

## Extract of Field Notes from Japan

Bill Reimer

Dec. 6-10, 1999

**Tuesday December 7, 1999**

[Woke up at 6:00 to falling snow. Climbed in the minivan to visit the second major village in the Iitate administration. Drove over winding mountain roads and down the other side of the range (below the snowfall). Stopped at a dam (power and water control) and continued on to visit another small village. Passed scattered farms wherever the land became a bit flat (or was made flat) into rice paddys. Returned to the hotel for breakfast.

Breakfast conversation:

- young people (eldest son) expected to take over the family farm
- difficult for them to find a wife (sometimes look externally)
- the farm is viewed as belonging to the family
  - thus difficult to sell it (a matter of shame)
- suicide rate among middle aged is high]

[Meeting with farmer Mr. Sugihara, 51 years old. 600 m. high

- 2 hectares rice
- 3 hectares field - 1 diverted (gov't program)
- 26 cattle (female)
- 20 calves sold last year, approx 350,000 ¥ (relatively low)
- vegetables (radishes)
- full-time farmer
- family:
  - 7 people - parents (2), 3 children
  - son - 20 (moved to Tokyo)
  - daughter - 2nd grade HS (stays outside of village) - rents a room in someone's home (common arrangement for young students)
  - son - 2nd grade HS (in village)
- child will decide who will get the farm - it is not yet clear]

**Reimer:** What is the history of farm transition?

**Sugihara:**

- he has 3 sisters, he is only son
- as a son - was taught that he would succeed
- went to agric. college
- worked on farm - at 32 years old the farm was passed to him
- wife from far away - relative introduced (match made by others)

**Reimer:** How important are gov't supports for the operation of the farm?

**Sugihara:**

- gov't support necessary
- eg: 1950s - raised horses
- 1960s - raised cattle (used gov't subsidy system - young farmers' succession program)
  - eg: now - gets subsidy from diversion program for one paddy field
- without gov't subsidy - Japanese agric. Cannot survive
- gross income: 14 million ¥, 1/2 from cattle nursery

**Reimer:** How do you keep up with the new technology?

**Sugihara:**

- organized a study group
- 2 times a year - visited advanced areas in Japan
- JA coop - each 2 months - they have a study group
  - on nursery cattle
  - analyze market conditions every 2 months

*[wife served us while the conversation continued  
periodically she would add comments]*

**Reimer:** Is there a contract arrangement with JA coop?

**Sugihara:**

- last year he established a contract with private companies (radishes in summer)
- was okay last year
- this year - high temperatures therefore couldn't grow high quality
- radishes therefore couldn't sell - he is considering signing a contract next year
  - Rice - goes to JA coop
  - Cattle - goes to JA coop

**Reimer:** What about net revenue? Did you gain or lose?

**Sugihara:**

- this is a sensitive topic (taxes involved)
- cattle: approx. 40% return

*[There was some discussion between Tsuboi and Sugihara. Eventually, Sugihara provided the following information]*

**Sugihara:**

- Rice: 2.4 million ¥
  - net approx. 70%
- Radishes and Vegetables: 5 million ¥ gross
  - net approx. 60%
- expected 3 million ¥ for radish - but lost

**Reimer:** Do you have any questions to ask us?

**Sugihara:** In US and Australia there is large scale farming - What about Canada?

**Reimer/Jean:** Farm structure is regionalized:

- very large farms - grain on Prairies
- dairy in east, approx. 1 hectare avg (70 or so herd size)

**Sugihara:** Is the family farm popular?

**Reimer/Jean:** Yes - in east - but not family farm like here (more corporate structure)

**Sugihara:** Succession of farm. In Japan the continuity of the farm is most important, therefore it is natural for inheritance - it is shameful for farmer to sell land. What about Canada?

**Reimer/Jean:**

- the attachment to land is different
- feel trauma if family farm is lost but not shame
- not as strong an obligation to take care of parents and parents often want to move away from the farm - therefore want/need the money
- Problem - It is difficult for children to provide for parents' retirement
- Quota - drove up price - makes it difficult to transfer the farm and created pressure to dismantle it
- It is more difficult to choose a successor since there are typically larger families

*[NOTE: The important role of family in Japanese farm decisions*

- *currently under pressure from changes in values (to more independence)]*

**Sugihara:** His future vision - farmers should expand scale of farming - but this is difficult. Also - trade

devaluation issues - rice, livestock, dairy. Therefore it is difficult to make a career vision. What is our vision for farming?

**Reimer/Jean:**

- It is almost the same in Canada.
- These limitations, state intervention may be reduced because of WTO
- farmers have an unclear future in Eastern part of Canada

**Sugihara:**

- Canada cannot compete on world market with 80 head per farm - therefore which country will survive?

*[At this point the farmer's Veterinarian arrived]*

**Reimer/Jean**

- Agriculture is not a matter of market economics, but politics. Our view is that the liberalization emphasis will backtrack because agricultural markets don't work like open markets. Agricultural markets have domestic concerns - only a few products will be traded on world markets. Consumer views are changing - there is more concern with quality, therefore, new opportunities are created to renew agricultural systems. We must be more responsive as it changes.

**Veterinarian**

- Exports of embryos to foreign countries - the USA is very ready to do this. USA has much capital and biotechnology - not difficult to raise high quality cattle. USA could export high quality cattle to Japan.

**Reimer/Jean:** not a problem - need water for city and cattle raising in Southwest USA. Therefore, cattle raising going to Mexico or Canada

- also standards for high quality are different by country. Japanese like marbled beef, N. Americans don't

*[The Veterinarian asked another question, but we had to leave.]*

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