Intergenerational family farm transfer

This article looks at the human factors that influence the intergenerational transfer of the Irish family farm.

Intergenerational family-farm transfer is a complex and highly topical issue. It is increasingly seen as crucial to the survival, continuity and future prosperity of the agricultural sector, traditional family farm model and broader sustainability of rural communities. While financial incentives to stimulate and entice the process are important and, indeed, well meaning, these are many more facets to the farm transfer decision-making process, which in large part have been neglected. Recent research into achieving greater land mobility in Ireland touched on this, alluding to the fact that “apart from the economic driver of payments retaining elderly farmers on land, there are also psychological drivers involved” and addressing the issue of lower levels of mobility must also take cognisance of these psychological barriers (National Rural Network, 2013). This research came 40 years after Commins (1973) first stressed that retirement policy, with economic objectives, should not ignore possible social consequences or wider issues of human welfare. However, to date, such recommendations have largely been ignored, resulting in the formulation and implementation of largely unsuccessful farm transfer-policy strategies, which have little or no regard for elderly farmers’ emotions. For example, the eligibility requirements for farmers entering the most recent Early Retirement Scheme for farmers (ERS) (3) (June, 2007), included that: “Persons intending to retire under the Scheme shall cease agricultural activity forever”. Essentially, farmers were being asked to revise their self-perceptions upon retirement. It is in probing these issues further that this research is based.

Data collection methodology

In order to secure an in-depth understanding of the complex and competing emotions that influence the process of transferring the family farm business, from the perspective of the senior generation, questionnaires were initially distributed to a randomly selected sample of farmers in attendance at a series of ‘Transferring the Family Farm’ clinics delivered by Teagasc in September and October 2014. As these clinics took place at 11 locations throughout Ireland, the sample provided is nationally representative of the Irish farming population across a range of diverse regions, farm sizes and operations. In order to validate, deepen and build on the quantitative data gathered at the clinics, interviews were then conducted with a 10% sample of questionnaire respondents who gave their consent to be interviewed.

Results

Research findings provide an appreciation of the complex nature of family farm succession and retirement. For many farmers, identity and self-esteem are strongly attributed to their occupation and, as a result, sacrificing one’s professional and personal identity upon transferring managerial control of the farm and retiring is a concept that they find difficult to accept. For example, 72-year-old dairy farmer Jack from the south east has no intention of retiring from farming: “I have considered retiring? Never… I couldn’t, I just couldn’t! I’ll be always saying ‘I’ll take it easy, but I couldn’t, I have that drive to keep going… sure I am up every morning at half six and I could be going until 10 or 11 o’clock at night, so I couldn’t even imagine it. I make out it wouldn’t be good, because I think it’s important to be active, I enjoy it like a farm. But if I had to retire, it would not be for a few more years; I’m only 72, so definitely not for a few more years.” Farmers also resist transferring the farm on the basis of an anticipated loss of the recognition and social status that has accompanied their position as an active and productive farmer in society. Subsequently, the senior generation resisted retirement planning as a means of sustaining their position as head of the family farm. There is also a cultural expectation within the farming community that “farmers don’t retire”. Those who do retire are generally perceived by interviewees to have a deflate attitude or else seen to have no option but to do so due to ill health.

Conclusion

In an era of unprecedented transition in global agriculture, this research acknowledges that the phenomenon of an ageing farming population calls for a more nuanced understanding of various farm transfer incentives that will enable enthusiastic young farmers gain access to productive assets and subsequently improve the competitiveness of the agricultural sector. However, as it is the older generation who ultimately decide whether the process occurs or not, even the most sophisticated of farm transfer plans are of little avail if policy makers and practitioners are not adequately cognisant and understanding of how painful it is for the older generation of farmers to ‘let go’, ideally, any new initiative put in place to support and encourage family farm transfer, or any policy must be accompanied by a comprehensive set of interventions to deal with the personal and social loss an older farmer may experience upon transferring the family farm. In order to do this, future policies and programmes relating to family farm transfer must develop effective strategies addressing the emotional wellbeing of elderly farmers. For example, on its own, and with the numerous perceived negative connotations associated with it identified, perhaps the term ‘Early Retirement Scheme’ is no longer appropriate for policy use in a farming context. Perhaps the term ‘Farm Progression Scheme’ would be more effective as it portrays a sense of purposefulness rather than one of cessation to an elderly farmer.

In addition, instead of reporting that farm management decisions are in the hands of a generation who may be more resistant to structural change and growth, policy makers and key stakeholders need to embrace, publicly promote and recognise the older generation’s invaluable store of knowledge, skills and years of experience working on the farm that the younger generation have not yet accumulated. This may help to diminish the stigma and defeatist stereotype associated with transferring the family farm and, subsequently, promote a more positive and willful attitude towards the process over time. The development of such strategies concerning the human dynamics of family-farm transfer has the potential to greatly ease the stressors of the process. Anyone who considers such recommendations to be too idealistic should remember that we all inevitably have to face the prospect of letting go of our professional tasks and ties in our old age. No one can avoid ageing and as this research has identified, most elderly farmers opt to maintain the facade of normal day-to-day activity and behaviour instead of retiring. As such, the full report on this study published in the Journal of Rural Studies (Conway et al., 2016), in attempting to understand the world as farmers perceive it, can be drawn upon to inform future policy directions and, as a consequence, prevent older farmers from being isolated and excluded from society almost by accident rather than intention.

Acknowledgements

We are grateful to all the farmers who took part in this research. Funding for this project was provided by the National University of Ireland, Galway’s College of Arts, Social Sciences, and Celtic Studies, Galway Doctoral Research Scholarship Scheme and the Geographical Society of Ireland. We would also like to thank Teagasc, the agriculture and food development authority in Ireland, for its assistance with this research.

References
