

# Social capital and public goods provision in the Cumbrian uplands

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## Policy context

Rural Development Regulation revisions for 2007-2013

Important change in the CAP - need to get the policy right

Need to understand more about how upland farmers deliver public goods (pillar II)

“The social justification both of modulation and of the various measures under Article 33 of the RDR is not so much agricultural survival as *the provision of broader environmental public goods for a society* that places particular value upon them”.

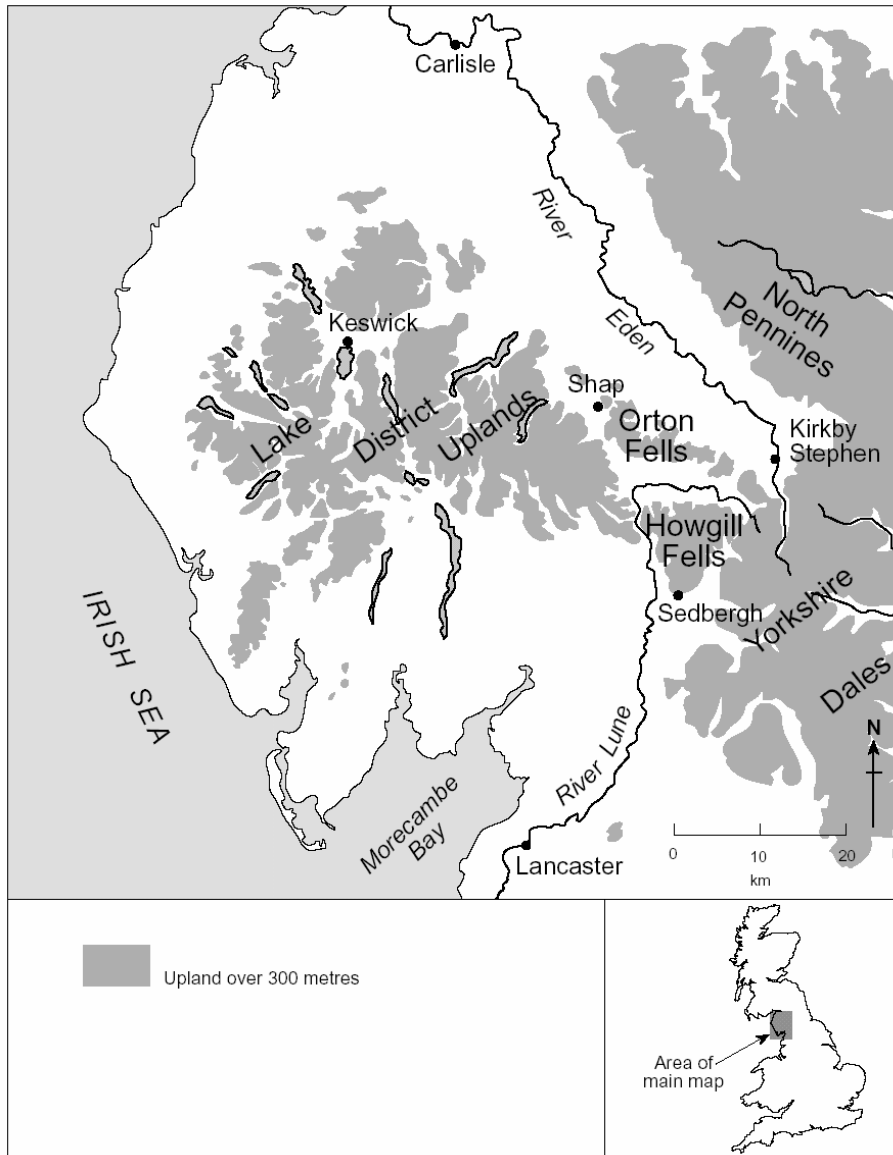
(Lowe et al., 2002: 15-16)

## Social capital

“those features of social organisation, such as trust, norms and networks, that can improve the efficiency of society by facilitating co-ordinated actions”  
(Putnam, 1993).

Important in Cumbria because of need for cooperation on common grazings - both for production reasons and for effective environmental management

# The Cumbria case study



## Survey

8 farm family interviews

- Repeated after main survey
- Farm diaries kept

36 farmer interviews

- 12 Lake District
- 12 Orton-Howgills
- 12 Pennines

Some quantitative questions  
Qualitative work

4 Focus groups

- 2 Whole community
- 2 Farmers only

# Contextual information – Regional change

## Changes in farming

Traditional farms are gradually disappearing despite high payment levels

Number of hobby farmers is increasing

Majority of farmers now involved in agri-environmental schemes

Stocking rates declining

Badly hit by foot and mouth

## Land use change

Increasing levels of permanent grassland (decreasing temporary)

Increasing woodland coverage

Improvement in environment in heavily overgrazed areas

But a problem with bracken encroachment (Public goods problem?)

# Housing market changes

- Cumbria has very high tourist potential and this is driving up house prices (e.g. average detached price in Lake District approx £250,000 in 2004)
- Leads to low local residency
- Also causes sold farms to be broken and decreases the labour supply for the commons
- Particular problem in the Lake District – more scenic the area, bigger the problem

ESKDALE, ESKDALE GREEN,  
CUMBRIA CA19 1TH

£325,000 [Calculate mortgage](#)

- Property type: other
- Bedrooms: 3
- Bathrooms: 1
- Reception rooms: 1

[map](#)

[full brochure](#)

#### Summary description

A recently refurbished period house with superb views over the surrounding Lakeland Fells. The property benefits from an attractive lounge with original open slate fireplace, a recently fitted dining kitchen with large range cooker and fridge/freezer, a g(Ref. Christoliff)A recently refurbished period house with superb views over the surrounding Lakeland Fells. The property benefits from an attractive lounge with original open slate fireplace, a recently fitted dining kitchen with large range cooker and fridge/freezer, a ground floor WC and 3 bedrooms and a family bathroom to the 1st floor. The property has oil central heating and new double glazed wood sash windows, but retains many period features. Outside is a small front side and rear garden. Internal viewing is recommended. [Click to view Virtual](#)



3 Bedrooms  
£325,000

# Farming in Cumbria

- Organised into 'commons' on fells
- Sheep hefted to the fells
- Sheep require 'gathering' for dipping, shearing, etc.
- Cooperative action of all farmers on the common is required
- High levels of social capital required



Cooperative work is important for environmental management

ESA arrangements on a collective basis - years of negotiation

Farmers receive very high levels of environmental subsidies

# Traditional farms are still in decline

Of the 44 farmers interviewed :

23 were sure of succession,

15 were sure that they would not have a successor

5 were unsure whether succession would take place or not.

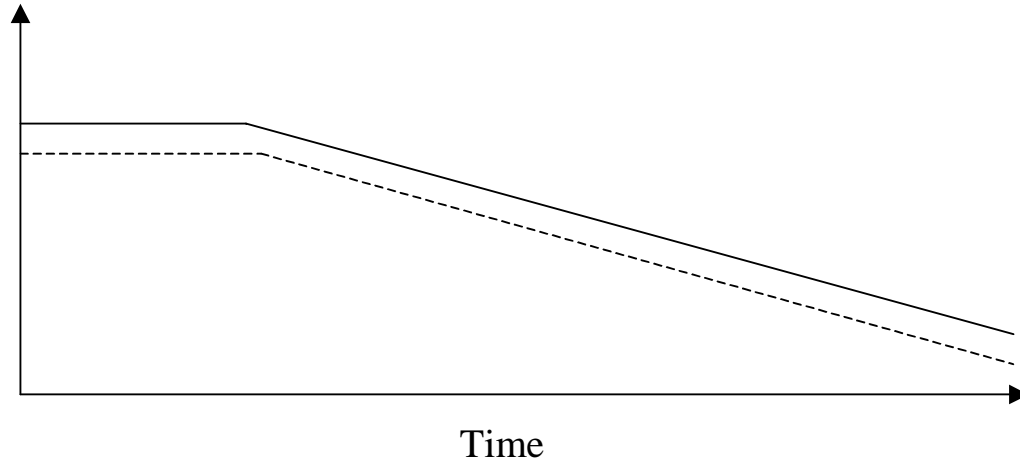
- Many farmers reported decrease in number of local farmers
- Number of farmers managing common grazings is in decline
- Average age of farmers managing commons is increasing
- New farmers often have problems adjusting

Decreasing number of farmers in cooperative activity decreases social capital and puts pressure on remaining farmers

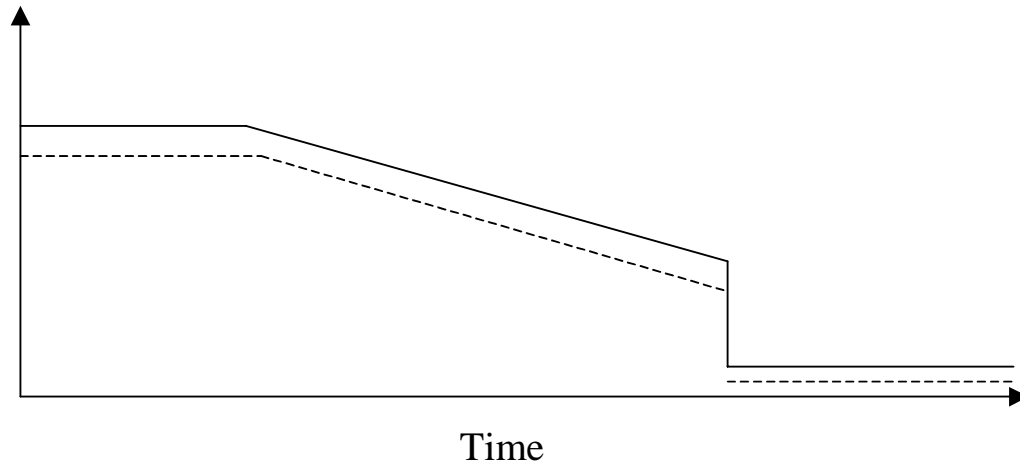


— Number of farmers on common grazings  
- - - Total social capital in network

Gradual decline in farm numbers scenario



Collapse and 'ranching' scenario



**Possible scenarios given continued decline**

# Problems for public goods provision

- While overgrazing is bad for the environment, undergrazing can also be bad, particularly bracken regrowth and loss of desirable plant communities. Over the last 50 years the 'productivist' agricultural regime has left us with little experience in dealing with *undergrazing* problems
- Restoring plant communities requires carefully managed grazing regimes
- Depleted farmer numbers makes common management difficult and may lead to a collapse where the system moves to extensive ranching
- Hired labour is often not viable both on economic grounds and because workers need a good knowledge of the topography of the fells

Once farmers have gone because farms have been split up there is no way of getting them back. If we discover that the traditional form of commons management is required to create the upland environments we currently value there may be no way of returning the farmers to the land.

Current agri-environmental schemes are an experiment in public goods supply

## **Traditional farmers good providers of public goods because:**

1. Cooperative action required for good environmental management of fells
  - Common grazing requires careful management - perhaps best through traditional hefting systems

### **May also have benefits for provision of environmental public goods**

- Non-traditional management can lead to increased bracken growth
- Spraying is one answer, but needs follow up grazing control
- Would this be possible under 'ranching' systems?

2. Farmers play a role as part of the cultural landscape

- Walkers on farm land learn about farming from farmers
- Learn about cultural history of region and specific farms
- Watch displays of a 'working countryside'

How much would this public good be diminished with loss of traditional farmers?

### 3. Maintaining genetic diversity

- Breeding flocks with high resistance to parasites
- Breeding flocks with strong hefting instincts

### 4. Social capital leads to strong positive economic development

- Role of traditional farmers in an informal B&B network
- Establishment of marketing schemes in local communities

### Why specifically target upland farmers?

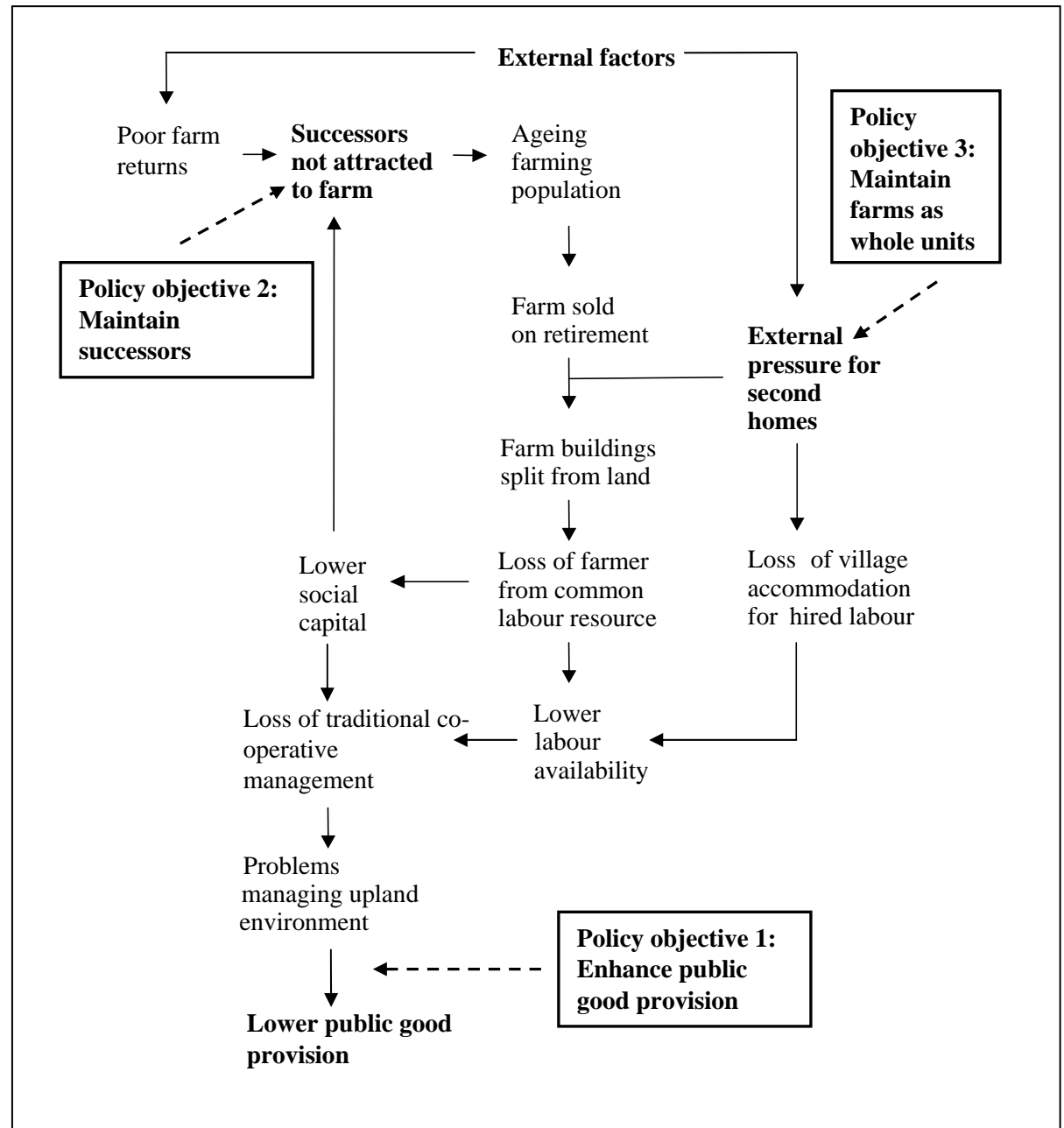
1. High cultural heritage and environmental value
2. High tourist potential of region
3. Problem of high and rising house prices
4. Presence of common grazing systems

# Key policy objectives ?

Provide public goods

Maintain successors

Maintain farms



## Possible policy solutions

- 1) Keep flexibility in agri-environmental schemes to cope with climate change and issue of changing public goods requirements
- 2) Agri-environmental scheme prescriptions specifically targeted towards common grazings and maintaining cooperative environmental management
- 3) Increased integration between agri-environment and socio-economic measures - in particular, enabling younger farmers to develop a viable farm business
- 4) Integrate LFA support with other policy instruments to improve diversification opportunities and better target public goods provision
- 5) Seek to raise public awareness of the connection between good farming and public goods provision
- 6) Possible introduction of Land Management Contracts to integrate the social, economic and environmental measures of the ERDP and secure the provision of public goods [high administrative costs though].

- 7) Involvement of farmers in policy construction under the LEADER model to enable farmers in areas where there are multiple stakeholder groups to develop a sense of ownership over policy
  
- 8) Better integration of policy measures with local planning regulations to avoid a conflict with the objectives of the RDR. In particular, measures to discourage farm division might be beneficial.