



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*



Proceedings

Can Agriculture and Growth Coexist?

November 18, 1998

Sponsored by
Rural Economic Analysis Program
and
Program for Community Vitality

Department of Agricultural and Applied Economics

Virginia Tech

Special Report
April 1999

**Preserving Farmland: A National
Imperative**

Mary Heinrich

This conference raises the question, “Can agriculture and growth coexist?” This question is posed, of course, because of the competition for land that communities are experiencing. Nationwide, farm and ranch lands are feeling most of the pressure. People want to build homes on farmland, others want to create riparian buffers strips on farms, some want to mine it, and some people actually still want to farm it. One of the key components of the “smart growth” initiatives you are seeing around the country is to design programs and communities where farming and development can coexist.

What was once an issue discussed mostly in just the eastern and western states—farmland preservation—is being discussed in all states, even those which do not seem to have the same development pressures. One reason is that we have so radically changed our patterns of settlement—while populations may only be growing at 2 or 4 percent—land consumption to accommodate new homes is increasing by up to 45 and 50 percent.

The good news is that almost every state is doing something to protect its farmland. Some, like Virginia, are convening conferences like this one to share ideas and explore possibilities. I commend you for coming together today, and I am very pleased to participate in the discussion. Communities are beginning to recognize the multiple values of farmland, and Virginia must do the same. It will set the tone for how the farmland protection initiative progresses. I would like to spend the next few minutes discussing eight important values with you.

The most obvious value of farmland is that most of our food comes from farmland. But many people do not realize how much of our food comes from the threatened farmland in urban edge communities. American Farmland Trust completed a study called *Farming on the Edge* in 1997, which identified the areas of the nation’s agricultural assets—the best soils—which are experiencing the most development pressure. The Piedmont Region is the second most threatening agricultural region in the country. Approximately half of our nation’s food comes from urban-edge communities, including 75 percent of the fruits and vegetables produced domestically.

A less obvious value of farmland is that it helps protect our water supplies. In 1996, New York City recognized this value when it was ordered by the Environmental Protection Agency to build a new \$5 billion water filtration plant or to develop another approach to cleaning up its water supply. They chose to invest \$300 million in a farmland protection program for the New York City watershed. Money is now available to purchase agricultural easements and to help farmers develop Best Management Practices for their land. The city recognized that farmland is considerably less detrimental to the environment than residential development.

Farmland is important because it provides habitat for numerous species, some of which are endangered or threatened. Recognizing that important value of farmland, the Maryland General Assembly created a program in 1997 that will allocate about \$30 million per year, for 15 years, to permanent protection of farmland. This money has to be used for farmland that is important from a natural resource perspective, like farmland with critical species habitat.

Communities are recognizing the economic value of farmland. Specifically, farmland more than pays its way in tax revenues, while residential development places a drain on local budgets. This point has been proven over and over in all of the 40 plus Cost of Community Services studies completed by American Farmland Trust and other groups. The American Farmland Trust does not want to discourage growth. Growth is good and it is necessary. But because the fiscal and other benefits of farmland are so important, we think communities should try to save their best farmland, allowing growth on more marginal lands.

Farmland is worth protecting because it contributes to the economy. Farming is a huge industry providing jobs and product. Dutchess County, New York panicked when IBM, which had been its largest employer, decided that they would leave the county. As the county regrouped and tried to figure out what new industry they could attract to their region, people in the county began to realize that they already had an industry there—agriculture. It is their number one industry, and they have put a number of programs in place to protect it.

There are also the social, cultural, and historic reasons for saving farmland. They are very hard to quantify, and they may have different significance in different regions. Last are the aesthetic reasons to save farmland. Most people love to look at farms. The president of American Farmland Trust, whose family owns a beef cattle farm in Marin County, California, has told us that half-acre lots down the road from his farm are selling for \$1 million per acre, in large part because people benefit from the beautiful view his land provides.

We all need to do a better job at marketing these farm assets. The better our marketing, the more proponents of farmland protection we will have, and more proponents will make it easier to move to the next step: creating and implementing an effective farmland protection program.

An effective farmland protection program will result in a better quality of life for nonfarmers. Perhaps more importantly, it will make it easier for farmers to do what they love: farm. It will not solve all of their problems; it will not change the weather or international markets; but it can stabilize the land base. Stabilizing a large enough land base will make it easier to encourage agricultural support services like tractor and feed dealers not to close up and leave town. A stable land base is needed to ensure that farming will not be costly. A land protection program can help lower inheritance taxes and keep land affordable. A stable land base will help make farming less risky because farmers will not have to contend with complaints from nonfarming neighbors.