

Are Small Farms Real Farms? Does it Matter?ⁱ

John Ikerdⁱⁱ

Are small farms real farms? I have addressed this question in previous articles in *Small Farm Today Magazine*, and of course, in my book, *Small Farms Are Real Farms*.¹ I'm returning to this theme because the evidence is becoming more compelling each year that the *only* real farms are small farms; because the *only* truly sustainable farms are small farms. Many people in the sustainable agriculture movement feel sustainability is not a matter of size; that any size farm can be managed either sustainably or unsustainably. I agree that a small farm can be managed unsustainably. However, I have come to the conclusion that a farm can simply be too large to be managed sustainably, no matter how well it may be managed otherwise.

Does it really matter whether America's farms are large or small? It certainly matters to the young people who would like to farm for a living. Larger farms mean fewer opportunities to farm and fewer farmers. It matters to the people in rural farming communities. It takes people, not just production, to support communities – culturally, socially, and economically. It matters to all of us, because we all rely on farmers for safe and healthful food. And it matters to those of future generations who will be just as dependent on farms and farmers as we are today.

Questions of small farms and large farms invariably raise questions such as “how large is large and how small is small?” A *small* beef cattle ranch obviously requires more acres than a *large* poultry operation and a *large* vegetable farm fewer acres than a *small* wheat farm. My typical answer to questions of farm size has been that large and small exists mainly in the mind of the farmer. The farmer who thinks he or she would be more successful if they just had more land and more capital is a large farmer at heart, no matter how small the farm. The farmer who is always trying to figure out how he or she might be able to make a better living on less land and less capital is a small farmer at heart, no matter how large the farm. I still think this definition is appropriate, when addressing farm planning and management issues. However, I think there is some absolute size beyond which a cattle ranch, poultry operation, vegetable farm, or wheat farm

ⁱ Prepared for presentation at *The Eighth Annual Community Outreach Conference*, Sponsored by Small Farms Research Center, Alabama A & M University, Huntsville, AL, November 18, 2010 and National Small Farm Conference and Trade Show, Sponsored by Small Farm Today Magazine, Columbia, MO, November 4, 2010.

ⁱⁱ John Ikerd is Professor Emeritus, University of Missouri, Columbia, MO – USA; Author of, *Sustainable Capitalism*, <http://www.kpbooks.com>, *A Return to Common Sense*, <http://www.rtedwards.com/books/171/>, *Small Farms are Real Farms*, Acres USA, <http://www.acresusa.com/other/contact.htm>, *Crisis and Opportunity: Sustainability in American Agriculture*, University of Nebraska Press <http://nebraskapress.unl.edu>; and *A Revolution of the Middle and the Pursuit of Happiness*, on line at <http://sites.google.com/site/revolutionofthemiddle/>.
Email: JEIkerd@centurytel.net; Website: <http://faculty.missouri.edu/ikerdj/> or <http://www.johnikerd.com>.

simply becomes simply too large to be managed sustainably – although the critical size obviously will be different for different enterprises.

Furthermore, any specialized agricultural operation – beef, poultry, vegetable, wheat – must be managed as part of a larger diversified management unit if it is to be managed sustainably. For example, the nutrients in the manure from livestock and poultry feeding operations must be returned to the land where the feed crops were grown if the land is to sustain its fertility. Fields also must be rotated among alternative crops to break pest cycles and sustain soil fertility. The larger the specialized enterprises, the more complex, difficult, and costly will be this integration processes. At some point such a farming operation simply become too large to be managed sustainably.

What is a real farm? When I addressed this question in a 2000 *Small Farm Today* article, I started with the misperception that small farms are *not* real farms. Admittedly, as in 2000, most small farms today are part-time farms and many are nothing more than rural residences with a garden or a few head of livestock. Others are strictly hobby farms or retirement farms and are not intended to earn a significant farm income. As a result, many of the farms in the USDA Census of Agriculture are not real farms. Regardless, many others are real farms. The census process asks farmers to provide their “primary occupation” – the occupation at which they spend more than half of their working hours. In 2007, the last census, farms identified by USDA as *small* made up well over 50% of all farmers who considered farming to be their “primary occupation.” It seems something of a personal insult to dismiss a person's primary occupation as a hobby.

The USDA identifies farms as small if they have less than \$250,000 in annual sales. Farms with less than 100 dairy cows, 100 sows with pigs, 400 beef cows with calves, 400 acres of corn or soybeans would be classified as small. The misperception that small farms are not real farms arises from the fact that farms with annual sales less than \$250,000 make up more than 85% of all farms but account for only a bit over 15% total value of farm products.² Government farm programs for the past several decades have been more concerned with production of agricultural commodities than with the people who produce our food.

The underlying assumption has been that the public benefits most by focusing on improving the efficiency of farming, ultimately bringing down the cost of food to consumers. However, the average American consumer today spends a little more than a dime of each dollar of income for food. The farmer only gets about two-cents of that dime – and spends more than half of the two-cents for purchased inputs. The rest goes for marketing costs – processing, packaging, transportation, advertising... Even if farming were perfectly efficient, if what happens on farms added nothing to food costs, consumers would save less than a dime of each dollar spent for food and a penny of their income. The people who farm are far more important to the future food security than is quantity of production, and most of the *people* who farm are small farmers.

Another common misperception is that a family can't depend on a small farm for a significant part of their living. On a typical commercial farm the farmer gets to keep about 15% to 25% of total value of sales as net farm income. The rest goes to pay for various costs of production. So a farm with \$250,000 in sales would generate about \$50,000 in net farm income

on a typical farm. The reasoning goes that anything much smaller simply wouldn't be enough to support a family and thus is not a real farm.

However, successful small farmers pursue a fundamentally different approach to farming than do big farmers. They reduce their reliance on purchased inputs by substituting labor and management for capital and purchased inputs. They also focus on marketing products that are valued more highly by their customers, including natural, organic, humanely-raised, grass-based, free-range, and locally-grown. As a result, many small farmers can earn far more income per dollar of sales than do conventional large farmers. A farm with gross sales of \$100,000 may net \$50,000 or more and even a farm with \$50,000 in sales may generate more than \$25,000 in net farm income. Such small farms are real farms.

The small farm critics are quick to point out that many small farms actually earn little if any net farm income. However, such farms may still be very important economically to small farm families. First, many families on small farms live simply. They do not live in poverty, but their *economic* standard of living is not as high as that of their urban neighbors. To them, farming is truly a way of life instead of a business. The farm provides them with a home, much of their food, a good place to raise their family, a place for recreation and relaxation, and a place for learning and teaching – as well as a place to work. Many of these smaller farms are not obligated to report any net income from farming because many of their basic costs of living qualify as “farm costs.” Many small farms need not earn an income, particularly if someone works off the farm to provide health insurance and earn a bit of cash income. The non-market value of the farm to the family – meaning the quality of life on a good farm – is sufficient to justify the farming operation. Such small farms are truly real farms.

According to the on-line dictionary, *Wikipedia*, the word *farm* comes from Middle English word, *ferme* (“variously meaning: tenant, rent, revenue, stewardship, meal, feast”), from Old English *feorm*, *farm* (“meaning provision, food, supplies, possessions, rent, feast”), from Proto-Germanic *firmō*, *firχumō* (“means of living, subsistence”), and from Proto-Indo-European *perk^wu-* (“life, strength, force”). It is related to other Old English words such as *feormehām*, *feormere* (“purveyor, grocer”), *feormian* (“to provision, sustain”), and *feorh* (“life, spirit”). The Old English word was borrowed by Medieval Latin as *firma*, *ferma* (“source of revenue, feast”), and strengthened by the word's resemblance to the Latin words, *firma*, *firmus* (“firm, solid”) and *firmitas* (“security, firmness”).

We should not allow richness of the historic meaning of farming to be discarded and replaced with the current concept of farming as just another agribusiness. Certainly, economic concepts such as “rent, revenue, tenant, and means of living” have been historical aspects of farming. But, farming also has been identified with the provision of physical and mental sustenance for society, including “provision, grocer, subsistence, life, benefit, spirit, and feast.” Equally important, farming has always included a moral or ethical commitment to long run food security or permanence: “stewardship, strength, firm, solid, security, and sustain.” Real farming has always been about economic, social, and ecological sustainability. Sustainable farming isn't really a new idea. A real farm has always meant an economically, socially, and ecologically sustainable farm.

It's only within the past several decades that the real meaning of farming has been challenged by the advocates of producers, growers, or agribusinesses. Historically, farmers were held in high esteem in the United States and around the world because of their unique importance to human society. Thomas Jefferson believed strongly that the “yeoman farmer” best exemplified the kind of “independence and virtue” that should be supported by the new democratic republic of the United States. He believed financiers, bankers, and industrialists could not be trusted and should not be encouraged by government. In light of our current economic situation in the U.S., “Jeffersonian Democracy” still makes a lot of sense.

Adam Smith, in writing the *Wealth of Nations*, noted that no endeavor requires a greater variety of “knowledge and experience” than does farming, other than possibly the fine arts or liberal professions. He observed that farmers ranked among the highest social classes in China and India, and suggested it would be the same everywhere if the “corporate spirit” did not prevent it. Smith also suggested that “they who feed, clothe, and lodge the whole body of people, should have a share of the produce of their own labor as to themselves be tolerably well fed, clothed, and lodged.”³ Smith's reference to China was to the ancient philosophy of Confucius which ranks farmers second only to the academics or scholars in the Chinese social order. Following the farmer is the worker, and lastly, the businessman. Note that all of these respected historical figures placed those concerned primarily with economic matters at the lowest levels of society and those engaged in agriculture at or near the top.

Our current well-being and future of humanity are no less dependent on *real* farmers today than in the days of Jefferson, Smith, or even Confucius. We are just less aware of our dependencies on the land and the people who farm it. Economics is an important aspect of agriculture, but economics cannot be allowed to take priority over all other aspects of the historically honorable profession of farming. Those producers or growers who give priority to agri-business over agri-culture are not real farmers.

Sometimes it's easier to understand the meaning of real farms by looking at agricultural operations that are not real farms. Over the span of the past year, I have been on a number of real farms and a few farms that are not. On a recent trip to Wisconsin, I drove through miles and miles of corn fields – the most corn I ever remember seeing in my 70-plus years. Nearly a third of the acres planted to corn this year weren't planted to produce food or feed, but to produce ethanol. The incentive for all of this production didn't come from the marketplace but from government subsidies for corn, plus a generous dollar-per-gallon bonus for ethanol production. Furthermore, much of the additional acreage planted to corn came from land previously in the Conservation Reserve Program, meant to provide soil conservation, wildlife protection, and reserves for emergency food production. This not real farming, this is agribusiness.

Back in the winter, I met with a group of local residents in a small community in Northern Illinois who are battling a multimillionaire California investor who is building a 5,000 cow dairy within a couple of miles of their town limits. His plans are to expand to 10,000 cows as soon as he gets the 5,000 cow operation established – expansion is largely unregulated. Plans for the operation include a 40-acre manure lagoon, or cesspool, lined only with a fragile layer of clay. The lagoon is positioned at the headwaters of a small creek which drains into a major stream running through a nearby state park. The bedrock under the manure pond is “karst,” meaning

limestone with fractures that drain into the groundwater which seeps from the limestone bluffs in the state park. The local residents are draining their savings accounts for legal fees, trying to save their community. They are not opposing a real farm; they are opposing an agribusiness.

Another trip this summer took me to the northern end of the Central Valley in California. We drove through acres and acres of irrigated rice in one of the driest climates in the country. Lake Oroville wasn't built to provide water for people but irrigation water for rice production. Every year, the entire valley is filled with smoke for weeks when rice growers burn stubble from their fields to prepare their land for the next year's crop. Before irrigation, the main agricultural crop in the area was olives. The deep roots of the old olive trees were able to flourish in the dry climate. Today, the old groves are being uprooted to make way for intensive olive production, where olive trees are espaliered or trellised for maximum yield and ease of harvest. These are not real farms, they are agribusinesses.

Earlier in the year my wife and I spent a week traveling around Costa Rica with an advocate of small farms who is concerned that Costa Rican agriculture will follow the same industrial trends we have seen in the U.S. He took us to visit a pineapple plantation that was recently established by a wealthy investor from Mexico. He calls these plantations "green deserts," as they are vast acreages where nothing is visible other than the green foliage of pineapple. These large plantations are poisoning the land with agricultural chemicals, as they have done in Hawaii and elsewhere, destroying one of the most pristine natural ecosystems left in the world. They are driving smaller pineapple producers out of business and destroying the rural communities and culture of one of the happiest peoples in the world. These green deserts are not real farms; they are agribusinesses.

It is easy for anyone to see that the large buildings along the roads that house confinement animal feeding operations, or CAFOs, are not real farms; they are factories. The vast fields of corn, soybeans, wheat, cotton, and rice are not real farms either; they are factories without roofs. On a recent trip to Canada I had an opportunity to spend some time with a farmer on a thousand-acre farm – which he considered to be small. As we were planting a canola field with genetically modified seed, in the air conditioned cab of a huge GPS guided tractor he remarked "you know, we farmers buy the crop these days," meaning that everything that made the crop grow; – seed, fertilizer, pesticides, fuel... -- was bought from some corporate agribusiness. Real farmers don't buy their crops, they grow them.

Even though large farms, meaning agribusinesses, dominate American agriculture today, their dominance will be brief period in American history. Their dominance thus far has spanned less than forty years and their future will be even shorter because they quite simply are not sustainable. Today's large farms are not meeting the real needs of people today and most certainly are not ensuring opportunities for those of future generations to meet their needs.

Sustainable farmers must understand and respect the hierarchy of nature. Human societies are part of nature and our societal well-being is integrally interrelated with the well-being of natural ecosystems. The economy is a part of society and must meet the individual needs of people in society if it is to be sustained by society. Both nature and society function according to inviolable principles – laws of nature and natural law. Farms are a part of the economy and

society, and thus farmers must respect the laws of nature, including human nature, as well as economics. The priority that agribusinesses place on economics is in direct conflict with the hierarchy of nature. In arguments with nature, “nature always has the last word.”

Economic value is inherently individualistic; all economic value accrues to the individual, not society or nature. It makes no *economic* sense to do anything solely for the benefit of anyone else or for a community or society in general. Since there is no way to realize economic value after we are dead, it certainly doesn't make economic sense to do anything solely for the benefit of those of future generation. There is no economic incentive for farmers to do those things that must be done for the common good of all in a community or society. There is certainly not to maintain the productivity of the land or civility of society for the benefit of future generations.

Once farms grow beyond a certain size, they simply cannot be managed sustainably. Certainly, big farms can be managed in ways that reduce the pollution of air, water, soil with chemical and biological contaminants. Large farms can adopt soil conservation measures that reduce soil erosion and can reduce their energy use. They can even substitute organic for inorganic inputs. They can also substitute wind, water, and other forms of solar energy for fossil energy. They can consider the impacts of their management decisions on their land, the environment, their neighbors, and the people who eat their food – as long as it doesn't compromise their profits. However, while these things are necessary for agricultural sustainability, they are not sufficient.

Sustainability requires a fundamentally different approach or philosophy of farming than the agribusiness paradigm that causes farms to become too large. Sustainable farms must be redesigned in the image of a living biological organism rather than an inanimate economic mechanism. Sustainable farms ultimately must be self-renewing and regenerative rather than extractive and exploitative. Resource efficiency and substitution are necessary for sustainability but are not sufficient. Defenders of agribusiness ultimately must face the fact that it's ultimately more economically efficient to extract and exploit than to regenerate and renew. Even if an industrial farm were fueled by solar energy it would still need to exploit nature and society in order to maximize its profits. Farming systems that are designed to maximize economic efficiency are fundamentally incapable of achieving sustainability.

Whenever farms are redesigned for sustainability, they naturally tend toward a size that is appropriate to sustain the natural ecosystems, communities, societies, and economics within which they function and of which they are a part. Farms that are too large, just naturally become smaller farms as they become more sustainable farms— as they become real farms. Redesigning a farm for sustainability is both necessary and sufficient, meaning that resource efficiency and substitution are a natural consequence of redesigning for renewal and regeneration. There is nothing particularly wrong with doing things that are necessary on large farms, as long as the necessary is not allowed to get in the way of the sufficient. Problems arise when an emphasis on reducing the negative ecological and social impacts of large farms becomes an excuse for not making the fundamental changes that ultimately must be made to achieve sustainability.

Real farms must respect the *culture* of agriculture. Culture is sometimes defined as the means by which people have learned to survive and flourish in a particular place or community.

People do not survive and flourish solely by earning and spending money. We need positive relationships with other people in families, communities, and societies to give our lives quality and fullness. We also need a sense of connectedness, of oneness with nature, to give our lives purpose and meaning.

Wendell Berry writes elegantly and insightfully about the culture of agriculture as a sense of place. He writes that to farm sustainably, the land must be “used well,” meaning the farmers who use the land must “know it well, must be motivated to use it well, must know how to use it well, and must be able to afford to use it well.” He also writes about farming in harmony with the nature of place, that farmers must farm farms they know and love, farms small enough to know and love, using methods they know and love, in the company of neighbors they know and love. Farmers can only truly know, love, and care for so much land and so many people, meaning their farms must be proportionally small.

Culture may also be defined as the means by which a group of people choose to limit their pursuit of individual self-interests. Culture is reflected in the social and ethical values of a community that limit the behavior of individuals to those things that are considered good or at least acceptable for the good of the community and society as a whole. Lacking such limits, there is nothing to limit or restrain the extractive and exploitative tendencies of individuals or other economic entities as they strive to maximize their economic self interests. If we allow *agribusiness* to replace *agriculture*, there will be nothing to limit the extraction of and exploitation of larger and larger livestock producers and crop growers as they strive to maximize economic efficiency, profits, and growth. There is at least as much culture as business in real farming, and real farms must remain appropriately small.

In preparing for a presentation at the 2002 National Small Farms Conference and Trade Show, I developed a list to help farmers decide if their farms were too big to be real farms.

Your farm may be too big if...

- If the farm begins to look more like a sea or desert, rather than a patchwork quilt.
- If gullies appear on slopes and road ditches are filled with muddy water after a rain.
- If it's no longer safe for anyone but an adult to work with your machinery or chemicals.
- If a bigger tractor, combine, or new pickup truck seems like it might solve your problems.
- If your animals never feel the sun, don't have room to walk, or never touch the dirt.
- If your cows no longer have names and your children wouldn't know them if they did.
- If the farm keeps your family apart, or tears it apart, rather than bringing it together.
- If your children begin to dislike farm life and vow not to return to the farm.
- If you're too busy to notice changing seasons, watch the sunset, or listen to the wind blow.
- If you're too busy to bother with community affairs, and rarely go into town anymore.
- If neighbors complain about dust, noise, or odors from your farm, and you don't care.
- If caring for the land and for people no longer gives purpose and meaning to your life.
- If you have forgotten why you wanted to be a farmer in the first place.

If very many of these things ring true, odds are your farm is too big to be a real farm.

Perhaps the easiest way to understand what real farming is about is to look at some real farms that are being managed for sustainability. Joel Salatin⁴ of Rural Virginia and Will Allen⁵

of urban Milwaukee are perhaps the most widely recognized examples of farmers, rural and urban, who have rejected the agribusiness model in favor of a sustainable approach to farming. They don't grow vast fields of corn or soybeans or have large-scale confinement livestock operations. They manage a wide variety of crop and animal enterprises very intensively and thoughtfully on farms that are small in physical size, but not small in terms of quality of life they provide or even in terms of net farm income. Their stories and the stories of other sustainable farms are told in video documentaries such as *Future of Food*,⁶ *Broken Limbs*,⁷ *Fresh; The Movie*,⁸ and *Food Inc.*⁹ These are stories of real farms and the farms in these stories are small. *Celebrity* farmers, such as Joel Salatin and Will Allen may not be typical but they are important because they represent a philosophy of farming that is being pursued by thousands of other farmers all across the America and millions of farmers all around the world.

In my travels I have also had an opportunity to visit with a lot of real farmers and to visit quite a few real farms. Francis Thicke operates a grass-based, organic dairy farm near Fairfield, IA.¹⁰ He processes and bottles his own milk and yogurt and makes ice cream and cheese which he markets as Radiance Dairy products. He makes a good living for himself and his wife by milking 80-90 cows, not thousands of cows, is a good neighbor, serves his community, and has a good life. He recently made a good run for Secretary of Agriculture for the state of Iowa. Radiance Dairy is a real farm, and it is small.

In northern California, I had an opportunity to visit Chaffin Family Orchard, where the farm manager is striving to become the Joel Salatin of the West.¹¹ They raise and sell pastured-poultry, free-range eggs, grass-fed beef, goat meat, and lamb, in addition to olives, oranges, grapefruit, lemons, cherries, apricots, peaches, nectarines, plums, figs, Asian pears, avocados, pomegranates, persimmons, and mandarins. The Chaffin farm is a real farm, and by northern California standards, it is small.

In Costa Rica, in addition to the “green deserts,” we also drove up a remote mountain valley where terraces planted in a seemingly endless variety of vegetables stretched up the mountain sides in all directions. I have never seen more beautiful crops, and they were all planted and tilled by hand by farmers who owned small plots. We stopped in a nearby farming town, one of the most prosperous we had seen in Costa Rica. The town was supported by real farms – the small farms we had seen in the valley.

Like the farmers respected and revered over the years by Jefferson, Smith, and others these are real farmers. Like Adam Smith's agrarian farmers they are independent entrepreneurs who exhibited extraordinary judgment and discretion in coping with the vagaries of nature. Like Jefferson's yeoman farmers they are hard working and honest, with a sense of patriotism, and spiritual connectedness to the land. They are at least striving to be like the farmers of ancient China who farmed the land of China for forty-centuries without depleting it productivity.

Thankfully, real farms are on the rise in America today. There is a growing realization among Americans that something is fundamentally wrong with our food system. More and more people are turning to natural, organic, and locally grown foods in their search for “real food.” It's only possible to produce real food on “real farms.” There is also a growing realization in rural

American that agribusinesses are not real farms. Real farms don't foul the air with noxious odors or pollute streams and groundwater with agrichemicals and livestock manure.

Real farms are good neighbors and supportive members of their communities and of society. A real farm is not just a business; it is also a way of life and a sacred trust. It's not just about production and profits; it's about meeting the real needs of real people both today and in the future. Real farmers care about the land, they care about their families, their neighbors, their customers, their communities, and they care about the future of their country and humanity. Real food must come from real farms, and real farms will always be appropriately small.

End Notes

¹ John Ikerd, *Small Farms are Real Farms, Sustaining People Through Agriculture* (Austin TX: Acres USA, 2006) <http://www.acresusa.com/books/results.asp?action=search&pcid=2>

² Robert A. Hoppe and David E. Banker, USDA ERS, Structure and Finances of U.S. Farms, 2010 edition. <http://www.ers.usda.gov/Publications/EIB66/EIB66.pdf>

³ Adam Smith, *Wealth of Nations*, (1776, New York: Prometheus Books, 1991) p. 83.

⁴ Visit *Polyface Farms Inc.* <http://www.polyfacefarms.com/>

⁵ Visit *Growing Power*, <http://www.growingpower.org/>

⁶ *The Future of Food* <http://www.thefutureoffood.com/>

⁷ *Broken Limbs*, <http://www.brokenlimbs.org/endorsements.html>

⁸ *Fresh the Movie* <http://www.freshthemovie.com/>

⁹ *Food Inc.* <http://www.foodincmovie.com/>

¹⁰ Visit *Radiance Dairy*, <http://www.radiancedairy.com/>

¹¹ Visit *Chaffin Family Orchards*, <http://www.chaffinfamilyorchards.com/>