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Transitioning Agricultural Lands to the Next Generation

Gregory Torell and Chadelle Robinson

Farm and Ranch transition or succession is a difficult subject that is so often left to the wayside of tomorrow, next month or next year. It is very easy for nearly all of us in the field of agriculture to leave aside such issues for later dates. This is the foundational impetus of this special issue for the *Western Economic Forum*. We hope that through these articles on farm and ranch transitions, we can highlight just a minor slice of the entire bevy of difficult decisions that come into play with the topic of farm and ranch transition.

First, Ford et al. discusses the uncertain role that future water rights might play—the younger generation might be able to innovate towards water solutions that the older generation couldn't, but is that really the case? Water scarcity in the West has always been a difficult issue, but it also plays into farm and ranch succession. This paper asks the question of how can the younger generation engage with outside stakeholders, grant opportunities, financial incentives, and agricultural policies along with changing regulatory landscapes? The authors leave us with a clearer set of questions that we should all be asking ourselves as professionals and practitioners regarding an uncertain water future.

Windh et al. then addresses questions about how possible transitions will spill over beyond the farm or ranch boundary as transition occurs. They argue adroitly that what is missing in our current understanding is a systems-level understanding of these changes at both a micro- and macro-level. Simultaneously, they argue that these effects *themselves* impact others in ways that are not currently understood. As we know, what happens behind the farm gate affects the greater community, and the converse is also true. So, understanding these relationships precisely is not fully known. This paper argues that there is a huge gap in the scientific literature regarding this area.

Next, Graff et al. presents perhaps the most “traditional” presentation of a farm or ranch transition analysis, but brings to light some critical points about transition, namely, how will a ranch be split after transition, and who retains some income from whence after transition? This might sound simple upon first reading, but it truly is not. This gets at the crux of the entire problem of farm and ranch transition. On- and off-farm income is an enormous decision regarding farm and ranch transition, and family dynamics also play a clear role. This paper highlights that in several modelled transition plans.

Boufous and Robinson then ask an obvious, but incredibly important question: does the younger generation want to take over the land? They use a simple statistical model to answer this question. It is not surprising, but they find that an attachment to the land itself is the most important driver of a willingness for transition. However, gender of the presumed heir and the likelihood of future income play a role here. More research is warranted, and a greater focus on inter-generational transitions of farm and ranch assets is needed from Cooperative Extension services across the nation.

Finally, Fancher et al. raises several important points related to the beef industry, which can likely be extended with a little thought to other agricultural industries. They state that labor availability could have a limiting factor on domestic production of beef products, even

outside of the farm gate. They add on top of this the question of whether the quickly evolving technologies and consumer preferences in the beef sector will have an impact on the desire to take over a ranch. There could be a lack of skilled labor for profitability given that production is increasingly complicated from both a technological production and ecological protection perspective.