



FARM SUCCESSION AND AGEING OF FARMERS

A CHALLENGE TO SUSTAINABILITY IN CASEE REGION

Michal Lostak & Lukas Zagata

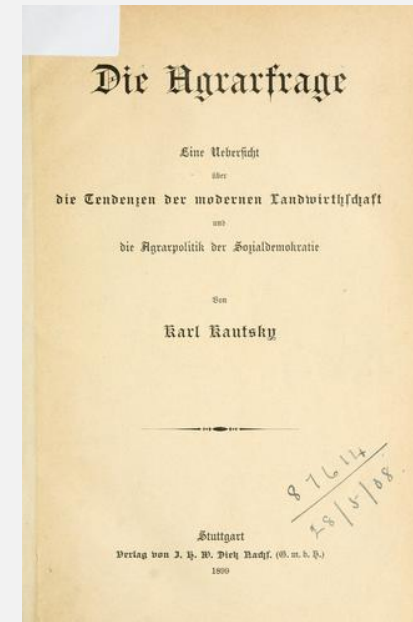
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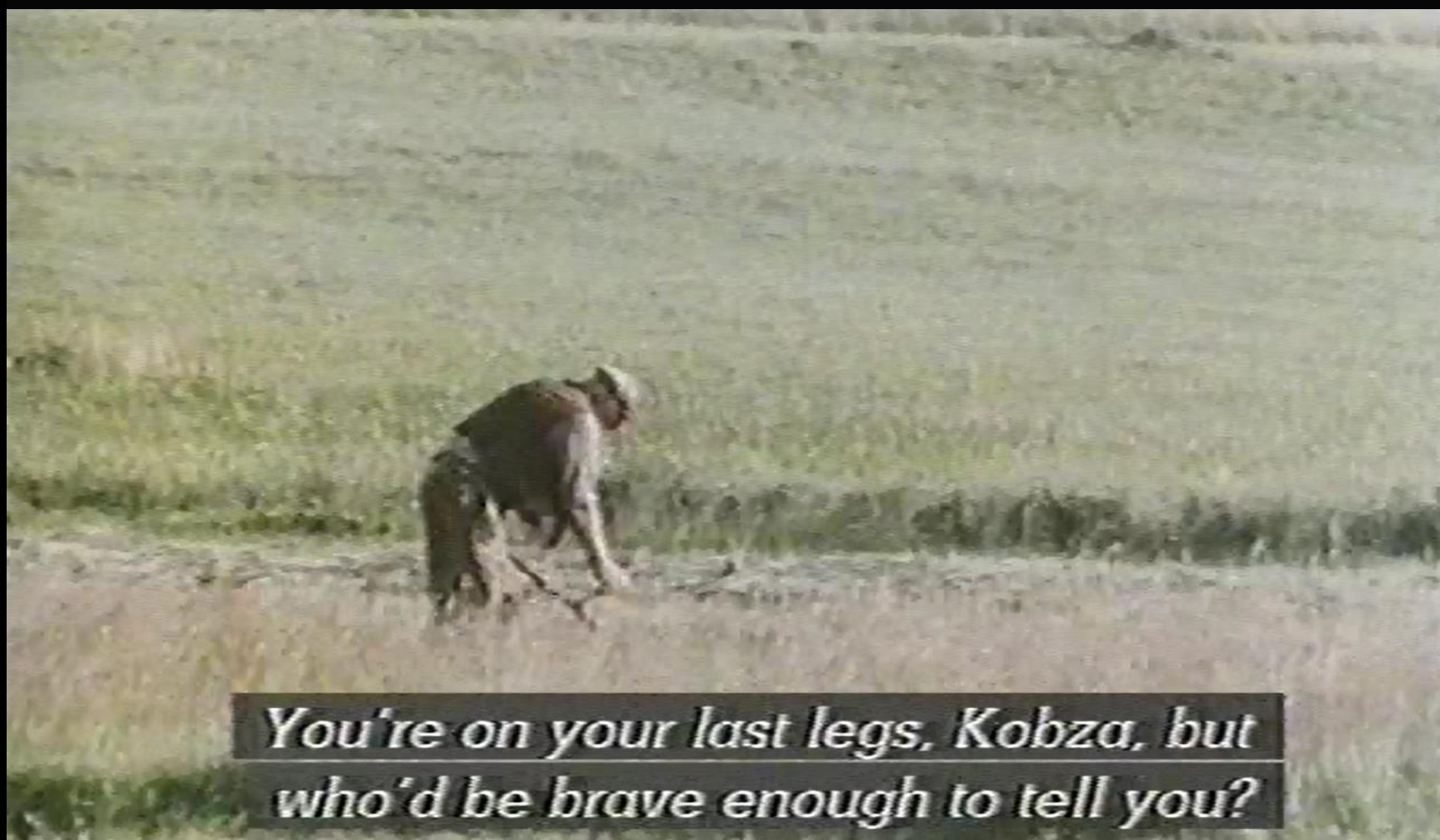


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BACK TO AGRARIAN QUESTION

- The questions of the future of farms (small-scale farms and large scale farms in capitalism):
- K. Kautsky: Agrarian question (what is the future of small-scale family farms)





*You're on your last legs, Kobza, but
who'd be brave enough to tell you?*

PROBLEMS OF FARM SUCCESSION AND AGEING (A CASE STUDY)





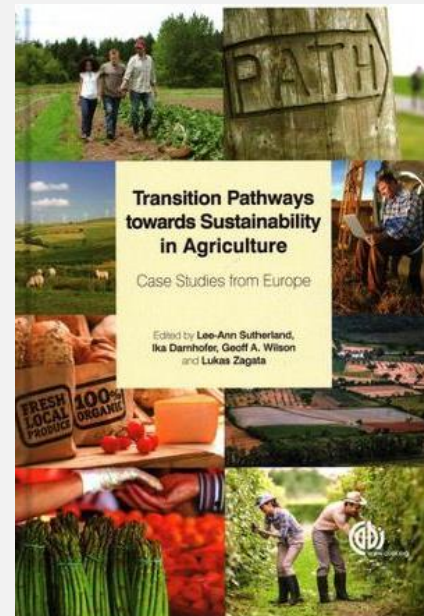
WHO WILL OPERATE THE FARM IN THE FUTURE?



AGEING AND SUSTAINABILITY

What are the impacts of ageing on sustainability of agriculture?

- Generational renewal as a precondition for social sustainability of agriculture
- More profitable farms are operated by young farmers
- Young farmers as carriers of environmental innovations



HOW URGENT IS THE AGEING

New concerns: population of farmers in Europe is ageing

Year	Less than 35 years of age	55 years and above
2013	5.94%	54.92%

Source: Eurostat (2015)

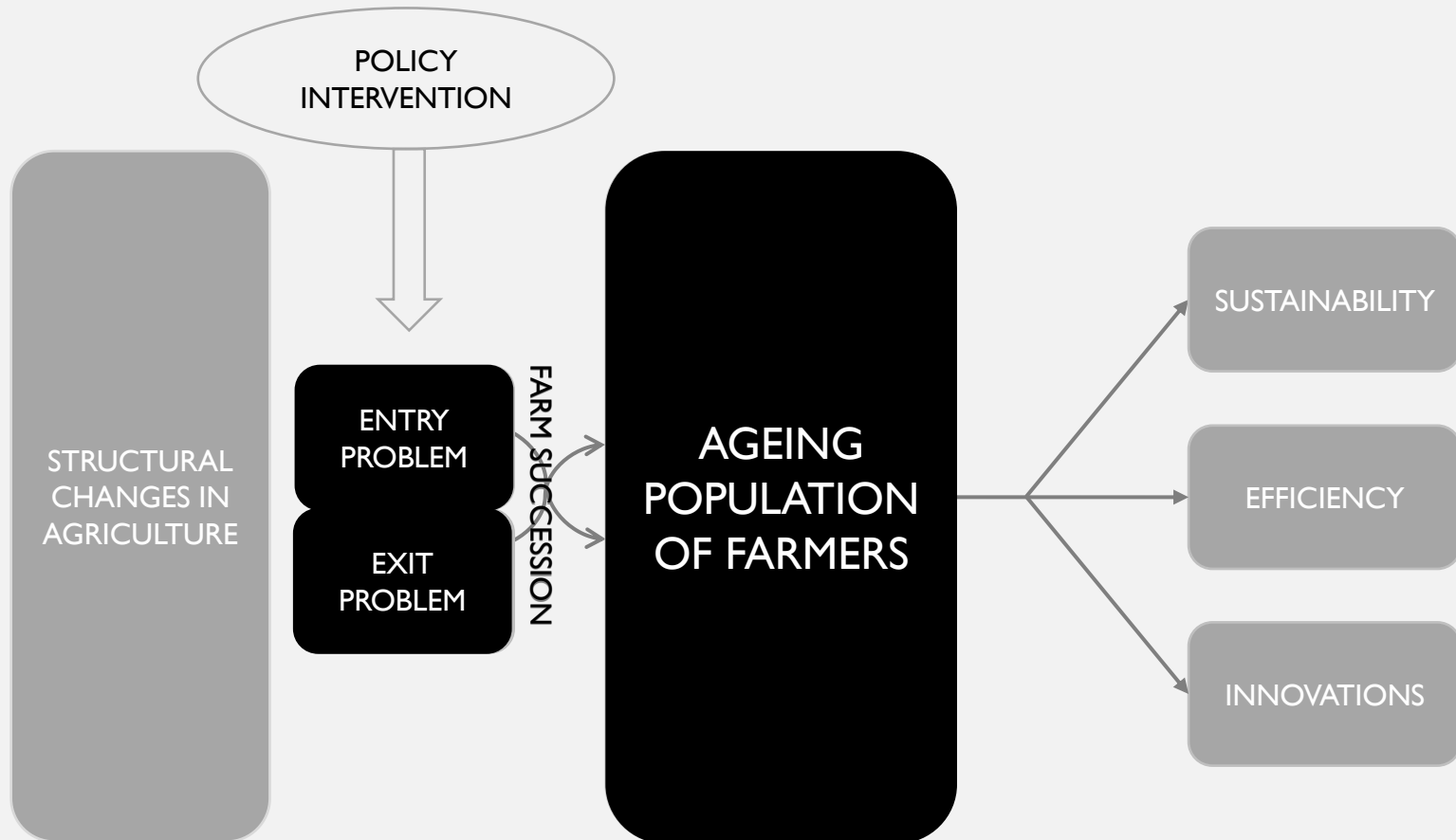
“Bringing generational renewal fully into the policy mainstream cannot happen without the support system of a strong and targeted rural development policy.”

EU Commissioner Phil Hogan (EC, 2017)

WHAT IS RELATED TO AGEING?

- 'Ageing population of farmers' is associated with the ...
 - Farm Succession
 - 'Young farmers' question
 - New entrants to agriculture
 - Policy tools focused on generational renewal
 - Impacts on agricultural sector
 - Sustainability of agriculture

DECONSTRUCTING THE PROBLEM

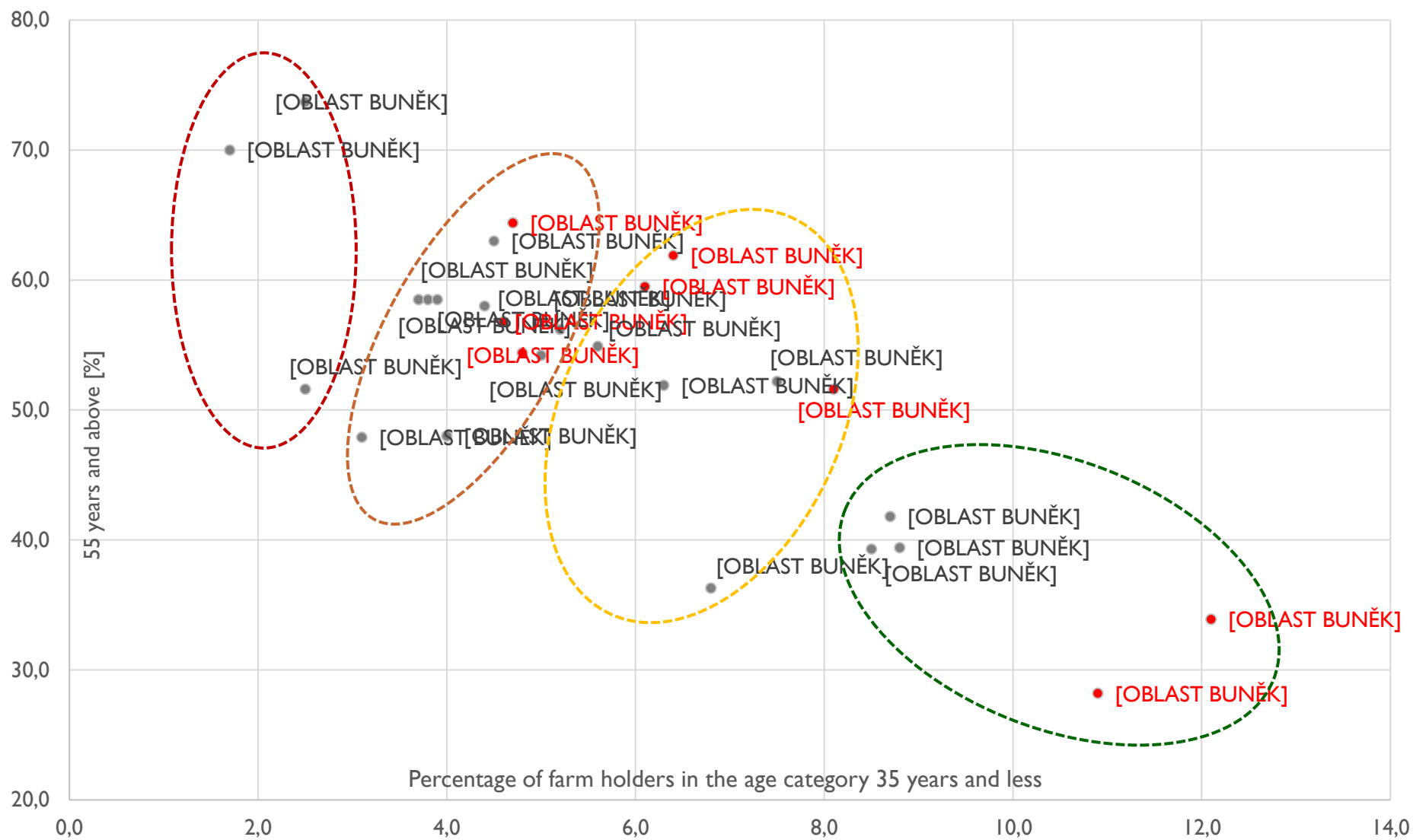


HOW URGENT IS AGEING?

Distribution of farm holders according to age categories

Year	Less than 35 years of age	55 years and above
2005	6,89	54,10
2007	6,23	55,47
2010	7,45	53,19
2013	5,94	54,92

Source: Eurostat (2015); European Commission (2016)



AGEING AS A SOCIAL PROBLEM

- Ageing of population of farmers is not an ubiquitous problem in Europe
- Generational renewal does not proceed equally
- European countries provide different conditions for encouraging young farmers (with diverse impacts)

How to understand the process of generational turnover (academic perspective) and facilitate the transition (policy perspective)?

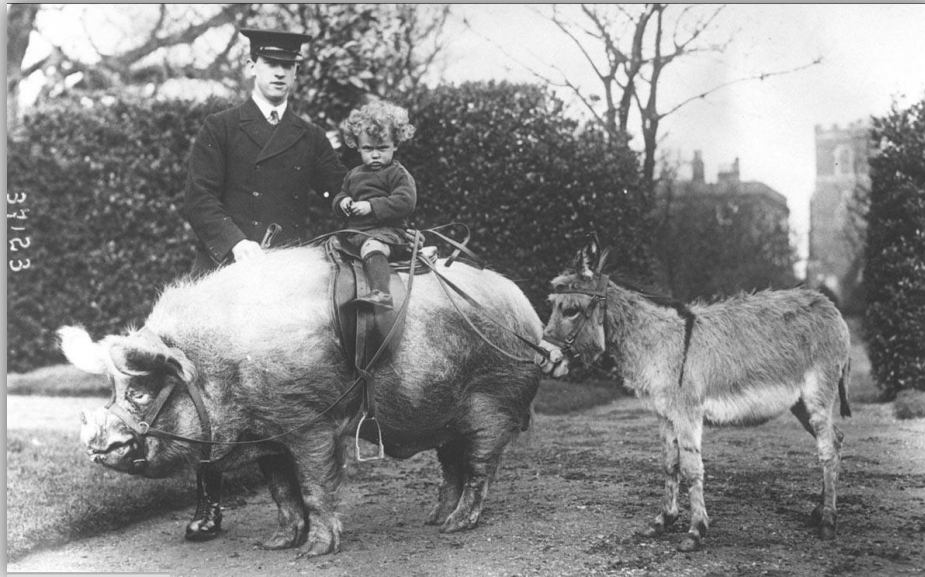
FARM SUCCESSION

- Generational renewal is closely related to family farm succession
 - Family farms represent 97% of all farms in Europe (EP, 2014)
 - Holdings are passed within a family due to enormous amount of investment (Fischer and Burton, 2014)
 - Farm succession process includes the 'entry to' as well as the 'exit from agriculture'

THE 'YOUNG FARMER' PROBLEM

'Do you know how one becomes a farmer? He must be born on a farm and he cannot find anything else during its life.'

(Zagata and Lostak, field notes: Farm G)



HOW ARE FARMS TAKEN OVER

- Farm transfer includes (1) inheritance, (2) succession and (3) retirement (Gasson and Errington, 1993)
- Succession patterns are affected by individualization (Chiswell, 2016)
- Factors affecting succession (Fischer and Burton, 2016)
 - Structural factors (such as farm size, profitability, on farm diversification, transaction costs, ...)
 - Social factors (personal preferences, subjective values, level of education, inter-generational relations)

SUCCESSION AS A HOLISTIC PROCESS

- ‘Endogenous cycle of the family farm’ coined by Fischer and Burton (2014)
- Farm succession is based on three stages:
 1. Forming a baseline of the social identity
 2. Successor climbs the ‘farm ladder’
 3. Farm itself is undergoing major changes
- Life cycle of the family is coupled with the life cycle of the farm on endogenous basis



FARM SUCCESSION IN THE POST-SOCIALIST COUNTRIES



- Generational renewal follows a specific historical trajectory
- 1st generation of farmers had to (1) restore 'script of continuity' and (2) secure a successor
- More successful were families with a strong peasant tradition
 - Closely tied to land
 - Shared work across generations
 - Education and work in agriculture
- Less affected by available policy measures

CONCLUSIONS

- Ageing of farmers is a *complex* problem, which is *not ubiquitous*
 - Structure of the agricultural sectors
 - History and tradition
 - Succession patterns (entry and exit problem)
- More evidence from different countries to
 - Understand specific patterns of generational renewal
 - Evaluate the implemented policy measures
 - Improve future policy tools

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QUESTIONS?

Michal Lostak (lostak@pef.czu.cz)

Department of Humanities
Faculty of Economics and Management
Czech University of Life Sciences Prague
Czech Republic

Lukas Zagata (zagata@pef.czu.cz)

Department of Humanities
Faculty of Economics and Management
Czech University of Life Sciences Prague
Czech Republic

