

limited-income farmers: some new knowledge

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In recent years, a great deal has been written about limited- or low-income farmers. Some of these publications have dealt with the degree of contact between limited-income farmers and Extension personnel. The consensus is that limited-income farmers only marginally use the services of Extension agencies.¹ However, findings at the University of Georgia don't support the idea of infrequent contact between Extension personnel and limited-income farmers.

This article is based on a Georgia study involving personal interviews of 99 limited-income farmers. These farmers were randomly selected from lists of smaller farms furnished by the Agricultural Stabilization and Conservation Service (ASCS) offices in five randomly selected Georgia counties.

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LIF Definition

The term limited-income farmers (LIF) lacks a consensus definition in spite of the array of literature dealing with it. Consequently, while some writers choose not to define it,² others come up with their own terms and definitions based

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on implicit and/or explicit assumptions.³ For the purpose of this article, limited-income farmers include those whose annual gross income from farm sources is between \$1,000 and \$40,000. This range was chosen for several reasons:

1. The 1974 Census of Agriculture considered a place as a farm if it grossed a minimum of \$1,000 per annum, or is capable of doing so.
2. In general, farmers receive a net income of 20% or less on gross farm income. Hence, in terms of net income, this gross income range translates to \$200-\$8,000.
3. An unskilled worker on a minimum wage rate of \$3.10 per hour, who is working full-time nonfarm, earns about \$6,400 a year.
4. Since most limited-income farm families comprise, on the average, 2 people (man and wife), the \$8,000 estimated maximum net income cut-off point would mean that that family is below the "poverty" level.

It should be remembered that different writers have different cut-off points.⁴ Therefore, the cut-off points affect the relative percentages and the characteristics of the population described as limited-income farmers.

LIF Characteristics

Limited-income farmers exhibit certain common characteristics when compared with other farmers. In general, they're usually older, have less formal education, operate small-scale farms, and earn substantial incomes from off-farm sources.⁵ Nevertheless, they're also dissimilar in many respects.

Categories of LIF include:

1. Farmers usually 60 years and older who farm in preparation for permanent retirement.
2. Those who farm as a stepping stone for full-time, off-farm employment.
3. Some who work part-time off the farm in preparation for full-time farming.
4. Part-time farmers who want to combine the benefits of off-farm employment with the pleasures of rural living as a permanent way of life.
5. Full-time, limited-income farmers apparently satisfied with the status quo.

The existence of these different categories poses far-reaching implications for policy makers and Extension personnel. This is because the success or failure of any program aimed at lessening the limited-income farm problem—for example, credit and recommended farm practices—depends on the

dominant segment of the LIF in the geographic area. Programs related to farm expansion and improved management practices will interest the segment that wants to expand farm operations. On the other hand, programs to facilitate sale or transfer of farms will be well-received by the segment preparing for permanent retirement.

**Infrequent
Contact
Question**

What about the questions of infrequent contact between limited-income farmers and Extension personnel? Leroy and Jaswant⁶ found that LIF's very seldom use the services provided by Extension and other government agencies in Louisiana. They noted the following participation rates by LIF: Louisiana Cooperative Extension, 18.6%; Soil Conservation Service, 9.8%; Farmers Home Administration, 17.8%; and Agricultural Stabilization and Conservation Service, 22.7%.

The USDA, Development of Agriculture's Human Resources,⁷ says that LIF's haven't been reached by Extension and research. However, it also noted that their use of Extension and research was increasing.

In Georgia, results indicate that contacts between LIF's and Extension personnel are relatively high. A series of questions was used to estimate this degree of contact. To the question "Is there any advantage in establishing a close working relationship with county agents?" 70.7% answered yes, 23.2% no, and 6.1% gave no answer.

Of the sample, 51% were aware of radio, television, or newspaper programs, or information on farm and home programs provided by Extension. Furthermore, the Extension agents or their assistants had visited the farms of 51% of the sample during the previous 12 months and 68.4% had visited the county agents' offices. These findings indicate a greater degree of limited-income farmers/Extension agents contact than previously found elsewhere.

The respondents were asked to indicate the number of personal contacts with the county Extension agents during the past year. To gain more insight, the LIF's were subdivided into 2 age groups—less than 60 years and 60 years and older.

Over 60 Years

In Table 1, information obtained on the limited-income farmers 60 years and older is presented. A negative relationship exists between age and number of personal contacts with county Extension agents. However, a slight positive relationship between education and contacts is observed.

Under 60 Years

For those LIF's less than 60 years old (Table 2), farm income and off-farm income appear to be positively related

Table 1. Personal contacts with county Extension agents—LIF's more than 60 years old.

No. of contacts	No. of people	Percent-ages	Average				
			Age (years)	Formal education (years)	Farm income	Off-farm income	Total income
0	16	40.0%	71.0	8.0	\$12,722	\$3,973	\$16,696
1-3	13	32.5	70.9	8.4	7,503	7,775	15,278
4 and above	11	27.5	64.2	12.0	13,206	6,016	19,222
Total	40	100.0%	69.1	9.2	\$11,159	\$5,770	\$16,929

with the number of personal contacts with county Extension agents. On the other hand, while education showed a negative relationship, age didn't show any apparent relationship with personal contacts. As a group, 35.6% had 4 or more contacts within the last year and 71.2% had 1 or more contacts.

Reasons for Contacts

The reason for this relatively large degree of contacts between county Extension agents and limited-income farmers in Georgia couldn't be determined from currently available data. However, it seems that the relatively high level of education (a mean of 10.6 years for the less than 60 years age group and 9.2 years for the 60 and above age group) and an effective Extension Service are the probable factors facilitating contacts in Georgia between Extension agents and limited-income farmers.

Conclusions

It appears that over the years, limited-income farmers have become more educated and younger, and have increased

Table 2. Personal contacts with Extension agents—LIF's less than 60 years old.

No. of contacts	No. of people	Percent-ages	Average				
			Age	Formal education	Farm income	Off-farm income	Total income
0	17	28.8%	46.4	10.8	\$8,389	\$9,614	\$18,003
1-3	21	35.6	44.8	11.3	10,149	11,192	21,341
4 and above	21	35.6	48.3	9.8	13,628	12,783	26,411
Total	59	100.0%	46.5	10.6	\$10,881	\$11,304	\$22,185

their contacts with county Extension agents. Furthermore, the fact that LIF's are heterogeneous, with different objectives, necessitates a reevaluation of ideas and programs for limited-income farmers. Different interests and goals of LIF's necessitate different policies and assistance programs.

Footnotes

1. David Leroy and Jindia Jaswant, "An Analysis of the Economic Factors Affecting the Success of Small Farm Operators," *Staff Paper Series*, Series No. 118-76 (Baton Rouge, Louisiana: Southern University Unemployment-Underemployment Institute, 1976) and USDA, *Development of Agriculture's Human Resources: A Report on Problems of Low-Income Farmers* (Washington, D.C.: Secretary of Agriculture, April, 1955).
2. Frank T. Hady, "Improving Incomes of Farm People in Northern and Western Florida," ERS, USDA, Florida Experiment Station, ERS-36, December, 1961 and Frederick C. Fliegel and Emory J. Brown, "Low-Income Farm People," *Journal of Cooperative Extension*, IV (Spring, 1966), 44-50.
3. Jerry C. West and K. C. Schneeberger, "Research and Education Needs of Those Living on Small Farms," *The Missouri Small Farm Program*, Publication 36 (Columbia: University of Missouri, Department of Agricultural Economics, 1972) and David R. Orden, "An Analysis of Socioeconomic Characteristics, Resources, Management Practices and Productivity of Small Farm Operators in Floyd and Brunswick Counties, Virginia" (Master's thesis, Virginia Polytechnic Institute and State University, Blacksburg, May, 1977).
4. K. C. Schneeberger and J. C. West, "Marginal Farms—A Micro Development," *SJAE* (July, 1972), pp. 97-100. They describe all farms grossing less than \$10,000 as marginal. David R. Orden and Dennis K. Smith, "Small Farms in Virginia," *Virginia Agricultural Economics*, CCLXXXV (December, 1977) define the small farmer as an individual with gross annual farm sales of \$20,000 and off-farm income of less than \$5,000.
5. In an ongoing study at Georgia, it was found that limited-income farmers were on the average 56 years old, had 10 years of formal education, and earned \$9,000 off the farm and \$11,000 on the farm. For other examples, see Leroy and Jaswant, "An Analysis of the Economic Factors" and Jane Murray and M. Coughneour, "Who Is the Small Farmer?" *Rural Development Research and Education*, I (Summer, 1977), 4-6.
6. Leroy and Jaswant, "An Analysis of the Economic Factors."
7. USDA, *Development of Agriculture's Human Resources*.