A Northeast Dairy Perspective of Farming and Conservation

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An oxcart brought Colonel John Randall the 300 or so miles from Stonington, Connecticut, to Pharsalia, New York, to build the first house in town in 1797. The lands were wooded with mixed northern hardwoods (beech, birch, maple) growing in thin rocky soils. By 1875, when Berthier Mathewson, farmer and justice of the peace, owned the property, nearly 70 percent of the 23,458 acres in Pharsalia had been improved, leaving only 7,651 acres wooded. Gross sales of farm products that year totaled \$71,382 and, aside from a couple of merchants, a hotel keeper and a saw mill, farming was the dominant occupation of the 1,103 residents.

The property settled by Colonel Randall is now one of four dairy farms remaining in Pharsalia. In 1990, there were 795 residents, and the pastures were grazed with more than 80 Holsteins. My deed tells of six other owners since Colonel Randall's time who have cleared fields, built rock walls and allowed other fields and pastures to revert to forest. Pharsalia is now 65 percent forested (15,250 acres) with second and third growth as northern hardwoods interspersed with pine and spruce plantations.

In some ways, these land-use changes are seen throughout New York and the Northeast. Currently, New York loses 100,000 acres a year from agriculture, even though agriculture continues to be the largest sector of the state's economy. This loss of agricultural land may be the greatest common interest that dairy farmers have with conservationists because farms provide far more and higher quality fish and wildlife habitats than housing and commercial developments. Dairy farms not only contribute to the economy through the sales of farm products and the purchase of labor and supplies, but they are also important to the tourist industry by providing the vistas that many visitors expect.

One of the ways that both the federal and state governments have addressed this issue is through the enactment of the Farmland Protection Program and corresponding state legislation. Although Pharsalia declined in population between 1880 and 1990, New York State increased from 5,082,871 to 18,976,457, making it the third most populated state in the country. This density of humans (401/square mile) has put considerable and constant pressure on open space, including agricultural land. Competition for agricultural lands has also increased dramatically, with development prices being several times what would be profitable for agricultural use.

One program targeting this issue is the purchase of development rights using a combination of private, state and federal funds. The demand for these funds far exceeds supply. The state's Farmland Protection Program currently has \$75,000,000 in demands that they have no funds to fulfill, and the federal program has \$6,000,000 more in requests than current funding available. These programs are one option to keeping open space, wildlife and agriculture in the face of a bourgeoning human population. However, ultimately, the best way to keep farms on the landscape is to make them profitable.

Another common interest between conservationists and dairy farmers is water quality. Nutrient management is the preeminent issue currently facing the dairy industry, and water quality is of concern to all persons who drink either water or milk. The water quality issue is the principal link that dairy farmers have with the United States Department of Agriculture (USDA) programs.

The Environmental Quality Incentives Program (EQIP) assists with nutrient management, barnyard structures and efforts to keep the thousands of miles of streams from excessive sediment and coliform loads. Dairy is the state's largest sector of agriculture, and New York ranks third in the nation in milk production and first in the production of some soft cheeses.

Today's dairy business is far more sophisticated than it was in 1875, requiring considerable business management skill blended with crop management, animal science and knowledge of machinery, computers and government programs. Northeast dairy farmers do not like the idea of a government handout, but as expenses constantly increase, while milk prices do not, the government quickly becomes one option. Operators strove to be as efficient as possible, but many are no longer in business, leaving about 9,000 farms currently in the state. At the national level, the dairy industry is not united and has not been a big player in shaping the Farm Bill. The regions of the country are very different from a milk marketing standpoint, with the Northeast being primarily a fluid milk market. The New York City, Boston and

Philadelphia markets consume about 50 percent of the milk produced in the Northeast with the large soft cheese market (Ricotta and Mozzarella) taking most of the remainder of the milk produced. Fluid milk is priced higher than milk used for other products, but the price paid to farmers is calculated on a blend price, which includes both prices. This has led many Northeast dairy operators to believe they are not getting a fair price for their product. This is some of the logic behind the Northeast Dairy Compact, which Congress did not extend, due to pressure from other regions of the country.

Two other USDA programs that farmers and conservationists benefit from are the Wetlands Reserve Program (WRP) and the Wildlife Habitat Improvement Program (WHIP). New York has the highest number of WRP contracts in the nation. The sale of easements for WRP has given many dairy farms some capital to pay for other areas of the farm, and it is better management to concentrate agricultural management on the most productive lands while using other lands for recreation. WHIP also allows for an investment in wildlife habitat, by both public and private entities, that benefits both parties. Wildlife on farms in the Northeast is often highly prized for sport, aesthetics and stress relief given from an occasional commune with nature. There is another side of the issue that includes crop damage, however most farmers I am familiar with place more emphasis on the positive aspects of wildlife than the negative.

The Conservation Reserve Program (CRP) and Enhanced Conservation Reserve Program (CREP) also benefit both farmers and conservationists. In New York, both programs emphasize water quality, buffer strips and rental payments to landowners. To the farmers these programs contribute to the cash flow of the operations as well as providing cost share on important management projects, such as fencing livestock out of streams and wetlands. These fences and buffers reduce sedimentation in streams, reduce nitrogen, phosphorus and pathogen levels, and they improve fish and wildlife habitat. The farmers also get additional interior fencing that contributes to better grazing management.

New York is 55 percent forested and the Forestry Incentives Program (FIP) could improve both woodlot management and wildlife habitat, however the funding level is so low that only a few counties are involved in the program. FIP funds typically go to timber stand improvement on small private woodlots, as commercial thinning on these properties has not been cost effective for landowners. Some funding is also used to improve maple sugar stands. Maple sugar is a business which is typically done as a sideline on small dairy farms.

Agricultural producers and conservationists have much in common and can work in a symbiotic relationship to affect agricultural legislation that benefits both groups and the American public. The Northeast has not utilized yet its resources of numbers of conservationists, numbers of farmers, climate and proximity to market in as effective a manner as have other regions of the country.