【**Summary**】

Changing Family Farming in Latin America

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1. Introduction

Latin America is one of the regions in the world where agriculture is changing most dynamically since the turn of the century. Especially, production and export of soybean and maize from Argentina and Brazil have been increasing significantly. In case of Argentina, the country produced 11 million tons of soybean and exported 3 million tons in 1990. The volume increased to 53 million tons for production and 14 million tons for export in 2010. In case of Brazil, the production increased from 20 million tons 1990 to 87 million tons in 2014. Its export increased from 4 million tons in 1990 to 43 million tons in 2013 (FAOSTAT Data).

There are some factors for this dynamic change. Perhaps the most important factor is the increasing demand for grains, especially soybeans, by China. China's soybean import increased from less than one million tons in 1990 to 66 million tons in 2013 (FAOSTAT Data). Other factors for the change is on the supply side, such as improvement of investment environment in agricultural sector in Latin American countries, rapid development and adaptation of a technological package in soybean and maize production that is composed of genetically modified seeds, glyphosate and no-tillage farming. In addition, scale expansion of family farming in these countries is also an important factor for production growth. In order to provide the basis for further study on family farming in Latin America, this article presents an evolution of perspectives toward family farming in Latin America, and an example of studies on family farming in Brazil.

2. Family farming in historical perspective

Since its colonial period, the economy of Latin American countries had been based on the primary export. They exported primary commodities such as agricultural and mining products. In this economy, rural sector in each country was characterized with a dual structure of large-scale farms (Latifundio) and micro and small-scale farms (Minifundio). In Latifundio, rich owners produced mainly export crops such as coffee, sugar and banana. In Minifundio, poor family farmers practiced subsistence farming, producing food crops such as maize, beans and potato, for self-consumption. They also sold surplus in local market for cash income. This dual structure is the origin of inequality in rural sector in Latin America.

In 20th century, many governments in Latin America tried to mitigate this inequality by implementing agrarian reforms. They appropriated large-scale farms and redistributed to family farmers. However, the redistribution by itself did not solve the problem of rural poverty because of a lack of human and physical resources in rural sector. In order to cope with this problem, Latin American governments implemented "Integrated Rural Development" projects in which public sectors made effort to improve health, education, infrastructure, etc (Lacroix 1985). This effort did not last long because of the debt crisis in 1980s and the following neoliberal economic reforms. At the end of 20th century, the poverty reduction of family farmers and their development were left to be mechanism of free market.

This trend changed in the 21st century, and there was a renewed interest in family farming because of some factors (Schneider 2014). One is persistence of rural poverty. By the beginning of the 21st century, it was clear that free market mechanism was not able to reduce rural poverty. Agriculture and family farming have attracted attention of policy makers as means to activate rural economy. In addition, after the Food Crisis in 2008, family farming was in the spotlight for food security reasons. They were considered as important actors to supply food crops for domestic markets.

3. Family farming in Brazil

Because of undeveloped rural institutions and infrastructure, family farmers faced adverse conditions and struggled to survive. They had been experienced social exclusions (Guanziroli et al. 2014). For example, there had been a strong bias against agriculture and rural sector. Policy makers in general had negative stereotype toward family farming, and they did not include its promotion in the policy agenda. Rather, they had been focused on urban and industrial sector for economic development. Although the government had some policies to stimulate agriculture, family farmers were not subject to these policies.

This situation changed after the transition from military to civilian government in 1985. The 1988 Constitution guaranteed social security rights for rural workers. Social mobilization by National Confederation of Workers in Agriculture (CONTAC) and landless workers became active at the beginning of 1990s. The government created the Program to Strengthen

Family Farming (PRONAF) in 1995. Furthermore, in addition to Ministry of Agriculture and Supply (MAPA), the new Ministry of Agrarian Development (MDA) was established. It aims to help family farmers for rural development.

4. Change of family farming

As mentioned above, agricultural sector in Brazil has been experiencing rapid growth since the beginning of the 21st century. The question is what is happening to family farming in this growth. There are a few studies about it.

In Brazil, family farms are defined as follows (Berdegué and Fuentealba 2011). First, the extension of family farms has to be less than four tax module, which is between 75 to 300 hectares depending on the region. Second, family members have to be the main source of labor. Third, the main income of household has to come from farming activities. Forth, farms have to be managed directly by family members, not by hired mangers.

Guanziroli et al. 2014 analyzed changes of family farms based on agricultural census in 1996 and 2006. They found out that bipolarization of family farms had advanced in the decade. Farms are divided in rich farms (consolidated or corporate family farms) and poor farms (peripheral or peasants). While the share of rich farms in number increased slightly from 8.4% to 8.7%, their share in value produced increased significantly from 50.7% to 69.5%. Meanwhile, the share of poorest farms in number increased from 39.4% to 49.5%, and their share in value produced decreased slightly from 10.8% to 10.1%. At the same time, the annual net monetary income of rich farms increased by 76%, and that of poor farms decreased by 4%. This shows that the recent expansion of agricultural production in Brazil benefitted only rich farms. They grew by specializing in a few crops such as soybean and corn.

Under these circumstances, one of the topics for future research can be to understand how rich farms had achieved to expand their production. Organizational structure of farms and functions of farmers in farm management are key factors to understand their expansion.

References

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