

# Farmers under pressure

## Recent emigration of Dutch farmers

*Mari Smits*

When it's freezing and temperatures don't rise above zero degrees Celsius in the daytime, an epidemic seems to break out among the Dutch population. Crowds of people don their skates and take to the ice. When it's been freezing long and hard enough their thoughts turn to the northern province of Friesland: will there be an Eleven Towns Tour this year? In February 1985, the event was held for the first time in 22 years. The winner of this 200-kilometre skating race was a young farmer named Evert van Benthem. A year later, when the tour was also held, Van Benthem won again. He now became the most famous farmer in Holland. A few years ago, a Dutch bank company made a TV commercial featuring Van Benthem as a farmer on his own farm. The message of the commercial was: get big by staying small. Except Van Benthem himself didn't want to stay small. In 1999 he

announced his decision to sell his farm and emigrate to Canada. His motive: lack of opportunities to expand his business. A policy of environmental development is pursued in the region where he lived. This means that both the government and private nature organisations buy farmers' land in order to return it to its natural state. Those who want to stay on their farm can apply for subsidies for »natural« land management. This environmental development policy is just one of the reasons that many Dutch farmers are looking for opportunities to emigrate. However, for the majority of farmers, for personal or economic reasons emigration is not a practical option. Their only real option is to quit their business for good.

Van Benthem is not the only farmer who decided to emigrate because of lack of opportunities in the local environment. Nowadays, about

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300 farmers leave the Netherlands every year. According to emigration consultants and estate agents, more than 4000 farmers have serious plans to emigrate. According to an opinion poll held in 1999, 21% of Dutch farmers have plans to leave the country.<sup>1</sup> What is the reason for the recent wave of emigration and to which countries do Dutch farmers emigrate?

### *Emigration in the 1950s*

Many people in the Netherlands remember uncles and aunts who emigrated to Canada, Australia and New Zealand in the 1950s. They left the country because they were dissatisfied with their situation. They still had vivid negative memories of the depression of the 1930s and the German occupation. Furthermore, they had no reason to expect that the standard of living would improve anytime soon. In 1947, more than 70% of the population held the view that their standard of living was worse than before the war.

Dutch farmers had specific problems. Young farmers found it almost impossible to start their own business. Land reclamation to provide more land for cultivation was not the solution. Furthermore, many farmers had a mental resistance to taking a non-agrarian profession. Thousands of farmers left the country on the advice of consultants from emigration offices.

Most agrarian emigrants in the 1950s were young farmers who had

to work as employees before they could start their own farm. Older farmers with large families wanted to be able to give their sons their own business. However, because of exchange controls the options for exporting capital were limited. It was therefore difficult for these emigrants to establish a good livelihood. Only a quarter of the farmers who emigrated to Canada between 1947 and 1955 succeeded in building up their own farm. The majority of agrarian emigrants found a non-agrarian profession.<sup>2</sup>

For most of the emigrants who left the Netherlands in the 1940s and 1950s, emigration was the decision of a lifetime. About 30% didn't succeed and returned.<sup>3</sup> At the end of the 1950s emigration lost its appeal. Most young farmers found non-agrarian jobs and for those who still wanted to become farmers, there were new options. The rise of intensive livestock farming offered the opportunity to establish a business on a limited plot of land. It became easy to obtain credits and investment subsidies to build new stables. Those who emigrated already had family or friends in the land of their choice.

### *Restrictive agricultural policy and non-agricultural claims*

The main reason that many Dutch farmers nowadays consider emigration is related to the change in agricultural policy in the last 15 years. After World War II, the main aim



*Unge Hollændere demonstrerer. På banneret står: »Vi vil også være landmænd«.*

was to produce sufficient amounts of low-priced food. In order to achieve this goal, Dutch agriculture underwent a process of modernisation. Small farms were wound up, and medium-sized farms started a process of specialisation and growth. The aim was to reduce costs so that products could be sold cheaply. Once the food shortage was over, Dutch farmers started to produce food for export. The establishment of the European Common Market was a tremendous stimulus for Dutch agriculture, especially for the breeding of cattle, pigs and poultry. In the 1960s and 1970s, factory farming appeared on the less fertile soils in the eastern and southern parts of the Nether-

lands. In order to start a new pig or poultry farm, only a small strip of land – on which to build stables – was necessary. Manure could be sold or given away to other farmers. Dairy farming also underwent a process of modernisation and growth. In the 1950s, ten cows was enough to earn a living. Twenty-five years later, a farmer typically owned more than 70 cows, and cows produced more than twice the quantity of milk that their ancestors did.

This agricultural development had its price: overproduction, a manure mountain and the high costs of financing the European agricultural policy. In order to reduce the various excesses, in 1984 the European Com-

munity introduced a levy on milk. Each farmer was given the right to produce a certain amount of milk. If he produced more milk, he was penalised. Although in some ways this measure was a blessing for many farmers, it was the first in a series of measures and rules that restricted the freedom of farming. After 1984, farmers could only expand their business by buying the right to produce from other farmers.

The most radical changes in Dutch agricultural policy aimed at reducing the excess of manure. In the last 20 years the Dutch government has tried to achieve this by all possible means. Its measures were not always successful. In the first 10 years – between 1984 and 1994 – the aim was to reduce the output of manure without reducing the livestock population. While pig farmers and the agricultural industries pinned their hopes on making new products from manure, the government tried to impose an administrative system to control the input and output of chemicals like phosphate and nitrogen. Farmers had to make new investments in order to reduce their output, without the certainty that the investments would be sufficient. Farmers resisted because all these measures encroached on their entrepreneurial freedom and introduced uncertainty about their future. Since 1994 the government has tried to realise its goals by reducing the livestock population. As long as raising

meat prices is not a possibility – Dutch agriculture is dependent on the Common Market – reducing the livestock population equates with declining income. Whereas big farmers have the capital to buy new licences to keep more animals, small farmers have no other choice than to wind up their business.

New investments were also necessary in order to comply with new animal welfare rules. These rules are the results of public criticism of the way animals are kept in modern farms. Laying batteries will be forbidden in the near future and calves will have to be kept in bigger stables. Like the measures to reduce manure output, farmers are being forced to make new investments without the promise of any gain. The public criticism of animal welfare also has a psychological aspect. Although animals are primarily a means of production, most farmers have an emotional bond with their animals and don't like to be criticised about the way they care for them.

Pig and poultry farmers are not the only ones who have to cope with a restrictive agricultural policy. For dairy farmers the reduction of the quantity of phosphate and nitrogen they can spread on their pastures also causes problems. Those who want to expand are not only obliged to buy the licence to produce more milk, they also have to buy more land. Land is not easily available in a densely populated country. This

brings us to another problem: non-agricultural claims on land. In the densely populated areas of the Netherlands, farmers have to make room for new houses, motorways, railways and industrial estates. In other parts of the country – as was the case with the skater Evert van Benthem, who went to Canada – the government and environmental organisations buy farmers' land in order to transform it into new country zones. The opportunities for starting new farms or expanding existing ones are rare nowadays. The only regions where this is still possible are the less densely populated northern provinces of the Netherlands. Here we see a national variation on international migration: farmers from the western and southern parts of the country settle there and start new farms. As a result, the traditional arable farming of this region is being replaced by dairy and pig farming.

The Dutch agricultural policy of the last 20 years and the increasing non-agricultural claims on farmers' land has produced an unfavourable climate for farming entrepreneurs. The government's treatment of farmers whose business has been threatened by livestock disease has further worsened the climate. In 1997, after the outbreak of swine disease in the south of the Netherlands, the government exploited the crisis to prepare legislation that would dramatically reduce the livestock population.

In 2001, after the outbreak of foot-and-mouth-disease, many farmers had the impression that the government had one purpose only: to get rid of them.

This is the climate in which many Dutch farmers are contemplating their future. For many – especially those who have small farms and older farmers without successors – liquidation is the only option left. It was not for nothing that many farmers decided to take advantage of the recent buying-up regulation introduced by the Ministry of Agriculture. Others – young farmers, older farmers with successors, and financially strong farmers – will possibly consider emigration.

### *Recent emigration*

The first signs of growing interest in emigration among farmers appeared in the 1980s. A study published in 1989 by the Dutch Agricultural Economic Institute confirmed this. According to this study, 17% of the farmers in the survey occasionally toy with the idea of emigrating. Five percent of them have inquired about emigration but as yet have no definite plans to settle abroad. They have attended an information meeting, or travelled abroad to explore the possibilities of emigrating. One percent of the interviewed farmers had concrete plans.<sup>4</sup> The farmers considering emigration were younger, better educated and had larger farms than those who had



Tilbudene var mange og forvirrende for de hollændere, der ønskede at emigrere i 1940 og 50'erne. Karikatur af en af de mange plakater der i 1950'erne opfordrede hollænderne til at emigrere.

never thought about it. The group of farmers contemplating emigration were often relatively specialised in intensive livestock breeding. Nevertheless, most of them had a dairy farm.<sup>5</sup> The farmers interviewed were also asked about their reasons for considering emigration. Measures to curb production were most often mentioned as an important factor. In addition, uncertainty about future agricultural policy and high taxes ranked high. A future for the children and the feeling that the Netherlands is becoming overpopulated, arguments often cited in the 1950s, played only a modest role.

### *Changing patterns*

In the 1980s, Dutch agricultural emigration was traditionally oriented at countries outside Europe. Farmers were interested in countries where their family or former neighbours had emigrated to in the 1950s: Canada, the United States, Brazil, Australia and New Zealand. According to the study I mentioned, more than 50% of the farmers who had gathered information about emigration were interested in Canada. Other traditional emigration destinations were also mentioned. Interest in emigrating to European countries was low.<sup>6</sup> If we look at the actual emigration figures we see a contradiction. Although the largest contingent went to Canada – 61 in 1988<sup>7</sup> – Denmark was also popular. Most of the 85 Dutch farmers who settled here be-

tween 1985 and 1992 arrived in 1988 and 1989.<sup>8</sup>

Since 1989, the character of Dutch agricultural emigration has changed radically. The developments in Central and Eastern Europe, above all the reunification of Germany, created new opportunities. A later study published in 1992 by the Dutch Agricultural Economic Institute confirmed growing interest in emigration among Dutch farmers. As measures to restrict production and reduce manure output became more rigid, more farmers attended information meetings about emigration and participated in study tours.<sup>9</sup> Unlike the 1980s most agricultural emigrants stayed in Europe. In 1991, about 30 farmers went to France. Denmark had become less popular, but nonetheless absorbed ten farmers' families in that year. Twenty farmers started a new enterprise in the former German Democratic Republic. Other destinations in 1991 were Belgium, Great Britain, Ireland and southern European countries. The total agricultural emigration from the Netherlands to other European countries was estimated at 100 to 125 holdings. Only 40 emigrants travelled to countries outside Europe. In 1991 about 30 farmers started a new life in Canada, about half the number of those who emigrated three years earlier. The total number of agricultural emigrants was estimated at 150.<sup>10</sup>

From interviews with emigration



consultants and estate agents, the Agricultural Economic Institute distinguished four types of emigrants. The first and most important group is young farmers running modern holdings. For them, emigration is a challenge to build a larger and even more modern farm that offers expansion opportunities for them and their children. The second group consists of older farmers with one or more successors. They see emigration as a way of creating a good start for the next generation. Both groups – young farmers and old farmers with successors – have enough capital for settling abroad. The third group mainly consists of farmers' sons who lack funds to start a farm in the Netherlands but have spotted the potential of other countries, perhaps through working on farms abroad. The fourth group comprises agricultural entrepreneurs starting a production unit abroad while keeping their enterprise in the Netherlands. They do this merely to take advantage of the lower costs of land and labour in foreign countries.<sup>11</sup>

### *Growing numbers*

The emigration consultants and estate agents interviewed forecast that the numbers of Dutch farmers and horticultural growers who decided to emigrate would increase, a forecast that has become reality. According to recent figures, about 300 farmers emigrate each year. Emigration consultants estimate the number of

Dutch farmers currently planning to emigrate at between 4000 and 5000. The Dutch agricultural policy and growing urbanisation are the main reasons for emigration. All parts of the agrarian sector are represented: dairy farmers, pig and poultry farmers, arable farmers and growers. Lower land prices make buying land in other countries very attractive.<sup>12</sup> After a decline in the early 1990s, Canada regained the pole position among emigration countries. Every year, between 100 and 120 farmers' families move to Canada. Most of these families own a large dairy farm. Canada also offers good opportunities<sup>13</sup> for pig and poultry farmers. Most emigrants start a new farm in provinces with large groups of Dutch emigrants, like Ontario and Alberta.

Between 35 and 45 emigrants go to Denmark. Half of them are young farmers starting their first enterprise. France, where a similar number of emigrants start new businesses, is attractive because of low land prices. Their farms are smaller. East Germany is still attractive for large dairy and pork farmers.<sup>14</sup> According to emigration consultants, emigration to Germany will decline. Most of the farms that were available have been sold.

If we look at the current Dutch agricultural situation, we can expect the emigration trend among Dutch farmers to continue. It is unlikely that developments in agricultural



policy will stop now. The reduction of the area of farming land will also continue. The countries farmers will choose to emigrate to will be diverse. Apart from those who choose overseas countries like Canada, a large number of farmers will stay in Europe. Former communist countries like Poland, the Czech Republic and Hungary might become attractive. Within a few years these countries will become members of the European Union. Land is cheap and the need for agricultural modernisation beyond dispute. One of the problems is that foreigners cannot buy land. The alternatives are to lease land or start a joint venture with a local partner.

In 2000, the Dutch Minister of Agriculture, Laurens-Jan Brinkhorst, visited Hungary. During this visit he discussed the country's settlement opportunities for Dutch pig farmers with his Hungarian colleague. According to Brinkhorst, Hungary has a shortage of pig farmers and a surplus of unused land. Because the Netherlands has a surplus of pig farmers, Brinkhorst wishes to encourage them to emigrate or start a second production unit in Hun-

gary.<sup>15</sup> Southern Europe has possibilities for grass-growers. By starting a new production unit they will be able to produce throughout the year. The light conditions for growing grass are good and wages low.<sup>16</sup>

### *Not the decision of a lifetime*

Since dissatisfaction with the Dutch agricultural situation is the reason that most farmers decide to emigrate, agricultural developments in the destination countries are especially important for migration patterns. If Denmark introduces new, more stringent environmental regulations, it may lose its attraction for Dutch farmers. Immigration might decline, and Dutch farmers who have already settled in Denmark might consider emigrating to another country.

Nowadays emigration is not the decision of a lifetime. Farmers leave their country because they are looking for better opportunities. The success of migration depends on the success of the farm. If farmers are unable to earn a living in another country with cheaper land and start subsidies, returning to the Netherlands becomes a serious option.

## NOTER

1. Source: EO-radio and LTO-Vastgoed, 1999.
2. M. Smits, *Met kompas emigreren. Katholieken en het vraagstuk van de emigratie in Nederland (1946-1972)* (Nijmegen's-Gravenhage 1989), p. 127.

3. J.H. Elich and P.W. Blauw, *Emigreren* (Utrecht/Antwerpen), p. 55-57.
4. J.H.A. Hillebrand, *Boeren en emigratie* (The Hague 1989), p. 10.
5. *Ibid*, p. 11.
6. *Ibid*, p. 22.
7. B.M. Kamphuis, *Recente ontwikkelingen in de emigratie van agrariërs* (The Hague 1992), 23.
8. *Ibid*, p. 25.
9. *Ibid*, p. 20.
10. *Ibid*, p. 12.
11. *Ibid*, p. 11.
12. *Zwolse Courant*, 31-1-2001.
13. Press-report ANP, 11-01-2000.
14. *Ibidem*.
15. Press-report ANP, 22-08-2000.
16. *Agrarisch Dagblad*, 15-07-2000.