

PolicyPennings by Dr. Daryll E. Ray

## Studies consider community effects of family-sized versus industrialized farming operations

The goal of saving the family farm has been used by advocates as well as critics of farm commodity policy. Advocates argue that family-sized farms will be adversely affected if farm commodity policies are severely reduced or eliminated. The assumption, often unstated, of those who argue for policies to support family-size farming operations is that communities with a large number of mid-range family farms are more vibrant than comparable communities dominated by a small number of large industrialized farming operations.

Critics, on the other hand, argue that the number of farms has dropped dramatically since the inception of farm commodity programs in the 1930s. They note that the percentage of farmers currently in the US is less than two percent and farm programs have done little to stem the tide. Some even argue that farm programs have helped finance the consolidation of farms and the trend towards larger sized operations.

In dealing with this type of discussion, it is important to understand that there are at least two different issues at stake and it is necessary to separate them from one another. They need to be dealt with one at a time.

The first issue is determine whether or not the communities surrounding family-sized farming operations are more vibrant than comparable communities dominated by a small number of large industrialized farms.

The second question is whether or not farm policies, particularly commodity policies, are supportive of family-sized farming operations. Who are the beneficiaries of a given set of farm policies (e.g., family-farming operations, industrialized farming operations, integrated livestock producers, agribusiness in general)?

If the answer to the first question is that the style and scope of farming operations makes no difference on the quality of life in rural communities, then the appeal to preserving family-sized farms loses some of its legitimacy.

In 2000, Ohio State University rural sociologist Linda Lobao prepared a report for the State of South Dakota, Office of the Attorney General examining "Industrialized farming and its relationship to community well-being." That report may be found on the internet at [http://www.agribusinessaccountability.org/pdfs/270\\_Industrialized%20Farming.pdf](http://www.agribusinessaccountability.org/pdfs/270_Industrialized%20Farming.pdf). In that report Lobao examined "thirty-eight studies examining the consequences of industrialized farming" operations on their communities. These studies were conducted between the 1930s and 1999. This report was updated in 2006 by Curtis Stofferahn, rural sociology professor at the University of North Dakota, increasing the number of studies to fifty-six. Stofferahn's update is available at <http://www.und.nodak.edu/org/ndrural/Lobao%20&%20Stofferahn.pdf>.

Family farms are those operations where the "farm household owns and controls the majority of farm production factors, land, labor, capital, technology, and management." Elsewhere, Lobao and her colleague Katherine Meyer have described these operations as ones in which "farming is a household livelihood strategy." Industrialized farms are those where these

conditions are not met and are often characterized by the utilization of production contracts so that there is "a division of labor among owners, managers, and labor with different groups of people assigned to different positions in the production process."

Of the fifty-six studies examined by Lobao and Stofferahn, thirty-two found that industrialized farming, including large scale concentrated animal feeding operations (CAFO), was associated with detrimental effect and fourteen found some detrimental effects.

After looking at a wide range of studies, Lobao and Stofferahn conclude that communities where industrialized farming operations predominate show "lower relative incomes for certain segments of the community, [that is] greater income inequality." In addition, these communities were characterized by "higher unemployment rates" and lower job growth rates than in communities where family-sized farming operations predominate.

Moving from economic indicators to social indicators, the Lobao and Stofferahn studies conclude that communities where industrialized farming operations predominate experience greater social disruption: increased crime rates, "greater childbearing among teenagers, increased stress and social-psychological problems." In areas with swine CAFOs the social disruption included "high poverty and minority populations, deterioration of relationships between hog farmers and neighbors and more stressful, less neighborly relations."

The social life associated with large scale industrialized farming operations included less involvement of the population in civic life. An additional concern related to local governance was lower general involvement of a wide range of community members as "outside agribusiness interests increase control over local decision-making." There were also fewer churches, poorer quality public services, and decreased local retail trade in industrial farming communities.

In communities where swine CAFOs are numerous, the studies reported reduced enjoyment of property, increased health problems, and lower real estate values. Likewise many of these communities experienced environmental problems: depletion of water, air quality problems, and the increased risk of nutrient overloads in soils.

While not all of these problems occur in every community with industrialized farming, these studies provide evidence that communities in which farming is pursued a household livelihood strategy are more vibrant than those where industrialized farming operations predominate. Lobao concludes, "From a social science standpoint, the farming system in place today has been created from both market forces and government policy and programs. It is thus logical that government can also be an instrument in transforming this system toward greater public accountability."

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