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## COMMENT: AGRICULTURAL ECONOMICS RESEARCH AND EXTENSION NEEDS OF SMALL-SCALE, LIMITED-RESOURCE FARMERS

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West is to be commended for (1) the organization of his discussion, (2) the careful delineation of the research areas, (3) the thoroughness of his research and the excellent documentation of the research efforts of social scientists in treating the problem/s of the small-farm operator, and (4) the development of a means-end schema of "what is," "what ought to be" with implications for future research, programs, and public policy.

As West indicates, there is need for a redefinition of small farm. The \$20,000 gross sales limit is inadequate. Most definitions do not include the value added of products produced and consumed by the family. Some states, for example Florida, use figures much lower than \$20,000 to characterize small farms. The distinction between full-time and part-time farmers and their incomes is not clearly delineated. A national concern should be the redefinition of the term, "small farm." Heterogeneous characteristics of small farms should not inhibit the generation of profile information by geographic regions.

West raises a cogent question about the small farms and their relativity to societal goals with respect to the structure of agriculture. A few years ago family farms and/or small farms were considered part of the American way of life. By application of economic concepts and agribusiness practices, many of these farms were classified as submarginal; hence, the continuation of such unproductive units was discouraged. Now the advent of deficiencies in energy has created a need for a new low-energy agriculture. The social goals may exceed economic efficiency.

Fairweather [5] offers experimental methods for integrating economic concepts into social policy research. Researchers are challenged to include more social factors as they seek to answer questions about small farms and how they fit into society's goals with respect to the structure of agriculture.

Market structure as well as the marketing of commodities are macro issues worthy of note. There is some disagreement with the observation that literature treating economic feasibility of small farms in relationship to changes in

markets "is not current and great dependence is placed on economic theory to explain economies of scale." Economies of scale is a micro issue. The use of economic concepts to explain production, buying, or selling activities is defensible if the theories are integrated into the real-world situation. Literature published by experiment stations treats the changes in markets for agricultural products and the dynamic nature of supply with changes in technology and input prices. Lacking is the treatment of the psychosocial issues in the decision-making process.

The significance of the impact of marketing under conditions approaching the concept of pure or perfect competition while purchasing inputs for production under inflationary imperfect market conditions cannot be overlooked. Large farms have made progress in adapting to this economic environment but limited-resource farmers have not successfully coped with the problem. A set of options for survival must be presented such as highly specialized crops with complementary or supplementary projects to facilitate maximum use of capital and labor, community labor-intensive based projects, and finally cooperative marketing outlets.

West speaks of the macroeconomic issue of small-farm operators overcoming competitive disadvantage in the present agricultural structure. Alternative approaches should involve interaction of the natural and social scientists. Both need to explore further the macro issue of income distribution. Measures of income are significant in terms of both levels and distribution. The real question is whether the increased size of the pie has made farm families "better off" or whether additional income generated still becomes concentrated in the hands of a small portion of entrepreneurs. Social scientists need to clarify whether our concern is with total distribution of income or the alleviation of poverty and income inadequacy [6].

West notes an important area of research and program action for creating infrastructures for joint ownership for machinery. Such experiences can be monitored for impact

studies of costs and benefits. Further explorations are needed. Perhaps the best alternative to small-farm problems is not an increase in capital intensive agriculture.

The implication of information in West's Table 2 is a cause for some concern. First, it shows the great need for examining the social dimensions of small-farm problems and the community impact of the operators' activities. Second, it shows that only two of 67 research projects address these issues. There is reason to suspect that the CRIS forms will not provide adequate information on these topics. The 1862 and 1890 institutions and regional Rural Development Centers can supplement this information, some of which may have been sponsored by the private sector. This is especially true of the 1890 institutions [7].

## OTHER AREAS OF CONCERN

### The "Packaged" Approach

Current research efforts are predominantly unidimensional. Alternative solutions to the problems of limited-resource farmers and the rural poor demand multidimensional team research and program projects conducted by interdisciplinary scientists (economists, sociologists, psychologists, political scientists). In other words, if alternative procedures and strategies with a small-farm bias are to be developed and implemented, a "packaged" approach is needed to offer choices that will retain the responsibility of the individual entrepreneur for maximizing family satisfactions and of the political process for optimizing the welfare of society.

### Action Research

Also needed are more behavioral research projects with elements of replicability similar to the studies by Dhillon [1,2,3,4]. Suggested research topics suitable for this methodology follow.

1. Nature and extent of small-farm operators' participation in local decision making and thus their impact on local policy formation.
2. Local institutional structures as incentives or inhibitors to small farming operations.
3. Psychological research on the small-farm family.
4. Successful methods of motivating cooperative attitudes for the further formation of infrastructures designed to meet neighborhood or community needs.
5. "You-pick" operations and roadside stands for the small-farm family.

6. Costs and economic benefits of "no-till" farming for the limited-resource farmer.
7. Information seeking and information consumption behavioral patterns of small-farm operators and their relationship to resource availability and utilization.

### Multifunding

Emphasis must be placed on the need for increased funding and cooperative programs among federal, state, local, and private agencies. Projects should center around (1) on-the-farm demonstration ("the farmer is the best seller") and (2) incentives (stimulation, self-worth to the economy, rewards, and developing coordinated infrastructures).

The private sector can best assist and develop approaches that are not and probably cannot be sponsored with public funds. The private sector can allocate funds for more demonstration projects, for situational analysis, for encouragement of community gardens, and for projects that encourage limited-resource farmers to apply low-energy-use agricultural technology.

## SUMMARY

National policy efforts should be directed toward redefinition of small farms and low-income clientele. A multidimensional team devoted to interdisciplinary research efforts to redirect societal goals in keeping with a revised agriculture structure is needed to enhance national welfare.

To cope with the changing economic environment, limited-resource farmers must be provided with a set of options for survival that include microeconomic change in the operation of the firm and revised macroeconomic concepts about the total distribution of income or the alleviation of poverty and income inadequacy.

Two small-farm operators who were contacted adequately summarize the challenge to the social scientist. The black farmer said, "If I am down on my knees and everybody is beating hell out of me, what do you suggest I do?" The white farmer said, "I sent two loads of peas from the same field to market. The driver of one truck was white and the driver of the other was black. The white truck driver received \$6+ per bushel and the black driver received \$3+." When the farmer asked the buyer why the difference, his answer was, "That's the way the market goes."

## REFERENCES

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- [6] Lockhart, Madelyn K., "Income Distribution in the South". *The Economics of Southern Growth*. Southern Growth Policies Board, Fisher-Harrison Corporation, 1977.
- [7] Publications by RDC's in Alabama, Florida, Louisiana, Mississippi, Tennessee, Virginia, and other states.

