

Real Farms versus Farm Businesses¹

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Farmers historically have held positions of high esteem in the US and in much of the rest of the world. Thomas Jefferson, for example, believed strongly that the “yeoman farmer” best exemplified the kind of “independence and virtue” that should be respected and supported by government. He did not believe financiers, bankers, or industrialists could be trusted to be responsible citizens and therefore should not be encouraged by government. Adam Smith, an icon of capitalism and author of the classic, *The Wealth of Nations*, 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 never trusted businessmen to serve any interest other than their own and held a particular distrust of corporations. Smith's reference to China was to the philosophy of Confucius which ranks farmers second only to the academics or scholars in the Chinese social order. Following the farmer were the worker, and lastly, the businessman. All of these respected historical figures placed farmers at or near the top of society well above those concerned with business and economics at the bottom.

Today, Americans are being subjected to an ongoing multimillion-dollar corporately-funded propaganda campaign designed to convince us that today's conventional farm businesses deserve the same high esteem historically reserved for farmers. The agricultural establishment – which includes agribusiness corporations such as Monsanto and DuPont, the major agricultural commodity organizations, and the American Farm Bureau Federation – have hired some of the nation's top public relations firms to craft and deliver their deceptive message. They characterize today's family owned or operated farm businesses as “modern family farms,” suggesting they possess the same values and virtues of the family farmers idealized by Jefferson and Smith. Nothing could be further from the truth. In truth, the farm businesses of today share far more characteristics with the businessmen, financiers, and corporate managers distrusted by Jefferson, Smith, and Confucius than with the farmers valorized by past cultures. The corporately-financed propaganda campaign is but a desperate attempt to shield today's so-called modern industrial agriculture from a growing tide of public concern, distrust, and outright resentment.

What is a real farm? Does it really matter whether farming operations are real farms or farm businesses? Looking back over time, a farmer has always been defined as one who cultivates land, cares for livestock, or otherwise operates a farm. The English word *farmer* has varied origins: from Middle English, *fermer*, *fermour* (“steward,”), from Old French *fermier* (“husbandman”), and from Medieval Latin *firmarius* (“one who rents land”).¹ The English word *farm* comes from Middle English word, *ferme*, *farme* (“rent, revenue, produce, stewardship, meal, feast”), from Old English *feorm*, *fearn*, *farm* (“meaning provisions, food, supplies,

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possessions, stores, feast, entertainment, haven"), from Proto-Germanic *fermō* ("means of living, subsistence"), and from Proto-Indo-European *perk*^w- ("life, strength, force"). It is related also to Old English words such as *feormian* ("to provision, sustain"), and *feorh* ("life, spirit"), and Icelandic word *ffjör* ("life, vitality, vigour, animation").ⁱⁱ

These root meanings suggest that business and economics have always been an important aspect of farming. Root meanings such as "rent, revenue, subsistence, and means of living" suggest that farming has always been a means for farmer to make an economic living for their families. Farming also has been about producing food for others, for people in communities and the societies, of which farms are a part. Root meanings such as "provision, food supplies, and purveyor" also suggest that farming has always been seen as part of the larger food economy.

However, farming has also been about providing sustenance for the mental and spiritual needs of farm families, communities, and societies, in addition to providing physical nourishment. Root meanings such as "spirit, entertainment, feast, and haven" suggest that farms represent more than just physical and economic sustenance. Equally important, the roots of farms and farming strongly suggest a moral or ethical commitment to the long-term well-being of communities, societies, and humanity. Root meanings such as "stewardship, strength, firm, solid, security, and sustain" reflect a historical commitment of farmers to a *permanent* agriculture in order to ensure the durability of sustainable societies and the sustainability of humanity.

Using the popular terminology of today, particularly in international circles, farms historically have been *intentionally multifunctional*. A United Nations report, reflecting a consensus of 400 scientists representing 58 different countries, stated that farming is *inherently* multifunctional, in that "It provides food, feed, fiber, fuel and other goods. It also has a major influence on other essential ecosystem services such as water supply and carbon sequestration or release. Agriculture plays an important social role, providing employment and a way of life. Both agriculture and its products are a medium of cultural transmission and cultural practices worldwide. Agriculturally based communities provide a foundation for local economies."ⁱⁱⁱ

Presumably, no farmer would intentionally manage his or her farm in ways that degrade natural ecosystems or diminish the quality of life in the communities in which the farm operates. However, farms historically have been *intentionally* multifunctional, suggesting that real farmers make conscious, purposeful management decisions so as to have *positive* impacts on the natural ecosystems and communities in which they function. Farms that are managed strictly as businesses are also multifunctional in that they have multiple impacts, but such farms are almost certain to have *negative* ecological, social and even economic consequences for the communities in which they function and for society as a whole.

"Family farmers" are held high esteem in American society today, because the traditional values of family farms embody the traditional values of farms and farmers. This the reason the agricultural establishment is trying to convince the public that today's farm businesses are just the modern version of family farms. True family farming is a way of life, not simply a way to make a living. On a true family farm, the farm and the family are inseparable. A sense of personal interconnectedness of the family with the farm is ultimately what makes a farm a "family farm." The same farm with a different family would be a different farm, and the same

family with a different farm would be a different family. The well-being of the farm is inseparable from the well-being of the family.

A family farm is managed to reflect the cultural and social values of the farm family as well as their economic necessities and preferences. The “culture” of agriculture embodied in family farming is one of stewardship or caring for the land, society, and humanity. The social value is one of neighborliness and caring for family and community. Finally, a family farm must also provide the economic essentials of a desirable quality of life. Family farms are motivated by a triple bottom line: cultural, social, and economic. These were the virtues of farming idealized by Jefferson, Smith, and Confucius.

Family farms have a natural motivation and inherent potential to be managed *intentionally* for positive *multifunctionality*: to reflect the positive cultural and social values of farm families, as well as their economic values. Their rewards for good farm management includes the sense of social acceptance and self-worth gained from stewardship of their land and good citizenship I their communities. Family farmers obviously need to make a living economically. But, they aren't willing to degrade their land, threaten public health, or destroy their neighbors' quality of life, just for the sake of increasing profits. They are intentionally and positively multifunctional.

Family farms make positive social contributions by nurturing positive relationships – both within and among generations. Farm family members who work together obviously have an opportunity to spend quality time together. Working, child rearing, recreation, and family life are all intermingled, sharing a common time and place – on the farm. Children who contribute to the chores on family farms grow up knowing they are valuable and valued as productive participants in the work and life of the family. Farm families obviously have conflicts and face many of the same challenges as other families. However, family farms survive and thrive by creating and sustaining the kind of positive, caring, personal relationships that are essential aspects of strong families, communities, and societies.

Family farms make positive ecological contributions by nurturing a positive relationship with nature. Family farmers have a strong “sense of place.” Family farms fit their farming systems to the unique land and water resources of their particular farms as a well as the aptitudes, abilities, and aspirations of the farm family. Nature and people are diverse, and family farms reflect this diversity. The diverse enterprises on family farms are integrated and managed to mimic the mutually beneficial relationships among the diverse elements of healthy living systems. Wastes from some enterprises become productive inputs for others. The products from some enterprises become raw materials for other value-adding farm enterprises. The production processes are resource efficient, resilient, and regenerative – important characteristics of sustainability.

Family farmers also make their own decisions rather than relying on so-called experts or entering into comprehensive corporate production contracts. They rely on experience, knowledge, and insights to manage their diverse, individualistic, dynamic farming operations. Family farms are management *intensive*; meaning they require more management per unit of production. Family farms can be as productive as factory farms in terms of production per-acre or per-head, but can't manage as many acres of crops or as many head of livestock. As a result,

family farms tend to be smaller than farm businesses – often far smaller. Authentic family farms exemplify the traditional values of real farms.

Farm businesses are motivated primarily if not solely to maximize the economic function of farming. They are *mono-functional* in that they are managed for economic efficiency and profitability; a single economic bottom line - period. Farm business managers rationalize their decisions by relying on the discredited economic belief that their pursuit of individual economic self-interests will somehow be transformed into the greater good of society as a whole. Farm businesses, even if owned and operated by families, are managed to maximize farm income and/or accumulate wealth. The farm business makes no other meaningful contribution to the current quality of life of the family. The management decisions of farm business managers reflect the economic incentives provided by market prices for agricultural commodities – or increasingly, the terms of corporate contracts. Ethical and personal values are not allowed to interfere with the business of farm management.

The relationships of farm business, being fundamentally economic in nature, are inherently impersonal. A fundamental purpose of market economies is to allow people to meet their needs through buying and selling rather than through personal relationships. Farm businesses rely on the industrial management strategies of specialization, standardization, and consolidation of control. The production systems of farm businesses are designed so that fields and feedlots function with the efficiency of a biological assembly line and the farms function as factories without roofs – thus the frequent reference to farm businesses as “factory farms.” Industrial management strategies allow farm business managers to manage more acres of cropland or more head of livestock than would be possible on a family farm. Factory farms are management *extensive*. As a result, farm businesses tend to be larger than family farms – often far larger.

Does it make a difference whether farms of the future are real farms or farm businesses? Those who focus on the agricultural productivity or economic efficiency view family farms as nostalgic relics of the past that will soon be replaced by more efficient farm businesses. Those who value traditional family farms are seen as idealists that long for a return to some utopian past that never actually existed. However, it is not nostalgic or idealistic to be concerned about the sustainability of farms and food systems that are motivated solely or even primarily by the endless quest for ever-greater economic efficiency and profitability.

We see the negative ecological consequences of the transition from family farms to farm businesses in erodes soils, polluted and depleted streams and aquifers, destruction of wildlife habitat, and loss of biodiversity. We see the negative social consequences of farming for the economic bottom line in the demise of family farms, the social and economic decay of rural communities and growing diet related health problems. Certainly, farm businesses can be managed in ways that limit soil erosion and pollution of air, water with chemical and biological contaminants. Operators of farm businesses can also consider the impacts of their management decisions on other farmers, their communities, and the people who eat their food. However, farm businesses can minimize their negative functions or impacts only to the extent that doing so does not compromise their economic bottom-lines. Giving economic efficiency and profitability priority over ethical and social responsibility has unavoidably negative consequences.

Economic value is individual, instrumental, and impersonal.^{iv} Economic value accrues to individuals rather than communities or societies as wholes. It is instrumental, in that an economic transaction is a means to an end, rather than something done because of its inherent worth. As a result, the economy places a premium on the present relative to the future. For example, it makes no economic sense to invest in anything if the returns are expected to accrue only after the investor is dead. Since life is inherently uncertain, investment with quicker returns are valued higher than comparable investments with longer-term payouts. That's the reason borrowers pay interest and lenders charge interest. There are no economic incentives to be caretakers of the land or to care about communities if the benefits will accrue solely to someone else, certainly not if the benefits will be realized by some future generation.

Economic value is impersonal, because if something cannot be bought, sold, or traded from one person to another, it has no economic value. Social values, on the other hand, are personal; the particular persons involved in a social relationship matter. Social values evolve into ethical values, as people discover they should show the same empathy, compassion, and respect for everyone that they show for those they know personally: a personal ethic. Many farmers also feel personal connections to their farms, which evolve into their personal "land ethics." Family farmers quite logically and rationally invest significant amounts of their time, energy, and money in things they value socially and ethically, even when there is no economic incentive to do so.

Many farms of the past obviously did not make the investments in their land and communities that were necessary to ensure their long-run sustainability. Great civilizations of the past rose with the increased productivity of their farms and fell when their farmers lost the ability to meet the needs of their societies because they had degraded their environment. That said, many family farms today still retain a commitment to intentional multifunctional farming: balancing the need to make a living for the family with their need to be respectful members of their communities and responsible stewards of the land for the future of humanity. Family farmers today have the benefit of learning from past failures and the potential for a far greater understanding of how best to work with nature and society to ensure their long-run sustainability. Lessons from the past need to be acknowledged and addressed rather than discarded as useless relics of indigenous cultures.

Many farms owned and operated by families do not clearly match the characteristics of either traditional family farms or farm businesses. Many are mixes of the two or are in transition from one to the other. In addition, farms that are operated by individuals or groups of unrelated individuals may reflect the same basic values as traditional family farms. Family corporations or corporations with few shareholders can reflect the shared values of the owners in management of the farm as effectively as can a family. Such corporations do not have to maximize profits. It's the *values* of traditional family farming that are critical to the ecological, social, and long-run economic performance of a farm, not whether the farm is owned or operated by a family.

In summary, farms on which the family, or other owner(s)/operator(s), feels a sense of personal connectedness to their farm, their communities, and their customers have the inherent motivation and potential to be managed for positive multifunctionally. Such farmers understand that it is not a sacrifice to make positive contributions to the health and well-being of the ecosystems, communities, and local economies in which they function. Stewardship and

citizenship have ethical and social values that are essential to a desirable quality of life. Whether producing food for their own families, their neighbors, or distant customers, these farmers feel a personal sense of responsibility for the integrity of the production process as well as the quality of the products they produce. These “real farmers” ultimately will be the sustaining force of the sustainable agriculture, a sustainable food system, and sustainable society – through relationships based on a shared sense of ecological, social, and economic integrity.

The real farmers need and deserve the encouragement and support of “real people” – including their customers, their neighbors, and society as a whole. Real people are not just economic or physical beings. Real people are also ethical and social beings. Real people understand that it is not a sacrifice to care for other people because caring and sharing are essential for a life of quality. Real people understand that it is not a sacrifice to care of the other living and non-living things of nature, because stewardship is essential to a life of purpose and meaning. Real farmers can only survive and thrive economically if they are supported by real people who are willing to share in the investments necessary to make really good food accessible and affordable to all, both now and in the future. These are the social and ethical values valorizes by Jefferson, Smith, and Confucius: “real farmers producing real food for real people.”

End Notes

ⁱ “Farmers,” <http://en.wiktionary.org/wiki/farmer>, (accessed September 15,2014).

ⁱⁱ “Farm,” from Wikionary, Open Content Dictionary; cites The Century Dictionary and Cyclopedia; Wedgwood, Atkinson, A dictionary of English etymology; and Mantello, Rigg, *Medieval Latin: an introduction and bibliographical guide*, 11.3, <http://en.wiktionary.org/wiki/farm> , (accessed September 15, 2014).

ⁱⁱⁱ IAASTD: *Agriculture at a Crossroads*, 2.

^{iv} John Ikerd, *The Essentials of Economic Sustainability*, Bloomfield, CT: Kumarian Press, 2012. Chapter 1.