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## Three Generations on a Family Farm in Southwest England — A Case Study of Transfer and Developing Management —

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### Summary

In Japan, there are very few research findings about England's family farm businesses after the Second World War. This article presents a concrete image of that period, focusing on a relatively large-scale farm family business which was founded in between the First World War and the Second World War and handed over for three generations. The article also shows the actual condition of this farm business.

The "C" farm, founded in the 1920s, started its business as a tenancy and accumulated capital by operating not only farming but also livestock dealing. In 1947 it became an owner-occupied farm by buying the farm from the landlord. In that time the main source of farm labour was gradually shifted from hired employees to family members. This was because 4 sons, who are the 2<sup>nd</sup> generation, began to get involved in farming, and the farm also began to mechanize. In the 1950s the sons got married and some left the farm. The 2<sup>nd</sup> and 3<sup>rd</sup> sons founded their own independent farm separately. The largest part of the "C" farm began to be operated by the oldest son, while the remainder was leased to the youngest son. The family formed a general partnership on the "C" farm but the 1<sup>st</sup> generation still retained the land ownership and management authority. In the early 1980s, after the 1<sup>st</sup> generation passed away, the farmland was inherited by 7 children of the 2<sup>nd</sup> generation equally. The youngest son had the right to succeed to the farmland which he rented from his parents. However, the oldest son had the right to inherit only a seventh part and had to borrow money to buy out the remainder. This is one of the most serious problems in a farm family business. Both the oldest and youngest sons needed to keep the farm from being divided in order to continue the system of grazing management. As a result, the oldest son succeeded to the whole operation, and the youngest son, who already bought his own additional land, got to own the farm he had previously rented from his parents. Both farms will have to be inherited by 3<sup>rd</sup> generation before long, but the 2<sup>nd</sup> generation will have to decide how to pass on the land to their children. The potential conflict between equality and the future viability of the farm business will become more serious.

### 1. Introduction

British Agriculture is presently experiencing difficulties that can be compared with the depression in the 1920s. On the other hand the phenomenon of "CounterUrbanization" (in which the urban middle-class is choosing to live in rural areas) is changing perceptions of agriculture and the countryside<sup>1</sup>.

Japan's research about British agriculture in recent years has focused mostly on the emer-

gence of rural development policy as part of EU agricultural policy, in relation to the issue of hilly and mountainous areas in Japan, as well as topics like the BSE problem<sup>2</sup>. Although such research is useful, Japan's agricultural research about Britain is made from the viewpoint of Japan being an agriculturally underdeveloped country compared to Britain. For example, Japanese discussion of leased-land farm policy in the 1970s was based on studies of 19<sup>th</sup> Century tenant right in Britain<sup>3</sup>.

Nevertheless, looking back at the past, Japan has a huge accumulation of historical research about Britain which stretches from Yeomanry to modernization of land ownership. Even though much research exists for the period from the agricultural depression at the end of 19<sup>th</sup> Century through to the early 20<sup>th</sup> Century, little research exists for the period after the First World War and even less for the period after Second World War, when family farming increased in earnest, except that of Tsuge (1990).

This means that a concrete image of the farm family business of Britain is not available to us. It was decided to remedy this by examining changes over three generations in one family's comparatively large-scale farming business, from its foundation between the two World Wars in 1922 till the present day. The investiga-

tion was carried out in the dairy farming area of Southwest England (Devon) in September, 2002.

## 2. General Outline of Agriculture in the Southwest England

It is necessary to provide an overview of the general outline of agriculture in Devon County before studying the case. Table 1 shows the number of holdings by type, size, tenure and farmers' involvement in farming. The number of holdings increased from 10,694 in 1990 to 12,681 in 2001. In the past, the main farming type in Devon was Cattle and Sheep (both in LFA and lowland) and dairy, which comprised 69.2% in total in 1990, but decreased its share to 45.6% in 2001. This decrease was because of the increase of the number of holdings classified as "Others". The number of specialist dairy hold-

Table 1 Number of Holdings by Farm Type & Size

No. of Holdings, %

		Devon				England	Devon		England
		1990	1995	2000	2001	2001	1990	2001	2001
Farm type	Cereals	283	399	510	725	21,340	2.6	5.7	12.9
	General Cropping	154	173	117	131	9,991	1.4	1.0	6.0
	Horticulture	303	322	549	563	9,488	2.8	4.4	5.7
	Pigs & Poultry	287	289	418	477	6,791	2.7	3.8	4.1
	Dairy	2,561	2,262	1,759	1,542	14,106	23.9	12.2	8.5
	Cattle and Sheep (LFA)	1,531	1,423	1,152	1,174	10,705	14.3	9.3	6.5
	Cattle and Sheep (lowland)	3,310	3,572	3,462	3,055	31,306	31.0	24.1	18.9
	Mixed	743	801	863	809	10,656	6.9	6.4	6.4
	Other	1,522	2,171	4,303	5,653	63,551	14.2	44.6	38.3
Size	less than 5 ha	1,194	1,697	4,840	5,684	72,054	11.2	44.8	43.5
	5 to <20 ha	2,970	3,320	2,864	2,879	34,662	27.8	22.7	20.9
	20 to <50 ha	3,305	3,205	2,458	2,443	26,935	30.9	19.3	16.2
	50 to <100 ha	2,284	2,239	1,902	1,935	22,097	21.4	15.3	13.3
	100 ha or greater	941	951	1,069	1,162	21,865	8.8	9.2	13.2
	Total	10,694	11,412	12,269	12,681	165,812	100.0	100.0	100.0
Tenure	rented	3,024	2,848	2,831	3,081	53,615	28.3	24.3	32.3
	owned	9,567	10,323	11,995	12,373	148,317	89.5	97.6	89.4
	rented & owned*	1,897	1,759	2,557	2,773	36,120	17.7	21.9	21.8
Holdings	farmers-total	9,209	9,833	12,571	13,008	166,676	100.0	100.0	100.0
	full time	—	—	5,748	5,774	72,660	—	44.4	43.6
	part time	—	—	6,823	7,234	94,016	—	55.6	56.4

DEFRA : June Agri. Census

\* : rented & owned = total - (rented + owned)

1) In the recent years, the smaller farms, which used not to be regarded as "holdings", have been registered as the "holdings". It could be the reason why the number of "less than 5 ha" and that of "Other" type holdings have been increasing.

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ings has been decreasing for more than 10 years. In terms of size, the number of "less than 5 ha" is increasing, the share changing from 11.2% in 1990 to 44.8% in 2001. The trend is the same for the "more than 100ha" class, but other classes are decreasing in both the number and share. Cutback of protective policy for agriculture, including a reduction in support for agricultural prices, as well as an increase in part-time farming might be some of the reasons for

this. On the tenure side, though the number of owned holdings had been increasing until 1995, the number of rented holdings began to increase slightly after that date. In terms of farmers' involvement in farming, it can be seen that more than half farmers are now classified as part-time.

Table 2 shows the status of land use in Devon. One of the most significant characteristics of land use in Devon is the higher percentage in

**Table 2 Land Use** hectares, %

Land Use	Devon				England	2001	
	1990	1995	2000	2001	2001	Devon	England
crops and fallow	77,481	79,418	84,433	86,375	3,815,398	16.8	41.0
total cereals	61,803	54,480	57,957	58,329	2,491,890	11.4	26.8
wheat	16,567	16,485	23,815	18,533	1,540,465	3.6	16.6
barley	40,038	32,973	27,472	32,936	847,819	6.4	9.1
temporary grass	69,039	62,316	59,099	59,419	624,203	11.6	6.7
permanent grass	302,585	305,306	280,532	295,849	3,013,566	57.6	32.4
rough grazing	34,834	34,131	27,511	29,011	676,487	5.7	7.3
woodland	16,729	18,914	19,384	20,303	266,207	4.0	2.9
setaside	1,447	8,361	8,890	13,356	702,636	2.6	7.6
all other land	7,126	8,067	8,725	9,002	198,459	1.8	2.1
total area	509,242	516,514	488,573	513,315	9,296,954	100.0	100.0
* rented	129,342	121,845	118,333	126,782	3,243,508	24.7	34.9
owned	379,900	394,669	379,347	393,805	6,216,950	76.7	66.9

DEFRA : June Agri. Census

**Table 3 Labour** No. of Holdings

	Devon				England
	1990	1995	2000	2001	2001
farmers	15,870	16,725	17,336	18,297	233,738
full time			8,388	8,402	106,703
part time			8,948	9,895	127,035
managers	179	152	283	360	12,850
employees	5,892	5,555	4,048	3,820	92,897
full time	3,686	3,260	2,324	2,240	62,814
male	3,239	2,863	2,024	1,910	53,364
female	447	397	300	330	9,450
part time	2,206	2,295	1,724	1,580	30,083
male	1,505	1,614	1,145	1,015	14,323
female	701	681	579	565	15,760
casual labour	2,871	2,885	2,208	2,075	47,247
total labour	24,812	25,317	23,695	24,552	386,732
total holdings	10,694	11,412	12,269	12,681	165,812

DEFRA : June Agri. Census

permanent grass compared to England as a whole-57.6% and as much as 69.2% when temporary grass is added. On the other hand, the percentage of crop and fallow use is lower (16.8%), and that of set aside is also lower than that of England as a whole, at 2.6% compared with 7.6%. The percentage of owned land is higher than that of England as a whole, at 76.7%. Though excluded from the table, it can be point out that the number of cattle and calves has been decreasing since 1984 (when the number peaked at about 710,000) to only 640,000 in 1999. The same trend can also be seen in dairy cattle (which peaked at 210,000) falling to 160,000 in 1999. Beef cattle show the countertrend, with numbers increasing from about 45,000 in 1986 to 77,000 in 1999.

Table 3 shows the trend of labour in farming in Devon. In 2001 the amount of family labour (including "farmer") was 18,297, 74.5% of total labour. This means that farming families provide the main source of the farm labour force. More than half of the farmers were working on a part-time basis, and the majority of employees were male or worked on a part-time basis.

From these data, it could be said that the main farming style in Devon is a livestock operation, based on a grazing system, whose size is between 20 and 100 ha, and kept as farm family businesses.

### 3. The Foundation and Succession of the "C" Farm

#### 3.1. 1<sup>st</sup> Generation : Thomas's Case

The "C" farm is located in former Coxton parish, including Farmington Town. Some records of Coxton can be found in the Domesday Book<sup>4</sup>. According to the Book, which was written in 11<sup>th</sup> Century, the acreage of this "manor" was 1 hide (equal to 120 acre), of which a virgate land (equal to a quarter hide) was directly operated by a lord and three-

quarters of a hide were occupied by 6 Villeins<sup>5</sup>. At the end of the 12<sup>th</sup> Century this manor was gifted to a church which retained ownership until the dissolution by Henry VIII in the 16<sup>th</sup> Century. It is likely that the land would then have sold by the government, after which a series of owners would have taken it over one after another, but the details can't be verified.

The "C" farm was established in 1922, when the 1<sup>st</sup> generation Thomas, who had been born in 1893 and was then 29 year old, moved to Coxton Barton from North Devon. In North Devon, he had fed cattle and sheep with his father.

"Barton" means a big farm, directly operated by a lord in the past, and its standard size is said to be 400 acre or more in Southwest England. So Thomas became a tenant, renting the biggest farm in Coxton parish. The church which had originally owned the land still stands, next to the "barton".

The owner of the farm was Lord Courtenay who lived in Powderham Castle near Exeter, a city in the county<sup>6</sup>. He owned several farms in this area. When Thomas rented the farm, its acreage was 500 acres, but the eastern 100 acres of the farm, which was separated from other parts by a railway, was sold in 1938 for housing development. So the farm reduced in size to 400 acres. The park next to the farm had been owned by a clay-mining company and it was transferred to the local council about 25 years ago. The mining site has now become a lake. The area surrounded by the mining site and the railway, which had already been developed in Victorian times, was residential zones for employees working for the clay-mining company and the railway company. The area to the north of the farm was also an old exclusive residential area. The Farmington side next to the farm had been developed long before Thomas's coming and was close to a commercial zone, including a livestock market.

The ownership of the "C" farm had been

changed twice. The first change was in the 1930s, when Thomas bought another 70 acres of land which had previously been owned by a cooperative. Then the total acreage of the farm became 470 acre. The second change happened in 1947, when Thomas bought the whole 400 acres, including 50 acres of woodland, from his landlord. He had operated not only as a farmer, raising cattle and sheep but also as a livestock dealer, buying livestock in North Devon and selling them in the local livestock market. The balance of the 2 enterprises was fifty-fifty. Because of his successful operation, he could accumulate capital and also buy the 400 acre farm. The reason why the landlord sold the farm was that 2 members of the landlord's family died in 1945 and their successor needed to sell some of their land for payment of estate duties<sup>7</sup>. Thomas had a kind of "first option" to buy the farm because he was a tenant. But it didn't stand on the law, so in reality he only had two options-to buy or to get out.

The year 1947 was the time when the land ownership system changed drastically. In this year the Agricultural Act was established and the section on tenant rights in the act was separated out to become the Agricultural Holding Act in 1948. The Agricultural Act in 1923 had already secured tenant rights by compensation for the improvement they made to the farm and by establishing the rent controlling organization. But the 2 acts which were passed just after the war gave greater security to tenants to encourage them to invest in land improvement in order to promote the expansion of food production [Tsuge (1990)]. In the "C" farm's case, the cause of the sale was the need to pay estate-duties. But in general many landlords rushed to sell their let farms at this time in order to "get ashore" before these acts became effective. This resulted in the generation of many new owner-occupied farms.

Thomas and his wife, Cindy had 4 sons and

3 daughters. The sons are Philip, the oldest son born in 1925, the second son Richard born in 1930, the third son Michael, born in 1932, and the youngest son William, born in 1934.

When the oldest son Philip got involved in farming in 1940, the main operation of the farm was raising sheep, dairy cattle and beef cattle. Barley, wheat and oats were also grown (60 or 80 acres) under the government incentive policy in the war time. During the war, the family couldn't carry on the stock dealer operation, which was one of their main enterprises, because the government controlled the livestock trade. After the war the control was lifted, but their volume of business couldn't return to that of before the war.

On the production technique side, they began their dairy operation with hand-milking. They later installed a mobile milking bail called a "Shippen" in the 1930s, which enabled them to milk 20 cows at the same time. They installed a 6-abreast milking parlour in 1938 but because they experienced some problems with this, they went back to the "Shippen" in the 1940s. The year 1943 was the time when they began to mechanise the farm by installing their first tractor, a 25 hp Ford.

After the war, especially in the early 1950s, the farm had plenty of labour available because the sons in the 2<sup>nd</sup> generation began to get involved in farming. The youngest son went into military service, but by the early 1950s all 4 sons got involved in farming. The oldest son Philip and the second son Richard operated tractors and third son Michael looked after the sheep. The farm used to hire 8 employees but gradually they not only decreased in the number but also changed their tasks from specific ones such as "Horseman", "Cowman" and "Shepherd" to general ones as "General Farm Worker". The farm enjoyed good terms of trade. At that time, the farm kept 20 milk cows and 200 head of sheep.

In 1950s the sons got married and some left the farm and began to operate their own farm business<sup>8</sup>. The third son Michael got married in 1957 and rented a farm named "Madison Farm" as his own, which is in 9 miles east of Farmington. His father became guarantor when he rented the farm. He was said to want independence and 'got lucky'<sup>9</sup>. In 1958 the oldest son Philip married Jenny. They lived in another house, had their own household budget and went to the farm everyday. The youngest son William got married in 1959, rented 70 acres of the "C" farm which Thomas had bought in the 1930's and built a house and livestock barn to establish the C 4 farm. The second son Richard got married in 1964, bought a farm in Raleigh, which is about 20 miles west of Farmington, and started his own operation. He borrowed money from an agricultural mortgage coop to finance it, and his father became guarantor.

Then all 4 sons began to operate their independent farms. Though Thomas still retained managerial authority over the "C" farm, Philip gradually took a central role. We call the "C" farm after part had been rented to William, the C 1 farm.

### 3. 2. The Farm Succession

At Thomas's suggestion, a general partnership was formed in 1950. The business name of the "C" farm became "T & Sons" and the C 1 farm took over this name. Philip's share of the partnership was only one-seventh and Thomas in effect had six-sevenths. The farmland was jointly owned by Thomas and Cindy.

In 1978, after Cindy died, the family sorted out their asset. When Thomas died in 1983, the family had to do so again. The will indicated that the farmland should be inherited by the 7 children equally. The farmland which Thomas and Cindy owned jointly was 400 acres of the C 1 farm and 70 acres of the C 4 farm, 470 acre in total. This meant that each child was bequeathed 67 acres. Philip and William were able

to secure their "tenancy" either by the consent of their siblings or the will of their father<sup>10</sup>. William inherited the farmland which he rented from his parents because the 70 acre was nearly equal to seventh part of the whole, 67 acre. On the other hand, Philip had to borrow money to buy out the other heirs. The evaluation of the land was conducted by a valuer and the price was determined at £500 per acre, which was cheaper than the market price<sup>11</sup>. Philip could finance by himself when he made some payment on the occasion of his mother's death. On the occasion of his father's death he borrowed some money to finance the purchase, and his repayment would last for 20 year and be finished in 2003. However, because of poor performance of the farm operation, he will have to extend the repayment period.

## 4. The C 1 Farm : Philip as the oldest son and his son, Jack

### 4. 1. 2<sup>nd</sup> Generation : Philip's Case

In 2002 Philip is 77 and his wife, Jenny, 69. He was born in 1925 and went to 3 private schools from 5 years old to 15 years old. The primary one was in Farmington, while his secondary and Grammar schools were in another town. When Philip was in the Grammar school, he had a health problem and left school. He got involved in farming in 1940, when he was 15 years old.

Jenny, born in North London, taught at Seale-Hayne Agricultural College for 4 years after studying there for 2 years. Philip and Jenny got to know each other through a local church and got married in 1958. In that year, the farm still had a few horses, but they installed their first combine-harvester. After marriage, they began to live in the house near Moonstone priory and attended to the farm everyday.

In 1964 Philip's brother Richard got married and left home. Thomas, Cindy, their oldest daughter and third daughter remained in the

main farmhouse. Thomas decided to trade their main house for the house where Philip and Jenny lived<sup>12</sup>. Philip and Jenny moved back to the main farmhouse and Thomas, Cindy and their third daughter moved to the "Moonstone" house. At that time, Thomas was 71 and Philip was 39, Thomas still had the managerial authority and operated the tractors. But Philip expanded his role in their farm business.

When his brothers left, the acreage of the "C" farm, after 70 acre had been let to the youngest son William, became 400 acre from 470. We call this 400 acre farm the C 1 farm. In the 1960s though no big changes occurred, the C 1 farm concentrated on the dairy enterprise. In the 1970s they quit sheep production.

Philip and Jenny have 2 sons and 2 daughters. The oldest son is Jack, born in 1959, and the youngest son is Roger, born in 1963.

#### 4. 2. 3<sup>rd</sup> Generation : Jack's Case

Currently it is Jack who takes the main role in the operation of the C 1 farm. Now he is 43 years old. After graduation from a high school and working in the farm for 2 years, he took a National Diploma agricultural course at Seale-Hayne for 3 years. During the course, he also worked on a 400 acre beef feeding farm in Oxford County. He got involved in farming again in 1982, when he was 23 years old. He married Camille in the following year. Before marriage, Camille worked as a secretary at an attorney's office<sup>13</sup>. They have 4 children ; the oldest son (18 years old), the second son (17), the oldest daughter (10) and the youngest daughter (6). The oldest son is studying English at university. He doesn't intend to succeed to the farm business in the future, though he helps in the farm operation. The youngest son is studying agriculture at college. He is currently in an agricultural course and intends to work in an agricultural contracting business and farm work.

After his marriage, Jack borrowed some

money from Philip to buy a house, which is 1 mile from the farm. He attended the farm from his new home everyday<sup>14</sup>. In 2002 Philip and Jenny moved to an extended and rebuilt farm cottage, and Jack and Camille moved to the main farmhouse and began to live there with their children.

The farmland is currently owned by Philip and Jenny (Jointly), Jack and Roger. The majority is jointly owned by Philip and Jenny, and Jack's interest is higher than that of Roger. Philip, Jenny and Jack also formed a general partnership for their farm business in 1988. The share of Philip and Jenny had been higher than that of Jack for the first 10 years. In 1998 Philip and Jenny transferred some of their share to Jack, and now Jack has the majority of the share. They have continued to keep "T & sons" as their business name.

However, much has changed in the business itself. In the previous years Thomas sometimes bought young cattle to feed them, but after his death the farm stopped this and targeted its beef cattle operation on both breeding and fattening. The farm also expanded its arable operation. When Jack began farming, the farm still employed one "milkman" and the number of milking cows was 30, which was half as many as those of today. The farm has expanded its milk production by renting quotas.

#### 4. 3. The Present Condition of the Farm Business

Since Jack got involved in farming, there has been no big change in acreage. Currently they use 400 acre and also rent another 30 acre for grazing. This piece of land is rented on an annual "handshake" basis. They begin renting the land in March, pay the first half of the rent in April and pay the second half in October. From November to March, they keep milking cows in barn. They complete their IACS<sup>15</sup> form, including the rented land. The farm is located in a hilly zone, partitioned into 30 fields by

hedges.

The farm is consolidated and it has a cattle barn, a machine barn, a hay barn and a silo near the main farm house. Its farming type is mixed, which includes dairy, beef cattle and arable<sup>16</sup>. The 400 acres includes 50 acres of woodland, in which the beef cattle are over-wintered. Of the remaining 350 acre, 190 acre is pasture, and the other 160 acre is rotated between arable and grass. Both are good for grazing. Of the 160 acres of rotated land, 100 acres is for arable crops such as wheat and barley and 60 acres is for grass ley in the present year<sup>17</sup>. The farm has several types of rotation system depending on the characteristics of each field, which includes ; ( 1 ) grass for 5 years and arable for 2 years- ( 2 ) arable for 10 year and ley for 2 or 3 years- ( 3 ) rotating arable and ley in every 2 or 3 years. The details of arable crops in the present year are as follows ; 42 acres for wheat, 40 acres for spring barley mixed with green peas, 7 acres for sorghum. The yield is 3 tonnes per acre for wheat and between 1.5 and 2.0 tonnes per acre for barley. A total of 22 acre comprising 5 fields is set-aside, 4 fields out of the 5 are included in the rotation and the other one is out of the rotation because of its bad soil and small size.

The main characteristic of this farm's dairy enterprise is that it is based on a "farm" grazing system. There is a herd of between 50 and 60 Holstein Friesian cows, producing about 6,200 litres milk per cow per year, slightly less than the average of this area. The average number of lactations in the farm is about 6. The farm has 260,000 litres of quota of its own and can produce 340,000 litres by renting another 80,000 litres<sup>18</sup>.

In 1970 the farm started to reuse the of 6 - abreast milking parlour. The cattle barn was built in 1967 for machines and rebuilt as loose housing for cattle in 1987. Before that milking cows passed the winter in the field. They also

began to make silage by installation of wrapping technique, which has been advanced from plastic bag, wrapping by hand, to wrapping by machine. Recently they installed "Ag-bag", big and long tube silage, which contains both barley and pea<sup>19</sup>. The dairy cows are provided with concentrate feed 1,416kg per cow per year, which means 230g of concentrate feed per 1 litre milk. In the 2001 milk year, which began from September 2001, the average milk price at "farm gate" was 16 pence per litre. It can be calculated that all purchased feed cost per litre was 2.79p, equal to 17.4% of the milk price. We can also calculate that the margin over purchased feed (MOPF) per litre is 13.21p. Compared to dairy farming in Hokkaido Japan, herd size is similar to those of the Hokkaido average, but there is much difference in milk production per cow and the input level of purchased feed. The average number of lactations is around 6, which is much higher than that of Hokkaido, where the average is 2.5. It could be said that the farm is a land-based low-input operation.

The annual sales volume of the farm in 2001 was £100,000, including £55,000 milk, £32,000 beef cattle and £13,000 cereal. The main items of expense were concentrate feed purchased (approximately £10,000), contractor charges (£6,000), and bank charges including interest (£6,000). The revenue and expenditure was balancing, when depreciation costs are included. The profit or loss should be divided between partners according to their share in the partnership, but Jack got slightly more than his share, because Philip and Jenny understand that Jack has to pay for 4 children's schooling.

## 5. The C 4 farm : William as the youngest son and his daughter, Emma

### 5. 1. The Development of the C 4 Farm

Thomas's 4<sup>th</sup> son, William was born in 1934, 9 years younger than his oldest brother Philip. As did his brothers, William went to pri-

vate schools and got involved in farming in 1950 when he was 16 years old. At that time, 4 brothers, 3 sisters and their parents lived in the main farmhouse.

William married Jane in 1959. Then he rented 70 acres of land from Thomas, which he had bought in the 1930s. In fact he paid the rent once a year by cheque. He also bought 20 acres of land and started his farm business as "C 4 farm" with 90 acres (Land No. 1). After that, the farm expanded 3 times.

The first expansion happened in 1971. He rented 90 acres of land in Anaheim (Land No. 2) on a long term basis. The landowner had been involved in farming until 1970 and then began a contracting business in 1971. That was the reason why he let his land to William. They exchanged a written contract and it was a full agricultural tenancy, which means the tenancy period was indefinite. In 1990 the landowner established an industrial waste disposal facility, and the acreage William could use was decreased to 75 acre. The current rent is between £50 and £100 per acre per year. This land is located 2 miles away from his main farm. He uses this land as a sub farm, of which 60 acres was for arable, such as wheat and ley for harvesting, and 30 acres was for pasture, which is steep and used for grazing heifers. With this expansion, the total acreage of the C 4 farm became 180 acres.

The second expansion occurred in 1981. William bought a 40-acre plot next to the C 4 farm (Land No. 3). He had rented this land since 1977 for summer grazing. In the same year the landowner sold his land to the county council and moved out to Somerset County. The council auctioned this land through the auctioneers, who also ran a livestock market in Farmington. William made a successful bid and the price was £50,000 (£1,250 per acre), which was reasonable. The council didn't sell 2 acres of the land, preparing for road building and they had

given a license to William to use the land for farming at a minimum rate.

The third expansion happened in 1982. William bought 17 acres of land from a priory (Land No. 4). A tenant who had rented 34 acres retired and the priory asked William to buy it. He decided to buy half, which connected to his main 90-acre farm. The price was £1,300 per acre.

Because of these expansions, the C 4 farm eventually comprised the main farm of 147 acres and the sub farm of 90 acres, 237 acre in all. William also inherited 70 acre land from his parents in 1978 and 1983. As a result, the main farm of the C 4 farm became an owner-occupied. The late 1970s and early 1980s was the period when many landlords tended to sell out their land, because rent control, which was weakened by the Agricultural Act 1958, was strengthened again by providing a secure tenancy for 3 generations through the Agricultural Act 1976 [Tsuge (1990)]. This might have influenced the land trade in this case.

## 5. 2. The Present Condition of the Farm Business

William (68 years old), Jane (66) and their youngest daughter Emma (35) currently live in the C 4 farm. William and Jane live in a rebuilt house and Emma lives in the original farmhouse. William and Jane also have another 2 daughters, the oldest daughter Fay (39), who is a nurse and travelling, and the second daughter Sarah (37), who is married and lives in Exeter. The business name of the C 4 farm is WH, which is the William's first and middle name (William Helmsley). Now the main source of labour is provided by Emma, and William discusses decision making with Emma more frequently. Though he keeps the managerial authority, it could be said that the C 4 farm is at the stage of shared decision making in farm management.

Their enterprise is a grazing dairy operation, with 60 or 65 Holstein Friesian milking

Table 4 Land Use in the R 4 Farm (Year 2002) acre

Land No.	Pasture	Ley	Arable		Total
			Cereal	Set Aside	
No. 1	90	—	—	—	90
No. 3	23	—	—	17	40
No. 4	3	9	5	—	17
Main Farm Total	116	9	5	17	147
No. 2 (Sub Farm)	30	—	60	—	90
Total	146	9	65	17	237

cows. They also keep smaller numbers of Belgium Blue fat heifers. The heifers are bred Friesian. The milk yield per cow is 6,500 litres per year, equal to the average of this region. The butterfat percentage is 4.0% and the protein percentage is 3.3%. The average number of lactations is 5 or 6. The total sales volume is about 400 tonnes or £64,000. Compared to the C 1 farm, from the point of acreage per cow, the C 4 farm is more intensive in its use of land than the C 1 farm, though the C 4 farm doesn't keep beef cattle.

The C 4 farm has one loose housed barn built in 1962 for 38 cows, now used to over winter young stock and has one cubicle yard built in 1969 with a capacity for 66 cows on to which bunker silo was added in 1982. The farm has a cool bulk tank with a 1,500-litre capacity. Usually an agricultural coop comes to dairy farms every other day to collect milk, but they come to the C 4 farm everyday, because the bulk tank capacity is not enough for less frequent collection. They pay an extra fee for this.

The C 4 farm grazes cows in summer, and keeps them in the barns in winter. They built a bunker silo with from 400 to 450 tonnes capacity in 1982, when the acreage of the farm grew to its present size. And then they shifted to feed silage. They began to make whole crop silage of wheat in 2001 and will begin to make that of barley and green pea. Because of the wheat silage, the protein rate is increasing.

The C 4 farm began its winter housing and silage operation earlier than the C 1 farm. The

yield per cow of the C 4 farm is higher than that of the C 1 farm and equal to the average in this area. It can be said that the C 4 farm shows the average dairy operation in this area.

As we can see, the C 4 farm is based on grazing, especially in the main farm. When they take cows to the west side of Land No. 1 or No. 4, the cows need to go across the road. In the case of No. 3, cows need to go along the road. There has not been any problem about this, though the width of the road is about 3 meters and many cars pass through. As is often the case with rural area, cars wait until the cow movement is finished.

Table 4 shows the land use in the C 4 farm. The east side of land No. 1 next to the barn is the most convenient situation for cow movement. The west side of land No. 1 is also used for grazing. The 23 acres of land No. 3 is pasture, both for harvesting grass and grazing. The remaining 17 acres is hilly, and was put into set-aside in 2002, though it can be used for arable. On land No. 4, 5 acres is used for wheat production, 3 acres is pasture and 9 acres is used for ley. In the sub farm, the flat side of land No. 2 is for wheat (60 acres) and the deep hilly side is for grazing rearing cows (30 acres).

In the main farm of C 4, all land is good for grazing. The percentage of pasture is 79% and 21% is good for arable. If the sub farm is included, 62% is pasture and 38% can be for arable. In 2002 the acreage of arable (wheat) was 65 acres, excluding set aside. The farm sold 81.5% of arable crops and the rest (12 acre) was

for whole crop silage. It could be said that the "C 4" farm is a grass and silage oriented operation and is very different from that of Hokkaido, where dairy farms rely more on purchased feed. The C 4 farm, based on grazing in summer, operates more intensive farming than the C 1 farm by shifting their feed from grass silage to whole crop silage in order to raise its milk production in winter.

## 6. Conclusion

Before closing this article, the characteristics of farm successions and farm development in England can be elucidated by reviewing the cases from the point of the farms' transition through 3 generations and from the historical backgrounds. The "C" farm was established as a tenancy in the 1920s and accumulated capital by operating not only farming but also livestock dealing. In the 1930s it expanded its scale slightly by buying a small piece of land close by the farm. The year 1947, when the "C" farm was bought by the 1<sup>st</sup> generation, was also the time when the land tenure system changed drastically. In fact, the Agricultural Act was established in 1947 which gave the tenant security of tenure. It was replaced, almost entirely, the following year by the Agricultural Holding Act in 1948 [Sydenham & Mainwaring (1995)]. The Agricultural Act in 1923 had already secured the tenant rights of compensation for the improvement they made to the farm and by setting up the rent controlling organization. But the 2 acts which were established just after the war secured the tenants' rights more strongly in order to encourage tenant farmers to invest in land improvement to promote expansion of food production [Tsuge (1990)]. The main reason why the landlord sold the "C" farm was the payment of death-duties. But it also should be noticed that many landlords rushed to sell their farms before these acts became effective. At that time just after the war, 4 sons, who were the 2<sup>nd</sup> gen-

eration, began to get involved in farming, so the main source of farm labour gradually shifted from hired employees to family members coming along with mechanization.

In the 1950s the sons got married and some left the farm and began to operate their own farm business. The largest part of the "C" farm began to be operated by the oldest son, while the remainder was spun off to the youngest son by means of a lease. The symbolic event was that the husband and wife of 1<sup>st</sup> generation and those of 2<sup>nd</sup> generation exchanged their houses and the 2<sup>nd</sup> generation moved to the main farmhouse (1<sup>st</sup> generation moved out of the farm). In 1950 a general partnership was formed, but the oldest son's share was only one-seventh and the 1<sup>st</sup> generation retained the six-seventh practically. This situation continued until the 1<sup>st</sup> generation passed away. The farmland was jointly owned by the husband and wife of the 1<sup>st</sup> generation. In the late 1970s and early 1980s the 1<sup>st</sup> generation passed away one after another, and the farmland was inherited by 7 children of the 2<sup>nd</sup> generation equally. The oldest son was bequeathed only a seventh part and had to borrow money to buy out the remainder. It cost a lot for the oldest son. On the other hand, the youngest son had the right to succeed to the farmland which he rented from his parents because the acreage of that was equal to one-seventh part of the whole. He has also rented outer land since 1971, he bought some land in 1977 and bought some land in 1982 which was previously owned by a priory. The time he bought some land was when the rent control was strengthened by securing tenants' rights to succession for 3 generations. The rent control had been weakened by the 1958 Agricultural Act, but was strengthened again by the 1976 Agricultural Act. As a result, many landlords tended to quit letting their land in order to sell them [Tsuge (1990)].

The C 1 farm was taken over by the oldest

son, in order to keep the farm from being divided and has continued dairy and beef cattle operation. The C 4 farm, which is operated by the youngest son, was able to expand its operation by getting additional land as well as renting the main farmland from his parents. In southwest England, grazing livestock operation are common, so if the farm is divided, it damages the farms' competitiveness seriously. This also explains why 2 sons in the 2<sup>nd</sup> generation established their own farm separately in another place. It should also be emphasized that their father helped them financially. In the case of the youngest son, his success partly depended on the fact that he could get some additional land close to his farm. As a result, they could establish a grazing dairy operation system based on their own forage production, the introduction of winter housing and a silage feeding system. These points could be one of the options which dairy farmers in Hokkaido, Japan, can take in the future, especially in the use of their land.

The C 1 farm is in practice being operated by the 3<sup>rd</sup> generation. The operation of C 4 farm is in the stage of shared managerial decision making in farm management between the 2<sup>nd</sup> and 3<sup>rd</sup> generation. The circumstance around farming are getting worse and it will be much more difficult to transfer the farms to the 3<sup>rd</sup> generation balancing "equality" and "viability".

\*Throughout this paper, assumed names have been used for some persons and places in order to preserve anonymity.

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- 1 Newby (1988) reports the recent change in rural areas in the UK.
- 2 See Fukushi (1995), Tsuge (1996), Tsuge (1999), and Kashiwagi (2002) as examples
- 3 See Kaino (1978)
- 4 William of Normandy conquered England in 1066. In 1086 he began to research the situation of farming operations focused on England and Wales, such as their acreage, land value, ownership and the details of cultivators, livestock, implement. He used the records as the basis of taxation. After then, the record was called the Domesday Book. It is the most fundamental material on the land history in Britain.
- 5 "The class of DB Villani certainly embraced those whom the texts of Anglo-Saxon society would term 'ceorls'", See Thirsk (1988)
- 6 According to Lauder (2002), the Courtenays stands out as the oldest and the most distinguished in Devon County. The family had its root at Courtenay on the Isle de France, which Ashton de Courtenay fortified as early as 1010. There are two versions as to how the Courtenays found their way to England and both versions agree that Renaud, grandson, or great-grand son of Ashton, or his son, Sir Reginald, married Hawise, "Lady of Okehampton" and became Baron of Okehampton and Governor of Exeter Castle. Okehampton was the most important manor in Devon in medieval time. In 1335 Sir Hugh Courtenay was awarded the title of Earl of Devon. This made the Courtenays by far the most

powerful family in the county. Cahill (2002) tells us that the total acreage owned by Earl of Devon was 53,075 acre in 1872, which was the 4<sup>th</sup> biggest landlord in the county.

7 According to Lauder (2002), because of the crushing death duties that the 17<sup>th</sup> Earl of Devon had to find for two uncles who died in the same year, large chunks of land were sold and the acreage was much reduced.

8 Philip told us that "Usually the oldest son remained on the home farm. The farm operation couldn't afford to support multi-households. So other brothers would leave the home farm".

9 Some part of his "luck" was that he began to rent the farm in 1957, just one year before the Agricultural Act in 1958, which released the rent control. If he had rented the farm after 1958, he might have had to pay more rent.

10 Philip and William told us that they were able to buy out the share of heirs in preference to outsiders and at a cheaper price, because they had rented the land. The reason why they could get the cheaper price could be based on the law, which secured the tenant right to compensation. However, the reason why they had the "first option" to buy the land out in preference to outsiders is more likely to be the result of their father's will or an informal agreement within the family.

11 According to Philip and Jack, the market price would be approximately £2,000 per acre at that time.

12 According to Philip, there was no custom of passing their main house down to the next generation just after the youngest child had left home.

13 Camille's family has no farm background. Her father worked as a salesman for a car-dealer. Her grandfather was gamekeeper, who takes care of and breed wild birds that are kept on private land in order to be hunted.

14 According to Jack, English people have no custom to live with their parents after getting married. Even if they live together, they usually alter their house to a duplex one.

15 IACS is the short title of Integrated Administration and Control System. IACS is the system devised by the European Union for the administration of subsidy schemes. The information provided in the annual IACS Area Aid Application is used to deter-

mine individual producers' stocking density for live-stock schemes and payment for arable crops.

16 The details of the beef cattle are 25 South Devon, 20 hybrids (including calves). The farm also has 3 breeding bulls. They keep female calves for replacement, and sell male cattle at any stage. They also sell genuine calves at a high price.

17 The main land use in this area is grazing and the grassland categorised into pasture, which means permanent grassland, and a temporary grassland, which can be used for arable. It can be called "temporary grass" or "ley" when the land is used for grass. So it can be change the name to "arable" when it is used for arable crops.

18 They can trade quotas through brokers or dealers. The lease "market" price varied from 1 to 3 pence per litre in the present year. The milk price at the "farm gate" is 16 pence per litre, and it is difficult to determine whether or not they should rent some additional quotas.

19 In 2002 they used sorghum for silage as a trial. It costs a lot to use maize for silage, when the cost for seeds and contractor charges is considered. They currently own 3 tractors (90hp and 2 x80hp), one 10 foot combine-harvester, one mower, one hay turner, one topper, one planter, 3 cultivators and 4 wagons. They have shifted to the use of a contractor for more farm work, including harvesting, baling, wrapping and making "Ag-bag" for silage and ploughing, spraying, harvesting for arable. They have concentrated their own labour force on cattle management.

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