

LATINOS IN MISSOURI

**Occasional Paper Series
Department of Rural Sociology
University of Missouri-Columbia**



**Latinos in Southwest Missouri:
Capturing the American Dream through Farming**

***Latinos in Missouri* Occasional Paper Series, No. 5
Department of Rural Sociology, University of Missouri-Columbia**

**Jill R. Lucht
Department of Rural Sociology, University of Missouri-Columbia**

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Latinos in Missouri

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The "Latinos in Missouri" occasional paper series grew from the writing experiences of graduate students in Rural Sociology 8287: The Sociology of Globalization. Students in the class wrote term papers about issues related to the growth of the Latino population in the state as an aspect of globalization. Typically, the papers were developed over the semester by making contact with Latino immigrants for in-depth interviews, although some papers make use of secondary data, such as the U.S. Census. Two of the student editors reviewed each of the papers. Student editors then returned the papers to the authors with their suggestions. After those revisions were incorporated, Dr. Elizabeth Barham edited each paper one more time, returning it to the author with her final editorial comments. When those changes were made, the papers were posted to the Web.

While the class papers are limited in length and scope, they represent a substantial amount of work on the authors' parts that generally goes well beyond a typical class requirement. They were written in the hope that they will be read and used by policy makers, agency personnel, service providers, teachers, community leaders and anyone concerned with the well-being of Latino immigrants in Missouri and –indeed – the nation

Many thanks to the student authors and editors who worked on these papers and particularly to those individuals who shared generously of their time to provide the information gathered here.

Dr. Elizabeth Barham (BarhamE@missouri.edu)

Latinos in Southwest Missouri: Capturing the American Dream through Farming

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ABSTRACT Even as farm ownership is declining in the US as a whole, an increasing number of Latinos are entering the farming business. In fact, Latinos are the fastest growing ethnic group of farm owner/operators in Missouri and in the US as a whole. This paper examines the growing phenomenon of Latino-owned farms in Missouri through the use of 2002 Census of Agriculture figures and a 2004 survey of Latino farm owners in Missouri. Interviews were conducted with Latino dairy producers to give greater depth to the census and survey figures. Particular attention was paid to Latino access to capital, a significant barrier to entry in capital-intensive farming operations. Questions focused on Latino farmers' needs for debt financing, as well as experiences with local financial institutions, including banks and/or credit unions, the Farm Service Agency (including the former FmHA-Farmers Home Administration), and Farm Credit Services.

Introduction

It is difficult to find a universal theme in a place as large and diverse as the United States. However, if there is one unifying belief, one dominant value and goal, it is the American Dream. Some believe that the path to the American Dream is through a rugged individualism unique to the United States. Others believe strongly in the roll of public education and other social programs for creating opportunities for individuals to realize the American Dream. Whatever their political philosophy, and their opinion on the roll of public institutions, however, virtually everyone in America knows and values the American Dream. It is the most powerful organizing myth of our nation. It does not distinguish between urban and rural. In its full mythological glory it does not distinguish between rich and poor and it is inclusive of all races, ethnicities and genders. Its promise often prompts individuals and families to immigrate to the United States. It is the story of the small restaurant owner, the taxi driver, the family farmer.

It is a story increasingly of Latinos in agriculture, where they may start out working in meat packing plants or as labor on large farms across the country. Where they end up, in increasing numbers, is owning and operating family farms. As indicated by the 2002 US Census of Agriculture, the number of Latino farmers in the US is growing faster than any other ethnic group. In fact, their numbers are increasing rapidly even as the overall number of farmers, especially those engaged in long-established family farm operations, declines precipitously.

The US has a lot to gain from welcoming these newcomers into agriculture. There are the economic benefits from new residents in rural areas where population has been declining. There

is the diversity that helps us thrive as a nation, but there is also something much more significant than that. The individual families involved in the growing number of Latino owned and operated farms across the nation embody the great tradition of the American Dream. Theirs are stories of hard work, sacrifice, tenacity, perseverance, resilience and willingness to take a risk. Included in this paper are the stories of three families who are capturing the American Dream through farming.

Background

Latino Population in Rural Areas

The Latino population is growing quickly in rural America. “In the past two decades [1980-2000], the Hispanic population in rural and small-town America has doubled from 1.5 to 3.2 million and now makes up the most rapidly growing segment of nonmetropolitan county residents” (Kandel and Cromartie 2004: 1). From 1990 to 2000, the Hispanic share of the nonmetro population in Missouri grew by 146%, from 11,281 to 27,807 (Kandel and Cromartie 2004: 44).

The influx of Latinos presents a number of changes to the rural communities where they reside. On one level, their migration has alleviated the severe population losses seen in some rural areas. Since population is tied to government spending on infrastructure development, education, health care, and other social services, retaining population numbers is an important side benefit to rural communities welcoming new Latinos. Their addition also increases money spent in the local economy on items such as housing, groceries and services, and brings new local tax revenue. In addition, recent migrant workers may fill labor market demands by employers who otherwise threaten to relocate domestically or internationally, or even abandon certain industries. Finally, the new residents clearly provide social and cultural diversity that introduces America’s rural communities to new cultures, languages and cuisine (Kandel and Cromartie 2004: 32).

According to Kandel and Cromartie, rural areas may experience these changes as challenges, rather than focusing on the benefits Latinos may bring to the area:

[M]any rural communities are unprepared, economically and culturally, for significant numbers of culturally distinct, low-paid newcomers who seek inexpensive housing, require distinct social services, and struggle to speak English. Residents in many rural communities have little experience with people of different backgrounds, and numerous popular reports suggest pervasive social conflict among communities that have experienced rapid influxes of Hispanic residents. (32)

Latino Farm Owners

At the same time the population of Latinos has significantly increased in rural areas, farm ownership among them has doubled in the last decade. The trend is consistent throughout the country, where every state has registered an increase in Latino farm ownership. Texas,

California, New Mexico, Florida and Colorado have the highest number of Latino farmers, while the New England states have seen the largest increase (Hoffman 2005). In Missouri, there was a 39% increase in Latinos who are full farm owners between 1997 and 2002. During the same period, there was a 38% increase in Latino principle farm operators, including full farm owners, partial farm owners and tenants (US Census of Agriculture 2002a).

What accounts for the drastic increase in Latino farmers in the US? “Unlike their counterparts in other demographic groups, Latino farmers are far less dependent on government or bank loans, which has left them without the crushing debt that has driven many smaller operators to sell and get out of the business. Their farms also are true family endeavors, where relatives work long hours together and pool resources” (Hoffman 2005).

While their lack of reliance on government agriculture programs may mark their success in one regard, it may also point to agencies not meeting the needs of minority farmers. There has been significant study of discrimination against minorities by USDA (Couto 1991, US GAO 2003, Gilbert, et. al. 2002). This has led to a number of new programs targeted at improving access to USDA programs for Hispanics and other minorities (Hispanic American Outreach Program 2005, Buland 2002, Dismukes 1997.) This includes the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers Competitive Grants Program through USDA, which funds outreach to minority farmers by land grant universities, Native American tribal governments and non-profit agencies.

Methods

This paper explores the growing phenomenon of Latino farm owners in Missouri through the use of 2002 Census of Agriculture data, the results of the 2004 Missouri Latino Farmer Survey, and in-depth interviews with three Latino farm families in Missouri.

The 2004 Missouri Latino Farmer Survey was conducted by Dr. Jose Garcia from the University of Missouri Department of Rural Sociology. The surveys were mailed to all Latino farm operators by the Missouri Ag Statistics Service. Approximately 450 surveys were mailed; 81 were returned; 18 of those returned were blank. Therefore, 63 surveys included valid results. This was not a random sample—the survey was sent to the entire population rather than a sample of the population.

To supplement data from these two sources, interviews were conducted with three Latino dairy farm owners in Southwest Missouri. Questions focused on providing increased depth of understanding of the census figures and results from the Latino farmer survey. In particular, the interviews explored the relationship between the farmers and the local financial services sector. Dairy farmers were chosen for these interviews based on the capital-intensive nature of their enterprise (i.e. dairy farmers are more likely to require or desire financing for their operations due to the high cost of entering and continuing in the dairy industry).

Results

2002 Census of Agriculture

According to Census of Agriculture figures, Spanish, Hispanic or Latino origin principal operators accounted for 703 farms and 174,220 acres in 2002. This is a significant increase from 508 farms with 137,456 acres in 1997. Latino farm operations vary in size, with the largest number (305 or 43.4%) holding farms between 50-179 acres. Operations also vary in economic class, with 105 Latino farm operators having less than \$1,000 in gross sales. The greatest number of Latino farms (142 or 20%) have sales between \$10,000-\$24,999. Latino farm operators show a strong preference for ownership, with 70% (493 farm operators) having full ownership of their farms. Another 25% (177 farm operators) are part owners, and only 5% (33 farm operators) are tenants or renters. Tenure rates held fairly constant since 1997.

Reliance on Government Payments

The market value of agricultural products sold from all Latino-operated farms, combined with government payments, is \$26,601,000. Market value of agricultural products accounts for 95.7% of income on Latino operated farms, with crops accounting for 41.6% of market value of agriculture products and livestock, poultry and their products accounting for 58.4%. Only 4.3% of Latino farm income is derived from government programs. Less than a third of Latino farm operators (227-32.3%) received any form of government payments. By contrast, 40.6% of all farm operators in Missouri received government payments. Missouri farmers participating in government payment programs received an average of 12.4% of their farm income from those payments.

Despite the overall increase in Latino farm operators, the number engaged in certain types of production actually declined between 1997-2002. Areas of decline include: oilseed and grain farming; greenhouse, nursery and floriculture; hog; and sheep or goat farming. The greatest increases in Latino operated farms are seen in “other crops,” with the number of farm operators engaged in this type of agriculture jumping from 61 to 138 between 1997-2002. “Other crops” is a broad category and includes familiar crops like tobacco, cotton, sugarcane and hay along with “all other crops.” In Missouri, 2 Latino farmers raised tobacco in both 1997 and 2002. The number involved in cotton production declined from 8 to 5 during the same period. This indicates that Latino farmers are increasingly engaged in alternative cropping systems that are not included in farm subsidy programs. The greatest number of Latino farm operators (350 or 49.8%) continues to be engaged in beef cattle ranching and farming. An additional 31 (4.4%) are engaged in cattle feedlots.

The number of Latino dairy farmers in Missouri increased from 10 to 18 from 1997 to 2002. The number of dairy farms as a whole has declined from 2,078 to 1,652, or by 20.5% during the same period (Missouri Dairy Business Update 2005).

2004 Missouri Latino Farm Survey

Mirroring trends in farming in general, most of the respondents to the survey are middle aged or older: 82.3% are between the ages of 41-70. Seven (11.3%) are under 40. The vast majority

(53) are men. Sixty-two of the farmers who returned the survey responded to the question “How long have you been living in Missouri?” The respondents have been residents in Missouri for many years, including 22 (35.5%) who have been in Missouri for 45 or more years. Sixteen (25.8%) have been in Missouri for less than 15 years. Another 24 (38.7%) have been in Missouri between 15-44 years. A high school education is the most common level of education obtained, with 32 out of 60 respondents to that question reporting their highest level of education was a high school diploma. One third (20) have associates, bachelors or graduate degrees.

The farmers are relatively new to farming, with 28 out of 57 farming 15 or fewer years. In general they are not aware of other Latinos farming in their area, with only 4 out of 57 knowing another Latino farmer within 20 miles of their farm. They stated little interest in forming or joining a Latino farm group: only 9 out of 54 stated an interest in forming or joining such a group and two indicated “maybe.” Forty-three stated “no.” They also have relatively low participation rates in other farm organizations with only 20 respondents claiming membership in an association, union, cooperative or other farm-related organization.

Fifty-seven farmers responding to the survey answered the question on farm size. Their farms were relatively small in size: 32 were less than 100 acres; 17 had 101-400 acres; 6 had 401-1000 acres. Two farmers had more than 1,000 acres. While the majority (35 out of 57) did not have land in crops, those that did reported a wide variety of crops: hay (7) and soybeans (4) were most common; corn and wheat followed with 3 responses each; milo/oats had two respondents. Other crops reported include alfalfa, apples, vegetables and flowers. Many farmers also reported using their land as pasture for livestock, with only 7/57 claiming no pasture; 11 reporting less than 25 acres; and 27 reporting between 25 and 100 acres of pasture. A few farmers reported larger amounts of land dedicated to pasture, including 7 with 101-300 acres, one with 301-500, and two farmers with over 500 acres. Cow-calf operations were by far the most common type of livestock operations reported, with 36 farmers claiming a cow-calf herd. The vast majority of these farmers (29) were small operators, with fewer than 50 cows. Other reported livestock included poultry, sheep, goats and horses.

The respondents demonstrated a high interest in sustainable agriculture, with 33 out of 55 stating that they would be “interested in learning more about sustainable agriculture.” There is also a great deal of creativity and diversity in marketing farm products, with 14 out of 44 using farmers markets, 8 out of 44 selling at livestock auctions and 7 out of 44 utilizing contracts with companies. Other means of marketing include direct sales to restaurants (2), community supported agriculture (3), roadside stands (3), stockyards (1), direct to consumer (3) and livestock shows (1).

Risk Tolerance

The results of the 2004 Missouri Latino Farmer Survey showed significant concern with the risks of farming. Five categories of risk were explored: production (weather, pests, diseases, seeds), human (illnesses, family issues, worker risks, accidents), financial (credit, bankruptcy, rising interest rates), marketing (prices and access to markets) and legal (government action, laws, legislation, regulations, rules). The vast majority of respondents were either somewhat or very concerned with each of these risks, including 49 out of 53 respondents to production risk,

37 out of 51 on human risk, 43 out of 50 on financial risk, 42 out of 51 marketing and 40 out of 53 on legal risk.

Farm Services

The Latino farmers surveyed reported little use of services available to farmers. Most had never used University of Missouri Extension, Missouri Department of Agriculture, Risk Management Agency, Federal Loan and Grant programs, Natural Resources Conservation Service, Farm Service Agency (FSA), non-profits, financial institutions or other services. When asked about why services were NOT used, the most common response (18* out of 39) was that the farmers didn't know about them (*includes both "unawareness" and "didn't know about"). Another 10 responded that they did not have a need for the services listed.

When asked an open ended question about what services they need for their farms and their family right now, there were a wide variety of responses, from help with West Nile disease and horse flies to health insurance and accessible medical service. Others were interested in programs for first time farmers, record keeping procedures, marketing assistance, long term fixed rate mortgages, tax education and water shortages. Other responses included interest in grants to assist in establishing a diversified community supported agriculture farm, assistance in locating organic livestock and feed supplies, and learning about sheep and alternative crops.

In-depth Interviews

To explore the experience of Latinos farming in Missouri on a deeper level, three dairy farm families were interviewed for this project. Dairy producers were chosen for the capital intensive nature of their operations. It was also beneficial to stay within one agricultural industry in order to capture similar experiences among the farmers.

Theirs is a familiar story in the US—the immigrant family pursuing the American Dream. They came to this country with nothing but hopes for a better life and a willingness to work hard and build something for themselves and their families. All of the farmers interviewed are originally from rural Mexico, where they lived on small subsistence farms. At first, their intentions were to come to the US, earn money, and return to their villages in rural Mexico. One of the families interviewed even built a home back in Mexico. It's a home that now sits vacant alongside other vacant homes—owned by families who eventually decided to remain in the US permanently. All of the families interviewed migrated to Chicago to work. One couple worked as school janitors for 17 years, a nephew and uncle farming team worked in a potato and pasta salad factory for 25 years. The remaining farmer worked in Chicago for 10 years in a factory, and took additional jobs on the weekends in order to increase income and savings.

Although their experience with dairying was limited, and varied from having a family cow to owning about 20 cows in Mexico that they hand milked, their motivations for dairying here in Missouri are strong. The family which had owned the small commercial herd when they were younger had grown up dairy farming in Mexico and enjoyed the lifestyle. They also wanted to return to farming to spend more time with their children. For all of the families, independence was an important theme—they were tired of working for someone else. They wanted to work for

themselves. Cooperation is also a consistent theme. Unlike the majority of farmers who responded to the quantitative survey, this group of three producers and their Latino dairy farm neighbors know each other, work together, and help locate land and farms for new families interested in getting started. They even share cows.

They were savvy about entry—the longest established farmer (farming in Missouri since 1986) considered land and farms in states all across the country. Though he had no connections here, he came to Missouri for the cheaper land prices and the environment suitable for dairying.

Farming Operations

As demonstrated in the census figures, the Latino dairy farmers interviewed showed a strong preference for owning their farms. Only the largest, longest established farm rents any land at all. Each of the farm families are at different stages in their farming operations. Farm Family One, the longest established family, has been farming in Missouri for 19 years. They own 120 acres and rent between 80-300 acres, depending on their need for feed. Their herd includes 150 cows. In a move virtually unheard of in the dairy business, they recently sold and/or temporarily moved their cows to other farms in order to travel back to Mexico. They will begin milking once again in February. The labor for this farm is provided by the husband and wife, with one person hired to do the milking.

Farm Family Two has been farming in Missouri for 5 years, owns 311 acres and milks between 50-55 cows. This farm includes a nephew and uncle and their wives; labor is hired only in unusual circumstances (for example during haying). They have grown children in the US, but their children are not directly involved in the farming operation.

Farm Family Three is the newest family to Missouri purchased their 40 acre farm and moved to Missouri in the fall of 2005. At the time of the interview, they were updating their milk house and milking parlor, and preparing to milk their first 21 cows within the upcoming week. Many of the cows had been obtained from Farm Family One, the longest established Latino dairy farm family interviewed. Farm Family Three includes a husband and wife team and their two young children (2nd and 3rd grade), as well as the husband's youngest brother. The younger brother's family, still living in Chicago, is planning to move to Missouri shortly. All the labor for the farm is provided by the family.

Risk Tolerance

Their perceptions of risk are different than the average Southwest Missouri dairy farmer. Unlike many of their long-established dairy farming neighbors, none of the farm families interviewed utilizes off-farm employment as a means to reduce market risk. Even more illustrative is the story of how one of the farmers got started in the business. This particular farmer had a brother-in-law already dairy farming in Missouri. Ten years ago the brother-in-law encouraged him to start dairying in Missouri. At the time, this person and his family were working in a factory in Chicago and said "I don't want to have anything to do with agriculture, because of my experience in Mexico." However, after visiting his brother-in-law during Memorial Day weekend in 1999, he decided he would buy a farm in Missouri. He took

magazines with real estate listings back to Chicago. He and his family bought a farm and moved to Missouri in November of that year. They started milking cows in February 2000 amid the lowest milk prices ever endured by US dairy producers. It was a time when a tremendous number of long-time dairy farm families were exiting the business. While searching for a farm to buy, people approached him and said, “What are you thinking? Are you crazy?!? Why do you want to farm?” Undaunted by the tremendous odds against his family, he replied, “I want to farm. I don’t care [that prices are low and I don’t have any experience with commercial dairying]. I’m going to try to make it.” He believes he was able to take that risk because of his background. “When we came from Mexico, we had nothing. So if we lose everything, it’s no big deal.”

Marketing

The marketing options for Southwest Missouri dairy producers are extremely limited. Two of the farms market their milk through the large cooperative Dairy Farmers of American (DFA). The third is marketing through Central Equity Co-op because the previous owner was also marketing through them. When Farm Family Two purchased their farm, they were approached by both Kraft and DFA, though they did not know that the field men visiting them were from two different companies. They signed a contract with DFA quite by accident. (At this time, Kraft no longer purchases milk directly from farmers in Southwest Missouri—they now purchase milk for their Springfield cheese plant through DFA.) The two farm families who are already delivering milk expressed satisfaction with DFA, but they are concerned with the lack of competition.

Financial Services

While there are similarities in the experiences of all three farmers with the financial services sector, each of their stories is important in order to give a fuller understanding of the process.

Farm Family One

The family who has been in Missouri the longest came 19 years ago with 5-10% of the farm purchase price saved as a down payment. They originally approached the Farmers Home Administration for a loan to purchase their farm. (The Farmers Home Administration was known as FmHA or FHA. In 1994, FmHA loan programs were moved to the newly created Farm Service Agency or FSA.) They found the process with FmHA to be slow and tedious, which led them to successfully pursue a 15 year farm loan from a local private bank. They were very happy with the bank that held the first loan, but eventually refinanced with FmHA (now FSA) for a lower interest rate. Farm Family One finds FSA “pretty helpful,” though slow, and commented that FSA took the time to explain everything about the loan. The interest on this 15 year loan is annually adjustable. When asked about financial services they would like to access in the future, the family responded that they would like to know what services are available. One of the family members commented, “I’m happy [with FSA right now]. I’m just a person who likes to work hard. I take anything that helps me help myself.”

While he feels that a written business plan would be helpful, he does not currently have one. The bank did require some financial projections in order to secure the original loan, but they helped him generate those figures. In the future he would like to expand his dairy operation to include more cows, possibly up to 250 head. He is a grazer and would like to continue grazing.

Farm Family Two

The second farm family found their experience with lending institutions incredibly frustrating. They were referred to Farm Credit Services by their real estate agent. Though they had a 50% down payment, they were turned down for a loan by Farm Credit Services because they lacked farming experience in the US. They had a similar experience with another bank. The third bank they approached was willing to give them a loan.

In addition to frustration over the initial loan procurement process, this family is frustrated with the variable interest on their loan. While the loan is refinanced every two years, the amount of the payment varies from month to month. They don't understand why the interest is variable, because they thought they signed for a loan that was more fixed. They have a second loan for equipment and cows, with a payment that varies every month as well. Their basic attitude is that they would like a fixed rate loan so that they could budget for it over the long term. Their feed costs, fuel costs, etc., change from month to month, so they would like to have more stability in their farm loan. Because of this frustration, they are interested in re-financing his loan to a fixed rate in the future.

This farm family is willing to consider Farm Credit again, but the interest rate must be lower than at the private bank. The family does not have a written business plan, but their farm goals also include expanding their operation, perhaps to 60-80 cows, focusing on herd health, and improving their forage production to include alfalfa.

Farm Family Three

The newest farm family came to Missouri with a 35% down payment. They began by seeking financing from Farm Credit Services for the farm they wished to buy, but FCS found that the purchase price on the farm was too high and would not give them a loan. A commercial bank in the area was willing to finance the farm at the asking price, so they decided to use their services. The loan is for the purchase of the farm alone; they are using \$34,000 of their own savings to buy cows and fix the milking parlor. While the commercial bank did not require a written business plan, they have financial projections generated by University of Missouri Extension Associate Dairy and Beef Specialist Joe Horner which were prepared when they were working with Farm Credit Services. At the time of interview, the family was impressed with the accuracy of those projections.

They are happy with their current lender, and are paying 7% interest on a provisional loan that will be reevaluated in a year. It is not a fixed rate loan, and their impression is that the rate cannot be fixed because it is a commercial lender. The rate through Farm Credit Services would have been 7.5%. In the future they anticipate that they will want to refinance the loan. Like the

other producers, they are interested in expansion (i.e. adding cows). They also want to make some improvements in their cow barns.

Access to Other Services

Like the respondents to the 2004 Missouri Latino Farmer Survey, the farmers interviewed were generally unaware of governmental and non-profit services offered to farmers in Missouri. Most of their information comes from for-profit entities like banks, feed dealers, vets, dairy input suppliers, insurance salesmen and processors. In one case, the farmer relies significantly on information from the previous owner.

A question was asked about using services from the following entities: University of Missouri Extension, Missouri Department of Agriculture, Risk Management Agency, federal loan and grant programs, Natural Resource Conservation Service, Farm Service Agency and non-governmental organizations. With the exception of University of Missouri Extension and the federal dairy subsidy program (which they learned about through DFA), the farmers generally did not participate in the services provided by the agencies. The main reason is that they were unaware of the services available. The newest farm family (Farm Family Three) was not aware of any of these services other than Extension. The longest established family (Farm Family One) has utilized FmHA (now FSA) for their farm loan and NRCS for water quality issues and putting up fences for his grazing operation.

Despite their low participation rate in public and non-profit farm service agencies, however, they are eager to utilize them, and when they do utilize services they are happy with their experience. For example, all of the families interviewed expressed satisfaction with the services they received from University of Missouri Extension. A member of Farm Family One reported, "I forgot how many times I've used extension. I'm very happy with extension. Jose [Garcia] does a great job." In addition to their contact with Extension Associate Program Coordinator Jose Garcia, Farm Families One and Two have been to the Southwest Center for educational programs on grazing.

Conclusion and Recommendations

The 2002 Census of Agriculture, the 2004 Missouri Latino Farmer Survey and the in-depth interviews with three Latino dairy producers in Missouri reveal that there is a growing movement among Latinos in Missouri to capture the American Dream through farming. The data represent stories of hard work, sacrifice, tenacity, perseverance, resilience and willingness to take risks. For many reasons, it is in the United States' interests to encourage and facilitate these success stories. Not the least of these reasons is to create new opportunities for immigrants and native born Americans to capture their personal version of the American Dream.

However, USDA and other agricultural agencies have a troubled history at providing services to small, beginning, young and minority farmers. The 2002 Census of Agriculture shows a significant gap between government payments to Latino producers in Missouri and the payments received by the average Missouri producer. In addition, both the 2004 Missouri Latino Farm Survey and the qualitative interviews with three Latino dairy producers indicate that Latinos are

not receiving all of the other services available through government and non-profit agencies. The most common reason cited is that they do not know about the services offered. Clearly all farm agencies need to do more to reach out to new and beginning farmers to fully educate them about the services available.

USDA and other government and non-profit agencies are also historically unsupportive of alternative farming systems. As seen in Census figures, Latino farmers are increasingly engaged in alternative cropping and livestock systems. These systems are not traditionally addressed by the USDA. In order for USDA and other agencies to properly serve the Latino farm population, it may be necessary to change the emphasis of agency programs to include small, sustainable, alternative farming systems.

During the in-depth interviews, it became clear that for three Missouri Latino dairy producers, University of Missouri Extension provided an exception to their experiences with agricultural agencies. From development of financial projections to programs on growing better forage, Extension has successfully reached all three of the farmers interviewed. With staff like Joe Horner and Dr. Jose Garcia who invest significant time and financial resources reaching out to Latino producers, Extension can serve as model for other agricultural agencies to deliver services to this growing population.

Regarding financial services specifically, the farmers interviewed reported confusion over the loans they received from both private and public sources, particularly in the area of interest rates. At the same time, each of the farmers reported an eagerness to learn more about financial and other services available. Therefore, I recommend that Extension and local banks team together to provide a workshop or Spanish language publication that addresses loan interest rates and how they work. Based on their reported desire to have fixed payments on their farm loans, banks and government agencies may to offer a fixed rate product to their Latino dairy farm customers.

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