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"A Review of the Social Benefits of Joint Farming Ventures"

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A Review of the Social Benefits of Joint Farming Ventures

1.1 Introduction

This paper will review some of the main benefits arising from farmers' working together, whether through Farm Partnerships or Share Farming arrangements. First, some of the general social benefits are overviewed, and then brief case-studies are presented of the specific benefits that have been experienced by farmers working together in the UK and Norway.

2.1 Farming: a way of life

Farming, particularly farming that is not industrial in scale, is understood less as an income-generating or technical activity and more as a way of life. Farming takes place in a socially and culturally rich context (Vanclay, 2004), where farmers are not concerned only with maximising profits, but with the social and cultural benefits of farming. Farmers are deeply connected to their farming practices, taking pride in and attaching prestige to their chosen farming styles and methods (*cultural capital*)¹. Farm families have traditionally worked within a community of fellow farm families, relying on each other in times of need (*social capital*). In the Irish context, more so in the past than in current times, cooperative 'bands' of farmers came together in 'meitheal' at particularly busy times of the year.

There has been a transition, however, away from communities of family farms working together. One of the primary influences in this transition has been farm mechanisation, which has resulted in a lesser requirement for neighbouring farm families to cooperate. With farm mechanisation, farms relied moreover on labour which was available within the farm family, without having to reach out into the community for extra help.

Subsequently, as economic circumstances surrounding the viability of farming changed, there were corresponding changes in the farm family. Farm women began to work off farm and as educational opportunities drew farm offspring to universities in cities and towns, the availability of family labour to deploy on the farm decreased.

From a social perspective, farming has experienced transitions from *farming communities*, to *family farms* to what Kirbak & Flø (2005) call '*one-man-farms*'. The '*one-man-farm*', however, is widely accepted to be socially unsustainable (CEC, 1988; Almas, forthcoming; Shorthall & Byrne, 2009)

¹For an elaboration of the theory of capital as framework, see Bourdieu (1996).

2.2 The 'One Man Farm' farm

In the European Commission's 1985 Green Paper entitled '*Perspectives for the Common Agricultural Policy*', it is stated that an aim of the CAP is to 'maintain the social tissue in the rural regions'. The paper furthermore affirms the role of the family farm in maintaining this social tissue, stating that "An agriculture on the model of the USA, with vast spaces of land and few farmers, is neither possible nor desirable in European conditions in which the basic concept remains the family farm" (CEC, 1985, p.5).

The weakening of the 'family farm', and the rise of the one-man-farm poses threats to the social sustainability of rural areas for a number of reasons, which can be summarised as follows:

- At the societal level, the disengagement of offspring from farm work in the long term results in a failure of important forms of farming knowledge to pass from generation to generation, and reduces the likelihood of *farm succession* and the continuance of the family farm.
- The disengagement of women as well as offspring from farm work *constricts the skills-base* of the farm enterprise. Farm women have a significant input in the area of farm business administration and also contribute to the diversity of farm enterprises, such as in the areas of horticulture and poultry rearing traditionally undertaken by women (see Cunningham, 1999). Farm offspring also have skills to bring to the farm enterprise, such as in the areas of communications and information technology. The disengagement of farm spouses and offspring limits farm-based capacities for innovation and development on the farm.
- For the 'one-man-farmers' the disengagement of offspring and women in farm work results in *increased demands on individual farmers' time*. As farmers' *work-life balance* becomes increasingly unsustainable, farming becomes a less attractive occupation and way of life for farmers as well as for their potential life partners.
- As employment opportunities concentrate in urban and suburban areas, rural areas beyond commuting distance become marginalised and depopulated. As such, *isolation, and social marginalisation* can be experienced by lone farmers.

Indeed, the primary rationale behind the success of the GAEC *Groupement Agricole d'Exploitation en Commun* (joint farming ventures) system in France was a strong commitment to the preserve the family farm, understanding the 'family farm' as the 'basic concept' to ensure rural sustainability (CEC, 1985). Joint farming ventures were perceived as an economically as well as socially necessary arrangement for family farms to remain in existence (Barthez, 1962). Barthez (1962, p. 1) states, the adoption of the GAEC legislation in

France on 8th August 1962 confronted two types of needs: to protect and maintain the family farm as a fundamental component and major cultural symbol of the countryside, and to bring agriculture into the modern economy, allowing more industrial economies of scale’.

3.1. Joint Farming Ventures: a method of social survival and adaptation

So, what are the various ways in which joint farming can address problems of social unsustainability?

3.2 Adapting to Modern Farm Family Dynamics

The dynamics of the modern farm family puts changed demands on farmers’ time. The changed role of many farm women, now dedicating much of their time to off-farm employment, puts increased demands on men to engage in household work and to spend time with children.

3.3. Adapting to Changing Criteria for Modern Farm Businesses

Modern farm businesses place increased emphasis on technology and innovation, which in turn creates increased demands for the time needed to learn and testing new technologies and innovations. Discussion groups, for example, are a key support to successful dairy enterprises yet farmers need time to travel to and participate in such discussion groups.

Learning and testing new technologies and innovations can be difficult for a farmer working alone. Farmers based in the same locality, operating similar farm systems, can have a lot in common. Working together and sharing opinions can give rise to supports and assurances that make for a more confident and proactive approach in the adoption of new technologies and innovations.

3.4 Adapting to the Changing Rural Economy

The contemporary rural economy encourages farm diversification and the establishment of add-on high value-added farm enterprises. For those farm families opting to engage in such enterprises, joint ventures between members of the farm family can serve the purposes of combining a range of existing talents and resources to produce new products or services for industries such as artisan foods and tourism. Such joint ventures can represent an attractive option for ambitious and skilled farm offspring and spouses who want an ownership stake in the business they want to help create and invest in.

Two case-studies will be overviewed briefly to illustrate the potential contributions of joint farming in practice.

4.1 Joint Ventures in the UK

Turner & Hambly (2005) sum up the rationale for joint farming ventures in the UK as addressing a central problem: *"What is the future for farmers whose resources (human, physical, capital) do not permit a rebirth as a large business, yet whose aspirations are still to earn a living in farming?"* In their study of joint farming arrangements in Cornwall, they identify a number of benefits associated with joint farming ventures:

- Better economies of scale
- Promote the development of diversification activities
- Increased leisure time
- Easier access for new entrants
- Presents alternative exit strategies
- More efficient use of fixed costs (labour, machinery, land, administrative and service costs)
- Better use of farmers' skills and specialisms

4.2 Combining Different Skill-sets

Turner & Hambly (2005) emphasise the benefits of farmers coming together for the purposes of combining their skill-sets. They note that different farmers can have different skill-sets. Among groups of farmers, different skill-sets: one farmer may be an excellent stockman, another may have first-class arable production abilities, another farmer may have excellent grassland management skills, while another may be an excellent business manager and administrator. They claim that on farms run by one individual, *"... at least one enterprise or supporting activity in each is under-performing because of lower skills or relative indifference. Often, this shows up in the financial performance of the different areas of the farm business"* (Turner & Hambly, 2005).

4.3 Principles to Guide Joint Ventures

Two key guiding principles can be gleaned from UK case-study of Turner & Hambly (2005)

- Agreements must be drawn up in a bottom up fashion: the objectives, needs, and desires of the parties should lead the formulation of the eventual agreement.
- Most joint ventures are not 'off-the-shelf' agreements, but the result of 'fine-tuning' in accordance with farmers' individual circumstances and aspirations.

5.1 The Case of Norway

In Norway, joint farming is a fast-growing phenomenon: at present, over 20% of all dairy farmers are engaged in joint farming (Flø, 2006). There is a tradition of state-subsidised relief workers for farmers in Norway, so in a sense this paved the way for farmers' cooperation with other farmers in working on their farm (Almas, forthcoming). The first joint farming arrangements emerged in Norway in the 1960s, but were less successful than the current model (Almas, forthcoming). The model that emerged in the 1960s didn't involve farmers' full integration into their shared business (Almas, forthcoming). They tended to cooperate on some aspects of their business, but not all aspects, and this led to a fragmented business with poor coordination and no unified or central decision-making process. The contemporary joint farming model in Norway, involving the full integration of participating farmers' businesses has been seen to be far more successful. Remembering Turner & Hambly's findings from the UK, the case of Norway also highlights the need for careful planning and clearly defined responsibilities for all farmer participants.

5.2 Comparing Joint Farmers & Sole Farmers in Norway

There are similarities and differences between sole farmers and joint farmers in Norway. As shown in Table 1, Almas (forthcoming) finds that joint farmers and sole farmers are similar in that they are generally male, and that the most common size of their farms is similar at 10-25 ha. Joint farmers and sole farmers tend to have the same level of education attainment, though joint farmers tend to have more agricultural education. Where sole farmers and joint farmers differ, as found in this Norwegian survey, joint farmers have a stronger 'farming identity', which means that their identity is influenced strongly by their farming occupation (and by the social and cultural importance of their farming occupations). Also, 63% of the joint farmers surveyed had identified a successor, while only 48% of sole farmers had identified a successor. The greater proportion of joint farmers having identified successors inevitably reinforces their farming identities, as the continuance of their farms is not under threat. It is also notable that joint farmers' outlooks for the future are more optimistic than their sole farmer counterparts.

Table 1: Comparison of Joint and Sole Farmers in Norway.

<i>Indicator</i>	<i>Joint Farmers</i>	<i>Sole Farmers</i>
Gender	88% male	87% male

Education	More ag. Education	Same level of ordinary Education
Average age	45.7 years	49.7 years
Farm size	55% 10-25 ha	58% 10-25 ha
Farming Identity	82%	58%
Optimism	Brighter hopes	More pessimistic
Succession	63%	49%

Source: compiled from data presented in Almas (forthcoming).

5.3 Motives to enter Joint Farming Ventures

The Norwegian survey of joint farmers identified their motives to enter into joint farming arrangements, ranked in order of importance from the perspectives of the farmers surveyed:

1. Flexibility and time off: more leisure time, better social & family life, holidays.
2. More security during illness.
3. Improved work environment i.e. farm improvements; and having company at work, reducing isolation.
4. Reduced work-load, in context of off-farm work.
5. Improved income.
6. Reduced costs.
7. Reduced investment risk, reducing psychological stress.

5.4 Gudleik: a Norwegian Joint Farmer

Flø (2006) describes the case of Gudleik, a Norwegian farmer, revealing the personal experiences of a joint farmer in Norway. Gudleik is a dairy farmer in a high mountainous region in Norway. His family is the 12th generation of a farming family, who are traced back to his land since 1627.

Flø's (2006) case-study focuses on how Gudleik found, due to the kinds of economic and social changes discussed above, that his lifestyle was becoming unsustainable. He found himself working longer days over time and was seeing less of his wife and children. He was having less and less contact with farmer colleagues every year and his social life was minimal. He hadn't been on holiday in recent years. He found the earnings of his farm enterprise were contributing less and less to the household economy (Flø, 2006).

Gudleik found that while he seemed to be getting poorer and poorer, his friends were getting richer and richer: not only in economic terms but also in terms of social well-being and leisure time (Flø, 2006). He said:

"If I had continued like that for a few more years you would have found an overworked, newly divorced, depressed and grumpy man here today" (Flø, 2006)

Gudleik is now involved in a joint farming venture. Flø (2006) describes the changes and benefits he has experienced by virtue of his involvement in this venture are as follows:

He finds that he has a safer working environment, having someone to work with and to call on in times of need during the day. He also has a less isolated and more social working environment. He finds that he has more leisure time to spend with family and friends. He has more time to fulfil other obligations and responsibilities, such as attendance at parent-teacher meetings, and he can pursue other areas of interests in his life such as community work and politics. These activities contribute to his well-being, his purpose in life, and his self-esteem. He also finds that he has a reduced work-load and fewer financial costs (see Flø, 2006).

6. Summary & Conclusion

Joint farming ventures can help to address the social unsustainability of the 'one man farm'.

The main ways in which joint farming ventures can help are:

- Reducing isolation by bringing social contact into the workplace, and by freeing up time for farmers' social activity and leisure time.
- Responding to the needs of the modern family by facilitating joint enterprises between members of farm families, and also by and freeing up farmers' time to fulfil the role of the modern husband and father.
- Helping to address problems of succession and gender equality, by bringing spouses and offspring into the farm business.
- Pooling skills, talents and preferences of the different individual farmers involved in the joint farming venture

- Enhancing occupational satisfaction by having the support and assurances to more confidently try new ideas and engage in new innovations on the farm.

Farmers can have very rational fears about entering into joint farming ventures and these must be addressed. As discussed by Turner & Hambly (2005), farmers' property rights and ownership of land and fixed assets need not be tampered with by shared farming arrangements. Shared farming arrangements should be understood less as a reduction of farmers' independence and autonomy and more as business arrangements that can help the economic and social sustainability of the farm enterprise. The legal agreement in which two or more people engage in joint farming ventures are flexible to suit diverse physical farm characteristics and different business circumstances.

Interviews I have conducted with Irish farmers thus far, for a Teagasc (RERC) study dedicated to explore the future of farming arrangements in Ireland and factors influencing their operation, have highlighted concerns relating to the agreement of a fair and sustainable working balance between persons involved. They have also highlighted the need for clearly defined shared agreements pertaining to animal welfare on the farm: farmers pointed out that farmers can differ greatly in their approaches to animal welfare. Overall, farmers emphasised the need to have clearly defined responsibilities and to negotiate a personalised list of priorities for each person involved in the joint farming ventures. The role of your Teagasc advisors is crucial in assisting the process of formulating a successful and sustainable joint farming venture.

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