1974 Census of Agriculture, Vol. II, Part 3  
 Unpublished Tabulations by Race of Operator.

NOTES:

<sup>a</sup>Uses 1959 definition of farm.

<sup>b</sup>Farms by tenure include abnormal farms in 1969.



TABLE 3.9 CONTINUED

CATEGORY	UNITS	WEST	CALIFORNIA	MONTANA	NEW MEXICO
CHANGES IN NUMBER OF FARMS					
TOTAL FARMS	Number %	+ 303 +35.8	+ 45 +25.0	+ 43 +25.3	+ 133 +95.7
BY TENURE <sup>b</sup>					
FULL-OWNERS	%	+14.2	+ 6.7	-37.0	+76.1
PART-OWNERS	%	+ 7.6	0.0	+53.2	-40.7
TENANTS	%	+37.0	+63.2	+91.3	+96.5
BY VALUE OF SALES					
LESS THAN \$2,500	%	+48.3	+78.7	- 5.1	+102.3
\$ 2,500 - \$ 9,999	%	+17.8	+ 1.9	+37.0	+77.3
\$10,000 - \$19,999	%	+ 6.4	-30.0	-25.0	+180.0
\$20,000 - \$39,999	%	+39.7	-33.3	+25.8	0.0
\$40,000 OR MORE	%	+95.5	-38.5	+214.3	+100.0
CHANGES IN LAND IN FARMS					
TOTAL LAND IN FARMS	Acres %	+329,996 +42.4	- 63,924 -56.9	+ 89,979 +34.9	+147,061 +87.5
BY VALUE OF SALES					
LESS THAN \$2,500	%	+291.4	-17.0	+20.3	+487.7
\$ 2,500 - \$ 9,999	%	+13.6	-49.5	+62.2	-35.5
\$10,000 - \$19,999	%	-33.2	-66.8	+17.5	-92.7
\$20,000 - \$39,999	%	+75.0	+24.4	-13.2	+4087.7
\$40,000 OR MORE	%	+51.5	-80.2	+92.1	-67.5

## Notes - Section 3 - American Indians

- <sup>1</sup>While the data for 1974 does not include the reservation land, in 1969, the data for American Indians shows the 40.2 million acres in abnormal farms, most if not all of which is reservations. The reservation lands are mostly in the North Central and West. In the two states with the largest number of American Indian farms, Oklahoma had one abnormal farm of 666 acres while North Carolina had none. See [17], Table 32, page 207.
- <sup>2</sup>The characterization is based on the fact that in 1974 78 percent of the total income for farms with sales under \$20,000 (but at least \$2,500) comes from off-farm sources. See [19], Chapter I, Table 31, pages I-68 ff. There are other definitions, including that recently adopted by the U.S. Department of Agriculture, which recognize the importance of farm income to the family even when farm sales are low. Based on this definition there appear to be large numbers of small farm families which do not resemble this stereotype. See [3] for a discussion.
- <sup>3</sup>From [13], Tables 23 and 24, pages 39-42.
- <sup>4</sup>Trosper [11], suggests efficiency is not a problem for some American Indian ranches in the Northern Great Plains Area. His conclusion would appear to be valid in Montana, but not clearly justified elsewhere.
- <sup>5</sup>Based on [19], Chapter II, Table 33, page II-49 for all farms; and [20], Chapter III, Table 34, pages III-48 and 49, compared with the unpublished tabulations by race of operator.
- <sup>6</sup>See Section 2.5 above and especially note 9 of Section 2.
- <sup>7</sup>Data on income by tenure is from [19], Chapter I, Table 28, pages I-30 and 31.
- <sup>8</sup>The distribution of farms by tenure for 1969 includes the abnormal or reservation farms, which were a significant fraction of the total American Indian farms in New Mexico (18 percent), Montana (13 percent), California (10 percent, and South Dakota (7 percent). Because the land in farms by tenure in 1969 also contains abnormal or reservation lands no comparisons are possible. See [17], Part 3, Table 32, page 207 for the number of abnormal farms and land in farms for American Indians.
- <sup>9</sup>See [6], esp. pages 430-434. The authors also suggest non-farm employment opportunities may be limited because of limited education and lack of employment growth in areas surrounding reservations.

#### 4. Characteristics of Hispanic Farms and Hispanic Farm Operators

In this section the characteristics of the farms and operators identified as persons of Spanish origin are discussed. In Section 1, based on the national data, the following features were noted: a) Farms operated by Hispanics are heavily concentrated in the Southwest; b) Compared with blacks and American Indians, operators of Spanish origin had greater farm and farm-related incomes and a higher proportion of farms reporting sales over \$20,000; and c) Hispanic operators earned more of their total incomes from off-farm sources, while fewer than one-half reported farming as their principal occupation. Despite the somewhat higher incomes, however, the overwhelming number of Hispanic farms had sales under \$20,000 and by that criteria may be said to be mostly small farms.

Like most minority groups, farms operated by Hispanics are concentrated in a single geographical area, in this case the five Southwestern states of Texas, Colorado, New Mexico, California, and Arizona. These states account for 90 percent of the Hispanic farms, acres in farms, and total farm assets, as well as 80 percent of the total farm and farm-related income earned by Hispanic operators. Most of the remaining farms and assets are located in other Western states.

The three states of Texas, New Mexico, and California are most significant, containing 85 percent of the farms and land in farms and nearly three-fourths of the total Hispanic farm assets. In these states Hispanics control 3.4 million acres and \$763 million of total farm assets. Moreover, in New Mexico, Hispanic farms represent 14 percent of all farms

and account for 10 percent of the farm and farm-related income in the state.

As is true for the other minority groups there is some variation in the characteristics of Hispanic farms across the several states which contain important concentrations of farms. The farms are largest in terms of acres in New Mexico and Arizona, where the average size farm is some 750 acres, and considerably smaller in California, where the average size is 110 acres. There is greater total income earned by Hispanic operators in California and Arizona, \$21,000 and \$27,500 respectively, than in the other states, where average income is between \$10,000 and \$12,000. In the discussion which follows, as was done for the other groups, most of the contrasts will be made between Hispanic farms and all farms on a state by state basis. Data comparable to that presented for Hispanics in this section can be found in Appendix A.

#### 4.1 Income by Source For Farms Operated by Hispanics

Based on the data in Table 4.2, the following conclusions can be drawn: a) In four of the five states containing large numbers of Hispanic farms, the average total incomes of Hispanic operators is between 60 to 70 percent that of the average farm. In New Mexico, however, there is little difference; b) Comparing only farm and farm-related incomes shows the relative incomes of Hispanics to be 60 to 70 percent in Texas, California, and Arizona, almost 90 percent in New Mexico, but only 40 percent in Colorado; c) There is little variation across states in the size of earnings generated from off-farm sources, but significant differences in the percentage of income from off-farm sources due to the variation in the size of farm earnings; and d) Farm-related income is reported by more Hispanics in all states except California, but is less significant as a percentage of total income except in Texas and Arizona. In addition, custom-work accounts for more farm-related income for Hispanics and government payments less.

In comparing the incomes of Hispanic operators across the states with significant numbers of Hispanic farms, it is clear that there are two groups of states: In California and Arizona, the farm incomes are considerably larger than in the other three states where farm and farm-related incomes average less than \$6,000. However, despite the higher absolute incomes, Hispanic farmers in those two states fare no better in a relative sense compared to the average farm. In terms of total incomes, the average for Hispanics is between 60 and 70 percent, except for New Mexico where the average Hispanic income is 94 percent that of the average farm, reflecting the low farm income for the average New Mexico farm. In terms

of farm and farm-related incomes only, the relative earnings of Hispanics is around two-thirds that of all farms in Texas, California, and Arizona. In New Mexico, however, the relative income is almost 90 percent, while in Colorado, the ratio is only 38 percent.

About equal percentages of Hispanics and all farms report off-farm earnings. Only for California where eight percent fewer Hispanics report off-farm earnings was the difference more than five percent. As a percentage of total income, off-farm earnings account for one-half the income of Hispanics in the three states with low farm earnings, but only one-third in California and 17 percent in Arizona, where farm incomes are higher.

Farm-related earnings are reported by larger percentages of Hispanics except in California. The difference is especially significant in Texas where over half of all Hispanics, compared to one-third of all farms report off-farm earnings. Only in Texas was farm-related earnings significantly more important as a percent of total earnings for Hispanics.

A comparison across states in the importance of custom-work and other agricultural services with government program payments indicates a substantially greater importance of custom-work and agricultural services for Hispanic operators and a lesser importance for government program payments. In Arizona, Colorado, and California nearly 65 percent of the gross farm-related income for Hispanic operators comes from custom-work and other agricultural services in contrast to all farms where this category accounts for some 40 percent. In the other two states custom-work and other agricultural services are also more important to Hispanics. With the exception of two states there is little contrast in the importance of government program payments. In Texas, government program payments account for 30 percent for

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all farms and 17 percent for Hispanics; in New Mexico, 40 percent for all farms and 24 percent for Hispanics. Income from rent of farmland accounts for one-fifth to one-fourth of farm-related income for Hispanics in Arizona, New Mexico, and California, but accounts for only 14 percent in Texas and seven percent in Colorado. Income from renting farmland is much less important for Hispanics in Colorado, California, and Texas.

The average Hispanic operator in Texas, New Mexico, and Colorado had incomes close to the mean income for all non-metropolitan families in 1974 (\$12,500), while in California and Arizona the average for Hispanics was sufficient to place them among the top 20 percent of all families in the West, ranked by income.<sup>1</sup> Thus, the average Hispanic farmer in California and Arizona is quite successful economically, while in the other states they are only moderately successful. Nevertheless, the success is greater for this group on the average than for American Indians or blacks. In addition, Hispanic farms are better off than the typical Hispanic in nonmetropolitan areas. In 1975, the median family income for families of Mexican origin (most of whom are located in the Southwest) in non-metropolitan areas was \$7,800<sup>2</sup> while the average for Hispanic farmers was lowest, \$10,800, in Texas.

In these two groups of states, there is also a difference which was observed among American Indians, namely one group of states, Texas, New Mexico, and Colorado where the economic status was heavily dependent on off-farm earning with only moderate farm incomes; in contrast, a second group, California and Arizona, where farm earnings were more substantial and off-farm earnings less important. No doubt part of the reason is the much heavier concentration of Hispanic farms with sales under \$20,000 in the first group of states, since farms in that sales category nationally receive 60 percent of total income from off-farm sources. Comparisons between Hispanics in these two groups of states will be made in the other sections which follow.

#### 4.2 Size of Farm and Value of Assets for Farms Operated by Hispanics

The data on farm size and value of assets found in Table 4.1 indicate that a) Hispanic farms in all states are smaller than the average farm both in terms of average number of acres and value of total assets; b) The value of assets per acre on Hispanic farms are of equal or greater value; and c) The farm and farm-related income per acre and per dollar of assets is either close to or exceeding the returns for all farms.

Comparing all farms meeting the 1959 definition indicates that the average size of Hispanic farms is significantly smaller than the average farm, ranging from a high of two-thirds the size in Texas, to 20 to 35 percent in Colorado, New Mexico, and California, but only 13 percent in Arizona. The average total assets of Hispanic farms is about one-third the size of all farms in New Mexico and Arizona and about one-half as large in the other states. While comparing only farms with sales of \$2,500 or more increases the average size of Hispanic farms, it makes little difference, except in Texas, in the relative size compared to all farms. The relative total assets remains at 45 to 60 percent except in Texas where the average Hispanic farms had 72 percent the assets of the average farm. The relative size in acres remains at 25 to 40 percent on Hispanic farms, again with the exception of Texas where the relative size increases to 80 percent.

While the average size of Hispanic farms is smaller, the value of assets per acre is significantly greater in all states except Texas, where the relative value per acre is 83 percent. In Colorado the average value per acre on Hispanic farms is one-third larger, while in the other states the value per acre is twice (New Mexico and Colorado) to three times as



large (Arizona). Whether the differences in value are related to location within the states or to other factors is not clear, but the importance of geographical area could be examined using the data base described in Appendix B.

One measure of efficiency is the return in terms of farm and farm-related income per dollar value of assets. On this basis the average Hispanic farm is only slightly less efficient as the average farm with sales of \$2,500 in Texas and Colorado, but more efficient in the other states. In Arizona and California, states where the size of farm income for Hispanics is highest, the average return per dollar of asset was 20 percent larger than the average for all farms. In New Mexico, the return for Hispanics was 50 percent larger. In absolute terms, however, the returns are low, averaging only 2½ to 3 percent in Texas, Colorado, and New Mexico, and 6 to 7 percent in California and Arizona.

The value of machinery per acre is everywhere greater on Hispanic farms. The differences are slight in Texas and less important in Colorado than in other states. There is a direct relationship between the machinery and equipment per acre and the returns per acre, which reflects differences in products and crops produced. (See Section 4.4)

Since returns for Hispanics are equal or greater and the value of assets per acre are larger, the explanation for smaller relative incomes is obviously related to the smaller size of farms, both in terms of acres and in terms of asset values. Whether the smaller size reflects the limits imposed by personal characteristics, especially wealth, or by other factors is not clear. However, it is clear that, on the average, Hispanics do well given the smaller quantity of resources they control, as measured by income per dollar of assets.

#### 4.3 Value of Sales for Farms Operated by Hispanics

The average value of sales and the distribution by value of sales for Hispanic farms shown in Table 4.3 lead to the following conclusions:

a) The average value of products sold on Hispanic farms is considerably smaller than that reported by the average farm; b) In all states, a larger percentage of Hispanic farms had sales under \$20,000 compared to all farms, while a smaller percent of Hispanics reported sales of \$40,000 or more, although the differences are small in Texas and California; and c) Comparing Hispanics across states shows that Hispanics in Arizona and California, where farm incomes are largest, had significantly fewer farms with sales under \$20,000 and significantly more farms with sales of \$40,000 or more.

Based on the average value of sales per farm, the states importance to Hispanics fall into the same two groups as noted above in the discussion of relative incomes. California and Arizona show much higher average sales compared to Hispanics in other states. However, relative to the average for all farms, the value of products sold by Hispanics is not much higher in California and lower in Arizona than in any state but New Mexico.

The distribution of farms by value of sales also reveals differences between Hispanics and all farms as well as differences among Hispanics in the two groups of states. Looking at the percent of farms with sales under \$1,000 indicates that 20 to 36 percent of all Hispanic farms were affected by the change in definition of a farm, percentages which are significantly larger than for all farms except in California. The number of farms with sales under \$2,500 is also much larger for Hispanics than all

farms in the three states where farm incomes are lowest. Thus, given that farm incomes were measured only for farms with sales of \$2,500, there is no income data for one-half to two-thirds of all Hispanic operators in these three states.

Comparing only farms with sales of \$2,500 or more and looking at the percentage with sales under \$20,000 and with sales of \$40,000 helps explain some of the differences across states in the absolute and relative incomes of Hispanics. The lower farm incomes of Hispanics in Texas, Colorado, and New Mexico, is obviously related to the higher percentages with sales under \$20,000 and smaller percentages with sales over \$40,000. Between 67 and 80 percent of all Hispanic farms with sales of \$2,500 or more in these three states had sales of less than \$20,000, compared to 52 and 58 percent in California had sales of \$40,000 or more compared with around 10 percent in Texas and New Mexico, and 20 percent in Colorado.

The distribution by sales is also helpful in explaining relative incomes in Texas, Colorado, and Arizona. In Colorado, where relative farm incomes were lowest, there were 23 percent more Hispanics with sales under \$20,000 and 18 percent fewer with sales of \$40,000 or more. In Texas and California, where relative incomes were 66 and 56 percent, there were some 10 percent more Hispanic farms in the smaller sales category and 10 percent fewer in the larger sales category. Distributions by size do not help in explaining the relative incomes in New Mexico and Arizona, however. In both states there were 15 to 20 percent smaller Hispanic farms and 15 to 20 percent fewer larger Hispanic farms, yet these states show the highest relative farm incomes.

Based on the value of sales, Hispanic farms in California and

Arizona can be described as having a relative advantage when compared to Hispanics in other states, but an equal or greater relative disadvantage compared with the average for all farms by state. The same result was observed above when farm incomes were compared.

The change in definition of a farm resulted in an 11 percent decrease in the number of Hispanic farms compared to 6 percent for all farms. Except for California, where a larger percentage of all operators were excluded, the change had a 50 to 65 percent greater effect on Hispanics, with those in New Mexico and Arizona being most affected. The definition change dropped the number of Hispanic farms by 18 and 15 percent in these two states respectively.<sup>3</sup>

#### 4.4 Major Products and Major Crops Sold on Hispanic Farms

Comparing products and crops sold indicates major differences between Hispanic and all farms. As seen in Tables 4.4 and 4.5:

a) Hispanic farms generate more sales from crops and less from livestock and poultry, except in Colorado where poultry sales were quite important for Hispanics; and b) There are important differences in crops sold in every state with cotton and vegetables more important for Hispanics and grains less important.

The data on products and crops sold indicate quite clearly that Hispanic farms in general are largely engaged in different activities. Livestock and poultry sales are more than twice as important for all farms than for Hispanics, except in California where the differences are smaller. While livestock sales, excluding poultry, account for 50 to 60 percent of sales for farms in Texas, Colorado, and New Mexico, only 20 to 35 percent of Hispanic sales come from livestock. Poultry is a small fraction of sales for both Hispanics and all farms except in Colorado where one-fifth of all Hispanic sales come from poultry. Correspondingly, crop sales are of greater importance to Hispanics. That these three states also show Hispanic farms with low absolute incomes is supportive of the hypotheses that failure to move more significantly into livestock production will cause farm incomes to lag behind.<sup>4</sup> However, in Colorado, the heavier concentration in poultry by Hispanics still leaves them far behind in terms of farm income.

Among farms with sales of \$2,500 or more, cotton and vegetables account for a larger fraction of sales for Hispanics. For cotton, the differences are notable in New Mexico and Arizona where cotton sales

account for 16 and 28 percent more of sales for Hispanics. In all states except Arizona, vegetable sales are more significant for Hispanics accounting for 10 to 13 percent more of total crops sales. Grains, on the other hand are more important for all farms. The differences in Texas, Colorado, and New Mexico are especially large. In Colorado there is a much larger fraction of crop sales for all farms in the other field crops category.

Clearly these variations in products and crops sold make Hispanic farms different from other farms in each state. To what extent the differences help explain income differences or the reasons for the differences are not apparent.

#### 4.5 Personal Characteristics of Hispanic Farm Operators

Comparing the personal characteristics of Hispanics shown in Table 4.6 with that for all operators reveals that a) Unlike other minority groups, Hispanics are younger than other farmers in the states selected; b) Hispanic operators are less likely to report farming as their principal occupation compared to all farmers, although between 40 and 60 percent of Hispanics in each state are farmers by occupation; and c) Fewer Hispanics report no off-farm work, while larger percentages report 200 or more days of off-farm work.

In each state Hispanics have a lower average age than all farmers. The age differences however, are small, ranging from less than one year in New Mexico to less than four years in California. In Arizona, the age difference reflects larger percentages of Hispanics in the under 35 age group, while in California the difference results from smaller percentages in the over 65 age group. In Texas and New Mexico, where average age differences are small, there are no major differences in the distributions by age. Compared with blacks and American Indians, Hispanics in general have higher incomes both absolutely and relative to all farms. The differences may be partially attributable to the lower relative ages of Hispanics, especially the smaller percentages age 65 and over.

Overall, Hispanic operators are less likely to report farming as their major occupation. In New Mexico and Colorado some 15 to 16 percent fewer Hispanics are farmers by occupation, which also coincides with the higher dependence on off-farm income reported in those states. Additional

supporting evidence in these two states is the fewer Hispanics reporting no off-farm work and much higher percentages reporting at least 100 or 200 days of off-farm work. California presents the opposite pattern, with more Hispanics reporting farming as their occupation and slightly fewer reporting as many as 100 days of off-farm work. This perhaps relates to the higher farm income of Hispanics in this state compared to all states but Arizona. In Texas, where farm incomes are lowest, fewer Hispanics report no off-farm work but fewer also report as many as 200 days of off-farm work. In Arizona, the state where Hispanic farm incomes are highest, fewer Hispanics are farmers by major occupation and more engage in a greater number of days of off-farm work compared to all farms in Arizona. Moreover, compared to Hispanics in other states, fewer in Arizona report farming as their occupation than any other state except New Mexico, and more report as many as 200 days of off-farm work than in any other state. Despite this, Hispanics in Arizona report less off-farm income and are less dependent on off-farm earnings.

The general conclusion from the occupational and days of off-farm work data might be that Hispanics, at least outside of California, are more heavily part-time farmers and less reliant on farm income. While it is true that off-farm income accounts for a larger percentage of total income for Hispanics than all farms, it is not true that farm income is unimportant. Even in Texas, New Mexico, and Colorado, where off-farm work and off-farm incomes are, relatively speaking, large, farm income still accounts for one-half of the total income of Hispanic operators. In each of these states the average Hispanic operator would have income near or below the poverty level without the income generated from farm and farm-related sources. The fact that almost one-half of the operators had no



off-farm income and 40 to 50 percent report farming as the principal occupation indicates that to a substantial degree farming is most important. Moreover, it is likely that in many of these areas the opportunities for increasing incomes substantially through off-farm employment may be quite limited. The rural labor markets of the Southwestern states offer few opportunities for upward income mobility.<sup>5</sup>

#### 4.6 Tenure Patterns for Farms Operated by Hispanics

Based on the data in Table 4.7 the following conclusions can be drawn: a) In the three states where Hispanic farm incomes are lowest, more Hispanics are full owners and fewer part owners and tenants; and b) In the states where Hispanic farm incomes are highest, more Hispanics are part owners and tenants.

As noted in Section 4.2 the principal explanation for the lower incomes of Hispanics seems to lie in the smaller amount of resources controlled. The tenure patterns help support that conclusion. In New Mexico and Colorado, two-thirds of all Hispanics are full owners compared with just over half of all farmers. For both Hispanics and all farmers there is a significant difference in the size of farms by tenure class with full owner farms of significantly smaller size. In addition, the average size of farms in each tenure class is much smaller for Hispanics. In Texas, the other state where Hispanic farm incomes were low, there is very little distribution in the number of farms by tenure class, however, Hispanics do have smaller sized farms.

In California, Hispanics are significantly more concentrated in tenant farms and less in full or part owner farms. While for most states tenant farms are larger, in California the average size tenant farm operated by Hispanics is only 74 acres so the higher percentage of Hispanics in the tenant category contributes to the lower relative income. Hispanics in Arizona are actually more heavily concentrated in part owner and tenant farms which probably helps account for the higher farm incomes in that state. However, the lower relative income is clearly related to the differences in size of farm by tenant class. For all full owner

farms, the average size is over 6000 acres, and in all categories, the average farm size is much larger for all farms than for Hispanics.

While it was observed that the size of the farm is helpful in understanding the lower relative incomes, the differences in size as measured by acres must be balanced by the differences noted in Section 4.4 above in products and crops produced. The comparisons are being made between some very different kinds of enterprises, perhaps located in different geographical areas. Nevertheless, the much smaller acres controlled by Hispanics does indeed present a limitation on farm incomes.

The limited size of Hispanic farms has been attributed, in part, to the pattern of agriculture in the Southwest region, where the large size of farms and ranches controlled by big business interests makes it difficult for new groups, especially those with limited financial means, to enter. The majority of Hispanics in the Southwest are relatively recent immigrants whose reliance on low paying agricultural laboring jobs has contributed to their relatively weak economic picture.<sup>6</sup>

#### 4.7 Farm Debt of Farms Operated by Hispanics

The data in Table 4.8 lead to the following generalizations:

a) Hispanics report farm debt by type in almost identical percentages to all farms; b) The average size debt is much smaller on Hispanic farms which is probably accounted for by difference in the size of the farm; and c) The debt burden of Hispanic farms is generally lower measured both in terms of debt to asset and debt to income.

The percentages of Hispanics and all farms reporting any debt, secured debt, and unsecured debt are almost identical. However, the average size of debt is much smaller on Hispanic farms. Comparing the relative size of debt and relative farm size measured in terms of acres in farm shows the two are closely correlated for Colorado, New Mexico, and Arizona. In Texas, the relative size of debt is somewhat lower than predicted by size of farm and in California larger. In both cases age may be a contributing factor. In Texas, one-fifth of all Hispanics are 65 and over and average age is highest while in California, the average age is low and fewer are age 65 or more.

Compared to all farms in each state, Hispanics have lower debt to asset and debt to income ratios with one exception. In California the debt to asset ratios are slightly higher for Hispanics, a fact perhaps related to the younger age of Hispanics and to the fact that the distribution of land in farms shows more Hispanic land operated by full owners and less by tenants. The debt to asset ratios are closest in Texas, which may be explained by the almost identical distribution of land in farms by tenure and the very slight age differences. The greatest differences are found in New Mexico, Colorado, and Arizona.

The difference in Arizona is likely due to the fact that one-third of the land operated by Hispanics is farmed by tenants compared to less than 8 percent for all farms while 60 percent of all farm land is operated by full owners compared to 28 percent for Hispanics. In New Mexico and Colorado, the same pattern, much larger percentages of land operated by tenants, is also found. Much the same conclusions can be seen when debt to income ratios are compared.

#### 4.8 Summary and Conclusions for Farms Operated by Hispanics

The major findings based on the preceding analysis of the characteristics of farms operated by persons of Spanish origin are:

- The average total income of Hispanics is between 60 and 70 percent that of the average farm in each state containing significant numbers of Hispanic farms, except in New Mexico where the average for all farms is quite low. As was true for American Indians there are two different groups of states: California and Arizona, where farm incomes of Hispanics are quite large and where off-farm income and off-farm work are less significant; and Texas, New Mexico, and Colorado, where farm incomes are low and off-farm work and off-farm income is very significant.
- Hispanic farms appear different from all farms in terms of enterprise. A greater percentage of sales for Hispanics are derived from sales of crops, except in Colorado where poultry is quite important to Hispanics. In addition, there are differences in the crops grown by Hispanics and all farms with vegetables and cotton generally more important to Hispanics and grains less important.
- Hispanic operators are typically younger, on the average, than the average farmer. In terms of principal occupation and off-farm work, a significant percentage of Hispanics appear to be part-time farmers. Hispanics are less likely to report farming as their principal occupation, less likely to report no off-farm work, and more likely to report as many as 200 days of off-farm work. However, the significance of the farm income cannot be underestimated. Even in the states where off-farm work is most important, farm income still accounts for one-half of total income. In addition, while Hispanic operators have incomes near or above the median non-metropolitan income level, their incomes would have been close to the poverty line without the income contributed by the farm. Moreover, compared with other Hispanics, those with farm income appear much better off on the average.
- As was true for blacks, the smaller size of Hispanic farms appears to be the most serious limitation on farm income. Value of land and buildings per acre and value of total assets per acre are both equal or greater for Hispanics. Farm and farm-related income per acre and per dollar of assets, two measures of efficiency, compare favorably. However, in all tenure groups, the average Hispanic farm is much smaller in acres than the average farm.

TABLE 4.1 Selected Characteristics of Farms Operated  
By Persons of Spanish Origin, 1974

ITEM	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
Number of Farms	Number	8,562	3,990	3,987	322	1,777	1,467	172
Land in Farms	Acres	4,002,216	1,906,994	1,962,980	143,909	1,302,779	161,994	131,705
Average Size of Farm	Acres/Farm	467	478	492	447	773	110	766
Value of Land and Buildings	\$1,000	946,965	384,442	491,505	35,192	176,832	201,310	40,509
Average Value of Land & Buildings	\$/Farm	110,601	96,351	123,277	109,292	99,511	137,226	235,519
Value of Machinery & Equipment	\$1,000	98,594	37,013	52,425	4,570	17,907	22,650	2,853
Average Value of Machinery & Equipment	\$/Farm	12,595	10,281	14,242	15,132	10,800	17,056	18,172

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

<sup>b</sup>Average based on farms reporting value of machinery and equipment.

TABLE 4:2: Income by Source for Farms Operated by Persons of Spanish Origin With Sales of \$2,500 or More, 1974

ITEM	UNIT	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
Net Farm Income	\$1,000	35,787	6,912	25,289	1093	3505	1,4726	2186
Net Farm-Related	\$1,000	3,720	1,786	1738	155	426	861	145
% Reporting Farm-Related	%	36.6	52.3	25.6	39.7	38.4	14.6	22.5
Off Farm Income	\$1,000	25,696	10,027	13,867	1075	4199	7147	474
% Reporting	%	58.8	58.3	59.4	62.0	63.9	56.1	53.9
Net Income, All Sources <sup>a</sup>	\$/Farm	15,248	10,774	18,664	12,624	11,834	21,528	27,500
Net Farm Income	"	8,369	3,977	11,542	5,940	5,102	13,945	21,431
Net Farm-Related	"	870	1,028	793	842	620	815	1,422
Net Off-Farm	"	6,009	5,769	6,329	5,842	6,112	6,768	4,647

SOURCE: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

NOTE: <sup>a</sup> Averages of all Farms with Sales of \$2,500 or more



TABLE 4.3: Value of Sales for Farms<sup>a</sup> operated by  
Persons of Spanish Origins, 1974

ITEM	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
Value of Products Sold	\$1,000	154,974	37378	105,688	6084	14,076	68,442	6359
Avg. Value of Products Sold Farms by Value of Sales	\$/Farm	18,100	9368	26,508	18894	7921	46,654	36,971
Under \$1,000 of Sales	% of all Farms	30.2	34.1	26.8	24.8	35.6	17.0	27.9
Under \$2,500 of Sales	"	52.0	58.8	46.9	45.0	63.4	29.7	42.4
\$2,500 - \$4,999	"	12.1	12.6	11.7	15.5	12.6	9.8	9.3
\$5,000 - \$9,999	"	10.6	9.9	11.1	9.3	10.9	11.0	15.7
\$10,000 - \$19,999	"	9.1	7.5	10.2	11.8	5.6	15.3	8.1
\$20,000 - \$39,999	"	7.0	6.2	7.8	7.5	3.9	12.1	9.3
\$40,000 - \$99,999	"	5.6	3.5	6.9	7.1	2.1	12.5	7.0
\$100,000 and over	"	3.6	1.5	5.5	3.7	1.5	9.7	8.1

SOURCE: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

NOTE: <sup>a</sup> Data in this Table are Based on the 1959 Definition of a Farm.

TABLE 4.4: Farms and Sales by Major Products Sold by  
Farms<sup>a</sup> Operated by Persons of Spanish Origin, 1974

	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
% of Farms Reporting Sales of								
Crops, Hay	% of All Farms	50.1	44.7	54.3	42.2	43.5	71.0	45.9
Nursery, Greenhouse	#	1.5	0.5	2.2	1.2	.6	4.6	4.1
Forest Products	#	.6	0.1	.8	1.2	1.1	.3	.6
Livestock	#	58.7	64.9	52.2	74.5	69.0	26.7	54.7
Poultry	#	2.7	1.9	3.1	3.4	3.0	2.7	5.2
% of Sales Resulting From								
Crops, Hay	% of Total Sales	65.3	61.3	66.8	45.8	99.6	66.5	82.6
Nursery, Greenhouse	#	3.5	1.0	4.6	1.4	D <sup>b</sup>	6.8	.3
Forest Products	#	-	-	-	-	.2	-	-
Livestock	#	27.9	35.7	25.0	33.5	D <sup>b</sup>	23.1	17.1
Poultry	#	3.4	2.0	3.6	19.3	.3	3.6	-

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture

Notes: a Data in this table are based on the 1959 definition of a farm.

b Percentages exclude sales in categories where disclosure problems preclude reporting.

TABLE 4.5: Major Crops Sold For Farms Operated by Persons of Spanish Origin with Sales of \$2,500 or More

UNITS		TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
% Reporting Sales of	% of Farms With Sales of \$2,500 or more							
Grains	"	28.0	41.3	13.3	31.5	11.1	6.4	23.5
Tobacco	"	-	-	-	-	-	-	-
Cotton, Cottonseed	"	19.4	32.1	11.5	-	23.6	5.5	31.4
Field Seeds, Hay, Silage	"	17.3	13.9	22.4	28.3	32.8	7.4	25.5
Other Field Crops	"	4.2	4.0	4.1	13.6	1.5	2.5	3.9
Vegetables, Sweet Corn, Melons	"	11.4	10.5	12.9	11.4	10.3	13.1	4.9
Fruits, Nuts, Berries	"	17.4	1.8	31.8	1.6	3.3	58.7	10.8
% of Crops Sales Resulting From	% of Crop Sales, Farms with Sales of \$2,500 or more							
Grains	"	21.3	40.7	11.1	33.1	9.5	7.4	12.4
Tobacco	"	-	-	-	-	-	-	-
Cotton, Cottonseed	"	16.4	28.6	13.8	-	39.0	6.1	70.8
Field Seeds, Hay, Silage	"	8.1	5.4	9.5	15.2	22.3	7.0	12.7
Other Field Crops	"	11.1	6.5	12.3	36.0	.5	6.3	D <sup>a</sup>
Vegetables, Sweet Corn, Melons	"	23.3	17.0	26.1	13.3	27.1	33.1	1.6
Fruits, Nuts, Berries	"	19.8	1.8	27.2	2.4	1.7	40.2	2.5

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TABLE 4.6: Selected Characteristics of Farm<sup>a</sup> Operators of Spanish Origin, 1974

ITEMS	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
AGE								
Average Age	Years	51.3	52.3	50.4	48.8	52.0	49.5	48.7
% Under 35 years	%	10.9	11.1	10.3	12.7	8.8	10.8	15.1
% 65 years and over	%	18.4	20.5	16.3	13.4	20.5	13.5	15.1
OFF FARM WORK								
% With No Off-Farm Work	%	32.8	29.6	35.8	40.1	31.8	40.8	35.5
% With 100-199 days	%	13.2	15.3	11.8	11.0	13.7	9.6	12.5
% With More Than 200 ways	%	40.6	39.7	40.5	41.9	39.7	39.5	44.1
% Reporting Farming as Major Occupation	%	48.2	46.0	50.0	53.1	41.6	59.3	42.4

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture

Note: a Data in this table are based on the 1959 definition of a farm.

TABLE 4.7: Farms and Land in Farms By Tenure for Farms<sup>a</sup>  
Operated by Persons of Spanish Origin, 1974

ITEM	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
Farms by Tenure	% all farms							
Full-Owners	"	63.9	60.1	67.3	68.0	68.7	66.9	55.2
Part-Owners	"	20.8	22.5	19.1	20.5	24.7	11.4	25.6
Tenants	"	15.3	17.4	13.6	11.5	6.6	21.7	19.2
Acres in Farm by Tenure	% total acres							
Full-Owners	"	32.9	38.5	27.2	40.7	27.9	36.1	28.0
Part-Owners	"	48.1	42.0	54.5	33.3	54.9	49.3	36.4
Tenants	"	19.0	19.5	18.4	26.0	17.2	14.6	35.6

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

TABLE 4.8: Farm Debt for Farms with Sales of \$2,500 or more Operated by Persons of Spanish Origins, 1974

ITEM	UNITS	TOTAL US	TEXAS	WEST	COLORADO	NEW MEXICO	CALIFORNIA	ARIZONA
% of Farms with Debt	% of Farms w/ Sales of \$2,500+	39.9	36.0	42.6	51.1	45.0	38.6	39.2
Avg. Debt, All Types	\$/Farm	15,679	10,979	19,367	14,734	13,205	25,164	14,451
Debt Secured by Real Estate % Reporting	% of Farms w/ Sales of \$2,500+	28.4	22.2	32.7	35.3	33.2	31.4	26.5
Avg. Secured Debt Debt Not Secured by Real Estate	\$/Farm	10,985	7,591	13,664	10,022	9,290	17,652	8,736
% Reporting	% of Farms w/ Sales of \$2,500+	22.7	23.8	22.0	31.5	24.7	17.9	26.5
Avg. Unsecured Debt Debt to Asset Ratios	\$/Farm	4,694	3,388	5,704	4,712	3,917	7,512	5,716
Total Debt/Total Assets		0.078	0.052	0.093	0.082	0.058	0.125	0.037
Secured Debt/Land & Build- ings		0.058	0.040	0.072	0.063	0.045	0.097	0.023
Debt to Income Ratios		1.03	1.02	1.04	1.17	1.12	1.17	0.52
Total Debt/Total Income		1.70	2.19	1.57	2.17	2.31	1.71	0.63
Total Debt/Farm & Farm Related Income								

SOURCE: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

NOTE: <sup>a</sup> Averages Based on all Farms with Sales of \$2,500 or More

<sup>b</sup> Assets for Farms with Sales of \$2,500 or More Were Estimated Based on Average Size of Farm and Asset Values

Notes for Section 4 - Hispanics

<sup>1</sup>Data on income from [13], Tables 23 and 24, pages 39-42.

<sup>2</sup>See [15], Table 25, page 43.

<sup>3</sup>Based on [19], Chapter II, Table 33, page II-49 for all farms; and [20], Chapter III, Table 33, pages III-46 and 47, compared with the unpublished tabulations [21] for Hispanics.

<sup>4</sup>See [5], page 33. Also compared with result for blacks, Section 2.4 above.

<sup>5</sup>See [1], especially Chapter 3.

<sup>6</sup>See [6], pages 417-418.

## 5. Characteristics of Oriental Farms and Oriental Farm Operators

The characteristics of Oriental farms and Oriental farm operators are discussed in this section. As noted in Section 1:a) Oriental farms are overwhelmingly concentrated in the West and especially in California and Hawaii; b) Orientals are by far the most successful minority group by all economic criteria, and the only group successful on the average compared with all farms; and c) Compared both to other minorities and to all farms, Oriental operators are more likely to be farmers by occupation, and less likely to report working two hundred or more days off the farm. While most of the other groups in most of the states resemble small farms, the average Oriental farm is more a picture of a highly successful farm with high farm income and very high return to farm assets.

The farms operated by persons of Oriental descent are heavily concentrated in the West and in particular in the Pacific states of California and Hawaii. These two states alone account for nearly 80 percent of the farms and three-fourths of the value of assets, value of products sold, and farm incomes of Oriental farms. Because of the small size of farms in terms of acres, especially in Hawaii, less than half the acres controlled by Orientals are accounted for by these two states, but most of the remainder of acres is located in other western states, including Washington and Oregon.

Oriental farms are somewhat different in the several states selected. Farms in Hawaii are quite small averaging only 25 acres, and large in Washington and Oregon, where average size is 170 acres or so. Average



incomes are lowest in Hawaii, where the average is \$21,000, and the highest in Oregon, \$44,600. The same pattern holds for farm incomes. In comparison with other minority groups, however, Oriental farms are by far the most affluent of the minority groups. In fact, as the discussion below reveals, Oriental farms are in most respects better off than the average farm, with the exception of Oriental farms in Hawaii. While in most states each of the minority groups constitute a significant minority of farms, in Hawaii, two-thirds of all farms are Orientals.

### 5.1 Income by Source for Farms Operated by Orientals

Based on the data in Table 5.2, the following conclusions can be drawn for Orientals: a) In all states containing a significant number of Orientals, the average total incomes and average farm incomes are high relative to those found for other minorities and relative to the average farm. Hawaii represents a special case discussed below; b) For the most part Orientals are less likely to report off-farm earnings and receive a smaller fraction of their income from off-farm sources, a finding especially true in Washington and Oregon; c) Orientals report farm related income less frequently than all farms and receive fewer dollars from this source.

A comparison of Oriental farms across the states selected reveals three groupings: Hawaii, where farm incomes are lowest and the only state where incomes are below the all farm average; Washington and California, where average incomes for Orientals is close to the all farm average; and Oregon where Oriental farm income is triple the all farm average.

Orientals in Hawaii have only 15 percent of the total income and less than 10 percent of the farm and farm related income of the average farm. The difference is notable given that Oriental farms account for two-thirds of all farms in Hawaii and nearly 85 percent of those with sales over \$2,500. Hawaii, however, is a somewhat exceptional place. The 64 farms with sales of \$500,000 or more (3 percent of the total farms with sales of \$2,500 or more) alone had 88 percent of the total value of products sold and of the net farm income. On those farms, the average net farm income was almost \$4 million. If those farms were excluded,

the average net farm income for all farms would be \$9,414. and the net family income \$18,169, which is just below the average for Orientals.<sup>1</sup> Because to some extent these few, very large operations tend to distort the comparisons, data for Hawaiian farms other than these giants will be discussed in other sections. The tables in Appendix A, however, refer to all farms.

In California and Washington, Oriental farms have virtually identical total incomes and 10 percent higher farm and farm related incomes than the average for all farms. In both states the absolute size of farm incomes are similar, more than twice that for Orientals in Hawaii, but only three fourths as large as in Oregon, where Oriental farm incomes average \$41,000. In Oregon, the farm and farm related incomes for Oriental farms is nearly 3 times as large as the all farm average.

Comparing the importance of off-farm income again makes Hawaiian Orientals different. They more frequently report off-farm income, which is more important both in absolute size and as a fraction of total income. Moreover, only in Hawaii do Orientals more frequently report off-farm earnings than all farms. In the other states farm incomes are lower, both in an absolute sense and in relation to all farms. Off-farm income, however, is more important to Orientals in California than in Washington and Oregon. In Oregon, off-farm income is only 8 percent of total income for Orientals.

Farm related income generally tends to be reported by a smaller proportion of Orientals and is a less significant proportion of total income. In Hawaii, farm related income for Orientals is less than 10

percent of that on all farms. However, if those with sales of \$500,000 are excluded, the average farm related income is only 10 percent larger than for Orientals.

Using income as a measure of success, the average Oriental farm operator is successful. In California and Oregon, the average total income is sufficient to place the family among the top 5 percent of all families in the West, ranked by income. In Washington, the average income is 95 percent of that required to reach the top 5 percent. In Hawaii, the average income places the Oriental family in the top 20 percent.<sup>2</sup> While the incomes of other groups, were compared against poverty or mean incomes, for Orientals the comparisons most appropriate are the minimums required to reach the top of the income distribution.

## 5.2 Size of Farm and Value of Assets for Farms Operated by Orientals

The conclusions reached by comparing the size of farm and value of assets are that Oriental farms a) are considerably smaller in terms of acres, especially in Hawaii; b) have much larger value per acre, so that total assets per farm are similar to the average for all farms, although Oriental farms are still smaller; and c) have higher returns per acre and per dollar value of asset compared to all farms.

The average size of Oriental farms in the several states ranges from 25 acres in Hawaii to 176 acres in Oregon, and is between one fifth and one third the size of the average farm, except in Hawaii. In that state the small Oriental farm is only 4 percent of the average size. However, the value of assets per acre indicates that Orientals farm land with higher value than all farms. The value per acre relative to all farms ranges from 3 times as large on Oriental farms in Washington to 7 times as large in Hawaii.

The value of assets per farm is quite close except for Hawaii where the average Oriental farm has only one fourth the total assets. If only farms with \$2,500 or more of sales are compared, Oriental farms in California have 80 percent the assets of the average farm, while in Washington the farms are of nearly equal value. In Oregon, where Orientals have almost 3 times the farm income of the average farm, Oriental farms have one fourth more assets. In Hawaii, however, the value per farm remains low and is only one half as large as the average farm, and only 20 percent as large as the average non-Oriental farm, excluding those with sales of \$500,000. or more.

The farm and farm related income per acre and per dollar of asset are both considerably higher on Oriental farms. The returns per acre ranges from 3 times as large in Hawaii to nearly 15 times as large in Oregon. Comparing the income per dollar of asset shows the three groups identified in Section 5.1: Hawaii, the average return is only 40 percent as great as on the average farm; in Washington and California the returns are one third and three fourths larger than for all farms; in Oregon the return for Orientals is over 3 times as large. Despite the differences in relative returns, the absolute returns are nearly uniform - averaging 11 to 12 percent in each state but Oregon where the return was 18 percent. As noted above, Hawaii represents a special case with the 64 very large farms accounting for 93 percent of the total farm income. If these farms are removed from the data, the returns for Orientals are over twice as large.

The returns per value of asset reveals that Oriental farms compare favorably to the average farm. The higher farm incomes of Orientals are clearly a result of having more valuable resources on a per acre basis, combined with greater returns per value of asset. In Hawaii where the average Oriental income is lowest, the reason is the small number of acres, as the quality of assets and returns on assets are almost as high as Orientals elsewhere and quite good by comparison to all U.S. farms. The data tends to support the conclusion that Oriental farms are among the more efficient farms in the country.

### 5.3 Value of Sales for Farms Operated by Orientals

The data in Table 5.3 showing average sales and the distribution by value of sales lead to the following findings: a) Oriental farms have relative sales which closely follow the relative farm incomes; b) Outside of Hawaii, Orientals are less likely to have sales under \$2,500 and under \$20,000, and more likely to have sales of \$40,000 or more; and c) Comparing farms with sales of \$2,500 or more, shows similar distributions for Orientals and all farms in Hawaii and Washington, but considerably more Orientals in California and Oregon with at least \$20,000 and \$40,000 in sales.

The distribution of farms by value of sales for all farms meeting the 1959 definition of a farm shows that except for Hawaii, where distributions across sales class are quite similar, there is a considerably smaller percentage of Oriental farms with sales below \$1,000 and below \$2,500. While roughly one-fifth of all farms had sales below \$1,000, fewer than 10 percent of Oriental farms in California and Washington, and only 1 percent in Oregon were that small. Correspondingly, larger fractions of Oriental farms had sales of \$40,000 or more. The difference was especially large in Oregon where nearly two-thirds of Oriental farms but less than one-fifth of all farms had sales of \$40,000 or more

Looking only at farms with sales of \$2,500. or more, the distribution by value of sales is virtually identical in Washington, which helps explain the nearly equal incomes in that state. For Oregon less than half as many Oriental farms had sales below \$20,000. and more than twice as

many had sales of \$40,000 or more, which corresponds to the ratio of total incomes in that state. In California, larger percentages of Oriental farms had sales of \$40,000. or more and fewer had sales below \$20,000, again corresponding to the relative incomes. In Hawaii, where income differences are large, the difference in distributions by value of sales is slight. Only 3 percent fewer Oriental farms had sales over \$40,000. However, farms with sales of \$100,000 or more account for 12 percent of all farms and only 7 percent of Oriental farms in Hawaii. However, excluding Hawaiian farms with sales of \$500,000 or more brings the average income for all farms just below that for Orientals which is consistent with the sales distribution.

The change in the definition of a farm had a much less significant effect on the count of Oriental farms than all farms except in Hawaii where nearly equal percentages were affected. The difference was especially large in Oregon where 11 percent of all farms, but less than half of one percent of Oriental farms were excluded.<sup>3</sup>



#### 5.4 Major Products and Major Crops Sold on Oriental Farms

Based on the data in Tables 5.4 and 5.5, it is clear that Oriental farms are different from all farms in the following respects: a) Oriental farms are more heavily dependent on sales of crops and much less dependent on livestock and poultry; b) Oriental farms, but not all farms, receive a significant portion of total gross sales from nursery and greenhouse operations, although this is not true in Oregon; c) Oriental farms with sales of \$2,500 or more derive a larger portion of crop sales from vegetables and from fruits, nuts, and berries. In Washington and Oregon, Orientals also receive more from sales of other field crops.

Poultry and livestock represent a much smaller percentage of gross sales on Oriental farms. In fact, only in Hawaii, where 12 percent of sales were derived from livestock and an additional 11 percent from poultry, did this category account for more than 5 percent of total sales for Orientals. While disclosure problems did not allow the percentages to be calculated for Washington, it would appear the percentage would follow the same pattern in that state based on the number of farm reporting sales. Correspondingly, sales from crops were much higher for Orientals. Although Hawaii again appears as the exception, the differences is attributable to those farms with sales of \$500,000 or more on which 91 percent of sales was from crops. If these farms are ignored, Orientals would show higher than average sales from crops, although similar percentages for livestock and poultry.

In most areas greenhouse and nursery sales are a small fraction of total sales. While this is true for all farms in the states important

for Orientals, it is not true for Oriental farms, except in Oregon. In California and Hawaii, and apparently in Washington, greenhouse sales are quite significant accounting for over 14 and 11 percent of sales in California and Hawaii respectively.

For farms with sales of \$2,500 or more, crop sales for Orientals follow a different pattern than for all farms. Oriental farms have less sales from grains, field seeds, hay, forage, and silage, especially in Washington and Oregon. Other field crops and vegetables are more important for Orientals, accounting for two thirds of all sales in Washington and Oregon, half in California, and 80 percent in Hawaii. Except for Washington, fruits, nuts, and berries are more important for Orientals. Again the difference in Hawaii results from the pattern for very large farms. Excluding farms with sales of \$500,000 or more, the pattern of sales for all farms in Hawaii is very close to that for Orientals.

For Orientals as for all the other minority groups, the product and crop selections make the typical Oriental farm different. The extent to which these patterns are the product of geographic location can be tested with the data as described in Appendix B. For other groups it may appear the product and crop selection contributed to the lower relative incomes, but not for Orientals. However, this factor may help account for asset values per acre and returns per acre and which are in general higher for vegetables, fruits, nuts, and berries, and, of course, for greenhouses.

### 5.5 Personal Characteristics of Oriental Farm Operators

A comparison of Oriental and all farm operators shows that Orientals are: a) older on the average, with a larger percentage over age 65; b) much more likely to report farming as their principal occupation; and c) less likely to report a large number of days of off-farm work and more likely to report none.

The average age of Oriental farmers is greater than that for all farmers in each of the states. However, except for Washington where the age difference is 6 years, there is little difference. In Washington, the difference in age is largely the result of a larger percentage of Orientals age 65 or more.

The most obvious differences in personal characteristics is the greater dependence on and commitment to farming for Orientals as shown by occupation and off-farm work. While for all operators around 55 percent report farming as their principal occupation, in California and Washington, some 80 percent of Orientals are farmers by occupation. In Oregon and Hawaii, the percentages are 90 and 97 percent for Orientals.

Around 40 percent of all farm operators in the selected states report no days of off-farm work and another 40 percent report 200 days or more. Except in Hawaii, where roughly equal proportions of Orientals and all farms report off-farm work, a considerably smaller percentage of Orientals report 200 or more days of off-farm work and greater percentages report none. The differences are especially large in Oregon, where three fourths of all Orientals report no off-farm work and only one sixth report as many as 200 or more days.

The differences in off-farm work help to explain the greater farm incomes of Orientals. In Oregon where farming is the principal activity of Orientals, their farm incomes are much higher. In California and Washington where there is less off-farm work, the differences are smaller but still favoring Orientals. In Hawaii where work patterns are similar, the incomes, excluding farms with sales of \$500,000, reflect this as well. Moreover, when Orientals and non-Orientals in Hawaii are compared, the difference in off-farm work shows a much smaller percentage of non-Orientals with no off-farm work and a larger fraction with 200 or more days. This reflects the higher farm incomes for Orientals when those farms with sales of \$500,000 or more are excluded.

## 5.6 Tenure Patterns for Farms Operated by Orientals

The data on farms and land in farms by tenure show: a) Oriental farms in general are less likely to be full owners and part owners; and b) Comparing land in farms shows more land for Orientals is farmed by full owners and less by tenants and part owners.

The differences in the distribution of farms by tenure class show Oriental farms are quite a bit like all farms, with two principal exceptions. In Hawaii considerably more Orientals are full owners and considerably fewer are part owners, differences which are greater when non-Orientals are compared with Orientals. In Oregon the percentage of Orientals in the part owner and tenant class are much greater, while fewer are full-owners. This may help account for the differences in income since these farms are larger and show greater returns.

While as a general rule fewer Orientals are full owners, a comparison of land in farms shows more Oriental land in the full owner class. While larger proportions of Orientals are tenant farmers, less Oriental land is in tenant farms, except in Hawaii where the distribution for all farms is heavily influenced by patterns for farms with sales of \$500,000 or more. These differences reflect the much smaller average size of Oriental farms in each tenant class. Nevertheless, the smaller size has not resulted in lower incomes as was true for other minority groups. The size probably reflects differences in type of enterprise and geographical location.

### 5.7 Farm Debt of Farms Operated by Hispanics

Comparing farm debt for Orientals and all farms indicates: a) Fewer Orientals report farm debt, although the differences are small except in Washington; b) The average size of debt reported is typically smaller for Orientals, although it is larger for Orientals than all farms in Oregon; and c) The debt burden is similar for Orientals as measured by the debt to asset ratio but smaller as measured by the debt to income ratio.

While slightly few Orientals report debt, there are only small differences except in Washington where 15 percent fewer Orientals report debt of any type and 10 percent fewer report debt secured by real estate. In all states the differences may well reflect the age differences which show Orientals slightly older in all states except Washington where Orientals are 6 years older on the average. Older farmers are less likely to report debt.<sup>4</sup>

Orientals report a lower average debt compared to all farms in every state except Oregon. As a percentage of total assets, only in Washington is there much of a difference in the debt burden, which again may reflect age. Secured debt as a percentage of the value of land and buildings is above 10 percent only in Oregon, which may reflect the much smaller percentage of Oriental farmers age 65 or older.

Debt as a percentage of total income and as a percentage of farm income is lower for Oriental farmers. The differences are especially large when comparing debt with farm income. Whether these differences are reflecting age, years in farming, or other factors is not clear, but this has been a consistent finding for all minority groups.

## 5.8 Summary and Conclusions for Farms Operated by Orientals

The major findings based on the preceding analysis of Oriental farms and farm operators are:

- Compared to other minority groups and to the average farm in the states with significant numbers of Orientals, the farm income and the total family income of Orientals exceeds that of the typical farm. While this is not true in Hawaii when all farms are compared, it is true when Orientals are compared to all but the largest 3 percent of all farms. While other groups have moderate incomes at best, Oriental operators are quite successful.
- Oriental farms are highly concentrated in the Pacific states especially California and Hawaii. In Hawaii, Orientals account for two-thirds of all farms.
- Like most of the other minority groups, Oriental farms are more dependent on sales of crops than all farms, and seem to specialize in different crops. For Orientals, moreover, sales from greenhouse and nurseries account for a significant portion of total sales, except in Oregon.
- Oriental operators are older than the average farmer. However, while this fact was used to account for the lower incomes of black and American Indian operators, age does not seem to mean low incomes for Orientals.
- Compared to all farms and to other minorities, Oriental farmers are much less dependent on off-farm income and more likely to be full-time farmers. Fewer work as many as 200 days off the farm, more work none. In the states selected the percentage reporting farming as their principal occupation ranged from 78.6 to 97.2 percent.
- As was true for other minority groups, the size of the average Oriental farm is much smaller than the average for all farms, while value of assets per acre are greater. In fact, for Orientals the values per acre are sufficiently greater to bring the average value per farm for Oriental near that for the average farm. In addition, returns per acre and per value of assets indicate that Orientals are among the most efficient farms in the U.S. While size of farm was used to explain low incomes for other minorities, it does not appear that access to land has been a handicap for Orientals.

TABLE 5.1: Selected Characteristics of Farms<sup>a</sup> Operated By Japanese, Chinese, and Filipino's, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
Number of Farms	Number	6,588	6,294	3,006	2,213	229	295
Land in Farms	Acres	786,224	714,219	297,344	55,155	40,212	49,952
Average Size of Farm	Acres/Farm	119	113	99	25	176	169
Value of Land and Building	\$1,000	1,134,625	1,089,581	674,376	181,404	41,013	51,811
Avg. Value of Land & Building	\$/Farm	172,226	173,114	224,343	81,972	179,096	175,630
Value of Machinery & Equipment	\$1,000	142,162	135,025	81,133	16,405	8,325	7,300
Avg. Value of Machinery & Equipment <sup>b</sup>	\$/Farm	24,591	24,505	29,385	9,263	36,836	25,886

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

<sup>b</sup>Average based on farms reporting value of machinery and equipment.



TABLE 5.2: Income by Source for Farms Operated by Japanese, Chinese, and Filipinos with Sales of \$2,500 or More, 1974

ITEM	UNIT	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
Net Farm Income	\$1,000	137,966	132,881	80,367	18,543	8,736	6,886
Net Farm-Related	\$1,000	3,351	3,185	1,814	572	205	144
% Reporting Farm-Related	%	15.7	15.1	11.3	13.8	23.4	17.8
Off-Farm Income	\$1,000	35,174	34,344	18,830	11,530	799	1,136
% Reporting	%	62.9	63.5	60.9	73.1	54.1	56.7
Net Income All Sources <sup>a</sup>	\$/Farm	33,126	33,231	37,314	21,072	44,642	31,287
Net Farm Income	\$/Farm	25,895	25,913	29,688	12,726	40,073	26,383
Net Farm-Related	\$/Farm	629	621	670	394	940	552
Net Off-Farm	\$/Farm	6,602	6,697	6,956	7,952	3,665	4,352

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Averages of all farms with sales of \$2,500 or more.

TABLE 5.3: Value of Sales for Farms<sup>a</sup> Operated By Japanese, Chinese, and Filipinos, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
Value of Products Sold	\$1,000	455,012	441,431	300,169	48,450	23,274	19,851
Avg. Value of Products Sold	\$/Farm	69,067	70,135	99,857	21,893	101,632	67,293
Farms By Value of Sales	Number						
Under \$1,000 of Sales	"	11.7	11.1	6.1	20.0	0.9	8.1
Under \$2,500 of Sales	"	20.2	19.7	10.6	36.6	4.8	12.5
\$2,500 - \$4,999	"	8.4	8.4	4.8	15.0	3.1	7.1
\$5,000 - \$9,999	"	10.1	10.1	8.1	13.9	4.8	15.2
\$10,000 - \$19,999	"	12.5	12.7	14.1	10.6	11.8	15.2
\$20,000 - \$39,999	"	13.7	13.8	16.9	9.9	10.9	13.9
\$40,000 - \$99,999	"	18.9	19.1	23.7	9.5	31.0	18.7
\$100,000 and over	"	16.1	16.2	21.9	4.5	33.6	17.3

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 5.4: Major Products Sold For Farms<sup>a</sup> Operated by Japanese, Chinese, and Filipinos, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
% of Farms Reporting Sales of	% of All Farms						
Crops, Hay	"	72.2	72.3	74.6	54.2	89.5	77.6
Nursery, Greenhouse	"	19.2	19.8	19.7	24.5	8.3	14.2
Forest Products	"	0.4	0.3	-	0.5	0.4	0.7
Livestock	"	12.9	11.7	0.6	14.6	8.3	12.9
Poultry	"	1.7	1.6	1.5	1.7	0.9	1.4
% of Sales Resulting From	% of Total Sales						
Crops, Hay	"	80.0	80.0	81.1	66.1	95.2	79.9 <sup>b</sup>
Nursery, Greenhouse	"	11.6	11.9	14.2	10.5	1.6	11.9
Forest Products	"	0.1	0.1	-	10.5	-	D
Livestock	"	5.2	5.0	2.3	12.0	1.9	D
Poultry	"	3.1	3.0	2.3	11.4	1.2	2.6

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table is based on the 1959 definition of a farm.

<sup>b</sup>Percentages for Washington do not include products where no information was disclosed.

TABLE 5.5: Major Crops Sold for Farms Operated by Japanese, Chinese, and Filipinos with Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
% Reporting Sales of	% Farms with Sales of \$2,500 or More						
Grains	"	13.6	11.9	6.4	-	33.9	24.1
Tobacco, Cotton, Cottonseed	"	1.8	1.6	2.4	-	-	-
Field Seeds, Hay, Silage	"	8.9	7.8	4.2	-	18.8	12.6
Other Field Crops	"	14.5	14.5	3.0	23.4	31.6	15.3
Vegetables, Melons, Sweet Corn	"	27.4	27.6	22.8	26.0	46.8	51.7
Fruits, Nuts, Berries	"	41.8	43.3	58.0	31.9	43.6	25.7
% of Crops Sales Resulting From	% of Crop Sales						
Grains	"	8.5	7.5	6.1	-	7.1	18.1
Tobacco, Cotton Cottonseed	"	1.6	1.6	1.4	-	-	-
Field Seeds, Hay, Silage	"	2.2	2.2	1.2	-	3.0	4.2
Other Field Crops	"	16.8	16.6	4.1	54.5	34.2	42.6
Vegetables, Melons, Sweet Corn	"	38.5	38.9	44.8	25.5	30.1	24.5
Fruits, Nuts, Berries	"	32.2	33.2	42.4	20.0	25.7	10.6

Source: Unpublished tabulations by race of operator from the 1974 Census of Agriculture.

TABLE 5.6: Selected Characteristics of Japanese, Chinese, and Filipinos Farm<sup>a</sup> Operators, 1974

ITEM	UNITS	UNITED STATES					WASHINGTON
		TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	
Age							
Average Age	Years	54.0	50.4	54.4	56.8	53.1	57.6
% Under 35 Years	%	5.1	5.0	4.6	5.7	5.7	2.7
% 65 Years and Over	%	18.8	19.4	15.8	27.0	11.8	26.4
Off-Farm Work							
% With no Off-Farm Work	%	50.9	51.1	61.6	37.8	72.2	57.8
% With 100-199 days	%	8.9	8.7	6.8	12.2	4.0	6.0
% With More Than 200 Days	%	29.4	29.4	22.8	38.3	15.9	27.5
% Reporting Farming as Major Occupation	%	71.6	72.1	79.7	97.2	89.5	78.6

Source: Unpublished tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 5.7: Farms and Land in Farms by Tenure for Farms<sup>a</sup> Operated by Japanese, Chinese, and Filipinos, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
Farms by Tenure	% all Farms	59.4	59.2	66.7	53.2	52.0	59.3
Full Owners	"	59.4	59.2	66.7	53.2	52.0	59.3
Part Owners	"	18.2	18.0	16.2	12.5	36.7	26.1
Tenants	"	22.4	22.8	17.1	34.3	11.3	14.6
Land in Farms by Tenure	% Total Acres						
Full Owners	"	30.0	30.1	35.9	29.4	34.6	53.7
Part Owners	"	55.9	56.3	48.9	44.1	58.3	38.2
Tenants	"	14.1	13.6	15.2	26.5	7.1	8.1

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

TABLE 5.8: Farm Debt for Farms Operated by Japanese, Chinese, and Filipinos With Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	WEST	CALIFORNIA	HAWAII	OREGON	WASHINGTON
% of Farms with Debt	% of Farms With Sales of \$2,500 or More	35.4	35.1	37.3	24.6	46.3	34.1
Average Debt, All Types <sup>a</sup>	\$/Farm	21,370	21,387	25,868	7,331	41,963	24,950
Debt Secured by Real Estate % Reporting	% of Farms With Sales of \$2,500 or More	27.1	27.2	31.3	14.2	39.4	29.5
Average Secured Debt <sup>a</sup>	\$/Farm	15,036	15,128	19,308	4,552	30,894	16,330
Debt Not Secured by Real Estate % Reporting	% of Farms With Sales of \$2,500 or More	17.5	17.3	14.7	14.9	26.1	18.4
Average Unsecured Debt <sup>a</sup>	\$/Farm	6,334	6,259	6,561	2,779	11,064	8,621
Debt to Asset Ratios <sup>b</sup>							
Total Debt/Total Assets		0.090	0.090	0.094	0.060	0.193	0.120
Secured Debt/Land & Buildings		0.072	0.072	0.079	0.041	0.071	0.090
Debt to Income Ratios							
Total Debt/Total Income		0.64	0.64	0.69	0.35	0.94	0.80
Total Debt/Farm & Farm-Related Income		0.81	0.81	0.85	0.56	1.02	0.93

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture.

Note: <sup>a</sup>Averages based on all farms with sales of \$2,500 or More.

<sup>b</sup>Assets for Farms with Sales of \$2,500 or More Were Estimated Based on Average Size of

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<sup>1</sup>Data for this comparison and subsequent comparisons was obtained from [18], Part 11, "Hawaii," Chapter I, Table 31, pages I-68, ff.

<sup>2</sup>See [13], Table 23, page 39.

<sup>3</sup>Based on [19], Chapter II, Table 33, page II-49 for all farms; and [20], Chapter III, Table 35, pages III-50 and 51 compared to unpublished tabulations [21] for Orientals.

<sup>4</sup>See [4] for a good discussion of the characteristics of older operators.



## 6. Minority Farms -- Summary and Comparisons Among Groups

The 1974 Census of Agriculture collected information on four identified minority groups -- blacks, American Indians, persons of Spanish origin (Hispanics), and Japanese, Chinese, and Filipinos (Orientals) -- with an additional group - other minorities -- containing no major identifiable minority group. In 1974 there were 76,295 minority farm operators who controlled 13 million acres of farm land and who sold \$1.1 billion of agricultural products.

Minority farms are geographically concentrated: blacks are predominantly in the South; Hispanics in the Southwest; and orientals in the Pacific region. While American Indians are also concentrated, they are found in significant numbers in the South Atlantic, West South Central, Mountains, and West North Central. Within those regions, a few states account for most of the American Indian farms.

One major trend among minorities is the declining relative importance of blacks. In 1964 blacks accounted for 92 percent of all minority operators but in 1974 only 69 percent. While part of the drop is accounted for by the fact that Hispanics were not identified as minorities until 1974, the major explanation is the 40 percent decline between 1969 and 1974 in the number of black operators compared to less than a 10 percent decrease for other minorities (excluding Hispanics). While blacks still remain the largest minority group, their more rapid decline raises some questions about their future in agriculture.

In the report each of the four identified minorities are compared with all farms in the states with the most significant numbers of

minority farms. In most cases, the relative status and characteristics was found to differ somewhat across the states so that generalizations are hazardous.

Compared with the average farm, blacks, American Indians, and Hispanics have lower total incomes and lower farm incomes. Orientals, however, have a higher economic status compared both to other minorities and to all farms. Blacks and American Indians have the lowest incomes but are different in one major respect. Blacks are more heavily dependent on income from farm sources while American Indians typically receive larger off-farm incomes. Hispanics typically have greater economic status compared to blacks and American Indians. Like American Indians, off-farm income and off farm work is more important to Hispanics than to blacks.

In several respects -- low farm incomes, low value of sales, large percentage with sales under \$20,000, and small quantity of resources controlled -- most minority farms are small. However, significant percentages appear successful in terms of sales and in some states for some groups (in all cases for Orientals) in terms of average incomes.

Two major conclusions can be reached with respect to incomes: In the first place, while farm incomes are low in absolute terms and relative to all farms for blacks, American Indians, and Hispanics, the farm incomes are quite significant as a percentage of total income. Secondly, compared with their non-farm counterparts, minority farm operators on the average have higher incomes. This fact plus the questions raised by the high unemployment and poverty rates in rural areas suggests that farm incomes may not be easily replaced by non-farm

incomes so that the loss of farm incomes may have serious economic consequences to the individuals. On the other hand, efforts to improve the returns from farming may be a good way to increase the economic status of these groups.

Both Orientals and blacks are typically older than the average farmer and larger percentages are 65 years of age or older. For blacks, the higher age appears to correlate with a number of other characteristics, especially their low incomes, low debt, and limited off-farm work. For Orientals, the age appears to explain nothing. There is no significant age differences for American Indians, and Hispanics are typically somewhat younger.

In almost every state, minority farms appear to be different than the average farms in terms of the products and crops produced. In most cases, especially where farm incomes are significantly lower, minorities receive less of total sales from the major product or crop produced in the state. This suggests that access to prime lands and perhaps access to prime markets may be a limitation on minority farm incomes.

Finally, the major explanation for low farm incomes for blacks, American Indians, and Hispanics appears to be, in most cases, the limited quantity of resources, principally land available to minorities. With the exception of a few states in which American Indians have very low returns to assets, the efficiency of minority farms, as measured by the farm incomes per acre and per dollar of asset, is equal to or exceeds that of the average farm. Quality of assets as measured by values per acre appear to be less of a problem except in a few states

for American Indians. In almost all cases, however, the limited quantity of resources controlled by minorities is a serious constraint on their total incomes. There have been several reports which have questioned the access of minorities to land both for purchase and/or for rent. The limited movement of minorities in general to the part owner status and the rapid declines for blacks in general and for American Indians in some states raises questions about the access of minorities to farm land. Any explanation of incomes both in the past and for the future must provide some reasons for this fact. Most hypotheses are beyond the scope of this report, but the report does suggest efficiency is not the principal cause. Each group on the average appears to do well given the resources they possess.

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## APPENDIX A

## Tables For All Farms By Region and State

The following tables contain data for all farms by region and state. Each table parallels a comparable table for each minority group and is numbered to match. That is, Table A.1 contains the same information for all farms as Table 2.1 has for blacks, etc.

Data for all farms was obtained through the printed reports for the 1974 Census of Agriculture and in most cases has been adjusted to show farms meeting the 1959 definition. This was not possible, however, in all cases. The notes to the tables explain whether the 1959 or 1974 definition was used. For all farms, the effect of excluding farms not meeting the standards of the 1974 definition is small, as indicated by comparisons before and after adjustments when that was possible.

TABLE A.1 : Selected Characteristics of All Farms<sup>a</sup>, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
Number of Farms	Number	2,466,123	1,060,255	1,008,677	259,868
Land in Farms	1,000 Acres	1,025,687	365,151	310,018	326,641
Avg. Size of Farm	Acres/Farm	416	344	307	1,257
Value of Land and Buildings	\$ million	347,453	152,380	112,823	66,305
Avg. Value of Land and Buildings	\$/Farm	140,890	143,721	111,852	255,151
Value of Machinery & Equipment	\$ million	49,343	25,834	14,002	6,559
Avg. Value of Machinery & Equipment	\$/Farm	20,008	24,366	13,882	25,238

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.



TABLE A.1: Selected Characteristics of All Farms<sup>a</sup>, 1974  
For Selected States

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
Number of Farms	Number	61,975	6,423	54,051	73,955	27,127	59,082	3,307
Land in Farms	1,000 Acres	12,170	38,014	14,816	33,593	1,971	14,142	2,121
Avg. Size of Farm	Acres/Farm	196	5,918	274	454	1,333	239	641
Value of Land and Buildings	\$ million	4,451	4,236	6,228	22,127	6,835	6,748	1,043
Avg. Value of Land & Buildings	\$/Farm	71,821	659,477	115,226	299,199	251,954	114,210	315,317
Value of Machinery & Equipment	\$ million	732	215	989	1,802	717	897	98,862
Avg. Value of Machinery & Equipment	\$/Farm	11,805	33,402	18,296	24,369	26,459	15,187	29,592

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

TABLE A.1 : Selected Characteristics of All Farms<sup>a</sup>, 1974  
For Selected States

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON
Number of Farms	Number	35,951	58,605	24,392	12,611	100,563	74,059	30,166
Land in Farms	1000 Acres	9,237	14,581	62,329	47,445	11,622	33,403	18,393
Avg. Size of Farm	Acres/Farm	257	249	2,555	3,762	116	451	610
Value of Land and Buildings	\$ million	4,752	5,549	7,008	3,714	6,901	10,144	4,693
Avg. Value of Land and Buildings	\$/Farm	132,172	94,684	287,313	294,505	68,623	136,965	155,561
Value of Machinery and Equipment	\$ million	730	906	760	238	1,244	1,090	606
Avg. Value of Machinery and Equipment	\$/Farm	20,293	15,469	31,162	18,902	12,372	14,721	20,092

Source: 1974 Census of Agriculture, Vol. 1, Part 51.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

TABLE A.1: Selected Characteristics of All Farms<sup>a</sup>, 1974

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
Number of Farms	Number	32,319	43,722	103,219	186,617	58,197	32,649
Land in Farms	1,000 Acres	16,356	46,123	13,406	135,343	9,945	16,791
Avg. Size of Farm	Acres/Farm	211	1,062	130	725	171	514
Value of Land & Buildings	\$ million	2,685	6,693	6,330	33,076	5,576	5,972
Avg. Value of Land & Buildings	\$/Farm	192,396	153,082	61,328	177,241	95,816	182,925
Value of Machinery & Equipment	\$/million	497	1,175	1,091	2,819	732	781
Avg. Value of Machinery & Equipment	\$/Farm	14,497	26,864	10,571	15,106	12,585	23,936

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.

TABLE A.2 : Income By Source For All Farms  
With Sales of \$2,500 or more, 1974

ITEM	UNIT	TOTAL US	NORTH CENTRAL	SOUTH	WEST
Net Farm Income	\$1,000	20,742,579	11,406,825	4,950,376	3,550,059
Net Farm-Related	\$1,000	1,012,222	416,450	322,489	240,465
% Reporting Farm-Related	%	25.5	25.9	24.7	26.5
Off-Farm Income	\$1,000	8,881,765	3,696,786	3,507,676	1,207,332
% Reporting <sup>a</sup>	%	58.5	57.4	58.6	62.5
Net Income, All Sources <sup>b</sup>	\$/Farm	18,074	18,090	15,569	27,582
Net Farm Income	\$/Farm	12,237	13,296	8,777	19,592
Net Farm-Related	\$/Farm	597	485	572	1,327
Net Off-Farm	\$/Farm	5,240	4,309	6,220	6,663

Source: 1974 Census of Agriculture, Vol. I, Page 51.

Note: <sup>a</sup>Percentage here is of individual family and partnership operating only, others based on all farms.  
<sup>b</sup>Average based on all farms.

TABLE A.2 : Income By Source, All Farms With Sales  
of \$2,500 or More, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
Net Farm Income	\$1,000	153,932	133,552	466,888	1,273,060	299,116	377,678	286,307
Net Farm-Related	\$1,000	11,242	8,749	19,636	95,381	24,928	19,465	8,915
% Reporting Farm-Related	%	22.5	21.7	20.6	20.0	32.2	25.0	13.2
Off-Farm Income	\$1,000	186,472	37,496	146,208	475,209	111,066	207,918	16,978
% Reporting <sup>a</sup>	%	59.5	56.7	55.5	64.1	60.0	54.2	67.0
Net Income, All Sources <sup>b</sup>	\$/Farm	12,014	41,611	20,235	36,318	20,665	16,884	149,235
Net Farm Income	\$/Farm	5,259	30,908	14,931	25,078	14,206	10,539	136,858
Net Farm-Related	\$/Farm	384	2,025	628	1,879	1,184	543	4,261
Net Off Farm	\$/Farm	6,371	8,678	4,676	9,361	5,275	5,802	8,116

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Notes: <sup>a</sup>Percentage here is based on individuals, family, and partnership operations only; others based on all farms.

<sup>b</sup>Averages based on all farms.

TABLE A.2: Income by Source, all Farms  
with Sales of \$2 500 or more, 1974

ITEM	UNIT	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON	SOUTH CAROLINA
Net Farm Income	\$1,000	463,478	208,966	265,959	38,032	668,199	287,367	247,370	169,109
Net Farm-Related	\$1,000	20,786	16,584	22,250	11,761	24,131	26,234	16,727	8,188
% Reporting Farm Related	%	23.4	26.0	31.9	31.6	24.1	25.5	27.2	25.9
Off Farm Income	\$1,000	103,811	155,981	73,373	48,118	255,334	301,537	117,042	101,763
% Reporting <sup>a</sup>	%	51.3	57.4	56.3	59.5	49.5	64.0	64.8	54.9
Net Income, All Sources	\$/Farm	31,716	14,642	17,920	12,656	15,169	12,871	22,398	15,935
Net Farm Income	"	24,996	8,020	13,181	4,916	10,696	6,013	14,537	9,656
Net Farm-Related	"	1,121	636	1,103	1,520	386	549	983	468
Net Off-Farm	"	5,599	5,986	3,636	6,220	4,087	6,309	6,878	5,811

Source: 1974 Census of Agriculture, Vol. I, Part 51

Notes: <sup>a</sup>Percentage of individual, family, and partnership operations only. Other percentages based on all farms

<sup>b</sup>Averages based on all farms

TABLE A.2: Income by Source, All Farms  
with Sales of \$2,500 or More, 1974

ITEM	UNITS	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
Net Farm Income	\$1,000	428,694	226,029	692,264	216,778	508,852
Net Farm-Related	\$1,000	34,838	14,182	105,664	12,008	17,499
% Reporting Farm-Related	%	42.4	24.3	31.9	26.7	24.6
Off-Farm Income	\$1,000	93,706	280,793	875,770	214,952	131,849
% Reporting <sup>a</sup>	%	47.2	61.9	62.8	61.3	62.3
Net Income, All Sources <sup>b</sup>	\$/Farm	13,994	10,788	15,788	13,999	31,260
Net Farm Income	\$/Farm	10,766	4,680	6,530	6,839	24,167
Net Farm Related	\$/Farm	875	294	997	379	831
Net Off-Farm	\$/Farm	2,353	5,814	8,261	6,781	6,262

Source: 1974 Census of Agriculture, Vol., I, Part 51.

Notes: <sup>a</sup>Percentage here is based on individuals, family and partnership operations only; others based on all farms.

<sup>b</sup>Average based on all farms

TABLE A.3: Value of Sales For All Farms<sup>a</sup>, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
Value of Products Sold	\$million	81,570	36,368	23,382	17,526
Avg. Value of Products Sold	\$/Farm.	33,076	34,301	23,181	67,442
Farms by Value of Sales	% of Total	17.8	10.3	25.1	18.9
Under \$1,000 <sup>b</sup> of Sales	"	32.5	20.1	45.6	31.9
Under \$2,500 <sup>b</sup> of Sales	"	10.4	8.8	12.9	8.8
\$2,500 - 4,999	"	12.0	12.4	12.3	10.6
\$5,000 - 9,999	"	12.6	15.6	9.9	11.5
\$10,000 - 19,999	"	13.1	18.3	7.5	12.0
\$20,000 - 39,999	"	13.2	18.2	7.3	13.6
\$40,000 - 99,999	"	6.2	6.5	4.5	11.5
\$100,000 and over	"				

Source: 1974 Census of Agriculture, Volume I, Part 51, United States, Summary and State Data

Note: <sup>a</sup>Data in this table are based on the 1959 definition of a farm.  
<sup>b</sup>Includes farms excluded by the 1974 definition.



TABLE A.3 : Value of Sales For All Farms<sup>a</sup>, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
Value of Products Sold	\$1,000	1,123,434	1,080,728	1,881,370	7,401,871	1,970,714	1,860,551	609,928
Avg. Value of Products Sold	\$/Farm	18,127	168,259	34,807	100,086	72,648	31,491	184,435
Farms By Value of Sales	% of All Farms							
Under \$1,000 of Sales <sup>b</sup>	"	33.3	20.5	23.9	21.2	14.0	25.1	21.6
Under \$2,500 of Sales <sup>b</sup>	"	54.3	34.4	43.9	33.6	24.4	40.6	38.5
\$2,500-\$4,999	"	11.1	9.2	11.5	8.3	8.4	9.2	14.2
\$5,000-\$9,999	"	9.8	9.2	9.4	10.1	11.3	10.4	13.1
\$10,00-\$19,999	"	7.3	8.7	7.1	10.7	13.0	10.1	9.6
\$20,00--\$39,999	"	5.8	8.6	6.9	10.4	14.6	9.7	8.7
\$40,000-\$99,999	"	7.7	10.2	11.5	11.4	17.1	12.1	8.2
\$100,000 and over	"	4.0	19.7	9.8	15.5	11.3	8.0	7.7

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and Stage Data.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

<sup>b</sup>Includes farms, excluded by the 1974 definition of a farm.

TABLE A.3: Value of Sales for All Farms<sup>a</sup>, 1974

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON
Value of Products Sold	\$1,000	1,194,259	1,229,798	1,033,548	522,053	2,123,373	1,595,854	1,026,205
Avg. Value of Products Sold	\$/Farm	33,219	20,985	42,372	41,397	21,115	21,548	34,018
Farms by Value of Sales	% of All Farms							
Under \$1,000 of Sales	"	29.7	35.2	9.9	23.2	22.6	18.5	27.0
Under \$2,500 of Sales	"	50.3	57.3	18.4	40.4	38.3	37.4	45.2
2,500 - 4,999	"	9.3	11.1	6.8	11.3	11.4	13.2	9.7
5,000 - 9,999	"	8.2	9.0	10.4	11.7	13.8	14.1	10.3
10,000 - 19,999	"	7.2	6.5	14.8	10.7	13.1	12.5	9.0
\$20,000 - \$39,999	"	6.7	4.9	18.8	9.6	10.4	10.6	8.3
\$40,000 - \$99,999	"	9.7	6.0	22.0	9.4	9.0	8.9	9.4
\$100,000 and over	"	8.5	5.2	8.8	6.9	4.1	3.2	8.0

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and State Data.

Note: <sup>a</sup>Data in this table based on the 1959 definition of a farm.

<sup>b</sup>Includes farms excluded by the 1974 definition of a farm.

TABLE A.3: Value of Sales for All Farms<sup>a</sup>, 1974

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
Value of Products Sold	\$1,000	677,141	1,660,441	936,056	5,641,077	961,106	1,652,092
Avg. Value of Products Sold	\$/Farm	20,951	37,977	9,069	30,228	16,515	50,816
Farms by Value of Sales	% of All Farms						
Under \$1,000 of Sales <sup>b</sup>	"	27.5	4.8	27.2	24.9	24.6	22.0
Under \$2,500 of Sales <sup>b</sup>	"	46.8	9.5	54.2	45.9	46.4	36.8
\$2,500 - \$4,999	"	11.3	5.9	16.4	13.0	14.3	8.4
\$5,000 - \$9,999	"	12.0	11.2	12.7	11.9	13.6	9.0
\$10,000 - \$19,999	"	10.1	18.8	7.7	9.7	10.0	8.9
\$20,000 - \$39,999	"	8.0	26.2	4.4	7.6	6.6	10.2
\$40,000 - \$99,999	"	7.0	22.4	3.4	7.0	5.9	14.4
\$100,000 and over	"	4.7	5.9	1.3	4.8	3.3	12.3

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and State Data.

Note: <sup>a</sup>Data in this table is based on the 1959 definition of a farm.

<sup>b</sup>Includes farms excluded by the 1974 definition of a farm.

TABLE A.4: Major Products Sold, All Farms<sup>a</sup>

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
% of Farms Reporting Sales of					
Crops, Hay	% of All Farms	67.0	76.4	58.8	61.6
Nursery, Greenhouse	% of All Farms	1.3	0.7	1.0	2.6
Forest Products	% of All Farms	10.2	1.9	4.2	2.0
Livestock <sup>b</sup> & Poultry	% of All Farms	71.5	72.9	72.5	61.8
Poultry	% of All Farms	6.6	7.4	5.9	4.4
% of Sales Resulting From					
Crops, Hay	% of Total Sales	49.2	49.6	48.8	54.5
Nursery, Greenhouse	% of Total Sales	2.1	1.1	1.8	3.2
Forest Products	% of Total Sales	0.3	0.1	0.6	0.2
Livestock <sup>c</sup>	% of Total Sales	48.5	46.3	33.0	37.4
Poultry	% of Total Sales	7.6	3.0	15.7	4.7

Source: 1974 Census of Agriculture, Vol. 1, Part 51.

Note: <sup>a</sup>Data in table are based on the 1974 definition of a farm.<sup>b</sup>Includes livestock and poultry.<sup>c</sup>Sales of livestock, not including poultry.

TABLE A.4: Major Products Sold, All Farms<sup>a</sup>, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
% of Farms Reporting Sales of								
Crops, Hay	% of All Farms	48.9	49.5	41.7	64.7	64.0	56.6	57.2
Nursery, Greenhouse	"	0.8	2.3	0.4	3.9	1.7	1.0	19.8
Forest Products	"	7.2	0.5	5.8	1.0	0.6	8.6	0.4
Livestock <sup>b</sup> & Poultry	"	77.0	60.6	73.7	39.6	72.8	75.9	27.5
Poultry	"	10.2	3.9	12.9	3.9	5.2	11.1	2.6
% of Sales Resulting From								
Crops, Hay	% of Tot Sales	34.3	45.6	54.4	58.5	32.7	44.3	86.5
Nursery, Greenhouse	"	1.9	0.7	0.2	5.4	1.9	1.4	1.5
Forest Products	"	1.5	-	0.3	0.1	-	1.8	-
Livestock <sup>c</sup>	"	23.5	53.1	11.2	28.0	63.2	21.2	9.4
Poultry	"	38.8	0.6	33.8	8.0	2.1	31.3	2.6

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Notes: <sup>a</sup>Data in this table based on 1974 definition of a farm.

<sup>b</sup>Includes livestock and poultry.

<sup>c</sup>Sales of livestock, not including poultry.

TABLE A.4: Major Products Sold, All Farms<sup>a</sup>, 1974

ITEM	UNITS	STATE							
		LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON	
% of Farms Reporting Sales of	% of All Farms	49.2	47.7	68.2	42.2	80.9	50.2	55.2	
Crops, Hay	"	1.1	0.3	0.4	1.0	1.2	0.5	3.6	
Nursery, Greenhouse	"	4.1	8.5	2.1	0.9	4.0	1.1	5.6	
Forest Products	"	70.6	75.9	77.8	77.4	48.6	86.5	68.8	
Livestock, Poultry <sup>b</sup>	"	3.8	6.0	5.5	3.4	6.2	3.4	4.8	
Poultry	"								
% of Sales Resulting from	% of Tot. Sales	77.0	57.8	53.1	29.7	60.2	40.9	58.8	
Crops, Hay	"	0.7	0.5	0.1	0.6	1.2	1.2	4.7	
Nursery, Greenhouse	"	0.5	1.3	0.3	0.1	0.8	-	1.3	
Forest Products	"	15.8	18.7	45.6	68.0	16.8	54.4	30.7	
Livestock <sup>c</sup>	"	6.0	21.7	0.8	1.6	21.1	3.5	4.5	
Poultry	"								

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Note: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

<sup>b</sup>Includes livestock and poultry.

<sup>c</sup>Sales of livestock, not including poultry.

TABLE A.4: Major Products Sold, All Farms<sup>a</sup>, 1974

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
% of Farms Reporting Sales of							
Crops, Hay	% of All Farms	71.3	76.3	65.7	43.5	64.6	62.2
Nursery, Greenhouse	"	0.8	0.2	0.8	0.6	0.9	2.9
Forest Products	"	6.9	0.2	3.8	1.3	5.8	3.8
Livestock <sup>b</sup> & Poultry	"	57.0	87.2	75.9	82.0	70.2	58.8
Poultry	"	4.1	13.5	4.0	3.9	6.2	4.3
% of Sales Resulting from							
Crops, Hay	% of Tot Sales	67.1	35.9	46.4	37.6	43.5	67.5
Nursery, Greenhouse	"	0.9	0.2	2.4	0.9	1.9	2.2
Forest Products	"	1.5	-	0.7	0.1	1.0	0.4
Livestock <sup>c</sup>	"	17.5	62.6	42.6	55.9	38.4	26.2
Poultry	"	13.1	1.4	7.9	5.5	15.2	3.7

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Notes: <sup>a</sup>Data in this table based on 1974 definition of a farm.

<sup>b</sup>Includes livestock and poultry.

<sup>c</sup>Sales of livestock, not including poultry.

TABLE A.5 : Major Crops Sold, All Farms With Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
% Reporting Sales of					
Grains	% of Farms With Sales of \$2,500 or More	60.1	92.7	65.2	38.3
Tobacco	"	8.9	1.4	34.1	—
Cotton, Cottonseed	"	4.7	0.3	17.4	3.5
Field Seeds, Hay, Silage	"	20.5	27.7	20.4	24.7
Other Field Crops	"	4.2	2.2	9.5	6.6
Vegetables, Sweet Corn, Melons	"	3.3	2.6	4.8	5.2
Fruits, Nuts, Berries	"	4.0	1.1	4.3	19.4
% of Crop Sales Resulting from					
Grains	% of Crop Sales, Farms With Sales of \$2,500 or More	61.9	89.3	48.8	30.0
Tobacco	"	4.2	0.2	14.0	—
Cotton, Cottonseed	"	5.7	0.3	13.0	7.9
Field Seeds, Hay, Silage	"	5.0	3.9	2.8	9.3
Other Field Crops	"	9.9	3.6	11.3	19.1
Vegetables, Sweet Corn, Melons	"	5.9	1.7	4.3	14.2
Fruits, Nuts, Berries	"	7.2	1.0	5.9	19.5

Source: 1974 Census of Agriculture, Vol I, Part 5



TABLE A.5: Major Crops Sold, All Farms With Sales of \$2,500 or More, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
% Reporting Sales of								
Grains	% of Farms With Sales of \$2,500 or More	43.8	27.7	43.4	145	53.0	56.0	0.3
Tobacco	"	0.2	-	-	-	-	17.3	-
Cotton, Cottonseed	"	17.3	26.0	22.7	7.7	-	11.1	-
Field Seeds, Hay, Silage	"	13.2	22.1	11.3	13.8	26.6	8.1	0.3
Other Field Crops	"	14.0	2.3	0.9	3.2	8.2	28.9	21.1
Vegetables, Sweet Corn, Melons	"	5.4	4.7	2.3	6.2	2.3	5.5	20.7
Fruits, Nuts, Berries	"	2.2	13.4	1.2	48.9	1.7	4.9	28.4
% of Crops Sales Resulting From								
Grains	% of Crop Sales, Farms With Sales of \$2,500 or More	43.7	15.2	78.6	15.6	62.3	37.3	0.2
Tobacco	"	0.2	-	-	-	-	16.2	-
Cotton, Cottonseed	"	26.5	42.6	18.8	11.9	-	9.5	-
Field Seeds, Hay, Silage	"	3.4	10.7	1.4	7.3	11.3	1.5	0.1
Other Field Crops	"	22.6	5.0	0.1	7.5	21.8	30.0	88.8
Vegetables, Sweet Corn, Melons	"	2.6	15.2	0.6	24.2	3.3	1.8	1.8
Fruits, Nuts, Berries	"	0.9	11.3	0.4	33.4	1.2	3.8	9.1

TABLE A.5: Major Crops Sold, All Farms with Sales of \$2,500 or More, 1974

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON
% Reporting Sales of								
Grains	% of Farms with Sales of \$2,500 or more	46.3	44.3	63.6	24.6	66.2	57.4	37.0
Tobacco	"	0.1	-	-	-	61.6	-	-
Cotton, Cottonseed	"	21.3	34.6	-	17.8	3.4	12.3	-
Field Seeds, Hay, Silage	"	9.7	15.9	24.8	25.3	7.1	15.4	31.2
Other Field Crops	"	10.2	2.0	3.5	2.6	12.0	4.9	6.1
Vegetables, Sweet Corn, Melons	"	3.0	3.1	0.4	4.8	5.0	0.9	8.4
Fruits, Nuts, Berries	"	1.4	1.0	0.5	2.6	1.7	0.5	17.0
% of Crops Sales Resource from								
Grain	% of Crop Sales, Farms with Sales of \$2,500 or more	53.2	45.8	83.0	32.3	32.3	79.6	36.3
Tobacco	"	-	-	-	-	54.8	-	-
Cotton, Cottonseed	"	11.6	51.4	-	22.7	2.1	8.0	-
Field Seeds, Hay Silage	"	0.8	1.8	8.5	23.3	0.8	6.1	18.7
Other Field Crops	"	33.6	0.4	8.3	2.6	7.2	5.4	18.7
Vegetables, Sweet Corn, Melons	"	0.5	0.4	0.1	12.6	1.6	0.7	14.1
Fruits, Nuts, Berries	"	0.3	0.1	0.1	6.5	1.3	0.2	12.2

TABLE A.5: Major Crops Sold, All Farms with Sales of \$2,500 or More, 1974

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
% Reporting Sales of							
Grains	% of Farms with Sales of \$2,500 or More	74.3	71.7	40.9	39.3	46.9	38.4
Tobacco	"	33.5	-	41.3	-	35.9	-
Cotton, Cottonseed	"	12.8	-	13.2	23.6	-	-
Field Seeds, Hay, Silage	"	8.3	35.4	20.5	17.3	16.4	24.1
Other Field Crops	"	3.6	2.1	2.0	4.2	8.2	5.6
Vegetables, Sweet Corn, Melons	"	6.7	0.2	2.9	2.2	3.1	8.8
Fruits, Nuts, Berries	"	2.9	-	0.7	2.4	2.5	23.4
% of Crops Sales Resulting from							
Grains	% of Crop Sales, Farms with Sales of \$2,500 or More	43.0	84.4	57.4	61.7	41.2	46.4
Tobacco	"	31.3	-	18.6	-	28.0	-
Cotton, Cottonseed	"	13.7	-	15.1	20.0	0.1	-
Field Seeds, Hay, Silage	"	1.3	13.8	4.9	5.3	3.8	7.8
Other Field Crops	"	1.5	1.6	0.7	6.1	15.5	21.5
Vegetables, Sweet Corn, Melons	"	3.4	0.1	2.8	4.8	4.1	6.3
Fruits, Nuts, Berries	"	5.8	-	0.5	2.0	7.4	18.0

TABLE A.6: Selected Characteristics of Operators, All Farms<sup>a</sup>, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
Age					
Average Age	Years	51.7	50.5	53.0	52.1
% Under 35 years	%	12.8	14.8	11.1	10.8
\$ 65 years and over:	%	18.5	16.0	21.6	17.7
Off-Farm Work	%				
% with no Off-Farm Work	%	45.1	50.2	39.7	44.1
% with 100-199 days	%	8.5	7.6	9.1	9.7
% with more than 200 days	%	35.7	30.5	41.4	35.4
% Reporting Farming as Major Occupation	%	62.6	71.3	53.4	61.4

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and State Data.

Note: <sup>a</sup>Data in this are based on the 1974 definition of a farm.

TABLE A.6 : Selected Characteristics of Operators, All Farms<sup>a</sup>, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
Age								
Average Age	Years	52.3	51.6	51.6	53.2	51.2	52.6	55.4
% Under 35 years	%	11.6	10.7	12.2	9.2	13.0	11.0	7.1
% 65 Years and over	%	19.2	16.5	17.6	19.4	16.8	20.2	24.2
Off-Farm Work								
% With No Off-Farm Work	%	34.9	43.8	42.4	42.3	48.8	42.2	36.4
% With 100-199 days	%	8.9	8.4	9.8	9.8	9.8	8.2	12.4
% With more than 200 Days	%	47.8	41.1	38.6	38.9	28.0	41.2	39.0
% Reporting Farms as Major Occupation	%	45.3	53.6	57.1	56.2	69.9	55.7	54.0

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and State Data.

Note: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.6 : Selected Characteristics of Operators, All Farms<sup>a</sup>  
1974, For Selected States

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	N. MEXICO	N. CAROLINA	OKLAHOMA	OREGON
Age								
Average Age	Years	51.7	53.6	51.1	52.7	52.9	52.6	52.4
% Under 35 Years	%	12.4	10.2	13.1	11.0	10.7	11.7	10.1
% 65 Years and Over	%	18.1	23.8	15.1	20.8	20.6	20.9	18.5
Off-Farm Work								
% With No Off-Farm Work	%	42.0	39.1	57.7	44.0	46.8	38.2	37.8
% With 100-199 days	%	11.0	10.0	7.8	11.0	8.4	9.9	9.8
% With More than 200 Days	%	37.7	41.3	21.5	33.9	34.0	42.1	42.6
% Reporting Farming as Major Occupation	%	55.0	50.3	77.4	56.8	63.6	53.7	53.3

Source: 1974 Census of Agriculture, Volume I, Part 51, United States, Summary and State Data

Note: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.6: Selected Characteristics of Operators, All Farms<sup>a</sup>, 1974  
For Selected States

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
Age							
Average Age	Years	53.4	50.1	53.0	53.7	54.1	51.7
% Under 35 years	%	10.0	15.4	11.3	10.1	9.6	10.9
\$ 65 years and over	%	21.2	14.6	23.1	23.1	24.6	16.2
Off-Farm Work							
% with no Off-Farm Work	%	39.4	66.8	35.6	38.5	40.6	41.6
% with 100-199 days	%	8.7	5.3	8.8	9.2	9.0	9.3
% with more than 200 days	%	42.1	13.8	45.6	42.6	40.3	39.6
% Reporting Farming as Major Occupation	%	54.1	87.2	49.2	50.2	54.9	58.3

Source: 1974 Census of Agriculture, Vol. I, Part 51, United States, Summary and State Data.

Note: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.7 FARMS AND LAND IN FARMS BY TENURE, ALL FARMS<sup>a</sup>, 1974

ITEM	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH	WEST
Farms by Tenure	% all farms				
Full-owners	"	61.5	55.9	67.0	62.1
Part-owners	"	27.1	30.8	23.0	27.1
Tenants	"	11.3	13.3	10.0	10.8
Land in Farms by Tenure	% total land				
Full-owners	"	35.3	32.5	42.4	30.8
Part-owners	"	52.6	54.5	44.5	58.8
Tenants	"	12.0	13.0	13.1	10.4

SOURCE: 1974 Census of Agriculture, Volume 1, Part 51

NOTE: <sup>a</sup>Data in the table based on the 1974 definition of a farm.



TABLE A. 7: FARMS AND LAND IN FARMS BY TENURE, ALL FARMS<sup>a</sup>, 1974

ITEM	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
Farms by Tenure	% all farms							
Full-owners	"	71.1	62.4	67.4	70.0	52.0	69.8	47.2
Part-owners	"	21.8	23.9	22.0	18.3	33.2	22.0	16.2
Tenants	"	7.1	13.7	10.7	11.8	14.8	8.1	36.6
Land in farms by Tenure	% total land							
Full-owners	"	52.7	60.0	44.4	28.2	28.0	55.2	8.5
Part-owners	"	40.8	32.2	40.4	50.6	62.7	38.1	73.2
Tenants	"	6.5	7.8	15.2	21.2	9.2	6.7	18.2

SOURCE: 1974 Census of Agriculture, Volume 1, Part 51

NOTE: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.7: FARMS AND LAND IN FARMS BY TENURE, ALL FARMS<sup>a</sup>, 1974

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON
Farms by Tenure								
Full-owners	% all farms	60.6	72.1	45.8	56.4	62.4	55.1	70.4
Part-owners	"	26.4	20.7	43.4	33.5	25.2	32.8	23.0
Tenants	"	13.1	7.1	10.8	10.1	12.4	12.1	6.6
Land in Farms by Tenure								
Full-owners	% total land	38.4	47.8	22.7	32.6	49.2	32.2	37.1
Part-owners	"	46.2	42.7	70.4	58.0	40.9	57.0	54.2
Tenants	"	15.4	9.5	6.8	9.4	9.9	10.8	8.7

SOURCE: 1974 Census of Agriculture, Volume I, Part 51

NOTE: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.7: FARMS AND LAND IN FARMS BY TENURE, ALL FARMS<sup>a</sup>, 1974

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
Farms by Tenure							
Full-owners	% all farms	63.5	40.3	76.2	59.0	69.3	64.5
Part-owners	"	26.9	44.8	17.6	26.9	23.0	26.5
Tenants	"	9.6	14.8	6.2	14.1	7.8	9.0
Land in Farms by Tenure							
Full-owners	% total land	49.5	24.3	60.8	34.3	54.3	31.1
Part-owners	"	44.1	65.6	32.9	48.0	38.8	58.1
Tenants	"	6.4	10.0	6.3	17.7	6.9	10.8

SOURCE: 1974 Census of Agriculture, Volume I, Part 51.

NOTE: <sup>a</sup>Data in this table based on the 1974 definition of a farm.

TABLE A.8 : Farm Debt, All Farms  
With Sales of \$2,500 or More, 1974

ITEM	UNITS	TOTAL US	NORTH CENTRAL	SOUTH	WEST
% of Farms with Debt	% of Farms w/ Sales of \$2,500+	32.8	42.4	33.4	47.3
Average Debt, All Types <sup>a</sup>	\$/Farm	19,874	18,269	14,909	43,698
Debt Secured By Real Estate					
% Reporting	% of Farms w/ Sales of \$2,500+	30.0	31.6	24.8	38.1
Average Secured Debt <sup>a</sup>	\$/Farm	13,202	11,667	10,486	29,436
Debt Not Secured By Real Estate					
% Reporting	% of Farms w/ Sales of \$2,500+	24.1	27.1	18.3	26.1
Average Unsecured Debt	\$/Farm	6,673	6,602	4,424	14,265
Debt to Asset Ratios					
Total Debt/Total Assets		.095	.093	.079	.123
Secured Debt/Land & Building		.072	.069	.063	.092
Debt to Income Ratios					
Total Debt/Total Income		1.10	1.01	0.96	1.58
Total Debt/Farm & Farm- Related Income		1.55	1.32	1.59	2.09

Source: 1974 Census of Agriculture, Vol I, Part 5

Note: <sup>a</sup>Averages Based on All Farms with sales of \$2,500 or more.

TABLE A.8: Farm Debt, All Farms With Sales of \$2,500 or More, 1974

ITEMS	UNITS	ALABAMA	ARIZONA	ARKANSAS	CALIFORNIA	COLORADO	GEORGIA	HAWAII
% of Farms with Debt	% of Farms w/ Sales of \$2,500+	33.7	40.5	40.3	42.3	50.2	33.0	26.6
Average Debt, All Types	\$/Farm	10,709	75,279	18,818	52,549	45,162	14,888	31,729
Debt Secured By Real Estate								
% Reporting	% of Farms w/ Sales of \$2,500+	25.4	30.8	29.9	35.2	38.6	26.6	14.5
Average Secured Debt	\$/Farm	7,352	40,736	12,674	35,817	27,866	11,589	21,255
Debt Not Secured By Real Estate								
% Reporting	% of Farms w/ Sales of \$2,500+	18.3	23.1	23.9	18.6	31.4	14.7	17.0
Average Unsecured Debt	\$/Farm	3,357	34,543	6,144	16,732	17,296	3,299	10,474
Debt to Asset Ratios								
Total Debt/Total Assets		.065	.110	.096	.120	.137	.085	.063
Secured Debt/Land & Buildings		.081	.118	.075	.089	.094	.076	.047
Debt to Income Ratios								
Total Debt/Total Income		.89	1.81	.93	1.45	2.18	.88	.21
Total Debt/Farm & Farm-Related Income		1.90	2.29	1.21	1.95	2.94	1.34	.22

Source: 1974 Census of Agriculture, Vol I, Part 5

Note: <sup>a</sup>Averages based on all farms

TABLE A.8: Farm Debt, All Farms With Sales of \$2,500 or More, 1974

ITEM	UNITS	LOUISIANA	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	OREGON
% of Farms with Debt	% of Farms w Sales of \$2,500+	34.7	39.4	51.2	47.6	25.4	42.1	47.6
Avg. Debt, All Types <sup>a</sup>	\$/Farm	18,857	20,777	42,986	43,702	7,010	18,795	35,900
Debt Secured By Real Estate								
% Reporting	% of Farms w sales of \$2,500+	23.4	30.3	39.4	36.5	18.7	31.0	40.3
Avg. Secured Debt <sup>a</sup>	\$/Farm	12,199	14,769	30,216	29,637	5,079	12,447	26,311
Debt Not Secured by Real Estate								
% Reporting	% of Farms w sales of \$2,500+	21.5	21.5	32.4	28.1	12.6	26.3	24.7
Avg. Unsecured Debt	\$/Farm	6,658	6,008	12,770	14,066	1,931	6,348	9,596
Debt to Asset Ratios								
Total Debt/Total Assets		.076	.106	.121	.116	.067	.090	.204
Secured Debt/Value of Land & Bldg.		.057	.088	.95	.085	.057	.066	.169
Debt to Income Ratios								
Total Debt/Total Income		.60	1.42	2.40	3.45	.46	1.46	1.60
Total Debt/Farm and Farm Related Income		.72	2.40	3.09	6.79	.63	2.87	2.31

Source: 1974 Census of Agriculture, Vol. I, Part 51.

Note: Averages based on all farms with sales of \$2,500 or more.

TABLE A.8: Farm Debt for All Farms with Sales of \$2,500 or more

ITEM	UNITS	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGINIA	WASHINGTON
% of Farms with Debt	% of Farms w/ Sales of \$2,500+ \$/Farm	29.4	49.4	29.0	37.6	27.3	48.8
Avg. Debt All Types		11,482	22,966	8,642	20,720	10,697	32,438
Debt Secured by Real Estate							
% Reporting	% of Farms w/ Sales of \$2,500+ \$/Farm	21.7	37.1	22.1	26.3	20.1	40.3
Avg. Secured Debt <sup>a</sup>		8,180	3,535	6,501	13,329	7,852	22,308
Debt not Secured by Real Estate							
% Reporting	% of Farms w/ Sales of \$2,500+ \$/Farm	15.4	34.3	15.1	22.9	14.9	26.9
Avg. Unsecured Debt <sup>a</sup>		3,302	9,431	2,141	7,391	2,845	10,131
Debt to Asset Ratios							
Total Debt/Total Assets		.074	.123	.078	.071	.068	.157
Secured Debt/Land & Buildings		.061	.086	.069	.050	.057	.122
Debt to Income Ratios							
Total Debt/Total Income		.72	1.64	.80	1.31	.76	1.04
Total Debt/Farm & Farm-Related Income		1.13	1.97	1.74	2.75	1.48	1.30

Source: Unpublished Tabulations by Race of Operator from the 1974 Census of Agriculture

TABLE A.9: CHANGES IN FARMS<sup>a</sup> AND LAND IN FARMS, 1969-1974

CATEGORY	UNITS	TOTAL U.S.	NORTH CENTRAL	SOUTH	WEST	ALABAMA	ARKANSAS	CALIFORNIA	GEORGIA	LOUISIANA
CHANGES IN NUMBER OF FARMS	Number	-264,127	-91,629	-152,722	-5,233	-10,516	-6,382	-3,920	-8,349	-6,318
	%	- 9.7	- 7.9	-13.1	- 2.0	-14.5	-10.6	- 5.0	-12.4	-14.9
BY TENURE	%	- 8.4	-13.5 <sup>C</sup>	-20.1 <sup>C</sup>	- 8.2 <sup>C</sup>	-10.8	- 6.4	- 1.8	-12.3	- 8.4
FULL-OWNERS	%	- 5.5	- 1.7	-12.7	-10.3	-13.9	-13.2	-11.9	- 6.0	-18.2
PART-OWNERS	%	-23.7	-23.0	-31.9	-17.4	-41.8	-27.4	-12.7	-26.0	-33.6
TENANTS	%									
BY VALUE OF SALES	%	-22.2	-27.2	-23.0	- 2.2	-23.4	-14.5	- 7.9	-22.0	-21.6
LESS THAN \$2,500	%	-26.2	-32.8	-20.5	-24.5	-14.7	-25.8	-25.8	-27.8	-32.2
\$ 2,500 - \$ 9,999	%	-21.6	-28.1	- 4.0	-23.6	- 9.1	-22.1	-14.6	-15.8	-24.5
\$10,000 - \$19,999	%	- 2.7	+ 1.4	- 1.6	-12.0	-23.0	-34.8	- 8.2	-19.0	-27.1
\$20,000 - \$39,999	%	+77.4	+155.4	+87.1	+68.1	+94.0	+77.2	+33.4	+80.8	+107.4
\$40,000 OR MORE	%									
CHANGES IN LAND IN FARMS	1000 Acres	+17,594.7	-618.0	-21,503	+41,339	-1,424.9	- 839.4	-1,805.9	-1,579.6	- 518.4
	%	+1.7	- 0.2	- 6.5	+14.5	-10.5	- 5.4	- 5.1	-10.0	- 5.3
BY VALUE OF SALES	%	+33.7	d	d	d	-25.6	-14.0	+10.5	-32.0	-19.4
LESS THAN \$2,500	%	-34.8	d	d	d	-27.5	-29.8	- 9.7	-42.1	-30.8
\$ 2,500 - \$ 9,999	%	-40.2	d	d	d	-22.0	-41.0	-14.0	-34.4	-48.1
\$10,000 - \$19,999	%	-22.5	d	d	d	-29.8	-44.6	-26.5	-32.9	-51.2
\$20,000 - \$39,999	%	+46.6	d	d	d	+49.1	+44.7	+ 0.2	+51.9	+43.7
\$40,000 OR MORE	%									

SOURCES: 1969 Census of Agriculture, Vol. II, Chapter 3; Vol. I, Various State Reports  
1974 Census of Agriculture, Vol. I, Part 51, and Various State Reports

NOTES: <sup>a</sup>Except where noted, data used 1959 definition of a farm.  
<sup>b</sup>Data excluded land in abnormal farms in 1969.  
<sup>c</sup>Data include abnormal farms for 1969.  
<sup>d</sup>Comparable data not available.



TABLE A.9 CONTINUED

CATEGORY	UNITS	MISSISSIPPI	MONTANA	NEW MEXICO	NORTH CAROLINA	OKLAHOMA	SOUTH CAROLINA	SOUTH DAKOTA	TENNESSEE	TEXAS	VIRGIN
CHANGES IN NUMBER OF FARMS											
TOTAL FARMS	Number	-13,972	-599	+970	-18,823	-8,978	-7,240	-2,004	-18,187	-26,933	-6,34
	%	-19.2	- 2.2	+ 8.3	-15.8	-10.8	-18.3	- 4.4	-15.0	-12.6	- 9.
BY TENURE	%										
FULL-OWNERS	%	-17.5	+ 7.9	+24.5	-13.2	- 5.2	-15.2	+ 3.2	-13.8	- 7.0	-10.
PART-OWNERS	%	-16.4	- 9.3	- 7.7	- 9.6	-14.0	-15.3	- 5.5	-12.0	-15.6	- 4.
TENANTS	%	-39.2	-12.4	-12.4	-35.3	-25.0	-40.1	-18.3	-32.9	-27.2	-22.
BY VALUE OF SALES	%										
LESS THAN \$2,500	%	-27.9	- 0.9	+22.9	-29.6	-14.7	-33.4	-24.5	-26.5	-14.3	-20.
\$ 2,500 - \$ 9,999	%	-20.7	-33.3	-10.0	-30.4	-31.0	-21.3	-39.8	- 7.0	-25.1	-14.
\$10,000 - \$19,999	%	--	-37.2	-16.2	- 3.1	-13.9	+ 0.9	-36.3	+16.7	-16.9	+ 9.
\$20,000 - \$39,999	%	-13.8	-13.3	- 5.2	+18.6	+16.3	+21.8	-11.4	+ 9.7	-11.5	+ 8.
\$40,000 OR MORE	%	+64.0	+142.7	+48.5	+120.9	+141.5	+98.9	+169.5	+130.2	+63.1	+89.
CHANGES IN LAND IN FARMS											
TOTAL LAND IN FARMS	1000 Acres	-1,400.8	+6,809.2	+3,383.7	-1,055.8	-2,487.9	- 589.9	+5,711.3	-1,583.5	-6,772.2	- 659.
	%	- 8.8	+11.6	+21.5	- 8.3	- 6.9	- 3.5	+14.1	-10.6	- 4.8	- 6.
BY VALUE OF SALES	%										
LESS THAN \$2,500	%	-26.8	+ 9.9	+644.0	-32.4	-18.0	-31.4	+616.6	-29.1	- 9.9	-23.
\$ 2,500 - \$ 9,999	%	-27.3	-38.4	+ 5.1	-40.2	-37.5	-31.5	-49.6	-23.2	-20.7	-23.
\$10,000 - \$19,999	%	-32.6	-49.1	-20.4	-28.8	-38.0	-24.0	-47.0	-11.1	-21.6	-15.
\$20,000 - \$39,999	%	-31.1	-35.9	+ 0.9	-17.0	-11.7	-24.9	-17.1	-13.2	-16.3	-17.
\$40,000 OR MORE	%	-37.7	+41.3	+ 3.7	+89.7	+66.7	+53.1	+81.7	+92.4	-13.6	+62.

## APPENDIX B

## Description of County Level Data File on Minority Farms

In order to study minority farms, the Economics, Statistics, and Cooperatives Services of the U.S. Department of Agriculture requested some special tabulations from the 1974 Census of Agriculture. The tabulations were prepared by the Bureau of the Census for all minorities as well as for separate minority groups, namely blacks; American Indians; persons of Spanish origin (Hispanics); Japanese, Chinese, and Filipino origin (Orientals); and other minorities. The latter category contains a mixture of groups with no single group identified.

The tabulations were prepared for the U.S. as a whole and for census regions, states and counties. The state and regional data is described and discussed in the main part of this report. In addition, a data tape for selected counties was prepared. There are five data sets, one for each minority group plus one for all minorities. For each data set a county was selected if it contained at least 15 minority farms. Over 160 pieces of information were recorded for each county selected. A count of the number of counties contained in each data file is listed below:

<u>Group</u>	<u>Minorities</u>
All Minorities	825
Blacks	608
American Indians	54
Hispanics	96
Orientals	53

The data tape was created in order to provide access to data at a county level, not for purposes of tabulation, but for analysis such as regressions which would allow a researcher to attempt to explain incomes, sales, and other pertinent information as a function of age, land values, etc. This tape is available to researchers from the U.S. Department of Agriculture. A copy of the codebook which lists the variables contained in the data set along with a brief description of the tape can be obtained from:

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