

Chapter XI.—ECONOMIC CLASS OF FARM

Introduction.—This chapter presents data showing characteristics of farms and farm operators by economic class of farm. A classification of farms by economic class was made for the purpose of segregating groups of farms that are similar in their characteristics and size of agricultural operations. There exists a wide diversity within the units defined as farms by the census. The segregating of farms into economic class groups makes it possible to provide basic data for an analysis of the organization of agriculture from the viewpoint of use of resources and amount and source (farm or off-the-farm) of income.

The data for farms grouped by economic class supplement those for other classifications which were made on the basis of size of farm (as measured by total area in the farm) presented in chapter V, tenure of farm operator presented in chapter X, and type of farm presented in chapter XII.

Source of Data.—The data presented in this chapter are from the 1959 Census of Agriculture with some comparable data from the 1954 Census of Agriculture. The 1959 data are not fully comparable to the 1954 data because of (1) the change in the definition of a farm and (2) the change in the criteria for some economic classes. The definition of a farm for the 1959 Census of Agriculture was based on the "acres in the place" and the estimated value of agricultural products sold. Places of less than 10 acres, in 1959, were counted as farms if the estimated sales of agricultural products for the year amounted to at least \$250. Places of 10 or more acres were counted, in 1959, if the estimated sales of agricultural products amounted to at least \$50. In the 1954 Census of Agriculture places of three or more acres were counted as farms if the annual value of agricultural products, whether for home use or for sale but exclusive of home garden products, amounted to \$150 or more. Places of less than three acres were counted as farms only if the annual sales of agricultural products amounted to \$150 or more.

The net effect of the change in the definition of a farm resulted in a reduction of 232,000 farms from 1954 to 1959. More than 200,000 of these farms would have been classified as "other" farms if counted as farms in 1959.

A sample of approximately 20 percent of the farms was classified by economic class for the conterminous United States. The data in this chapter represent estimates for the farms in the conterminous United States based on tabulations of the data for the farms included in the sample. A description of the enumeration procedures, processing of data, sampling methods, and statistical tables giving measures of reliability of estimates based on a sample of farms may be found in the Introduction to this volume. All farms in Alaska and Hawaii were classified by economic class and all farms were included in the tabulation by economic class.

Presentation of Statistics.—This chapter presents 1959 data for the United States, the conterminous United States, the North, the South, the West, and nine geographic divisions. An outline map showing these geographic areas appears in the Introduction to this volume.

Table 5 of this chapter presents a summary for the United States of nearly all available basic data relating to the economic class of farm. In addition, table 5 shows, by percentages, the

relationship between classes for each item. Tables 6 through 20 contain State, division, and United States totals for the more important items by economic class of farm.

The graphs accompanying this text illustrate the number of farms by economic class and the number of "commercial" and "other farms" by State.

The maps in this chapter illustrate the distributions of the number of farms by economic class.

DEFINITIONS AND EXPLANATIONS

Definitions.—Definitions having a general application, such as those for "a farm," "farm operation," "farms reporting," etc. are given in the Introduction to this volume.

Basis of Classification.—The classification of farms by economic class was made on the basis of one or more of four criteria: (1) Total value of all farm products sold, (2) number of days the farm operator worked off the farm, (3) the age of the farm operator, and (4) the relationship of income received by the operator and members of his household from off-the-farm-operated sources to the value of all farm products sold. Farms were classified into two general groups, namely, "commercial farms" and "other farms." Each of these major groups was further classified.

Commercial Farms.—The "commercial farms" were classified into six groups—Classes I through V solely on the basis of the value of farm products sold and, in the case of Class VI, on the basis of the additional criteria that the farm operator was (1) under 65 years of age, (2) did not work off the farm 100 or more days, and (3) the income that he and the members of his household received from off-the-farm-operated sources was less than the total value of farm products sold.

NUMBER OF FARMS BY ECONOMIC CLASS, FOR THE UNITED STATES: 1959

