

Putting the Age of U.S. Farmers in Perspective

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Overview

A reoccurring topic of public discussion is the age of U.S. farmers and the impending need to replace them. This post examines changes in the average age of U.S. farmers over time and compares the age of U.S. farmers with the U.S. labor force.

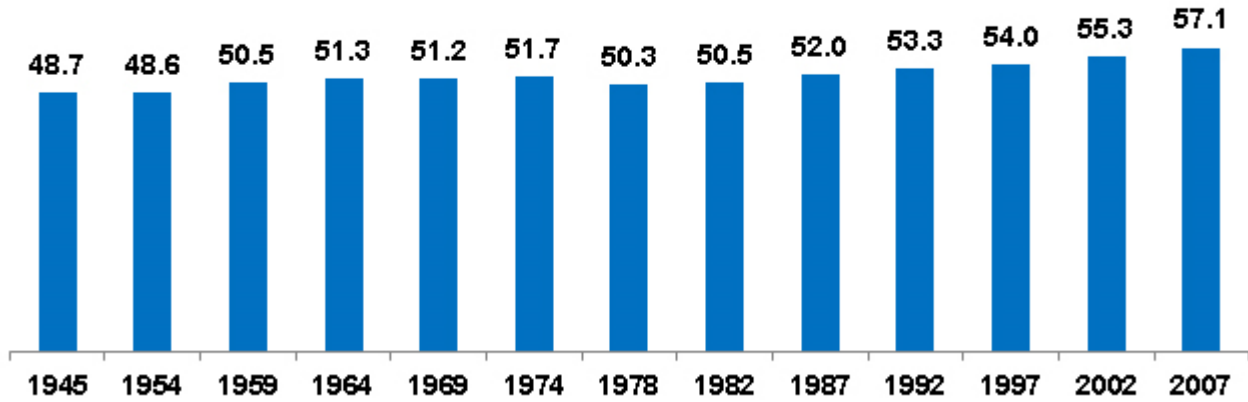
Data

The age of farmers is compared with the age of the labor force, not the population, because farming is an occupation. The U.S. labor force includes workers age 16 and above. Only about 0.5% of farmers are under 25. The age of farmers is from the U.S. Department of Agriculture, National Agricultural Statistics Service, *Census of Agriculture*, www.agcensus.usda.gov. The age of the U.S. labor force is from the U.S. Department of Labor, Bureau of Labor Statistics, "Labor force projections to 2020: a more slowly growing workforce," *Monthly Labor Review*, January 2012. The summary statistic reported as a measure of central value differs: average age for farmers but median age for the labor force. The median divides a set of observations in half when ranked from lowest to highest value. For example, given the set of values, 1, 4, 8, 12, 20; the median is 8 (middle value -- 2 observations are higher, 2 observations are lower). However, the average is 9 (sum of values = 45 divided by 5 observations). Compared with the average, the median reduces the impact of the lowest and highest values.

Age of U.S. Farmers

As of the 2007, or latest, *U.S. Census of Agriculture*; U.S. farmers averaged 57.1 years (see Figure 1). Average age was first reported for the 1945 Census of Agriculture at 48.7 years. Thus, over this 62 year span, average age of U.S. farmers has increased 8.4 years, or 17%. Of particular note, the share of farmers age 65 and older has increased from 14% in 1945 to 30% in 2007. The only notable decline in average age occurred during the mid-to-late 1970s. It is reasonable to speculate that this decline in average age occurred as a result of the farm prosperity boom of the 1970s.

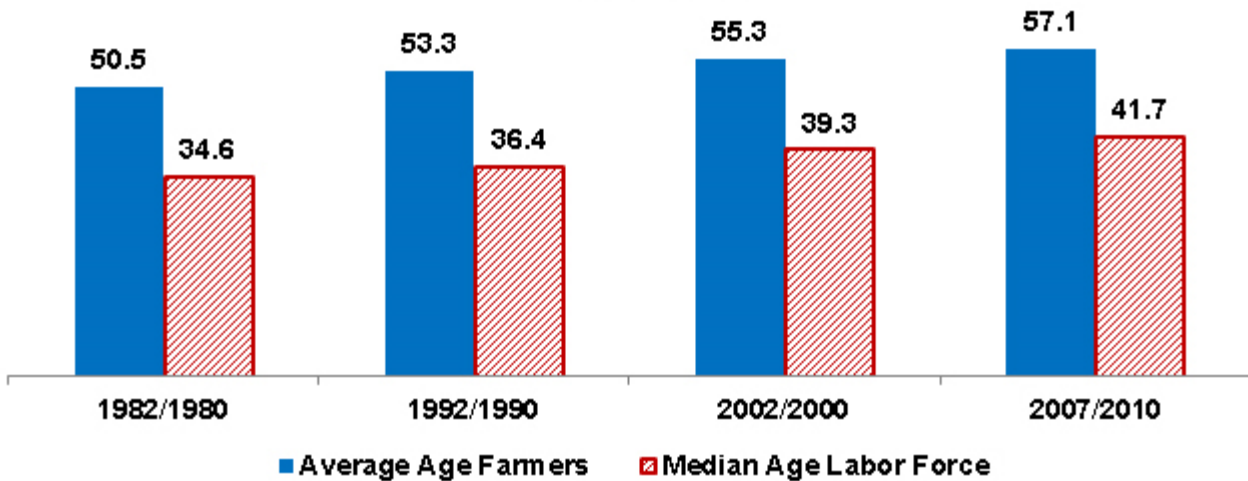
Figure 1. Average Age of Farmers, U.S., 1945-2007

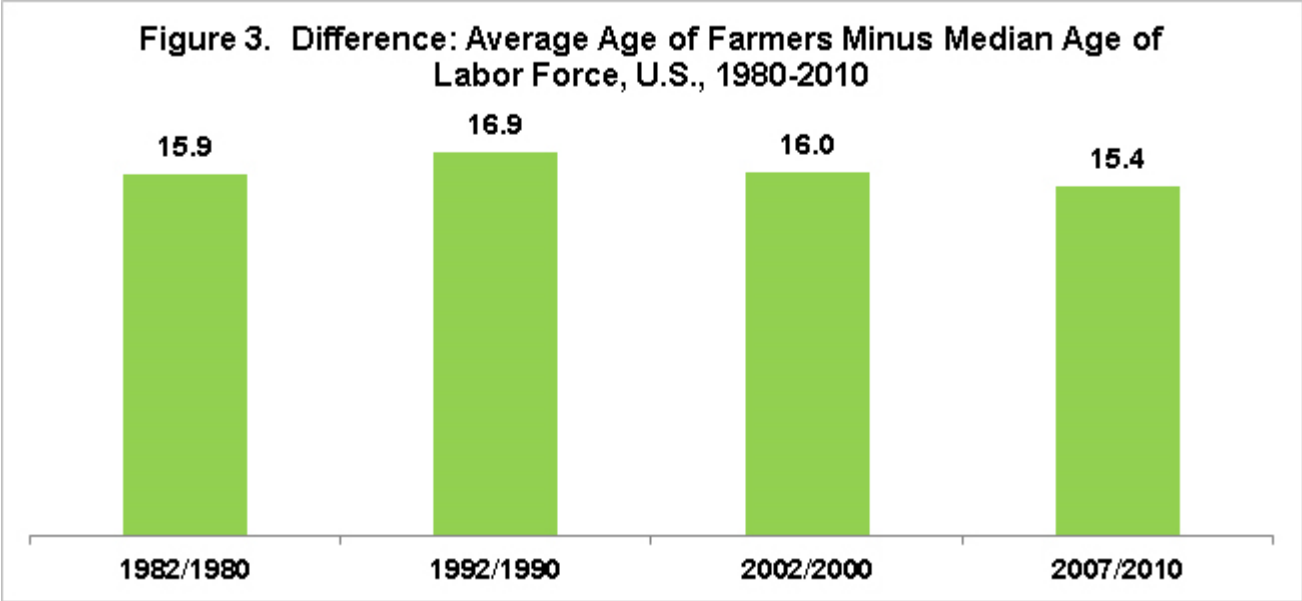


Comparison with U.S. Labor Force

Median age of the U.S. labor force was found for 1980, 1990, 2000, and 2010. These years are paired with the nearest *Census of Agriculture* year (see Figure 2). The 2007 average age of U.S. farmers exceeded the 2010 median age of the U.S. labor force by 15.4 years (see Figure 3). This difference has not changed much since 1980, implying that U.S. farmers and the U.S. labor force are aging in concert -- if anything, farmers are aging somewhat slower. However, it is worth noting that in 2010, only 4% of the U.S. labor force was 65 or older.

Figure 2. Average Age of Farmers and Median Age of Labor Force, U.S., 1980-2010





Summary Observations

U.S. farmers are aging, but their aging mirrors the U.S. labor force. The U.S. farmer population is older than the U.S. labor force, but this has been true since 1980 and likely much earlier. The older age of farmers is consistent with farming being capital intensive. It takes time for someone to accumulate the capital necessary to compete in U.S.-style farming, either through inheritance or savings or both. While much is written about the need to replace the aging U.S. farmer population, the 1970 period of farm prosperity suggest the current period of prosperity will lead to an influx of younger farmers, sons and daughters of existing farmers and from non-farm backgrounds. This influx will likely occur over a number of years and its magnitude will depend on the staying power of the current farm prosperity. In short, putting the age of farmers in perspective suggests the U.S. will likely have little problem replacing its aging farmer population.