1.0 Introduction

The first step towards addressing the social forces and cultural factors impacting farm transition is to recognize that American agriculture and American farmers and ranchers are highly diverse. Farm transition research and policy initiatives cannot move forward with a one size fits all approach; rather it is imperative to recognize the social and cultural differences between producers and cultivate policies and programs that respond to this heterogeneity. Because of these differences, farm transition issues uniquely effect different types of farmers and ranchers (e.g. multi-generation, beginning, women, limited-resource, immigrant, and large, medium and small scale) and, in-turn, different types of production systems (e.g. commodity agriculture, direct marketing, etc.).

Overall, research has demonstrated that farm transitions are influenced by many factors, including: economic factors, agroecology, biophysical resources, and macroeconomic structural influences operating at global, national, regional and local scales, but is also influenced by socio-cultural values, land tenure, succession, and community (Gasson and Errington 1993; Lobley and Potter 2004; Salamon 1992; Bennett 1982). Distinct differences can be found when examining the diversity of producers and the structure of their operations in regards to broader motivations, values, socialization and specific household-level issues, such as the cost of health care and childcare. Researchers and policy-makers must not only be cognizant of these differences, but actively and openly incorporate them into policies and programs focusing on the future of American agriculture.
2.0 The Internal Farm Family Household

A large body of anthropological and sociological research has demonstrated household level motivations, cultural and social values, and socialization have a primary influence on farm structure, management and adaptation (Coleman and Elbert 1984; Gasson 1973; Gasson and Errington 1993; Lobley and Potter 2004; Salamon 1992; Shucksmith and Herrmann 2002; Bennett 1982; Keating and Little 1997; Kennedy 1991; Taylore et al. 1998). Studies have found social fulfillment through farming and ranching consistently ranks as primary motivations to continue ranching despite low profits and development pressure (Lifeman et al. 2000). All farmers must balance economic and non-economic goals. A number of studies have documented how families will discount economic goals to sustain farming lifestyle goals, especially during market downturns. This balancing has historically benefited agriculture and ensured the persistence of family farms and ranches (Reinhardt and Barlett 1989; Gasson and Errington 1993). However, it is important to understand how these values play out across different types of farmers including multi-generation and first generation farmers.

2.1 Multi-Generation vs. First-Generation Farmers: Motivations and Values

Multi-generation farmers (MG) and first-generation farmers (FG) are two sub-groups of farmers that co-exist on the same landscape but embody different motivations for farming. Understanding the differences between MG and FG farmers is part of a larger, more urgent national policy push to support beginning farmers given the dramatic aging of the U.S. farm population (Meyer et al. 2011).

On the surface, MG and FG farmers demonstrate similar economic motivations for achieving and maintaining a reasonable livelihood. However, Inwood et al. (Forthcoming) demonstrate the differences in values that underlay the strategies MG and FG farmers use to structure their farm operations – MG farmers being more focused on farm reproduction and FG placing greater emphasis on spiritual and environmental interests. In both cases, the ways these farms are structuring their
operations and managing the farm business are in response to more social goals. These different non-economic goals may have nuanced, but profound, effects on the socialization of future heirs to farm life and the ways farm families structure their operations to accommodate the next generation.

Many MG farms are able to pass down wealth in the form of knowledge, equipment, land, capital, and credit to the next generation. These families may also socialize heirs to replicate family tradition, carry on farm legacies or reproduce the family farm (Jonovic and Messick 1986; Salamon 1992). This process provides the basis for the generation of practice or behavior that can entrench farm households on particular paths (Shucksmith and Herrmann 2002). This ‘path dependency’ can make adaptation to new production and marketing systems difficult because of previous practices and investments, setting a farm business on a particular course that reinforces itself (Clark et al. 2010). Part of the expansion, development and diversification of a farm operation can also result from taking advantage of a future heir’s off-farm work experience, knowledge and skills and can increase the chance of successful farm reproduction and enterprise revitalization (Jonovic and Messick 1986; Gasson et al. 1988; Gilg and Battershill 1999; Inwood and Sharp 2012).

In contrast FG farmers have been found to struggle to access capital, land, credit and information (Mailfert 2006). Yet, Barbieri and Mahoney (2009) found that younger farmers, especially those new to farming, were more entrepreneurial and willing to tolerate risks associated with innovation because they were not restricted by previous investments in traditional farming assets. However, FG farmers can face great obstacles if they have limited farming skills. For these new entrants, there is a considerable learning curve due to the biological nature of farming and the time it takes to master production, which in turn affects how quickly they are able to scale up their operations. Another factor that may influence the way FG farmers choose to structure their farms centers on that fact that many new entrants start farming later in life. Over one-third of beginning farmers are over 55 years old (Ahearn and Newton 2009) and many have no historic or cultural attachment to farming as a way of life. Over the long term, the question is will these farms be
structured as recreational hobby farms identified by Heimlich and Brooks (1989) or will these operators have the interest and ability to develop adequate resources for a meaningful operation that can be scaled up and transferred to the next generation? **If socialization is a key process, how will these FG farm families socialize their children into agriculture and what values will they pass on to the next generation?**

3.0 Farm and Farmer Diversity

Layered on top of multi-generation and beginning farmer characteristics it is also important to take into account geography, farmer ethnicity and gender. For example, the context of Midwestern agriculture dominated by large-scale agriculture embedded in commodity markets is very different from the small-scale highly diversified agriculture that characterizes the Northeast. There is also a great deal of variability across farmers located in rural remote, rural-urban interface and urban counties.

The association between ethnicity, culture, farm structure and development has also been well documented (Salamon 1992, 1998; Wells 1996; Imbruce 2007). The increasing ethnic diversity of American farmers (Hispanic, Asian, Native American and African American) (NASS, 2007) and increasing focus on immigrant farmers reinforces the need to understand how cultural nuances influence farm transition.

Likewise farm transition policies and programs need to address the differences between male and female farmers. For example, according to the 2007 US Agricultural Census, 31% of all metro area farms (using the 2008 US Census metropolitan statistical area definition) have female operators, compared to the national average of 14% of all farm operators. Surveys of the wider female farm population have found women emphasize not only the environmental and economic benefits of sustainable agriculture, but are also more likely to emphasize the link between agriculture and community sustainability and well-being (Feldman and Welsh, 1995; Chiappe and Flora, 1998;
Tragner, 2004; Trauger et al., 2008). Some of these gendered values have been correlated with specific farm structures including the prevalence of and preference for cooperative farm markets, direct marketing, value-adding and craft development among women operators over large-scale commodity agriculture activities.

3.1 Implications of Farm Diversification for Farm Transition

We are increasingly moving away from the traditional father-son dyad that has historically dominated much of the farm transition literature, women are increasingly recognized for their work on the farm. As more women take leadership roles on the farm, and farms adopt a greater diversity of production and marketing strategies, we need to consider how these shifts impact farm transition. For example, how do we value the production and marketing functions of the farm? When it comes time to transition is knowledge about soil fertility, animal nutrition etc. valued the same as knowledge about social media and marketing? What kind of new models do we need to look for when creating equitable and fair transition plans?

Farms can grow through horizontal growth strategies (either expanding the land base through purchasing or renting more acres) or by vertical growth strategies (intensifying production and revenue on the existing land base). Firms might also pursue a combination of vertical and horizontal strategies simultaneously. In addition families can expand by stacking enterprises (of varying size and intensity) to allow more family members to earn a living from the farm and accommodate different life-stages and abilities. As the farm business becomes more complex, their legal structure and the strategies families have for managing internal conflicts has serious implications for the future of the enterprise and for enterprise reproduction.

Researchers and policy makers also need to better understand how these farming systems intersect with the lifecycle and the farm business cycle. The way in which farm families organize and manage both the household and farm enterprise in light of the division of labor have important
implications for farm adaptation and persistence. For example, Inwood and Sharp (2011) found that among multi-generation farming operations, as individual family members’ age they had transitioned their roles from producers into marketers shifting responsibilities along the lifecycle course. Farmers engaged in direct marketing may be especially able to take advantage of lifecycle differences within the family to fill production, marketing and childcare/household needs. However, among some families the older members continued to retain control of production responsibilities while the younger generation ramped up the farms marketing functions.

This specialized division of labor raises questions about the long term viability of the production function of the farm enterprise when the older generation with the production skills eventually retires and passes. Will the younger ‘marketing’ generation eventually transition into a producer role? Or will they take on a manager role, employing appropriate labor to manage production and raise the crops? Future research should include long-term panel studies to track changes in production and management decisions, and how these in turn shape agricultural change.

4.0 Health Care and Child Care Policies: Barriers or Opportunities for Farm Transitions

Understanding how farm transition is tied to the cost of health insurance and child care has been overlooked both in academic research and policy debates. The importance of health and child care for the farm sector was expressed by an FSA State Director who remarked that the key to being a successful young farmer required: 1) financial support from the farm family; 2) a spouse with a full time job in education or health care for retirement and health benefits; and, 3) an at-home mother-in-law to watch the kids (Parsons 2013). Health care and child care limit the ability of beginning farmers to enter into agriculture; and for existing farm families they limit their ability to scale up their operation, limit the number of full-time employees a farm can employ, thereby limiting enterprise viability and economic development impact. There has been no comparative research across states or countries to understand how different health care and child care policies impact both
farm viability and quality of life. These issues affect farmers and ranchers who are fully insured, those who are underinsured and those with no insurance, yet are employed in one of the most dangerous occupations at 26.1 deaths per 100,000 workers (CDC 2012).

4.1 Health Care and Health Insurance

The cost of health care has been cited as a significant problem for farmers (Ohio Rural Development Partnership 2006). A 2009 study by the USDA Economic Research Service found farm operator households spend more on health care compared to all U.S. households due to their greater reliance on direct purchase private health insurance policies. In 2007, farm households spent an average of $5,200 for both health insurance premiums and out-of-pocket health costs, with farm operator households for whom farming is their primary occupation spent an average of $6,000, and farm operator households who rely only on direct purchase private insurance policies spent an average of $10,000 for coverage (Jones et al. 2009). Studies conducted by Whitaker and Slesinger (2002) found farmers paid more than three times as much in health insurance premiums as wage and salary workers, and twice as much as other self-employed business owners. Farmers are more likely to purchase private insurance policies that often contain disincentives for preventative care visits.

Surveying farmers in the Midwest, the Health Insurance Survey of Farm and Ranch Operators found that although the majority of respondents had health insurance, one in five had outstanding debt resulting from medical bills and one in four reported health care expenses contributed to their financial problems (Lottero et al. 2007). Zheng and Zimmer (2008) note the high rates of uninsured and underinsured farmers can have severe macroeconomic consequences for farm productivity and welfare. This issue also complicates the process of farm succession. Farmers tend to be cash poor and land rich, farm transfer experts note since downfalls in the stock market, older farmers are increasingly reluctant to transfer their land to a new generation for fear of giving up any
assets that can be used for retirement and future medical costs (Parsons 2013). This scenario paints a
conundrum for young farmers who then have no equity to build their operation on.

In a national study examining agricultural change in urbanizing environments, Inwood et al.
(2009) found 66% of commercial farmers reported the cost of health insurance was a serious problem
for their farm, and was a bigger threat than the cost of farm inputs or the cost of farmland. Qualitative
interviews with farm families demonstrated how the cost of health insurance limits the number of
full-time employees a farm can employ. This is especially problematic for labor intensive operations
such as fruit, vegetable, nursery green house and direct marketing farms, and complicates the premise
that agricultural can be the basis for creating a new economy with high quality jobs that enhance
employer and employee quality of life. Additionally, farm operators and/or their spouse often have
an off-farm job for health care benefits, decreasing the amount of time available for farming and
marketing. Resources are being re-directed towards health insurance rather than being reinvested in
the operation. Ironically, farmers that have a spouse working off the farm to collect health care and
retirement benefits often have to hire additional part time labor that does not receive any benefits.

4.2 Child Care

In the past 50 years, more farm spouses have entered the off-farm workforce. Since World
War II, husbands have generally been identified as the farmer, the wife would work off the farm to
obtain benefits and diversify income while an older family member was available to watch the
children. The changing structure of the American family and changing economy makes this scenario
increasingly difficult. Nationally more than 11 million children under age 5 in the US are in some
type of child care arrangement every week, approximately 1/3 of these children are in multiple child
care arrangements to accommodate the need for childcare during traditional and non-traditional
working hours (NACCRRRA 2011). Farm families are not exempt from this trend.
While farms are idealized for their bucolic scenery and imagined to be wonderful places to grow up, the reality is they are hazardous places. In 2009, approximately 16,100 children and adolescents were injured on farms, only 3,400 of these injuries were directly related to farm work (CDC 2012). Many of the remaining children were likely being “watched” by a working parent busy with farm work. The availability and cost of childcare have gained national attention yet there has been no research examining how this issue impacts farm families, particularly young farmers with young children and new farmers who move to a new community to start farming but have no family and limited social support networks in the area.

Aside from the lack of available day care centers, the low returns from farming make it difficult for farm families to afford day care. The average cost of center-based daycare in the United States is $11,666 per year ($972 a month), with prices ranging from $3,582 to $18,773 a year ($300 to $1,564 monthly) (NACCRRA 2011). In the US, parents assume 90% of childcare costs, compared to other counties (including Canada) that offer more subsidies. Parents seeking to save money on childcare will keep children at home, yet trying to watch an infant, toddler or preschooler is a full time endeavor and leaves limited time for business and household activities.

These challenges are of particular concern for women, who are generally the primary care giver, yet are also increasing their presence in US agriculture. According to the 2007 Census of Agriculture, since 2002 there has been a 30% increase in the number of women who are principal operators of a farm or ranch (NASS 2007). Nationally, 64% of all mothers in the US return to work within the first year of giving birth (NACCRRA 2011), however, without reliable high quality childcare options, women and families face significant stress and have to negotiate the financial and human resources they expand. Unaddressed, child care may become a serious obstacle for building a young vibrant farm population.
5.0 Conclusion

The persistence and reproduction of agriculture is partially dependent on a policy and community environment that can provide the social and economic infrastructure different types of farm family’s need (Sureshwaran and Ritchie 2011). A responsive policy environment might include:

- For MG farmers, policies that more explicitly build off one another and are simultaneously oriented towards succession, quality of life and land protection in addition to programs that assist farms in transitioning and adapting to new market opportunities.

- Beginning farmer and rancher programs need to address settling new farmers on the landscape but to also cultivate a distinct set of social values that have enabled family farms to persist across time. There is a need to develop programs that encourage younger FG farmers with young children to develop meaningful attachments to the land supported by their ability to make a meaningful livelihood off their farm.

- Enterprise structure and succession models that better account for farm diversification by reflecting the different roles and skills each family members may contribute towards both production and marketing.

- Policies and programs that are more responsive to the geographic, cultural, ethnic and gender diversity of American producers as they influence farm and ranch goals, values, motivations and technical assistance needs.

- An additional consideration is to examine how well rural development policies are being coordinated with farm transition and market policies to ensure there are vibrant communities that farm heirs want to return to and ones that new farmers want to move to. Particular issues include health care, child care and also cost of housing.

The diversity of American farmers should not be looked at as a liability, rather it is an asset and resource that can be used to build a more vibrant and resilient farm economy that enhances the quality of life for farm and ranch families.
References


First generation farmer is defined as one who does not come from a farm family. This is distinct from the term “Beginning Farmer” which is defined as an individual farming less than ten years.