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Retirement Plans, Concepts and Attitudes of Farm Operators in Three Eastern South Dakota Counties

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**PLANS
CONCEPTS
ATTITUDES**

**OF FARM OPERATORS
IN THREE EASTERN
SOUTH DAKOTA COUNTIES**

**Howard M. Sauer
Ward W. Bauder
Jeanne C. Biggar**

**Rural Sociology Department
Agricultural Experiment Station
South Dakota State University, Brookings
in cooperation with
Farm Population Branch
Economic Research Service
United States Department of Agriculture**

ATTITUDES
CONCEPTS
PLANS

OF FARM OPERATORS
IN THREE EASTERN
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United States Department of Agriculture
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RETIREMENT PLANS, CONCEPTS AND ATTITUDES OF FARM OPERATORS in Three Eastern South Dakota Counties

SUMMARY

HOWARD M. SAUER,¹ WARD W.
BAUD,² and JEANNE C. BIGGAR³

Opinions of a random sample of 575 farmers from three eastern South Dakota counties were analyzed to appraise the meaning of retirement and the attitudes toward retirement for those now actively engaged in agriculture.

Of farm operators interviewed in the spring of 1962, 85% expected to retire, although less than a third had made definite plans for their retirement years. The average preferred age for retirement was 62.

In describing what retirement would mean, most farmers anticipated this would involve a move to a different house, preferably in the rural area close to the farm where they had spent most of their lives. They hoped to live with their spouse in their own home. Sixty-five percent felt retirement would bring a considerable reduction in amount of physical labor; 21% expected this labor would be eliminated completely. At the same time, only 38% expected management activities would be reduced considerably and

43% felt it would be reduced completely.

These farmers expected that Social Security benefits and income from the farm would be their most important sources of income at retirement age.

They expected the most important factor for happiness during retirement would be their state of health. Access to friends and sufficient income were also considered important to enjoyment of retirement.

Operators who expected retirement to reduce their labor to none and change their residence, indicated the most favorable attitudes toward retirement. Younger farmers expressed more favorable opinions than older farmers. Other characteristics associated with a favorable attitude toward retirement were: more formal education, conceiving health as "good", high morale, anticipation of adequate retirement income, and more participation in nonfarm organizations.

RETIREMENT PLANS, CONCEPTS AND ATTITUDES OF FARM OPERATORS in Three Eastern South Dakota Counties

HOWARD M. SAUER,¹ WARD W.
BAUDER,² and JEANNE C. BIGGAR³

INTRODUCTION

Retirement, a comparatively recent by-product of our highly industrialized society, is of increasing importance to a larger number as well as a greater proportion of the American population. After adoption of the Old Age Survivors Insurance in 1935, "retirement age" was more or less set at age 65. Industry quite rapidly adopted 65 as the age for retirement for the full-time employee. Among farmers and other self-employed persons, retirement is not so likely to be associated with a particular age.

The 1960 Census revealed some remarkable facts about the 65 years and older age group. For the nation as a whole this segment totaled 16½ million or 9.2% of the total population, an increase of almost 35% over 1950. Mid-1962 found 17½ million

age 65 and over including 6 million at least 75 years of age. Each day more than a thousand people reach age 65. The increase in number and proportion of older persons in our nation's population is due in part to increases in life expectancy. Life expectancy in 1900 was 49 years compared with 70 years now. Furthermore, for those who reach age 65, women can now expect to

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Appreciation is expressed to Dr. John D. Photiadis for his contribution during the planning and data collecting phases of this study before leaving for his present post at the University of Minnesota.

live another 16 years; men an additional 13 years.¹

In South Dakota, 71,513 people were 65 years and over in 1960. This group represented 10.5% of the state population, an increase of almost 30% over 1950. Of South Dakota residents in this age bracket in 1960, 62% were living in rural areas—communities of 2,500 or less, and in the open country.² If present trends continue in South Dakota—with further increase in life expectancies and a continuing out-migration of young people age 20 to 30—those of retirement age will comprise an even larger proportion of the state's population in the immediate future.

Retirement for the farmer has been a gradual process in the past. The self-sufficient farm unit provided most necessities and old age brought with it slow reduction of labor and management responsibilities. In many cases a son gradually took over operation of the family-sized farm. The occupational role for the aging farmer was seldom terminated abruptly.

Modern efficient agriculture has jeopardized the possibility of this type of semi-retirement. It has been pointed out that "Commercialization and specialization in agriculture have made the farm family less self-sufficient and more dependent on the market economy . . . , calling for much larger farm investments, making the small operation unprofitable, and, perhaps most important of all, reducing the number of useful tasks that older people can perform."³ The farm operator approaching retirement age will find

it less feasible to maintain a profitable part-time farm operation as accelerating changes in agriculture continue. He is not only faced with planning for the additional years of retirement when full-time farming is no longer feasible for him, but also for changes in the management and labor aspect of his occupational role. Realistic plans for retirement may involve termination of his farming activities, changes in residence, and changes in sources and level of his income.

In view of changes in population patterns and rural retirement, it is important to know what provisions farmers have made for the latter years of their lives.

Although a considerable body of research has accumulated on aging generally and on adjustment to retirement, literature on how farmers view retirement and what factors influence their views is much less plentiful.

Limited information on farmers' plans for retirement has been obtained from studies centering on

¹Reprint "Statistics on Older People—Senate," *Congressional Record*, Proceedings and Debates of the Eighty-Seventh Congress, Second Session, Vol. 108, Number 97, June 14, 1962.

²*Ibid.*

³William H. Sewell, Charles E. Rainsey and Louis J. Ducoff, "Farmers Conceptions and Plans for Economic Security in Old Age," Rural Sociology Department, Agricultural Experiment Station, University of Wisconsin cooperating with the Division of Farm Population and Rural Life, Bureau of Agricultural Economics, U. S. Department of Agriculture, Research Bulletin 182, September 1953, p. 2-3.

farmer attitudes toward Old Age Survivors Insurance.⁴ Several of these and other studies indicate many farmers have no definite plans for retirement and sizeable proportions of them have no intention of ever retiring. However, very little systematic information is available on farmers' definitions of retirement, their attitudes toward it, and related factors.⁵

Purpose of Research

The central objective of this study was to obtain more comprehensive information on what provisions farmers are making for the latter years of their lives through answers to the following types of questions:

Are they planning for retirement? If so, is it to be full or partial retirement? Will retirement mean moving away from their farm, reducing labor, reducing management? Will they have adequate sources of income in retirement years? What sources of income do they expect? What factors do they think will be important in their retirement adjustment? What characteristics are associated with a favorable attitude toward retirement?

Method and Scope of Study

To study the concept of and attitude toward retirement, an interview schedule was drawn up to measure these as well as related variables.⁶ A pretest was administered to 26 farm operators in Moody County, South Dakota, which is adjacent to Brookings and Minnehaha Counties.

The Statistical Standards Section of the Statistical Reporting Service⁷ drew a one-fifth area probability sample of 112 open-country segments including 867 open-country dwellings from three counties—Brookings, Minnehaha, and the eastern half of Miner. Using the revised schedule, trained personnel interviewed farm operators and farm laborers during March, April, May and June of 1962. Of the 867 open-country dwellings, 108 were vacant and 44 contained two households giving a total of 803 households. A total of 134 interviews were eliminated because no occupant qualified as either a farm operator⁸ or farm laborer; 66 refused interviews; and 13 schedules were dropped because of incompleteness. The balance of completed interviews included 575 from farm operators and 15 from farm laborers.⁹

Interview schedules were field checked for completeness by a supervisor as soon as possible after the interview. Where possible, missing information was obtained by re-

⁴Sources reviewed listed in Appendix.

⁵Sources reviewed listed in Appendix.

⁶Research objectives listed in Appendix.

⁷United States Department of Agriculture.

⁸1960 Census criteria were used to define farm operator.

⁹Estimates based on Census of Agricultural Reports of the number of regular hired men indicated that a 20% sample in these areas would include 65 to 70. It may be that many of these hired men are not open-country residents. Because of the small number interviewed, the 15 farm laborers were dropped in the detailed analysis of concepts of and attitudes toward retirement.

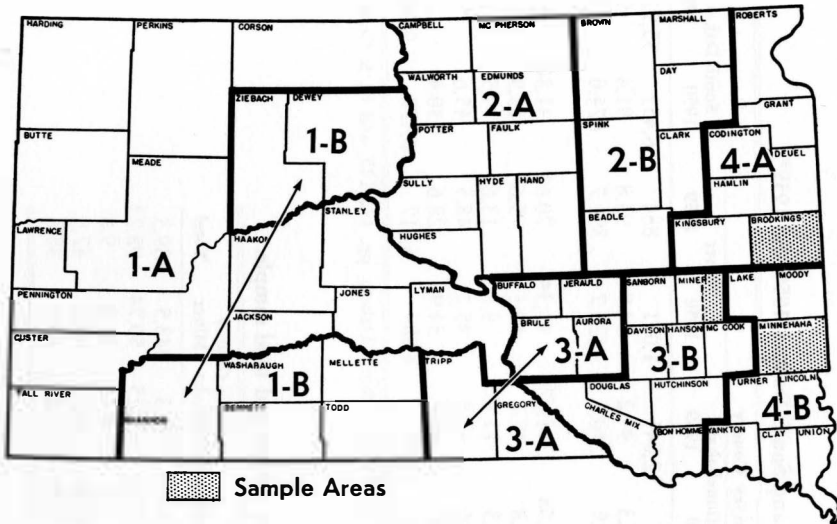


Figure 1. Location of Sample Areas in South Dakota Economic Areas.

interviews. Schedule responses were coded and transferred to data cards for machine analysis.

Selection of sample areas was influenced by the need for homogeneity of type of farming and farm organization. At the same time awareness of possible influence of income variations and nearness to a metropolitan center on certain relationships made it necessary to maintain county identification in analysis until it was determined whether or not county differences were large enough to be significant.

Two measures of central tendency (medians and means) and percentage distribution were used in the comparative analysis. Chi-square and Pearsonian r procedures were used to test association between variables. Explanations of

variations in definitions of retirement and attitudes toward retirement, the dependent variables, were sought by relating definitions and attitudes to a series of independent variables. These included the following:

1. Personal characteristics: age, education, present state of morale, and present state of health;
2. Kind of level of social participation: membership and participation in farm organizations, in nonfarm organizations, in church organizations, and public offices held;
3. Economic characteristics: number of acres operated, tenure, gross income, net worth, anticipated adequacy of income at age 65 and an-

Table 1. Agricultural characteristics of survey counties and South Dakota, 1950 and 1959*

	Survey County							
	Brookings		Minnehaha		Miner		South Dakota	
	1950	1959	1950	1959	1950	1959	1950	1959
Number of farms	1,924	1,692	2,439	2,041	1,071	884	66,452	55,727
Land in farms (percent)	95.7	97.5	96.3	94.2	94.9	94.8	91.4	91.8
Average size of farms (acres)	255.1	295.4	205.9	240.9	323.7	391.7	674.0	804.8
Average value, land and buildings per acre (dollars)	81.25	114.28	118.58	191.67	41.34	70.63	31.30	51.62
Operators hiring labor (percent)	12.2	10.7	18.8	17.1	10.1	5.6	13.9	11.5
Operators aged 65 or over (percent)	9.2	12.2	10.3	11.4	8.7	13.6	9.5	11.1
Average age of operator	45.8	48.3	45.6	47.8	45.2	48.5	45.6	47.4
Tenant-operated farms (percent)	36.3	30.9	42.6	40.6	34.9	28.6	30.4	26.8
Average value, farm products sold (dollars) ...	6,608	8,111	9,224	12,277	4,889	6,617	6,477	9,260

*Sources: U. S. Bureau of the Census, U. S. Census of Agriculture: 1959, Vol. I, Part 19, Counties, South Dakota, pp. 112-145, and U. S. Census of Agriculture, 1950, Vol. I, Part 11, South Dakota counties.

Table 2. Agricultural characteristics of sample by county and total sample.

	Survey County			
	Brookings	Minnehaha	Miner	Total
Average size of farms (acres)	364.0	287.3	443.5	339.3
Average value, land and building per acre (dollar)	90.87	128.25	59.74	98.22
Operators aged 65 and over (percent)	9.9	8.8	11.3	9.6
Average age of farm operator	47.6	45.7	48.1	47.9
Tenant operated farms (percent)	32.9	41.8	23.9	35.8

ticipated source of income for retirement.

The Counties Studied

Although the counties selected for sampling represent three different economic areas, their agriculture is similar (figure 1). In area 3B (Miner County), hogs, cattle feeding, dairying and poultry enterprises, together with crops, are the important sources of income. In area 4A (Brookings County), livestock enterprises, together with such crops as wheat, flax, potatoes and hay comprise the major sources of income; and in area 4B (Minnehaha County), corn, intensive livestock enterprises (both cattle and hogs), and dairying, constitute major sources of income. Miner County is the most rural and had the second highest rate of net out-migration in South Dakota between 1950 and 1960. Minnehaha County¹⁰, on the other hand, contains South Dakota's largest city, Sioux Falls.

Table 1 presents 1950 and 1959 Agricultural Census data for nine characteristics descriptive of the agriculture of these three counties. All three counties reflect the trend toward fewer and larger farms, lower tenancy rates, older average age of operator and high value of real property and higher value of farm products sold, characteristic of the state as a whole. Minnehaha County had the smallest farms in acres but the largest in value of real property and value of farm product sold. Miner was at the other extreme with the largest farms in terms of

acres and the smallest in terms of value of property and product sold. This reflects the variation in general economic level.

Survey data on size of farm (acres) and value of product sold in table 2 indicate a continuation of the trend noted in table 1. Survey data on tenure, average age of operator and percent of operators 65 and older, however, indicated a reversal of 1950-59 trends.

Characteristics of the Sample Operators and Households

Personal Characteristics

The average age of farm operators in this sample was 47.9 years, which was just slightly higher than the 1959 state average, 47.4 years (table 3). Operators in Minnehaha, the urban county, were younger (45.7) and those in Miner County, the most rural, were slightly older (48.1). Only four operators were women.

These farmers had completed an average of 9.7 years of school (table 4). Only 7½% had dropped out of school before completing the eighth grade. Nearly one-half had gone on to high school and one-third had graduated. Almost 8% had gone to college but only about 2% finished. Minnehaha County farm operators had the highest average level of education, Miner County farmers had the lowest.

Farm Operator's Family

Most operators were family heads; 87% were married, 11% had

¹⁰Minnehaha County showed a slight immigration during this period.

never married and 2% had been divorced or were widowed. The average household consisted of 4.13 persons. A total of 96% of those who had married either had children or had had children; the average was 3.46 children per family. Over half of the households (55%) contained children between the ages of 6 and 21 years. This may partially account for small number of farm laborers hired by these operators.

Morale and Family Health

Summarizing the answers to 10 questions asking how "things have worked out for you in general in the past . . . present . . . future," 93% felt things had gone and would go fairly well or very well (table 5).

In reporting present state of health, about three-fourths of the operators said it was either "good" or "excellent" (table 6). Most of them (80%) thought their health was "about the same as others," while 14% felt their health was "a bit better than some of the others around him" (table 7). Only 6% felt they had "worse health than others."

When asked about health of the family for the "past year," one operator in four responded that either he or his wife had been disabled in some fashion (table 8). Accidents were responsible for about 28% of the farmers' disabilities, with illness explaining the balance (table 9). Among the wives, however, accidents were blamed for only 8% of the disabilities. Nearly 20% of these farm families reported some member of the family was chronically ill or physically disabled in the past year; nearly half of these felt that

this illness or disability would affect their retirement plans (table 10).

More than half (53%) were carrying some form of health insurance (table 11). This was higher than the proportion (45%) of the national farm population carrying hospitalization insurance in 1959.¹¹

Participation of Farm Operators and Their Wives

An estimate of degree of interaction between these operators and other members of the community was obtained by measuring the amount and kind of participation in farm organizations, nonfarm organizations, church organizations, and public offices. Only three operators reported no participation in organized groups. Membership and kind of participation are summarized for both operators and their wives in table 12, giving the proportion who belonged to an organization, average number of groups in which they held membership, and average social participation score in three types of organized groups—farm organization, nonfarm organization and church organizations.

Farm operators were more active in farm organizations and church organizations than in nonfarm organizations. Nine out of 10 operators belonged to a farm organization and the same percent belonged to a church organization but only 7 out of 10 belonged to a nonfarm organization. Farm operators were also more active in the farm organiza-

¹¹*Medical Care Financing and Utilization*, U. S. Department of Health, Education, and Welfare, Public Health Service, Pub. No. 947, 1962, p. 100.

Table 3. Number and percent of farm operators in age categories by county and total sample.

Age	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 25 years	5	2.0	8	3.1	1	1.4	14	2.4
25-34 years	34	14.1	45	17.2	11	15.5	90	15.7
35-44 years	63	26.1	83	31.8	18	25.4	164	28.5
45-54 years	69	28.5	60	23.0	18	25.4	147	25.6
55-64 years	47	19.4	42	16.1	15	21.1	104	18.2
65 years and over	24	9.9	23	8.8	8	11.2	55	9.6
Total	242	100.0	261	100.0	71	100.0	574	100.0
Mean age*	47.6		45.7		48.1		47.9	
Median age†	47.9		43.8		47.8		46.4	

*Average age.

†Midpoint: 50% were over this age and 50% were under this age:

Table 4. Number and percent of farm operators' level of education by county and total sample.

Years of schooling	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Less than 8 years	20	8.3	17	6.5	6	8.5	43	7.5
8 years	114	47.1	104	39.8	35	49.3	253	44.1
9-11 years	33	13.6	40	15.3	11	15.5	84	14.6
12 years	55	22.7	80	30.7	14	19.7	149	26.0
Over 12 years	20	8.3	20	7.7	5	7.0	45	7.8
Total	242	100.0	261	100.0	71	100.0	574	100.0
Mean years of schooling	9.54		9.89		9.30		9.67	
Median years of schooling	8.89		9.53		8.84		8.96	

Table 5. Number and percent of farm operators in morale categories by county and total sample.

Morale score	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Very well	14	5.8	32	12.3	2	2.8	48	8.3
Fairly well	211	87.1	213	81.6	62	87.3	486	84.7
Not very well	16	6.7	16	6.1	7	9.9	39	6.8
Not well at all	1	0.4	0	0	0	0	1	0.2
Total	242	100.0	261	100.0	71	100.0	574	100.0

Table 6. Number and percent of farm operators by opinion of present health by county and total sample.

Would you say your present state of health is . . .	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Excellent	55	22.7	92	35.3	11	15.5	158	27.5
Good	120	49.6	113	43.3	39	54.9	272	47.4
Fair	64	26.4	51	19.5	16	22.5	131	22.8
Poor	3	1.3	5	1.9	4	5.7	12	2.1
Very poor	0		0		1	1.4	1	0.2
Total	242	100.0	261	100.0	71	100.0	574	100.0

Table 7. Number and percent of farm operators who thought their health better, same, or worse than others by county and total sample.

Do you think your health is better or worse or about the same as others?	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Better	33	13.9	44	16.9	5	7.0	82	14.4
Same	198	83.2	192	73.5	61	86.0	451	79.1
Worse	7	2.9	25	9.6	5	7.0	37	6.5
Total	238	100.0	261	100.0	71	100.0	570	100.0

Table 8. Number and percent of farm operators reporting disability of farmer and/or wife by county and total sample.

Have you or your wife been disabled in the past year?	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Yes	69	28.5	64	24.5	22	31.0	155	27.0
No	173	71.5	197	75.5	49	69.0	419	73.0
Total	242	100.0	261	100.0	71	100.0	574	100.0

tion than church or nonfarm organization. On the average they held memberships in three farm associations and the farm organization participation scores were higher.

Wives, on the other hand, were more active in church and nonfarm organizations than in farm organizations; 95% were members of church organizations, 62% were members of nonfarm organizations

and less than half (49%) belonged to farm organizations. Wives were more active in farm organizations, however, than in the nonfarm organizations to which they belong. As shown in table 12, husbands and wives participated at about equal intensity in these nonfarm groups.

The farm operators interviewed had been quite active in local official positions and public offices; 15%

Table 9. Number and percent of farm operators and wives disabled by illness and accident by county and total sample.

	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Farm Operators								
Illness	39	73.6	31	73.8	10	62.5	80	72.1
Less than 14 days ..	27	50.9	15	35.7	6	37.5	48	43.3
14 days or more	12	22.7	16	38.1	4	25.0	32	28.8
Accident	14	26.4	11	26.2	6	37.5	31	27.9
Less than 14 days ..	5	9.4	4	9.5	3	18.8	12	10.8
14 days or more	9	17.0	7	16.7	3	18.7	19	17.1
Total	53	100.0	42	100.0	16	100.0	111	100.0
Farm Wives								
Illness	26	100.0	29	87.9	6	85.7	61	92.4
Less than 14 days ..	16	61.5	12	36.4	4	57.1	32	48.5
14 days or more	10	38.5	17	51.5	2	28.6	29	43.9
Accident	0		4	12.1	1	14.3	5	7.6
Less than 14 days ..			3	9.1	0		3	4.5
14 days or more			1	3.0	1	14.3	2	3.1
Total	26	100.0	33	100.0	7	100.0	66	100.0

Table 10. Number and percent of families with disabled person by county and total sample.

Does anyone in your household have a chronic illness or physical disability?	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
No	186	77.1	221	84.7	58	81.7	465	81.3
Yes	54	22.9	40	15.3	13	18.3	107	18.7
Will effect retirement?								
No	29	12.5	23	8.8	8	11.3	60	10.5
Yes	25	10.4	17	6.5	5	7.0	47	8.2
Total	240	100.0	261	100.0	71	100.0	572	100.0

Table 11. Number and percent of farm operators carrying health insurance by county and total sample.

Do you carry any kind of health insurance?	Brookings		Minnehaha		Miner		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
No	145	59.9	91	35.0	31	43.7	267	46.6
Yes	97	40.1	169	65.0	40	56.3	306	53.4
Total	242	100.0	260	100.0	71	100.0	573	100.0

Table 12. Participation of farm operators and wives in organizations by county and total sample

Membership in . . .	Brookings	Minnehaha	Miner	Total
Farm Organizations				
Percent belonging				
Operators	92.1	89.6	91.5	90.9
Wives	57.7	38.5	58.3	48.9
Average number organizations				
Operators	3.9	2.9	3.1	3.4
Wives	2.1	1.3	1.9	1.8
Total farm participation score*				
Operators (average)	10.4	8.8	9.0	9.5
Wives (average)	7.4	6.2	7.6	7.0
Nonfarm Organizations				
Percent belonging				
Operators	74.0	72.6	59.2	71.5
Wives	67.9	60.2	46.7	61.7
Average number organizations				
Operators	1.6	1.7	1.5	1.6
Wives	1.5	1.4	1.4	1.5
Total nonfarm participation score				
Operators (average)	4.5	4.6	4.2	4.5
Wives (average)	4.6	4.6	3.7	4.5
Church				
Percent belonging				
Operators	88.4	93.4	90.1	90.9
Wives	94.9	96.2	88.3	94.7
Total church participation score				
Operators (average)	6.7	7.8	8.2	7.4
Wives (average)	7.8	9.1	9.1	8.6
Public Office				
Percent holding office in last three years				
Township board	11.9	7.3	12.7	9.9
School board	14.8	14.2	18.3	15.0
A. S. C. C.	2.5	1.5	1.4	1.9
Soil Cons. Comm.	0.0	0.4	1.4	0.3
County Commissioner	0.8	1.9	2.8	1.6
County Ext. Board	86.8	87.7	38.0	81.2

*Total participation score is sum of 5 weighted scores given for level of participation in organization. For example, a weight of 1 was given for membership, 2 for occasional attendance, 3 for regular attendance, 4 for work on committees in the past year, and 5 for offices held in the organization.

Table 13. Economic characteristics of farm operators by county and total sample.

	Brookings	Minnehaha	Miner	Total
Acres operated				
Mean*	364.0	287.3	443.5	339.3
Median†	334.8	273.7	392.3	317.6
Tenancy (percent)				
Owners	31.3	28.6	23.9	29.2
Owner-renters	35.8	31.0	50.7	35.5
Renters	32.9	40.4	25.4	35.3
Gross income (dollars)				
Mean	10,847.65	11,323.82	12,703.26	11,745.10
Median	10,115.00	10,102.00	8,699.00	10,065.00
Net worth (dollars)				
Mean	31,895.80	34,950.30	36,864.50	33,895.10
Median	25,350.00	27,500.00	28,000.00	26,000.00

*Average acreage of all operators.

†Midpoint: 50 percent of farmers operated more acreage; 50 percent operated less acreage.

had served on a local school board in the past 3 years, 10% had served on the township board and a few had been County Commissioners or members of the Agricultural Stabilization or Soil Conservation Committees. Although it is not a public office in the same sense as the school board or town board, the County Extension Board is an important official position among farmers. Eighty percent had served on this board.

Economic Characteristics

Table 13 presents data on size of farm, tenancy, gross income, and net income for the farm operations. The average size of farm was 339 acres. Farms in Miner County, the farthest west and in the transition zone between general farming and range livestock, averaged 443 acres. On the other hand, Minnehaha farms averaged 287 acres. Thirty-five percent of the operators rented

all of the land they were farming. About the same proportion operated land owned and rented, while 29% owned all of their farm land. Most had been operating their business for at least 16 years. Only about one in ten reported farming in a partnership arrangement. Most of these were family partnerships, that is, between father and son, or between brothers or brothers-in-law.

Gross income from farming enterprise for 1961 ranged from \$150 to \$146,000. The average was nearly \$12,000. More than half reported a gross income of \$10,000 or more. The largest source of income for most Miner County farmers was grain. The majority of Brookings and Minnehaha farmers reported livestock as their largest source of income.

Net worth of each farming operation also showed a great deal of variation. Although eight operators

reported a net worth of less than \$1,000, two reported more than \$200,000 and half reported over \$26,000 net worth. The average for the total sample was about \$34,000.

Along with work involved in their own farming operation, about 1% (six persons) reported working for wages on other farms; four of these worked year-round yet did enough farming on their own to qualify as farm operators. About 10% of the men were employed in nonfarming jobs part of the time during the past year. They averaged about 100 days at such jobs as trucking, general labor and construction work, and carpentry. One-fifth of the households interviewed reported some income from sources other than farming such as wages or investments. The average amount was \$1,941 in 1961.

RETIREMENT PLANS AND CONCEPTS

Several previous studies indicate few farm operators have made plans for retirement; many have no intention of ever retiring. For example, two-thirds of a sample of Wisconsin farmers interviewed in the early 1950's said they had not given much consideration to retirement or cutting down farm operations with advancing age. For those who had considered retirement only about half had made any definite plans.¹²

Although only 25% of all the South Dakota farm operators interviewed said they had made definite plans of retirement, an additional 60% had accepted the idea of retire-

ment and expected to retire. The remaining 15% said they had no intention of ever retiring. Several factors were observed in an effort to explain why some farmers have made plans for retirement while others have not. These factors included present age, educational attainment, current financial status and anticipated future financial status.

Among those who expected to retire, the proportion of operators with definite plans increased with age, and conversely the proportion with no plans, decreased with age. On the other hand, those who did not expect to retire were distributed fairly evenly throughout the age scale with only a slight tendency toward concentration in the older age groups (figure 2).

Educational level has been used as an index of receptivity to new ideas. This would suggest that farmers with more formal education might be more likely to have definite plans for retirement. However, no significant relationship was found between the level of education and the operators' plans for retirement in this study (table 14).

Net worth was used as a measure of present financial status. As might be expected, farmers with high net worth were more likely to have made plans for retirement. Nearly one-third (32%) of those with net worth of \$42,000 or over, while only about two-fifths (19%) of those with less than \$20,000 had definite retirement plans (table 15).

Respondents were asked about two factors which are indicative of

¹²Sewell, Ramsey and Ducoff, *op. cit.*

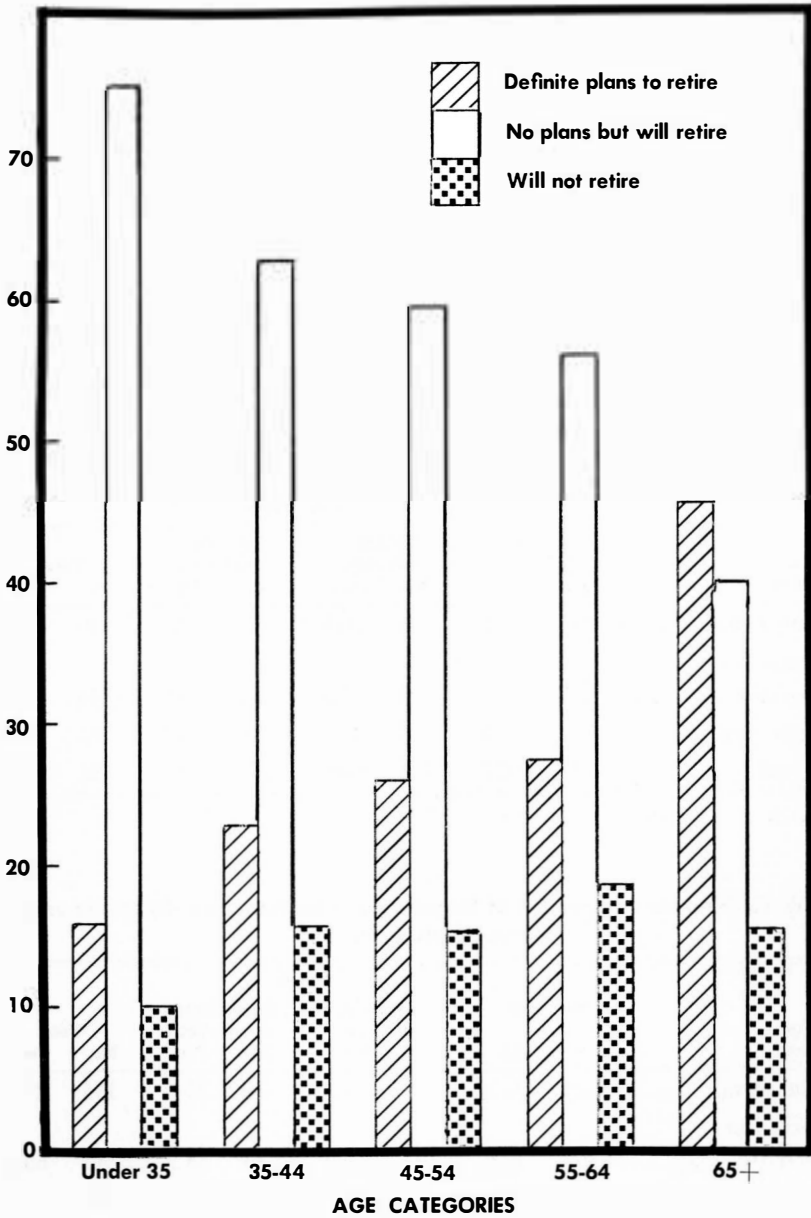


Figure 2. Retirement Plans—Percent of Operators for Each Plan in Age Categories.

Table 14. Number and percent of plans for retirement by level of education.

Plans for retirement	Years of school										Total	
	Less than 7		8		9-11		12		13			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Definite plans	13	30.2	55	21.8	25	29.8	35	23.5	16	35.6	144	25.1
No plans but will retire	19	44.2	162	64.3	45	53.6	96	64.4	23	51.1	345	60.2
Will not retire	11	25.6	35	13.9	14	16.6	18	12.1	6	13.3	84	14.7
Total	43	100.0	252	100.0	84	100.0	149	100.0	45	100.0	573	100.0

$\chi^2 = 13.15$ N.S. (d.f. = 8)

Table 15. Number and percent of farmers' plans for retirement by net worth.

Plans for retirement	Net Worth								Total	
	Under \$20,000		\$20,000-\$41,999		\$42,000 and over					
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Definite plans	44	19.1	46	26.9	50	31.8	140	25.1		
No plans but will retire	147	63.9	98	57.3	91	58.0	336	60.2		
Will not retire	39	17.0	27	15.8	16	10.2	82	14.7		
Total	230	100.0	171	100.0	157	100.0	558	100.0		

$\chi^2 = 10.33$ $P < .05$ (d.f. = 4)

Table 16. Number and percent of farmers' plans for retirement by tenure and tenure prospects.

Plans for retirement	Tenure						Total	
	Now own land		Expect to own land		Do not expect to own land			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Definite plans	104	29.7	29	18.7	10	17.2	143	25.4
No plans but will retire	199	56.9	107	69.0	34	58.7	340	60.4
Will not retire	47	13.4	19	12.3	14	24.1	80	14.2
Total	350	100.0	155	100.0	58	100.0	563	100.0

$\chi^2 = 14.08$ $P < .01$ (d.f. = 4)

future financial status. If they did not now own land they were asked if they expected to own land before reaching retirement. If a farmer owns land or expects to own it before reaching retirement age, his possibility of retiring with some assurance of financial independence might be greater. In addition, all were asked to estimate the adequacy of their anticipated incomes at age 65. Although the vast majority of farmers can look forward to OASI payments these will frequently not be sufficiently large to insure the level of living which the farmer may desire during retirement.

Farmers who currently owned land were more likely to have definite plans for retirement than non-owners. Three in 10 (30%) of those who now own land had made definite plans (table 16). Less than 2 in 10 (18%) of nonowners had definite plans. Only about one-eighth (13%) of the landowners did not plan to retire, while nearly one-fourth (24%) of the nonowners who did not expect to own land, stated that they would never retire. They may have been considering the practical possibilities.

Farmers' opinions of the adequacy of their anticipated incomes at age 65 were also significantly related to plans for retirement. Those who expected their incomes at age 65 to be adequate for a comfortable living were nearly three times as likely to have definite plans to retire as were those who expected that their incomes would not be enough to get by on (table 17). Those who had no intentions of ever retiring were more heavily represented in the groups that expected their incomes at age 65 to be "either barely enough to get by on" or "not enough to get by on."

DEFINITIONS OF RETIREMENT

Traditionally, retirement has been a gradual process for farmers. Some activities were given up before others and frequently it was difficult for the individual to identify the point at which he passed from active farm operator to retired farmer.

Retirement differs from the active occupational role in many ways but for farmers it differs primarily in two specific ways. It involves reduc-

Table 17. Number and percent of farmers' plans for retirement by anticipated adequacy of income after age 65.

Plans for retirement	Adequacy of income after age 65					
	Enough to live comfortably		Barely enough to get by		Not enough to get by	
	No.	Pct.	No.	Pct.	No.	Pct.
Definite plans	93	28.6	42	22.1	4	10.8
No plans but will retire	204	62.8	107	56.3	25	67.6
Will not retire	28	8.6	41	21.6	8	21.6
Total	325	100.0	190	100.0	37	100.0

$\chi^2 = 22.50$ $P < .001$ (d.f. = 4)

Table 18. Proportions of farmers defining retirement as meaning complete, considerable or very little reduction in physical labor by the nature of their plans for retirement.

Reduction in physical labor	Retirement plans							
	Definite plans (1)		No definite plans but will retire				Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Complete	30	21.0	68	19.7	20	24.1	118	20.7
Considerable	94	65.7	233	67.3	45	54.2	372	65.0
Very little	19	13.3	45	13.0	18	21.7	82	14.3
Total	143	100.0	346	100.0	83	100.0	572	100.0

$X^2 = 1.43$ N.S. (d.f. = 4)

tion in level of physical labor and in decision making. In the past, as the full owner-operator grew older, he could decrease his labor role while holding his management role about the same. On withdrawing from full occupational activity he could vary the amount of reduction in each kind of activity according to his physical health, his financial status and his personal preference. The tenant-operator's range of choice was, however, more limited. He could not retire from physical work and still maintain management responsibilities.

Because modern efficient farm operation has decreased the number of part-time tasks the aged farmer can perform, his withdrawal from labor roles may be more abrupt than it was in the past. As a consequence with the approach of retirement age, more farmers may plan to move to a location where non-farm work is available either on a part-time or full-time basis.

Farmers were asked what retirement would mean in terms of: (1) reduction in physical labor, (2) reduction in management, and (3)

change in residence. Those who expected to retire but had made no plans were asked to give their ideas of retirement along with those who had definite plans. Those with no intentions of retiring were asked what they thought retirement would mean to farmers who did expect to retire.

Change in Physical Labor

Respondents were asked to indicate how participation in physical labor would change at retirement by choosing one of the following: (1) reduce it very little, (2) reduce it considerably, or (3) reduce it to practically none (table 18).

Only 21% expected retirement would mean complete curtailment of their physical labor. The remainder were divided between those that said retirement would bring considerable reduction, (65%), and those that expected very little reduction of their physical labor, (14%).

Of the four-fifths expecting to continue some physical labor after retirement, farm work was the first preference for nearly one-half. The

older men were somewhat more inclined to prefer farm work than the younger men, but the differences in proportions were not large enough to be significant. The second ranking choice was nonfarm day labor (one-fifth). The proportion designating nonfarm labor was highest in the metropolitan county, 27% compared with 13% and 17% in the other two counties. This may reflect the differential in availability of nonfarm jobs among the three counties.

When those who had definite plans were compared with those who had no plans but thought they would retire, it was found that each group anticipated about the same reduction in physical labor. One-fifth thought their physical labor would be reduced to nothing, two-thirds thought it would be reduced considerably, and the remaining 13% thought it would be reduced very little. However, among those who had no intention of ever retiring, a larger proportion (22%) defined retirement for a farmer as reducing his physical labor very little.

Change in Management Participation

Contrary to the traditional idea that retiring farmers will reduce physical labor while retaining some management responsibility, more of this group of farmers foresaw complete reduction in management than foresaw complete reduction in physical labor (table 19). Over two-fifths (44%) thought management would be reduced to none. Nearly as many (38%) thought it would be reduced considerably, and slightly less than one-fifth (18%) thought that management would be reduced very little or none.

When farmers were divided according to their plans for retirement, differences between those with definite plans and those with no intention of retiring were slight but those expecting to retire but not having plans were more likely to define retirement as complete reduction of management roles. This was the younger group men and contained a larger proportion who did not expect to ever own land (31%)

Table 19. Proportions of farmers defining retirement as meaning complete, considerable or very little reduction in management activities by the nature of their plans for retirement.

Reduction in management participation	Retirement plans							
	Definite plans (1)		No definite plans but will retire (2)		Will not retire (3)		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Complete	54	39.1	159	46.5	33	40.7	246	43.8
Considerable	52	37.7	132	38.6	28	34.6	212	37.8
Very little	32	23.2	51	14.9	20	24.7	103	18.4
Total	138	100.0	342	100.0	81	100.0	561	100.0

$\chi^2 = 7.34$ N.S. (d.f. = 4)

than either of the other two groups (20% and 24%, respectively). These differences were not large enough in either the case of labor or management to show statistical significance, however.

Since by definition retirement means a reduction in all occupational roles, it is likely that amount of reduction in labor would be associated with amount of reduction in management. However, personal preferences for the activities of one role over the other might influence the relative amount of reduction in each. When reduction in labor and reduction in management were considered together, 14% of all respondents anticipated what might be called full retirement; i.e., complete reduction in both management and physical activity (table 20). At the other extreme, 6% defined retirement as meaning very little change in either the labor or management role. The remaining 80% ranged in between. Responses indicated 31% anticipated a more or less equal but considerable reduction in both roles, 34% expected to reduce management more than physical labor, and only 15% expected to reduce physical work more than management.

Change in Residence

The majority of farmers interviewed expected retirement would mean a change in residence, but they did not expect to move very far. More than three-fifths (63%) thought retirement would mean moving, 31% thought a farmer should retire on the farm where he lives, 9% said they did not know or did not respond to the question. A significantly higher proportion (69%) of those who expected to retire but had made no definite plans than of those who with definite plans to retire or those with no intention of ever retiring (54% and 55%, respectively) said they expected to move (table 21). Also, the proportion of farmers expecting retirement to involve a move was larger in the metropolitan county than in Brookings and Miner Counties regardless of plans for retirement (table 22).

The open country or small town was the preferred retirement residence for those farmers who thought retirement would involve a change in residence. Also, most farmers did not expect to move very far. Although 2% expected to leave the state, the large majority named a nearby place as the place to live in retirement.

Table 20. Number and percent of farmers' reduction in management by reduction in physical labor.

Reduction in physical labor	Reduction in management						Total	
	Complete No.	Complete Pct.	Considerable No.	Considerable Pct.	Very little No.	Very little Pct.	No.	Pct.
Complete	77	13.8	17	3.0	21	3.8	115	20.6
Considerable	145	26.0	171	30.7	47	8.4	363	65.1
Very little	22	3.9	23	4.1	35	6.3	80	14.3
Total	244	43.7	211	37.8	103	18.5	558	100.0

$\chi^2 = 80.0$ $P < .001$ (d.f. = 4)

Table 21. Number and percent of farmers' expected change in residence at retirement by plans for retirement.

Change in residence	Plans for retirement							
	Definite plans		No definite plans but will retire		Will not retire		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Yes	77	53.5	235	68.7	45	56.2	357	63.1
No	67	46.5	107	31.3	35	43.8	209	36.9
Total	144	100.0	342	100.0	80	100.0	566	100.0
$X^2=11.96$ $P<.01$ (d.f.=2)								

Table 22. Proportion who would move, or who thought farmers would move at retirement in each nature of retirement plans and county group.

Retirement plans	Brookings Pct.	Minnehaha Pct.	Miner Pct.	Total Pct.
Definite plans	42.3	63.0	47.4	53.5
No plans but expect to retire ..	55.9	78.8	79.5	68.7
Do not expect to retire	54.3	57.6	53.8	56.2
All farmers	52.7	71.6	67.1	63.1

Table 23. Distribution of farm operators' choices of retirement location by plans for retirement and total sample.

Size of place to move to for retirement	Definite plans	No definite plans but will retire	Will not retire	Total
	$N=66$	$N=224$	$N=42$	$N=332$
On a smaller farm	16.7	17.9	9.5	16.6
Open country nonfarm	21.2	18.8	16.7	19.0
Town under 1,000 pop.	19.7	18.3	28.6	19.9
1,000-2,499	18.2	17.4	19.0	17.8
2,500-4,999	1.5	4.0	2.4	3.3
5,000-9,999	6.1	4.9	—	4.5
10,000-49,999	4.5	9.8	14.3	9.3
50,000-99,999	12.1	7.1	9.5	8.4
100,000+	—	1.8	—	1.2
Total	100.0	100.0	100.0	100.0

Of the 332 operators who expected to move to another residence in South Dakota when they retired, the largest segment (38%) expressed a preference for a town of less than 2,500 (table 23). Almost as many chose a small farm or the open country, however. Thus, nearly

three-fourths expected to retire in the rural environment. The reason most frequently given for this choice was "to be near the farm." Other reasons for their choice of residence were: it is the "home town," opportunity for social recreational activity, to be closer to children,

Table 24. Operators' reason for choice by choice of retirement location.

Reason for choice	On						An- other state	Don't know	Total	Per- cent*
	Home farm	smaller farm	Open country	Under 2,500	2,500- 9,999	10,000 +				
Near farm	50	28	25	35	5	11	1	1	156	30.3
Home town	95	4	4	20	—	—	—	—	123	24.0
Opportunity for social and recreational activity	5	10	11	22	6	21	5	1	81	15.6
Closer to children	17	6	8	16	3	11	—	3	64	11.9
Closer to medical facilities ..	1	1	2	12	7	11	—	1	35	6.7
Dislike living in town	4	3	11	2	—	—	—	1	21	3.9
Find work	—	2	—	5	3	5	—	1	16	2.9
Get off farm	1	1	—	9	—	3	—	—	14	2.7
Warmer climate	—	—	2	1	1	—	6	—	10	2.0
No response or don't know	5	—	—	1	—	—	—	3	9	—
Total	178	55	63	123	25	62	12	11	529	100.0

*Percent of operators expressing a choice.

and to be closer to medical facilities (table 24). Although the majority in each county preferred to retire in the open country or a small town, sizeable proportions designated larger places. This was true for both of the counties, Brookings and Minnehaha, which include a larger city. Brookings County contains one city of more than 10,000 population and Minnehaha a city of more than 60,000. Whereas ranking reasons given by those preferring a small town or a farm or open country residence for retirement was to be near the farm, the ranking reasons given by those who chose an urban place were "opportunity for social and recreational activity" and "closer to medical facilities" (table 24).

Other Retirement Preferences

In addition to physical labor, management, and residence change,

information was obtained on several other dimensions of retirement. Operators gave preferences for retirement age, living arrangements, ways to finance, and factors important for enjoyment of retirement.

Preferred Age for Retirement

Two recent studies of farmers' knowledge of and attitude toward Social Security note that farmers prefer retirement to begin at a younger age than the generally accepted age of 65.¹³ Both studies

¹³Ward W. Bauder, "Iowa Farm Operator's and Farm Landlord's Knowledge of, Participation in and Acceptance of Old Age and Survivor's Insurance Program," Iowa A & H.E. Experiment Station Research Bulletin 479, June 1960.

Ward W. Bauder, Otis Durant Duncan and James O. Tarver, "The Social Security and Retirement Program of Oklahoma Farm Operators and Farm Landlords," Oklahoma Experiment Station Bulletin B-592, March 1962.

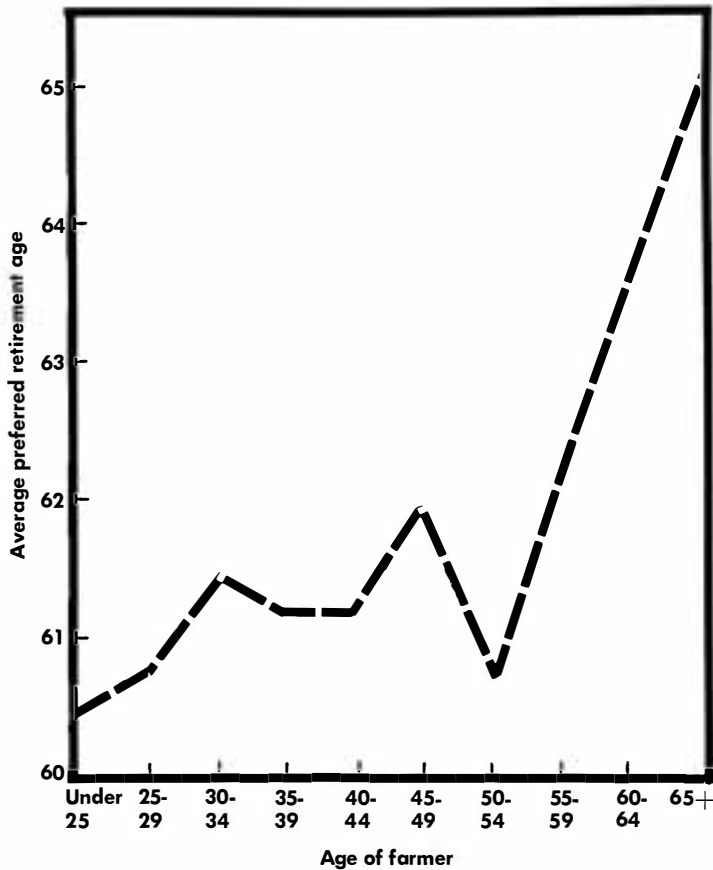


Figure 3. Average preferred age for retirement by age of the farmer.

were made prior to the recent option of retirement at 62 rather than at 65. When asked what changes farmers desired in Social Security (OASI) regulations, the most frequently cited was reduction in age limit for receiving retirement benefits.

In the present study farmers were asked to indicate age they considered best for retirement. This average preferred age was 61.6

years. Variations by county or by nature of respondent's plans for retirement were insignificant. Age preferred for retirement did not vary greatly for the respondents who were under 55 years. However, above age 55, the older the respondent, the older the age preferred for retirement (figure 3). Regardless of age of respondent, average preferred age did not exceed 65.

Preferred Living Arrangements During Retirement

Continuing to live in a single family household with one's spouse or by oneself was the preferred arrangement for 95% of those interviewed (table 25). This expression of preference closely agrees with the conclusion of the Committee on Housing for the White House Conference on Aging that most older people prefer living in their own home.¹⁴ Living with relatives was preferred by only 3%. Only 2% preferred a home for the elderly.

Income Source After Age 65

Respondents were asked what sources of income they expected to have when they reached the age of 65. Retirement benefits from Social Security (OASI) were mentioned by 94% of all respondents. Over three-fourths (77%) expected to have some income from farm rental during retirement; and 13% expected to have some income from farm operation. Insurance benefits would be a source of retirement income for 3 in 10 of these operators and one-

Table 25. Number and percent of operators preferring certain living arrangements during retirement.

Living Arrangements	Farm Operators	
	Number	Percent
Living alone		
with spouse	517	91.3
Living by oneself	24	4.2
Living with		
relatives	15	2.7
Living in a home		
for the elderly	10	1.8
Total	566	100.0

Table 26. Percent of operators indicating various expected sources of retirement income, by plans for retirement.

Retirement Income From	Definite plans		No definite plans but will retire (3)	Total
	to retire (1)	to retire (2)		
<i>N</i>	144	346	84	574
Social Security ..	93.7	93.6	92.9	93.4
Farm Rental	82.6	78.6	58.3	76.6
Farm Operation	12.5	10.1	26.2	13.1
Insurance	42.4	27.7	22.6	30.7
Nonfarm Work	10.4	14.2	9.5	12.5
Annuities	15.3	5.2	3.6	7.5
Nonfarm Business	3.5	6.4	3.6	5.3
Farm Labor	3.5	4.0	2.4	3.7
Pension	5.6	2.9	1.2	3.3
Royalties ..	3.5	2.0	2.4	2.4
Nonfarm Rental	2.8	1.7	1.2	1.9
Relatives ..	0.0	1.7	1.2	1.2
Old Age Assistance	2.1	0.9	1.2	1.2
Other	5.6	4.0	4.8	4.5

eighth expected to have wages from nonfarm work (table 26).

It is interesting to note that only a very small proportion expect retirement income from Old Age Assistance (1%) and relatives (1%).

The rank order of income sources was about the same regardless of the nature of plans for retirement, but those who did not expect to retire differed from the others in that proportionately more of them an-

¹⁴Walter C. Nelson, *et al.*, Background Paper on Housing, White House Conference on Aging, March 1960, p. 17.

anticipated income from farm operations. One-fourth of this group anticipated income from farm operation compared with 10% and 12% of the other two groups.

Factors Considered Important to the Enjoyment of Retirement

In one study of retired people, Morrison and Kristjanson found that health and income were related to successful adjustment.¹⁵ Other factors which have been thought to be important to enjoyment of retirement include associations with friends and relatives, hobbies, leisure habits, living arrangements, and planning for retirement years. When asked their opinion of the relative importance of these factors farmers in this study indicated that health would be considered the most important to enjoyment of retirement. Friends ranked second with income a close third. Hobbies and leisure habits were fourth and fifth. The rank

order of these factors show little variation either by county or by plans for retirement except that income outranked friends in Brookings County (table 27).

Contrary to what might be expected, only a small number felt that living arrangements, relatives, and definite plans were important factors. Even the group which had made definite retirement plans did not consider them important to enjoyment of retirement.

ATTITUDES TOWARD RETIREMENT

To appraise operators' attitudes toward retirement, they were asked to indicate agreement or disagreement with a series of statements about retirement. A scale composed

¹⁵Denton E. Morrison and G. Albert Kristjanson, "Personal Adjustment Among Older Persons," South Dakota Agricultural Experiment Station Technical Bulletin 21, June, 1958, pp. 47-49.

Table 27. Rank order of factors considered important to the enjoyment of retirement by plans for retirement and county.

	Brookings			Minnehaha Plans for Retirement*			Miner			Total		
	1	2	3	1	2	3	1	2	3	1	2	3
Health	1	1	1	1	1	1	1	1	1	1	1	1
Income	2	2	2	3	3	3	3	3	3	3	3	2
Friends	3	3	3	2	2	2	2	2	2	2	2	3
Hobbies	4	4	4	4	4	5	5	4	4	4	4	4
Living arrangement	5	6	5	7	6	4	8	6	8	6	6	5
Leisure habits	6	5	6	5	5	6	4	5	6	5	5	6
Definite plans	7	8	7	6	7	8	7	8	7	7	8	8
Relatives	8	7	8	8	8	7	6	7	5	8	7	7

*The columns headed 1 are rankings for farm operators with definite plans to retire, columns headed 2 are rankings for farm operators with no plans but expecting to retire and columns headed 3 are rankings for farm operators who do not intend ever to retire.

Table 28. Number and percent of operators' attitude scores by plans for retirement.

Attitude score	Plans to Retire					
	(1) Plan to retire		(2) No plans but will retire		(3) Will not retire	
	No.	Pct.	No.	Pct.	No.	Pct.
10 (Most Favorable)	25	17.4	54	15.6	8	9.8
9	35	24.3	101	29.3	16	19.5
8	43	29.9	92	26.7	21	25.6
7	29	20.1	62	18.0	21	25.6
5 & 6 (Least Favorable)	12	8.3	36	10.4	16	19.5
Total	144	100.0	345	100.0	82	100.0
Mean Score	8.2		8.2		7.6	

$\chi^2 = 13.62$ N.S. (d.f. = 8)

of five items was retained for analysis as a measure of relative favorableness of attitudes toward retirement.¹⁶ The items ranged from a statement to which 86% agreed, "Retirement gives one an opportunity to do things he has always wanted to do but never had the time for," to a statement with which only 23% agreed, "When a person retires he has one foot in the grave." Scores ranged from 5 to 10 with a median of 8.7. The highest scores represented the most favorable attitude. Because variation between counties was too small to show statistical significance, county identification was dropped in the analysis of relationships between attitude scores and plans for retirement, definitions of retirement and selected personal, economic and social variables. Attitude score was treated as the dependent variable in the following analysis.

Attitudes and Plans for Retirement

One might expect that whether a farmer planned to retire eventually or not would be related to his at-

titude toward retirement. The distribution of attitude scores for those with definite plans and those without plans but expecting to retire were essentially the same. Although both groups had more favorable attitude scores on the average than did those with no intention of ever retiring, the differences were not large enough to be statistically significant at the .05 level (table 28).

Attitudes and Definitions of Retirement

The way a farmer defines retirement may also be assumed to have some influence on his attitude toward the role. Information was obtained for three dimensions of retirement which could be assumed to influence attitudes. These were: change in physical labor, change in management, and change in residence. The amount of change anticipated in physical labor and whether or not retirement would in-

¹⁶When these items were scaled by the Guttman technique they yielded a coefficient of reproducibility of 90%

volve a change in residence were significantly associated with attitudes to retirement but attitudes were not significantly related to the content of retirement definitions regarding change in management. Farmers who defined retirement as involving a complete reduction in labor tended to express more favorable attitudes toward retirement than those who defined retirement as involving little reduction in physical labor and farmers who defined retirement as including a

change in residence were more favorable than those who foresaw no change in residence (table 29).

Responses to questions on the three major dimensions of retirement planning—reduction of labor, reduction of management, and residence—were combined in such a way as to produce a gross measure of the relative amount of change these farmers anticipated in going from a normal, active occupational life to retirement (as they defined it). Responses that indicated a more

Table 29. Number and percent of operators' total attitude score by reduction in labor, reduction in management, change of residence during retirement.

Reduce Labor (1)								
Attitude score	Completely		Considerably		Very Little		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
9, 10 (More Favorable)	34	29.31	172	46.36	33	40.24	239	42.00
8	43	37.07	96	25.88	16	19.52	155	27.24
5, 6, 7 (Less Favorable)	39	33.62	103	27.76	33	40.24	175	30.76
Total	116	100.00	371	100.00	82	100.00	569	100.00

Reduce Management (2)								
Attitude score	Completely		Considerably		Very Little		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
9, 10 (More Favorable)	104	42.62	93	43.87	40	39.22	237	42.48
8	70	28.69	51	24.06	30	29.41	151	27.06
5, 6, 7 (Less Favorable)	70	28.69	68	32.07	32	31.37	170	30.46
Total	244	100.00	212	100.00	102	100.00	558	100.00

Change of Residence (3)								
Attitude score	Yes		No		Total			
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
10 (More Favorable)	59	16.48	28	13.53	87	15.40		
9	105	29.33	46	22.22	151	26.72		
8	104	29.05	50	24.15	154	27.26		
7	57	15.92	54	26.09	111	19.65		
5, 6 (Less Favorable)	33	9.22	29	14.01	62	10.97		
Total	358	100.00	207	100.00	565	100.00		

(1) $X^2 = 16.36$ $P < .01$ (d.f.=4)
 (2) $X^2 = 1.98$ N.S. (d.f.=4)
 (3) $X^2 = 13.99$ $P < .01$ (d.f.=4)

or less complete reduction of labor were assigned weights of 3; considerable, weights of 2; and very little or none, weights of 1. Responses for management were weighed similarly. Those who said retirement would mean a change of residence were assigned a weight of 2; those who said it would not, a weight of 1. Resulting cumulative scores were used as measures of amount of change retirement would mean. These scores, which ranged from 3 to 8, were then related to attitude scores.

Correlation between change scores and attitude toward retirement ($r=.084$) indicated that those operators who defined retirement as involving the greatest amount of change from the activities and the surroundings of the occupational

role tended to be more favorably inclined toward retirement than those who defined retirement as involving relatively little change.

Other Factors Related to Attitude Toward Retirement

In order to account for variation in attitudes toward retirement, attitude scores were correlated with a series of other variables. The simple correlation coefficients for the major variables found to be significantly related to retirement attitudes, are presented in matrix form in table 30.

Personal Characteristics

Research has indicated that older adults are usually more conservative, less tolerant of change in general, and slower to adopt new

Table 30. Correlation coefficients of factors significantly related to attitude toward retirement.

	1	2	3	4	5	6	7
Attitude toward retirement084*	-.297†	.178†	.153†	.093‡	.130†	.177†
1. Concept of amount of change retirement would involve		-.087‡	.064	.012	-.043	.009	-.043
2. Age			-.372†	-.355†	.021	-.117†	-.134†
3. Education259†	.047	.269†	.130†
4. Concept of health249†	.079	.228†
5. Morale091‡	.315†
6. Number of nonfarm organization memberships067
7. Adequacy of retirement income							—

*Approaches significance

†Significant at .01 level (highly significant)

‡Significant at .05 level

Multiple correlation coefficient $R^2_{A, .1234567} = .124†$

ideas.¹⁷ Since retirement involves potential changes—in occupational roles, living arrangement and income—older people could be expected to display unfavorable attitudes toward it on that basis. On the other hand, it could be that as one approaches retirement age the alternatives to work activities become less attractive. In any case, among these farmers, the older the individual, the less favorable his attitude toward retirement ($r = -.297$).

Two other factors which are highly correlated with age were also correlated with attitudes toward retirement. Number of years married was significantly correlated with attitude scores ($r = -.166$). The longer the operator had been married, the less favorable his attitude toward retirement. However, number of years of marriage was highly related to age of the operator, so this is likely a reflection of the age component rather than marriage itself. In addition, the larger the household, the more favorable the attitude toward retirement ($r = .142$). Age must also be considered a factor in this relationship for the younger and middle-aged operators had the larger households in this study. On the other hand, an element of familism may be involved. The operator who has many family ties may have felt less strongly the threat of loneliness in his retirement years.

Educational Level

Years of formal education completed was positively related to attitudes toward retirement ($r = .178$). It is possible that education gives

the farm operator insight into a broader range of retirement activities—work and recreational—so that he may view these later years more as a time of new challenge rather than a period of withdrawal from activities. Caution must be used in interpreting this relationship, however, because of the relationship between age and education. Education was negatively related to age ($r = -.372$)—the older the individual the less his education. This is largely because older persons in South Dakota rural areas received their education at a time when 8 years of school was generally thought to be sufficient preparation for farming. The negative relationship between age and education indicates that the less favorable attitude toward retirement of those with less education may be partly a function of their older ages.

Present State of Health and Morale

The state of health and morale of respondents at the time of interviewing was thought to be important to their attitudes in general. The better the farmers conceived their health to be at that time, the more favorable their attitude toward retirement ($r = .153$). Along with this, the higher their morale, that is, the more they felt that things have worked out well for them, the more favorable their attitude toward retirement ($r = .093$). These findings coincide with the general body of

¹⁷Raymond G. Kuhlen, "Aging and Life-Adjustment" *Handbook of Aging and the Individual*, University of Chicago Press, 1959, p. 882.

evidence that attitudes tend to reflect the person's state of well-being.

Social Participation

Degree of participation in three types of organizations was examined in relation to attitude toward retirement. Level of participation in nonfarm organizations was significantly related to retirement attitudes ($r=.130$), but participation in farm organizations ($r=.050$), and in church organizations ($r=.019$) were not significantly related to attitudes toward retirement. Total organization score ($r=.082$) approached but did not satisfy requirements for statistical significance. These results indicate that although a farm operator may have been an active participant in farm and church organizations, his attitude toward his retirement was not influenced by these associations to any appreciable degree. On the other hand, those who participated actively in nonfarm organizations such as lodges, parent-teacher organizations, veterans' organizations, and community groups showed a more favorable attitude toward retirement than those with little or no participation in such organizations. Those who have established social relationships in nonfarm organizations may have looked toward retirement as a period in which they could maintain and broaden these relationships. For these operators, the possibility of viewing retirement with pleasant anticipation is increased.

Economic Characteristics

Four dimensions of present farming operation and income situation were used to indicate current economic status of respondents. None of these—number of acres operated, additional income, total gross income, and net worth—was significantly related to attitudes toward retirement.¹⁸

Because age of farm operators is closely associated with gross income and net worth, the relationships of these variables to attitudes were further tested with controls on age. Other studies have shown that net worth tends to be relatively low for young farmers, and tends to increase until age 55-60 when it begins to decline.¹⁹ Therefore, age could be an important intervening variable in the relationship of net worth to attitude toward retirement. When effects of age were controlled by grouping farmers into three age categories and net worth and attitude scores were dichotomized into high and low categories, the percentage distributions within each age group reflects the existence of a tendency toward a positive association between net worth and at-

¹⁸Correlation coefficients for the economic variables were: acres operated, $r=.050$; additional income, $r=.012$; total gross income, $r=.066$; net worth, $r=.002$.

¹⁹Walter C. McKain, Elmer D. Baldwin, Louis Ducoff, "Old Age and Retirement in Rural Connecticut," University of Connecticut, Agricultural Experiment Station, Storrs, Bulletin 299, June 1935; Grady W. Taylor, "An Analysis of Certain Social and Psychological Factors Differentiating Successful from Unsuccessful Farm Families", *Rural Sociology* 27, September 1962, pp. 312-314.

Table 31. Number and percent favorable and unfavorable attitude by net worth for three age groups.

Net Worth	Age 60 and over*			Age 45-60†			Age 21-44‡		
	Attitude Toward Retirement								
	Favorable	Unfav.	Total	Favorable	Unfav.	Total	Favorable	Unfav.	Total
High	17 (24.3%)	53 (75.7%)	70 (100.0%)	43 (37.0%)	73 (63.0%)	116 (100.0%)	48 (55.8%)	38 (44.2%)	86 (100.0%)
Low	6 (16.2%)	31 (83.8%)	37 (100.0%)	25 (32.9%)	51 (67.1%)	76 (100.0%)	95 (53.9%)	81 (46.1%)	176 (100.0%)
Total	23 (21.5%)	84 (78.5%)	107 (100.0%)	68 (35.4%)	124 (64.6%)	192 (100.0%)	143 (54.6%)	119 (45.4%)	262 (100.0%)

* $\chi^2 = .9340$ N.S.† $\chi^2 = .3498$ N.S.‡ $\chi^2 = .0786$ N.S.

titude. That is, the higher the net worth, the more favorable the attitude toward retirement in each of the three age groups (table 31). The relationship, however, was not great enough to be statistically significant in any of the age groups. A similar relationship occurred between gross income and attitude toward retirement. Coefficients of correlation indicated neither gross income nor net worth were significantly related to attitude toward retirement for any of the age levels.

As stated earlier, when operators were asked to estimate adequacy of their income after age 65, more than half expected they would have enough to live comfortably, a third reported they would have barely

enough to live comfortably, and only 7% said they would not have enough to get by on.

Estimates of adequacy of income after age 65 were related to attitudes toward retirement. The more adequate the farmer felt his income would be, the more favorable was his attitude toward retirement ($r = .177$). Age was a factor in this relationship, for the older the farm operator, the less adequate he felt his retirement income would be ($r = -.134$). In addition, other factors may have intervened. For example, the better he conceived his present state of health and the higher his morale, the more adequate the farmer felt his retirement income would be.

CONCLUSIONS

A random sample of farm operators in three eastern South Dakota counties responded to questions about their plans for retirement, their definitions of retirement, their attitudes toward retirement, and what they thought would be important to their happiness during retirement.

Their responses indicated that retirement is not a universally anticipated status among farmers. Although a majority of these farm operators were expecting to retire, less than one-third had definite plans and 15% said they had no intentions of ever retiring. Wide variations in definitions of the meaning of retirement reflect the shift in norms that characterize the society as a whole. Although the majority define retirement as involving some continuation of activities characteristic of the farm operator role, only a small minority see it as almost complete cessation of occupational activities. In other words, full retirement as experienced by some urban workers is not anticipated by a very large portion of farmers.

Because of the association of residence with their jobs, retirement for farmers more than for nonfarm workers means a change in residence. Although a majority of farm-

ers recognize this they are looking forward to a new residence which will not be far away from the farm and most of them specify a preference for a rural location.

These farmers thought health and friends would be the most important factors in their personal adjustment during retirement. Income was also listed as an important factor by the majority of respondents. Only about half, however, felt they would have enough income to live comfortably in retirement, a third thought they would barely get by, and a tenth said they would not have enough income. They listed Social Security benefits most frequently as an expected source of retirement income, with farm income next.

Attitudes toward retirement varied greatly from farmer to farmer reflecting, in part, the lack of consensus on definitions. Several factors included in the analyses were found to explain some of the variations in attitudes but much of it remains unexplained. Age, education, perception of current health, morale, anticipated adequacy of income at retirement age, participation in non-farm organizations, and definitions of retirement were associated with attitudes, but measures of current financial status, net worth, gross in-

come, size of farm operations and membership in farm organizations or church organizations were not associated with attitudes.

The younger the farmer, the more education he had, the better he conceived his health to be, the better he thought things have worked out for him, the better his prospects for the future, and the more adequate he expected his income to be at retirement age the

more favorable was his attitude toward retirement. Moreover, if he defined retirement as involving change of residence and reduction in labor, he viewed retirement more favorably than if he defined retirement as involving no change in residence and only a small reduction in labor. Along with this, the higher his participation in nonfarm organizations, the more favorable would be his attitude toward retirement.

APPENDIX

Studies Centering on Farmer Attitudes Toward Old Age Survivor's Insurance

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- WILLIAM S. FOLKMAN and C. HORACE HAMILTON, "Impact of Social Security Old Age Retirement System on Agriculture and Rural Life in Eastern North Carolina," Agricultural Experiment Station, North Carolina State College, Raleigh, Progress Report RS-40, June 1961.
- WARD W. BAUDER, OTIS DURANT DUNCAN and JAMES O. TARVER, "The Social Security and Retirement Program of Oklahoma Farm Operators and Farm Landlords," Oklahoma Experiment Station Bulletin B-592, March 1962.
- MARVIN J. TAVES and GARY D. HANSEN, "Minnesota Farmers and Social Security," University of Minnesota Agricultural Experiment Station in cooperation with Farm Population Branch, Economic Research Service, U. S. Department of Agriculture, Station Bulletin 467, June 1963.

Studies Centering on Retirement Plans and Attitudes

- WILLIAM H. SEWELL, CHARLES E. RAMSEY and LOUIS J. DUCOFF, *Op. cit.*
- PHILIP TAIETZ, GORDEN F. STREIB, and MILTON L. BARRON, "Adjustment to Retirement in Rural New York State," Cornell University, Agricultural Experiment Station, Ithaca, Bulletin 919, February 1956.
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RESEARCH OBJECTIVES

Central purpose of this study was to investigate retirement plans and attitudes of South Dakota farmers.

Objectives were:

A. To determine the farm operators' concept (definition) of, and attitude toward retirement;

B. To identify those factors, such as friends, health, expected income, retirement plans, and living arrangements, which farm operators expect to be important in determining their adjustment to retirement;

C. To determine relationship between attitudes toward retirement and other variables thought to be important in formation of these attitudes. Variables included were:

1. Personal characteristics: age,

education, occupational role preference (labor or management), present state of morale, tendency toward authoritarianism, concept of present state of health, and preference among six values: achievement, friendship, hard work, material comfort, recreation, and status concern;

2. Economic characteristics: number of acres operated, gross income, net worth, and adequacy of retirement income;

3. Kind and level of social participation: membership and participation in farm organizations, in nonfarm organizations, in church organizations, and public offices held.

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