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BLACK-OWNED LAND: A Disappearing Community and National Resource

Author(s): Jerry Pennick

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## **BLACK-OWNED LAND**

### A Disappearing Community and National Resource

#### by Jerry Pennick

the United States are alarming yet virtually ignored by those who are in a position to reverse the trend. It is rarely considered that there is a finite amount of land and that the ownership of it lends itself to economic empowerment and the control of resources. The constant decline in Black farm and land ownership is a tragedy that, if left unsolved, will spell the end to any real hope of economic independence for Black America.

#### **Blacks Losing Land at a Tragic Rate**

Blacks are losing this vital resource at a rate two and one half times that of other Americans. Over the fifteen year period ending in 1992, Blacks lost 55 percent of their rural land base – down from 57,000 farms and 4.2 million acres of land in 1978 to 18,816 farms and 2.3 million acres in 1992. The two million acres lost have a conservative value of one billion dollars and tens of billions in economic development activity.

These figures, moreover, represent only those farms and land counted by the U.S. Census of Agriculture. The Federation of Southern Cooperatives/Land Assistance Fund (LAF) estimates that there could be as many as 250,000 Blacks

who own an additional two to three million acres of land. This "unaccounted for land" does not meet the criteria, which includes a minimum gross farm income, set forth by the U.S. Department of Agriculture to be considered a farm. Often idle, this land is more likely to be occu-

There are those, however, who refuse to see the importance of Black land ownership. Their view is that because Black farmers and landowners own relatively small acreages, they cannot effectively compete. Research indicates that this is simply not a reality. The fact is that the net return on investment by Black farmers is equal to or exceeds that for all farmers.

#### Why Blacks Lose Land

Blacks, therefore, are good farmers, but continue to lose land due to a lack of technical and management assistance, as well as reliable and fair markets. Other contributing factors include legal, financial and discrimination problems involving public and private lending institutions, courts, unscrupulous attorneys and land speculators. In addition, certain provisions in the 1995-1996 Farm Bill will have an adverse impact on Black farmers and accelerate the decline in Black land ownership.

Blacks who are still farming today can thank the 1987 Credit Act. With the Credit Act it appeared that, for once, the government would be fair. In 1987, farmers who had struggled since the 1970s due to drought conditions, along with rising interest rates and embargoes,

# From 1977 to 1992, Blacks lost 55% of their rural land base, and dropped from 57,000 to 18,816 farms.

pied by elderly individuals, is often heir property or subject to absentee ownership, and, as prey to land speculators, is more often lost through tax and partition sales.

#### Land Lost Means Lost Economic Development Assets

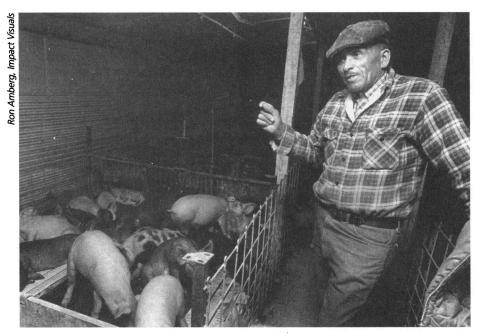
This hidden asset owned by Blacks represents tremendous economic development potential including forestry, recreation and mineral extraction. What's needed is proper attention and assistance. Unfortunately, these landowners receive little or no assistance from farm-related government agencies and agricultural institutions.

finally had the opportunity to develop a plan to save their farms and operate profitably. Many Black farmers took advantage of the opportunity and were, once again, farming and paying their debts.

## 1996 Farm Bill Will Result in More Black Land Loss

Tragically, the 1995-96 Farm Bill has radically altered the opportunities for farmers. With the Bill, any farmer who has either a debt write-off or has filed bankruptcy to save his/her farm can no longer borrow money from the Farm Service Agency. It did not matter that many of these farmers had been borrowing and paying loans in recent years. It did not

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Hog farmer George Henry Lee of Magnolia, Duplin County, North Carolina. Other African American farmers are losing their land at an alarming rate.

matter that Black farmers have traditionally not had the same access to credit as other farmers and that for them the Farm Service Agency is truly the lender of last resort.

Another mandate in the Bill which will adversely effect Black farmers is the seven year transitional payments provision. The government will provide subsidies for the next seven years, and after that, farmers are on their own. Any farmer growing crops will have to be able to sell his product on the world market. Without the subsidies, he/she will be at the mercy of a market controlled by large corporate farms and the consequences will be staggering.

If credit is not available, the question remains: How can Black farmers compete with large corporate farms? Does the government plan to take Black farmers back to sharecropping? What will happen to thousands of other Black farmland owners, such as Black women who own land and rent to Black farmers? By making farm land available to Blacks, these women and others are receiving much needed income. If Blacks are not able to farm that land, it too will fall prey to land speculators because it is likely to become a burden to the owner.

As Blacks Are Forced Off Land an Urban Migration Occurs

There is also a direct relationship between Black land loss and the migration of Blacks to the cities. It is painfully obvious that most cities are not able to absorb the massive number of unskilled, resourceless people who continue to migrate from rural areas. Our policies in rural areas have a demonstrable impact on urban areas, too.

Urban America might be radically different today had resources been devoted to land-based rural economic development projects encouraging and assisting Blacks to stay on the land. This economic development, planning and implementation would have cost a fraction of the money that has and continues to be spent on welfare, crime prevention and other social services.

With the new Welfare Reform Bill, the issue of Black land loss becomes even more critical. Where will rural welfare recipients find the jobs required under this legislation? With a rural-urban migration no longer a viable option, the jobs – whatever they might be – have to be created where the people reside.

There are now Enterprise Communities and other government-sponsored rural development initiatives that encourage economic growth, including cooperatives, credit unions, non-farm

business development programs and others. Blacks in rural America, with assistance from organizations like the Federation/LAF, want to be and should be an integral part of these initiatives. However, their participation and benefits will be severely limited if they are not land owners.

#### A Collaboration Is Called For

The following reasons point to why it is necessary to help save Black-owned land. The current effort spearheaded by the Federation/LAF should continue. However, there needs to be a collaboration between government, non-governmental organizations and educational institutions that will effectively address all aspects of the Black land loss problem.

Such a collaboration could create a network of economically independent landowners which, in turn, would mean less welfare, more jobs and a future for young Blacks. Thomas Jefferson equated land ownership to citizenship. The more land Black people own, the more they will feel part of the "American Dream," and become even more active participants in the social, political and economic development of this country.

Saving and developing Black America's greatest natural resource – land – require a national commitment because Black land based economic development not only contributes to the well being of Blacks, but to the well being of the nation.

Jerry Pennick is the Director of the Land Assistance Fund (LAF) of the Federation of Southern Cooperatives. The Federation of Southern Cooperatives/Land Assistance Fund is a regional community based organization serving African American farmers throughout the southeast United States. The organization provides assistance in farm management, debt restructuring, land retention, marketing and advice on alternative crops while encouraging the sustainability of communities through the development of cooperatives.

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