

# EXTENDING THE SECURITY NET THE IMPACT OF RANGELAND INSURANCE ON RANCHING ECONOMY AND CULTURE

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*“Frank,” hollered one cowboy. “Do you think we’re gonna make it?”  
“I dunno,” Frank yelled back. “But I sure ain’t gonna quit trying.”<sup>1</sup>*

Humans have a complex relationship with the land. At the base of it lies our need for what the land can give: materials for shelter, food and water for sustenance, and scenic beauty for pleasure. But, similar to our interactions with other humans, our relationship with the land is not always perfect. The land can often be our worst enemy. Storm, drought, famine, and pestilence are common words from the

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historical record representing times when this connection between humans and nature is challenged.

Crop insurance is a relatively recent invention that attempts to level the playing field in our contest with the environment. It well represents the complexity and interaction within the human-land relationship. Ranching is another symbol of this relationship. The word stewardship captures a rancher’s connection to the land.<sup>2</sup> It denotes a respect for the land and its utilization in a manner that will reap benefits for the community or group now and in the future. True stewards must have a deep, distinct, and intimate relationship with that thing over which they have stewardship. Ranchers’ livelihood depends on this linkage. If they neglect their land by allowing overgrazing, their livestock’s sustenance is damaged; if they do not have functional, forage-producing land on which to graze their livestock, then the relationship is broken and ranching ceases. And if ranching ceases to exist, so does the ranching culture.<sup>3</sup>

Traditionally, ranchers have not received crop insurance or other assistance from the federal government to help them financially through times of drought, storms, or other climatic disasters. The crop insurance program for rangeland and pasture that the United States Department of Agriculture's (USDA) Risk Management Agency (RMA)<sup>4</sup> is currently investigating will be a new and possibly important tool for ranchers in their business and culture. By exploring the historical and geographical background of crop insurance and ranching in the United States in the context of this new program, we can begin to understand the potential impact this type of government assistance could have on ranchers, rangeland management, and the ranching culture.

Gaining that understanding is crucial in light of the historical and present place of ranching in the western United States and particularly in the Great Plains. Ranching has played a significant role in the unfolding history of the Great Plains, and today ranchers and ranchland holders continue to influence the economy, politics, and culture of the region.<sup>5</sup> In fact, in the states of Oklahoma, Kansas, and Nebraska, pasture and rangeland account for 48.7, 32.8, and 47.6 percent of agricultural land, respectively, and market value in each of these states for cattle (not including feedlots) was estimated at more than \$1 billion in 1997.<sup>6</sup> Additionally, Great Plains scholars have documented time and again the vulnerability of the region to drought, the subsequent economic hardship, and the role of risk management strategies as mitigating forces. In light of the recent occurrence of some of the worst droughts in history, a heightened awareness among Great Plains observers regarding the emerging rangeland and pasture insurance program is warranted.<sup>7</sup>

I first examine the history of crop insurance in the United States leading up to the current efforts in rangeland insurance. What then follows is an overview of federal involvement in ranching in the United States. Finally, I discuss the ranching culture, including some of the difficulties it faces presently and the potential

influence rangeland insurance may have on this economy and culture.

#### THE INVENTION OF CROP INSURANCE

The origin and intention of crop insurance typically has been a direct response to difficulties caused by droughts or floods. This seemingly obvious point illustrates the fact that we live in a state of continual adaptation (usually by economic or political means in modern times) to extreme climatic events and other environmental influences.

Possibly the first mention of crop insurance in the United States was in October of 1788 when, upon hearing of storms that destroyed a large portion of France's crops, Benjamin Franklin wrote to his friend M. Le Veillard:

It must have been a terrible tempest that devastated such an extent of country. I have sometimes thought that it might be well to establish an office of insurance for farms against the damage that may occur to them from storms, blight, insects, etc. A small sum paid by a number would repair such losses and prevent much poverty and distress.<sup>8</sup>

Benjamin Franklin is known as a great inventor; he quite possibly invented the idea of crop insurance, too. His idea would not come to full realization in the United States, however, for nearly 150 years.

As far back as 1899, private companies offered crop insurance to protect farms against the effects of natural peril. None of these endeavors were successful because of difficulties associated with balancing premium payments with potential loss payments. It was simply impossible to predict the weather events that would lead to losses. In the 1920s a U.S. Senate committee investigated how crop insurance should be implemented. Even though farmers hoped for federal participation and backing in the program, such involvement was not among the committee's suggestions.<sup>9</sup> The needed federal support for the program would

not exist without catalysts that were to come a decade later.

Many programs and inventions in American government were born out of the difficulties of the Great Depression and Dust Bowl of the 1930s; federally administered crop insurance is one of them. As the historian Theodore Saloutos wrote, crop insurance grew naturally out of a three-phase attempt by the government to administer relief through the Agricultural Adjustment Administration (AAA). In its first incarnation, the AAA sought to “balance production with demand” in order to bring commodity prices to levels seen in prior decades. Seeing the program’s weaknesses during the droughts of 1934 and 1936 (combined with its being declared unconstitutional), Congress passed the Soil Conservation and Domestic Allotment Act of 1936, which had the same goal of increasing farm income but this time through adopting proactive soil conservation practices. This second phase failed to allow farmers to reap the greater benefits in bumper-crop years. In the third phase, therefore, AAA sought middle ground by establishing a reserves program, an “ever-normal granary,” to both protect against loss in drought years and to provide a method for surplus storage in plentiful years. This strategy gave way to a more formal initiation of a federal crop insurance program.<sup>10</sup>

Congress passed the Federal Crop Insurance Act of 1938 and with it organized the Federal Crop Insurance Corporation (FCIC). The mission statement of this organization shares much in common with the “office of insurance” Franklin conceptualized 150 years earlier. The goal of FCIC was (and is) to “promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance.”<sup>11</sup> In other words, crop insurance is meant to provide an security net for farmers who suffer financial loss from natural disasters such as drought, storm, hail, wind, and insect infestation.<sup>12</sup>

Wheat was the only crop originally covered by the FCIC. Cotton was added for the 1942 and 1943 growing seasons, but as a result of

low participation and heavy economic losses in the first five years of the program’s existence, Congress canceled crop insurance in 1943. A little over a year later, however, it was reinstated and expanded to cover more crops against a longer list of natural perils. The program continued to expand over the next three decades but by 1980 was still available in only about half of U.S. counties and for only thirty crops. Participation also remained low in areas where the insurance was offered. The crop insurance program in its first forty years “never became more than a pilot program.”<sup>13</sup>

Because of perpetually low participation in the crop insurance “experiment,” when natural disasters hurt crop production in the 1970s the federal government had to make ad hoc relief payments, amounting nationwide to more than \$400 million, directly to producers. Farmers approved of this method of compensation, but it was expensive. Dissatisfaction with unplanned costs led to a “major overhaul” in crop insurance with the Federal Crop Insurance Act of 1980.<sup>14</sup> This legislation expanded crop insurance to all U.S. counties with significant agricultural production and allowed a larger number of crop types to be insured. The intended goal was to increase participation so as to make crop insurance the sole method of protection against disaster.<sup>15</sup>

The role of the FCIC in marketing and servicing policies also changed following the passage of the 1980 act. The FCIC had previously sold and administered most insurance policies. After 1980 the sale and service of policies shifted more to private companies. The FCIC, however, remained heavily involved in private insurance contracts as a reinsurance company, one that a private insurance company contracts with to spread out its financial risks resulting from catastrophic loss. In addition, the government subsidized farmers’ insurance premiums as a further incentive to increase participation in the program.<sup>16</sup>

Participation in crop insurance increased in subsequent years but still remained fairly low. Its goal to replace disaster payments also fell far short of being achieved, as witnessed

by another series of ad hoc disaster payments made through the 1980s and early 1990s. Rekindled displeasure with such payments and the still-low program participation once again acted as catalysts for change, this time through the Federal Crop Insurance Reform Act of 1994. Three main changes came through the 1994 act, all with the intention of encouraging enrollment in crop insurance. First, a new type of heavily subsidized Catastrophic Risk Insurance (CAT) was offered to farmers on a no-cost basis (minus an administrative fee). Second, ad hoc disaster payments were no longer allowed for crops already covered by federal crop insurance. Finally, to force participation in the program, farmers had to insure their crops with at least CAT coverage in order to be eligible for other farm programs.<sup>17</sup>

After a two-year trial, the CAT enrollment requirement was not seen as an effective method of encouraging participation, so Congress changed its mind with the Federal Agricultural Improvement and Reform Act of 1996 (FAIR). The earlier stipulation requiring enrollment in crop insurance to be eligible for other farm programs was traded for another wherein farmers who did not choose to insure their crops through CAT or another crop insurance policy waived their right to other forms of disaster assistance, but were still eligible for different farm programs. In addition, the FAIR Act further increased the private sector's role in crop insurance by requiring that crop insurance be purchased through private companies where available, all of which were still backed by FCIC and the federal government through premium subsidies and reinsurance. Although crop insurance had been moving this way since 1980, the FAIR Act effectively transferred agricultural risk from the government to the producer. The FAIR Act also established a new government agency, the Risk Management Agency (RMA), to administer and oversee the FCIC.<sup>18</sup>

The most recent changes in crop insurance came with the passage of the Agricultural Risk Protection Act of 2000 (ARPA). This renewed congressional concern for crop insurance came

once again on the heels of unplanned disaster payments in the late 1990s, only part of which were for the purpose of covering production losses. Although the overall goal of ARPA reflects that of previous attempts to make crop insurance the main method of disaster compensation,<sup>19</sup> other changes in ARPA are important in the expansion of crop insurance into the realm of ranching.

#### *Enter Rangeland Insurance*

ARPA charged RMA with the responsibility to expand crop insurance into "new and specialty crops."<sup>20</sup> A pilot program to test and implement rangeland and pasture insurance in twelve Montana counties had been announced and implemented prior to ARPA,<sup>21</sup> but the expansion of crop insurance into the ranching sector (heretofore untouched by this kind of federal program) was further emphasized by the ARPA mandate. The eventual development of a nationwide rangeland and pasture crop insurance program is a top priority for RMA today.<sup>22</sup>

#### *Reasoning behind Federal Crop Insurance*

Through this discussion of the history of crop insurance, we can understand the ostensible purpose of crop insurance: to compensate farmers who suffer economically from natural disasters. Deeper into the reasoning behind the program lies another interesting question: Is the support provided by crop insurance a direct attempt by the federal government to ensure the continuance of a Jeffersonian ideal of the yeoman farmer and a population connected to the land? No simple answer to this query exists, of course, and I do not attempt to answer it in this essay. Still, a short discussion is appropriate since it shows how the federal government might view ranching culture, especially in light of the new moves to bring ranching into the crop insurance program.

John Opie in a paper about the High Plains argued that historically the federal government was fulfilling a moral responsibility by

sustaining the region's farming population and culture through government subsidies and programs. Most presidents, after all, have shared Jefferson's view of the importance of agriculture in the United States, from Abraham Lincoln to Franklin D. Roosevelt to William Jefferson Clinton. Opie suggested, however, that this moral responsibility to the family farmer was coming to an end in 1996 with the moving of risk management to the farmer. This is true to the extent that, with the current system, the government does not simply bail out farmers in hard times. Farmers have to make the choice themselves to protect against disaster.<sup>23</sup>

Congressional testimony, debates, and statements surrounding ARPA's most recent overhaul of crop insurance support Opie's conclusions. Generally speaking, federal lawmakers commented on crop insurance's role as an economic support for the agricultural industry.<sup>24</sup> But the bill was more than an economic move. It provided farmers and ranchers with risk management strategies, rather than ad hoc bailout payments, by which the federal government could assist in preserving rural America. In the days prior to major debate on ARPA, a "Rally for Rural America" was held in Washington, DC. A minister participating in this rally was quoted as saying, "We have taken the culture out of agriculture." Senator Paul Wellstone of Minnesota used this anecdote in introducing an amendment to ARPA aimed at giving a "sense of the Congress" regarding its support of rural communities and farming families, bolstering the notion that the work of Congress was more than merely providing economic assistance. Adding his opinion, after invoking the memory of Thomas Jefferson, North Dakota senator Byron Dorgan stated: "It is much more than just economics, finance, or math. It is a social product produced on our family farms . . . that contributes mightily to the character of this country. . . . That is why this is an important piece of legislation. I hope it is but a first small step in a journey we can make together to improve the opportunities for family farmers in our country."<sup>25</sup>

It can be argued that ranching culture is as important to the American landscape, character, and culture as the yeoman farmer. Paul Starrs referred to ranchers in the Sandhills of Nebraska as "the moral and practical equivalent of the yeoman farmers cherished by Jefferson."<sup>26</sup> Ranching has not, however, received the federal subsidies so common for farming. In fact, the government traditionally has not been much concerned with the welfare of ranching.<sup>27</sup> Additionally, the potential for a nationwide federal program for ranching comes at the end of the government's "moral responsibility" to the family farmer. For this reason, it seems improbable that the new rangeland insurance program is a conscious effort by the federal government to preserve the ranching culture. Yet, given a desire in Congress to sustain rural America and provide new risk management strategies to ranchers and farmers, such preservation may be an indirect benefit of the program.<sup>28</sup> Below I address the possible effects of the new program for rangeland and pasture insurance on ranching culture, following a discussion of the U.S. government's involvement in ranching throughout history and an overview of ranching culture in the United States.

#### FEDERAL INVOLVEMENT IN RANCHING

The federal government has historically taken reactionary steps toward remedying difficulties in ranching, in similar fashion as its approach to farming. Some of these steps were because of ranchers' failed stewardship over the land; others came simply because of the harshness of nature. Both, however, stem from the difficult relationship ranchers have with the land.

The earliest ranching in North America can be traced to 1540 when Francisco Vasquez de Coronado introduced domestic livestock into what is now the southwestern United States. For two hundred years following this date, cattle, sheep, and horses were raised for consumption and use at regional missionary establishments. Livestock populations were

relatively low until the middle of the 1800s when Anglo-Europeans came on the scene, eventually leading to a cattle boom around the time of the Civil War that continued into the 1880s. The boom was characterized by rich, and often foreign, “cattle kings” who grazed large herds on the expansive, communal range of the Great Plains. Extremely harsh winters in 1879, 1886, 1889, and 1890 killed thousands of livestock and forced many cattlemen out of business. These climatic disasters, in conjunction with homesteader fencing and plowing of the open range, forced an end to the boom days of ranching in the United States.<sup>29</sup>

The Homestead Act of 1862 was the first major impact the U.S. government had on ranching. The law was not a reaction to any difficulty in the relationship ranchers had with the land, but it affected ranchers’ access to rangeland. In fact, as geographer Paul Starrs noted in *Let the Cowboy Ride*, ranching as we know it in the western United States did not come to be until around 1890 at the end of the “cattle kingdom” days.<sup>30</sup> From this time forward we see increased influence in ranching by the U.S. government.

Several factors combined with homesteading and the difficult climatic conditions of the late 1800s to cause major changes in the availability of land for ranching. The harsh winters reduced the amount of available forage for grazing livestock. As a result, the rangeland was overgrazed. With new progressive thinking in wilderness conservation of the time, and in a move to protect forests from this overgrazing threat, large acreages of forestland were put under the jurisdiction of the government in 1891, eventually to become what is now U.S. Forest Service land. Ranchers had used much of this land for generations, stretching back 200 years to before Anglo settlement in the West, but organization of forest reserves effectively ended this long heritage. Ranchers were eventually allowed to return to federal forestland under grazing permits, of course, many of which are still in effect today.<sup>31</sup>

After 1891 ranchers continued to graze their livestock on public rangelands that were not

under any particular governmental jurisdiction. This changed thirty years later. Droughts of the 1920s and 1930s in the Great Plains, fragmentation of rangelands as a result of the original homestead acts, and many ranchers’ abuse and failed stewardship of the fragile resources in the remaining open range all led to new thinking about the management of rangelands in the United States. The result was more federal regulation in the form of the Taylor Grazing Act of 1934, which allowed the federal government to create and administer grazing districts on all federal rangeland.<sup>32</sup>

Under the Taylor Act, the Grazing Service and the General Land Office, which eventually became the Bureau of Land Management (BLM), sold grazing rights to ranchers and dictated stocking rates in the newly formed grazing districts. The law brought a measure of control to over 140 million acres of U.S. public-domain rangeland, and unlike changes in forestland control, ranchers and ranching organizations supported many of these new ideas and decisions. They had seen their lands threatened in the years leading up to the Taylor Act by “tramp herders and wildcat ranchers who had no tenure and therefore used land as they could and got everything they were able to out of it.” Even though the Taylor Act placed more federal control and authority over public lands, ranchers also saw it as mitigation of effects felt decades earlier as a result of forming forest reserves. At the same time, the livestock industry had a “change in attitude toward Federal management of public rangelands”—they recognized the need for conservation, and the only way to accomplish it was through federal involvement.<sup>33</sup>

The Taylor Act is only one of many federal changes in the 1930s that characterize this time of increased government involvement throughout U.S. agriculture. Another relevant initiative of this time was the Soil Conservation Act of 1935. Under this legislation the Soil Conservation Service, now the Natural Resources Conservation Service (NRCS), was formed and mandated by Congress to work to conserve and preserve natural resources in

farming, grazing, and forested land. The NRCS is particularly responsible for lands under private ownership, in contrast to the BLM's role in public land.<sup>34</sup> It is, however, another sign of government's increasing role in ranching.

Government efforts during the latter part of the 1800s up through the 1930s signaled a major change in the way the federal government viewed the public domain. In essence, their role changed from one of land disposal to one of land management. Several other changes in the role of federal land management in recent decades, although smaller in effect and scale, have also had an impact on ranchers. Environmental and wilderness conservation legislation such as the Multiple Use and Sustained Yield Act of 1960, the Federal Land Policy and Management Act of 1976, and the Soil and Water Resources Conservation Act of 1977 were passed because of concerns over the condition of U.S. rangeland. Others, such as the Wilderness Act of 1964, provided further government management of wilderness lands where grazing, if allowed at all, is severely restricted.<sup>35</sup>

From this review it may seem that federal government's involvement in ranching is extensive, but its scope is minute compared to the assistance that crop farming has received. Ranchers have never received subsidies like those of farmers. That the fee ranchers pay to graze on federal lands is minimal in comparison to the actual value of the land has led some people (usually ranching opponents) to believe that ranchers do receive a subsidy. But even when viewed in this light, the compensation is modest.<sup>36</sup> In a 1991 comparison, the amount that the government effectively spends through assisting ranchers by keeping grazing fees low is \$60 million compared to \$800 million in subsidies paid to the dairy industry, which supports a smaller number of people than does ranching.<sup>37</sup>

Less government influence in their lives is usually appealing to ranchers, for they are inherently independent people. They also generally distrust the federal government, a trait that likely stems from a cross-cultural gap

and the uneasy relationship between the two groups throughout history.<sup>38</sup> Still, according to one survey, ranchers are more likely to accept government involvement if compensation is involved.<sup>39</sup> (Rather than the governmental subsidy payout we normally think of, rangeland insurance will be subsidized, as is other crop insurance, to minimize the premium cost to the rancher.) The rangeland and pasture insurance program may therefore be appealing to ranchers, even though it will bring an added measure of federal involvement into their lives. This point, along with the fact that government subsidies for ranchers have not existed in the past, leads to my main question: What might be the impact of rangeland insurance on the ranching economy and culture in the United States?

#### INSURING AND ENSURING THE FUTURE OF RANCHING CULTURE

Ranching is more than a job, more than a land-management practice; it is, in reality, a way of life. As with other cultures, this one is difficult to describe. Romantic images of ranching abound, many of them stemming from the mystic connotations associated with the word cowboy.<sup>40</sup> We derive these from television, books, movies, and even history. Other popular associations with ranching are the values of hard work, independence, and connectedness with the land. As people have come to understand this culture beyond simple images, a respect for the ranching way of life has developed to the point that they want to mimic it. This is manifest in the many "ranchettes," or hobby ranches, that have sprung up in western states. We can also see the appeal of ranching culture through the popularity of tourist ranching experiences.<sup>41</sup> Ranching is a valuable piece of the cultural diversity in the United States; it is a resource that needs to be preserved.

Ranching culture is also part of the American landscape. In their introductory geography textbook, Terry Jordan and Mona Domosh place ranching in the category of folk culture



FIG. 1. *Summer in the Flint Hills of Kansas. Such a scene is symbolic of ranching landscape in the United States and represents one of the last native grasslands in the country.* Photograph by Rex Rowley, July 2004.

regions in the United States and give the ranching culture (Plains ranch is the name they use) a general location in the West, Southwest, and the Great Plains.<sup>42</sup> Bob Budd, rancher and former president of the Society for Range Management, describes ranching as the epitome of sense of place, the “units of land that hold vast landscapes of the West together.”<sup>43</sup> This landscape offers valuable physical and cultural resources to the public. If managed correctly, it provides a method of conservation through the grazing process. It also provides open space, scenery, and wildlife habitat, all things the public wants to see in the western United States.<sup>44</sup>

Modern ranching preserves the traditional elements of the culture and way of life but also embraces today’s technological advances and scientific complexity. As such, ranching requires managerial and technological know-how and the capital to be able to support its implementation. Ranchers today, for example, may employ electric fencing to restrict or direct herds; Global Positioning System (GPS) technology to track and map herd movements as they implement water and supplement placement away from sensitive riparian areas; remotely sensed data from satellite- and aerial-based platforms to monitor the health

and production of their rangeland; genetically modified species of plants to boost production and levels of nutrients and antibodies in forage; and artificial insemination and embryo transfer to strengthen breeding practices.<sup>45</sup> Such tools are proactive strategies meant to enhance the economic situation on the ranch. Gaining greater attention within ranching circles are risk management tools such as crop insurance, allowing the rancher to prepare and mitigate against factors (e.g., weather and infestation) out of their control.<sup>46</sup>

#### *A Threatened Culture*

Ranching as an institution and culture, along with the benefits it offers, is being threatened by numerous factors, some of which can be overcome through a successful implementation of rangeland and pasture insurance. As noted above, ranching is based on a close relationship between the rancher and the land. Put more eloquently, and acknowledging the fragility of this relationship, Paul Starrs has written that “ranching in its ambiguity mirrors the sheer difficulty of sorting out the human relationship with the physical world.”<sup>47</sup> This difficulty manifests itself in the form of drought, storm, and pestilence. Storms ended



the open-range days and the cattle boom of the mid-nineteenth century; drought brought about many of the changes that occurred at the beginning of the twentieth century.

In a discussion I had with rancher Roy Canterbury, I came to see how fragile this relationship can be. A long-time rancher in Garden Park, Colorado, Roy symbolizes the challenges that livestock producers face amidst extreme droughts as he presses forward in his business and way of life. The extra-dry year of 2002, which was felt across most of the West, forced Roy to sell much of his herd. He simply didn't have enough feed available. In a small cow-calf ranch operation like Roy's, the shrinking of a herd that a rancher worked with for so long can be catastrophic. If ranches are facing economic troubles, then so is the culture they represent.<sup>48</sup> Roy's challenges are not all that different from anecdotal examples shared by congressmen who pledged their support for inclusion of rangeland and pasture in future insurance programs.<sup>49</sup>

Detrimental climatic events make worse an already meager business situation. Ranching is simply not profitable in most years. Knowing this, in the suburban American society that most people inhabit, one would think that ranching would have died many years ago. Suburbanites don't think like ranchers do, however. Ranchers stay in the business because it is a way of life and because they love the land.<sup>50</sup> Oftentimes, ranchers or members of the ranching family have to take a second job to help their ranch survive. Larger operations seem to do a little better than smaller ones because they maintain a higher volume. This phenomenon has been compared to the "Walmart dilemma," wherein big ranching or cattle feedlot operations are squeezing out smaller, local, and family ones.<sup>51</sup>

Other factors further compound the difficult economics of ranching, particularly in the case of the family ranch. One lies in the imminent loss of large amounts of ranching land; after all, as put succinctly by Starrs, "the land's the thing."<sup>52</sup> Forces for the removal of ranchers from the land existed throughout

history, including during periods when farmers and homesteaders pushed into the common grazing lands in the late 1800s and early 1900s, and when preserves of forested land were taken into government control and management. In the current scene, the threat arises from environmentalists and conservationists who feel that ranching, especially on public land, is an "environmental evil." Ranchers in the West typically need more land than they can actually own, so access to public land is absolutely necessary.<sup>53</sup> If they lose this access, then they lose their way of life and business.

The other threat to land comes from the subdividing of rural rangeland to meet a growing demand for second homes, or for a life in a ranchlike landscape. Many ranchers want to keep their ranch within the family for generations to come but simply can't afford it; real estate prices are too high in many areas. Selling the land is a powerful temptation, given that many ranchers could retire comfortably on what they make from the sale of their property and that estate taxes are too high for their property to pass the ranch on to the next generation.<sup>54</sup> The result is a growing number of subdivided exurban ranchettes and a loss of land actually used for traditional ranching. Some of the blame, of course, lies with producers who succumb to that temptation. In purely monetary terms, "selling out" is understandable given the bleak economic circumstances on many ranches. The financially prosperous departure of such a rancher would be the envy of any other group displaced by economic hardship. Yet gladly selling one's home ranch seems to be the exception rather than the rule. As Starrs noted, subdivision is "rarely undertaken happily."<sup>55</sup> Another seemingly insignificant threat connected to the ranches-to-ranchettes phenomenon comes from the rising value of water and water rights in the West. Many urban areas, such as those along the Front Range of the Rocky Mountains in Colorado, are paying top dollar for water rights from ranches that were used historically for irrigation of hay or other forage.<sup>56</sup>

Just as threats to the ranching way of life are numerous, so are the answers to the question

of how it will be saved. Suggestions offered by ranching observers include the following: First, get past the “mythology [of] self-sufficiency and independence” behind ranching and work with, not against, conservation groups. Ranching offers a public good (in scenery, open space, etc.), but by stubbornly and blindly maintaining that mythology, ranchers only cripple well-intended efforts to assist in their own culture’s preservation.<sup>57</sup> Second, diversify ranch products, services, and income sources, and find additional markets for the traditional ranch commodities. This option may supplement ranch income through entering niche markets for conservation beef or bison, providing camping and dude ranch experiences, allowing for specialized hunting leases for bison, elk, or deer, offering wildlife viewing, or implementing other strategies for which the largely urbanized public would likely pay.<sup>58</sup> Third, lower costs or become bigger in size and volume. Consolidation of large parcels of land under one owner/manager, as is seen in the huge ranches of the Sandhills of Nebraska, or the synergistic power that can come through partnerships and alliances, stand as viable alternatives to increasing the bottom line in markets for either traditional or nontraditional products.<sup>59</sup> Fourth, implement a program that pays ranchers for good stewardship and conservation of natural and landscape resources. Stewardship payments would replace price supports and ad hoc farm payments, and could be extended to ranching on both private and public lands as a way of promoting conservation and economically supporting producers.<sup>60</sup> Finally, donate land as a conservation easement to lower tax liability and to keep the land as a functioning ranch. Such a move would preserve large tracts of rangeland throughout the Great Plains and the West and allow them to remain so in perpetuity, securing this aspect of America’s rural landscape for future generations.<sup>61</sup>

#### *Rangeland Insurance to the Rescue?*

Rangeland insurance, as the USDA proposes it, currently is not on the list of suggested

solutions, but it may be in the future. In a way, it complements several of these suggestions. It is similar to stewardship payments as a method of economic enhancement, except that, instead of a payment to the rancher for taking care of his land, it is a payment for times when the land doesn’t take care of the rancher. In addition, when ranchers receive payment after a loss of forage from storm or drought, their costs in dealing with this burden are effectively lowered. Ranchers can use the money to pay for feed to keep the business going until difficulties pass. With such a payment, Roy Canterbury might have been able to keep all or most of his herd. These effects might even trickle down so that in a time of need ranchers are not forced to sell off their land to be subdivided.

In the end, will federally administered rangeland insurance save ranching and the ranching culture? At this point it is impossible to say. The rangeland insurance program will surely not cure all economic troubles. Still, it is a start. Rangeland insurance has enormous potential for helping ranchers. At the same time, it is not a “giveaway,” which Bob Budd explained is not what ranchers need.<sup>62</sup> Even though most crop insurance policies are subsidized to a certain degree, the insured farmer or rancher pays into the program. It becomes, then, a method that allows operators to make the decision as to how they want to cover their risks, but with a measure of help from the federal government to cover the premium costs. If administered correctly, the program may provide a good balance by giving ranchers a new option that could help them economically, and thereby, if even in a small way, aid the preservation of a way of life.

#### ONE DECISION AT A TIME

Ranching is a story about land and the rancher’s relationship to it. The rangeland and pasture insurance program, as with other crop insurance programs in the United States, is meant to be one way of smoothing out the rough places in this relationship. The program may provide a much-needed support structure

to minimize the effects of difficult times. Well-respected range ecologist Allan Savory, speaking in an ecological context that can just as well be applied in a cultural one, aptly stated that the only way to meet the goal of preservation is to approach it “one decision at a time.”<sup>63</sup>

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#### NOTES

1. Linda M. Hasselstrom, “No Place Like Home,” in *Ranching West of the 100th Meridian: Culture, Ecology, and Economics*, ed. R. L. Knight, W. C. Gilgert, and E. Marston (Washington, DC: Island Press, 2002), 47-57; quote from p. 57.

2. Ben Alexander and Luther Propst, “Saving the Family Ranch: New Directions,” in *Ranching West*, 203-17; W. William Weeks, “Cloudy Sky over the Range: Whose Home and Why It Matters,” in *Ranching West*, 219-13; Paul F. Starrs, “Ranching: An Old Way of Life in the New West,” in *Ranching West*, 3-23; Tom Field, “Making a Living in the Age of Wal-Mart,” in *Ranching West*, 183-94.

3. Paul F. Starrs, *Let the Cowboy Ride* (Baltimore: Johns Hopkins University Press, 1998), 7-9. Examples of voices claiming the value in preserving ranching and ranching culture are found in Richard L. Knight, “The Ecology of Ranching,” in *Ranching West*, 123-44; and Weeks, “Cloudy Sky.”

4. USDA, *Fact Sheet*, USDA Release No. FS0199.04 (Washington, DC: U.S. Department of Agriculture, 2004).

5. Ian Frazier, *Great Plains* (New York: Penguin Books USA, Inc., 1989), 60-72; Starrs, *Let the Cowboy Ride*, 138-40; Joseph V. Hickey and Charles E. Webb, “The Transition from Farming to Ranching in the Kansas Flint Hills: Two Case Studies,” *Great Plains Quarterly* 4, no. 4 (1987): 244-55.

6. USDA, *2002 Census of Agriculture, State Profiles* (Washington, DC: U.S. Department of Agriculture, 2002). Market value data for 1997 was used because breakdowns for feedlot cattle values were not provided in 2002. See USDA, *2002 Census of Agriculture*, vol. 1, *Geographical Area Series*, parts 16, 27, and 36.

7. For drought planning in the Great Plains see Mary-Louise Quinn, “Federal Drought Planning in the Great Plains—A First Look,” *Climate Change* 4, no. 3 (1982): 273-96. For general comment on drought in the Great Plains see Arrell M. Gibson, “Ranching on the Southern Great Plains,” *Journal of the West* 6, no. 1 (1967): 135-53; Simon M. Evans, “Grazing the Grasslands: Exploring Conflicts, Relationships and Futures,” *Prairie Forum* 26, no. 1 (2001): 67-84; and Richard W. Slatta, “Long Hours and Low Pay: Cowboy Life on the Northern Plains,” *South Dakota History* 32, no. 3 (2002): 194-216. For drought impacts and risk management strategies see Howard W. Ottoson, Eleanor M. Birch, Philip A. Henderson, and A. H. Anderson, *Land and People in the Northern Plains Transition Area* (Lincoln: University of Nebraska Press, 1966), 108-11; Leslie Hewes, “Agricultural Risk in the Great Plains,” in *The Great Plains: Environment and Culture*, ed. B. W. Blouet and F. C. Luebke, 158-85 (Lincoln: University of Nebraska Press, 1979); and Joseph A. Atwood, Myles J. Watts, and Alan E. Baquet, “An Examination of the Effects of Price Supports and Federal Crop Insurance Upon the Economic Growth, Capital Structure, and Financial Survival of Wheat Growers in the Northern High Plains,” *American Journal of Agricultural Economics* 78, no. 1 (1996): 212-24. On recent drought conditions see National Climate Data Center (NCDC), “Climate of 2002—Annual Review U.S. Drought,” January 23, 2003, <http://lwf.ncdc.noaa.gov/oa/climate/research/2002/ann/drought-summary.html>.

8. Albert H. Smyth, ed., *The Writings of Benjamin Franklin*, vol. 9 (New York: Macmillan and Co., 1906), 674; see also Lewis J. Carey, *Franklin's Economic Views* (Garden City, NY: Doubleday, Doran, and Company, Inc., 1928).

9. Randall A. Kramer, “Federal Crop Insurance, 1938-1982,” *Agricultural History* 57, no. 2 (1983): 181-200; Steffen N. Johnson, “A Regulatory ‘Wasteland’: Defining a Justified Federal Role in

Crop Insurance," *North Dakota Law Review* 72 (1996): 505-53; Barry J. Barnett, "The U.S. Federal Crop Insurance Program," *Canadian Journal of Agricultural Economics* 48, no. 4 (2000): 539-51.

10. Theodore Saloutos, "New Deal Agricultural Policy: An Evaluation," *Journal of American History* 61, no. 2 (1974): 394-416. Other federal agencies also contributed to the relief of farmers in the New Deal era, including the Federal Emergency Relief Administration (FERA), the Resettlement Administration (RA), the Farm Security Administration (FSA), the Farm Credit Administration (FCA), the Rural Electrification Administration (REA), and the Tennessee Valley Authority (TVA).

11. Johnson, "Regulatory 'Wasteland,'" 510-11.

12. Bernard Oury, "Crop Insurance, Creditworthiness, and Development," *Finance and Development* 7, no. 3 (1970): 37-42; Kramer, "Federal Crop Insurance," 187-88; Barnett, "U.S. Federal Crop Insurance Program," 539-40.

13. Kramer, "Federal Crop Insurance," 191-96; Johnson, "Regulatory 'Wasteland,'" 513-14; Scott E. Fancher, "How Safe Is the Safety Net?: The Implications of *Wiley v. Glickman*," *Drake Journal of Agricultural Law* 7 (Fall 2002): 527-62. Quote complaining that crop insurance remained a pilot program is found in Johnson, 513-14.

14. Johnson, "Regulatory 'Wasteland,'" 513-14; Fancher, "How Safe," 530-31. On the expense to the federal government, Johnson wrote: "During the years 1974 to 1980 alone, the USDA paid an average of \$436 million annually in direct cash payments to farmers, in the form of ad hoc relief and emergency loans" (513).

15. Kramer, "Federal Crop Insurance," 198; Barnett, "U.S. Federal Crop Insurance Program," 540.

16. Fancher, "How Safe," 531-32, 534; Johnson, "Regulatory 'Wasteland,'" 514-16; Kramer, "Federal Crop Insurance," 198-200.

17. Kramer, "Federal Crop Insurance," 199; Johnson, "Regulatory 'Wasteland,'" 515-20; Barnett, "U.S. Federal Crop Insurance Program," 540.

18. Johnson, "Regulatory 'Wasteland,'" 521; John Opie, "Moral Geography in High Plains History," *Geographical Review* 88, no. 2 (1998): 241-58; Sam Cameron, "Crop Insurance for New and Specialty Crops" (paper presented at Future Farms 2002, Norman, OK, November 15-16, 2002), 65-72.

19. Barnett, "U.S. Federal Crop Insurance Program," 540; Fancher, "How Safe," 533.

20. Cameron, "Crop Insurance for New and Specialty Crops," 66.

21. USDA, *Glickman Announces New Pilot Insurance Programs; New Revenue Options*, USDA

Press Release No. 0201.98 (Washington, DC: U.S. Department of Agriculture, 1998).

22. Personal notes from Risk Management Agency meeting, Kansas City, MO, October 14, 2003; RMA [Risk Management Agency], "Statement of Objective for Research and Development for Risk Management Products for Pasture/Rangeland and Forage" (Kansas City, MO: US Department of Agriculture, Risk Management Agency, 2004).

23. Opie, "Moral Geography," 241-42, 252; Harold T. Pinkett, "The Archival Product of a Century of Federal Assistance to Agriculture," *American Historical Review* 69, no. 3 (1964): 689-706.

24. *Providing for Consideration of H.R. 2559, Agricultural Risk Protection Act of 1999*, HR 2559, 106th Cong., 1st sess., *Cong. Rec.* 145 (September 29, 1999): H 8973-79; *Risk Management for the 21st Century Act*, SR 2251, 106th Cong., 2nd sess., *Cong. Rec.* 146 (March 22, 2000): S 1563-71; *Risk Management for the 21st Century Act—Continued*, SR 2251, 106th Cong., 2nd sess., *Cong. Rec.* 146 (March 22, 2000): S 1571-82; *Agricultural Risk Protection Act of 2000—Conference Report*, HR 2559, 106th Cong., 2nd sess., *Cong. Rec.* 146 (May 25, 2000): S 4416-41; *Conference Report on H.R. 2559, Agricultural Risk Protection Act of 2000*, HR 2559, 106th Cong., 2nd sess., *Cong. Rec.* 146 (May 25, 2000): H 3816-28.

25. *Risk Management Act*, S 1563, 1567-69. See also *Agricultural Risk Protection Act of 2000—Conference Report*, S 4428, wherein Senator Conrad Burns of Montana stated: "Agriculture is facing one of the most dire times that I can remember. Families are losing farms, ranches, and the livelihood that makes up their own family histories. A way of life is at risk, and in Montana, that way of life is what makes my state what it has become. Without these monetary adjustments to make up for failing markets, entire communities would dry up and blow away."

26. Starrs, *Let the Cowboy Ride*, 136.

27. *Ibid.*, 38-44.

28. Concrete reasons for extending crop insurance to ranchers are difficult to determine. The pilot program that began prior to ARPA's passage was started within the FCIC and "developed in consultation with Native American ranchers and other rangeland experts" (see USDA, *Glickman Announces New Pilot Insurance Programs*). Some impetus for ARPA came from the private sector as reflected in the testimonies before Congress by David Bossman, president of the American Feed Industry Association, Dean Kleckner, president of the American Farm Bureau Federation, and Dennis Everson representing the American Bankers Association, who was most forceful in his recommendations when he implored, "Provide

adequate coverage for forages. Introduce a policy that sufficiently covers pasture and range land so livestock producers at least have certainty about being able to feed their animals." See David Bossman, Testimony before the Senate Committee on Agriculture, Nutrition, and Forestry, *Nature of Agricultural Production and Financial Risk: The Role of Insurance and Futures Markets in Helping Farmers Manage Risk*, 106th Cong., 1st sess., March 10, 1999; Dean Kleckner, Testimony before the Senate Committee on Agriculture, Nutrition, and Forestry, *Crop Insurance Reform*, 106th Cong., 1st sess., March 17, 1999; and Dennis Everson, Testimony before the House Committee on Agriculture, Subcommittee on Risk Management, Research and Specialty Crops, 106th Cong., 1st sess., March 10, 1999. Following the bill's passage Tim Pellett of the National Cattlemen's Beef Association (NCBA) commented on his organization's support of resources being directed to rangeland and pasture insurance programs. See Tim Pellett, Testimony before the House Committee on Agriculture, 106th Cong., 2nd sess., July 26, 2000. Yet it is difficult to directly connect these varied statements with rallied support for including rangeland programs in the ARPA bill; no one group spoke out forcefully in the recorded testimonies. When I spoke to Jason Jordan of the NCBA (October 5, 2007), he agreed that "it wasn't any concerted legislative push by any one organization or a group of organizations" to give ranching a piece of the farm bill pie. It seems the timing was simply right. The aggressive push to extend crop insurance to many specialty crops, the emerging technologies and data that now provide proxy measures of rangeland productivity, and the expansive droughts of the recent past seemed to have combined to spur on the inclusion of rangeland and pasture in the federal crop insurance program. See Rex J. Rowley, Kevin P. Price, and Jude H. Kastens, "Remote Sensing and the Rancher: Linking Rancher Perception and Remote Sensing," *Rangeland Ecology and Management* 60, no. 4 (2007): 359-68; Dan Glickman, Testimony before the House Committee on Agriculture, 105th Cong., 2nd sess., July 30, 1998.

29. NRC [National Research Council], *Rangeland Health: New Methods to Classify, Inventory, and Monitor Rangelands* (Washington, DC: National Academy Press, 1994), 21; Frazier, *Great Plains*, 62-70; Starrs, *Let the Cowboy Ride*, 5-7, 12.

30. Starrs, *Let the Cowboy Ride*, 12, 41-43.

31. NRC, *Rangeland Health*, 22; Starrs, *Let the Cowboy Ride*, 57-58; Paul W. Gates, *History of Public Land Law Development* (Holmes Beach, FL: Wm. W. Gaunt and Sons, Inc., 1987), 582-83.

32. Gates, *History of Public Land Law*, 610-16; Starrs, *Let the Cowboy Ride*, 59-60.

33. Gates, *History of Public Land Law*, 610-16; Starrs, *Let the Cowboy Ride*, 59-60. Quote about tramp herders is from Knight, "Ecology of Ranching," 125.

34. NRCS, *National Range and Pasture Handbook* (Washington, DC: U.S. Department of Agriculture, 2003), 1-1-1-2, 2-1.

35. Starrs, *Let the Cowboy Ride*, 58-60; NRC, *Rangeland Health*, 22-23.

36. Weeks, "Cloudy Sky," 228; Starrs, *Let the Cowboy Ride*, 73-74. See also Gates, *History of Public Land Law*, 628.

37. "Welfare Cowboys," *Economist* 320, no. 7726 (1991): 33.

38. Starrs, *Let the Cowboy Ride*, 3-4; Lynn Huntsinger, "End of the Trail: Ranching Transformation on the Pacific Slope," in *Ranching West*, 77-90.

39. Huntsinger, "End of the Trail," 81-82.

40. Starrs, *Let the Cowboy Ride*, 20.

41. This is not to say that ranchettes are a positive indication of ranching culture preservation, as will be discussed shortly. See Martha J. Sullins, David T. Theobald, Jeff R. Jones, and Leah M. Burgess, "Lay of the Land: Ranch Land and Ranching," in *Ranching West*, 25-32; Knight, "Ecology of Ranching," 123-24. On tourist ranching, see Larry D. Butler, "Economic Survival of Western Ranching: Searching for Answers," in *Ranching West*, 195-202.

42. Terry G. Jordan-Bychkov and Mona Domosh, *The Human Mosaic: A Thematic Introduction to Cultural Geography*, 9th ed. (New York: W.H. Freeman and Company, 2003), 34.

43. Bob Budd, "Colors and Words," in *Ranching West*, 37-45; quote from p. 39.

44. Knight, "Ecology of Ranching," 126-28; Allan Savory, "Re-Creating the West . . . One Decision at a Time," in *Ranching West*, 155-70; Weeks, "Cloudy Sky," 219-22.

45. J. G. P. Bowman and B. F. Sowell, "Technology to Complement Forage-Based Beef Production Systems in the West," *Journal of Animal Science* 81 (2003): E18-E26; George Perry, "Factors Affecting Breeding Success," in *Proceedings, The Range Beef Cow Symposium XIX* (Rapid City, SD, December 6-9, 2005), 79-89; Tom Geary, "Management Strategies to Reduce Embryonic Loss," in *Proceedings, The Range Beef Cow Symposium XIX*, 79-89. The journal *Rangeland Ecology and Management*, formerly *Journal of Range Management*, regularly features scholarly articles relating to the use of remote sensing and GIS for rangeland studies. The work of Paul T. Tueller is a good starting point: "Remote Sensing Technology for Rangeland Management Applications," *Journal of Range Management* 42, no. 6 (1989): 442-53, and "Remote Sensing of Range

Production and Utilization," *Journal of Range Management* 54 (2001): A77-A89.

46. Jason Jordan, National Cattlemen's Beef Association, telephone conversation with the author, October 5, 2007.

47. Starrs, "Ranching: An Old Way of Life," 20.

48. Butler, "Economic Survival," 195.

49. Several examples from congressional debate reflect the situation faced by ranchers for which Roy Canterbury is representative. Congressman Ed Bryant of Tennessee related, "Livestock farmers are also being forced to use their own winter feed reserves because of the crop devastation around the State. In fact, some of the livestock producers in Montgomery County have begun to sell off a portion of their herd because of the high price for feed and the unstable conditions in the area." See *Agricultural Risk Protection Act of 1999*, HR 2559, 106th Cong., 1st sess., *Cong. Rec.* 145 (September 29, 1999): H 8984. Representative David Minge of Minnesota said, "This bill . . . enables us to pursue pilot studies, pilot projects, and offer to some of the farmers that have livestock operations an opportunity to ensure the revenue stream with respect to their livestock operations." See *Agricultural Risk Protection Act of 1999*, H 8983. Illinois representative Ray LaHood said, "These pilot programs would provide livestock producers with the necessary risk management tools to cope with disasters, weather shifts, and other natural acts beyond their control without fear that the cost of doing the right thing will put them out of business." See *Conference Report on H.R. 2559, Agricultural Risk Protection Act of 2000*, H 3828. Senator Conrad Burns of Montana said: "We are facing drought across the West. Livestock is already being moved for lack of water and irrigation has started earlier than in recent memory." See *Agricultural Risk Protection Act of 2000—Conference Report*, S 4428.

50. Field, "Making a Living," 185-86; Starrs, *Let the Cowboy Ride*, 7; Butler, "Economic Survival," 198-99; Evans, "Grazing the Grasslands," 78.

51. Starrs, *Let the Cowboy Ride*, 3, and specifically 261 n. 6; Field, "Making a Living," 191. On the "Wal-Mart dilemma" see *ibid.*, 187-88.

52. Starrs, *Let the Cowboy Ride*, 3.

53. On homesteaders, see Jonathan Raban, *Bad Land* (New York: Vintage Books, 1996), 93-95; Starrs, "Ranching: An Old Way of Life," 5-6; Starrs, *Let the Cowboy Ride*, 58. For environmentalist perceptions of ranching, see Mark Brunson and George Wallace, "Perceptions of Ranching: Public Views, Personal Reflections," in *Ranching West*, 91-105; quote from p. 91. Regarding western ranchers' need for public land, see Starrs, *Let the Cowboy Ride*, 3-18.

54. Hasselstrom, "No Place Like Home," 51; Sullins et al., "Lay of the Land," 28-29; Weeks, "Cloudy Sky," 227-28; Alexander and Propst, "Saving the Family Ranch," 203; Evans, "Grazing the Grasslands," 78.

55. Evans, "Grazing the Grasslands," 78; Starrs, *Let the Cowboy Ride*, 230. See also Hasselstrom, "No Place Like Home"; Robin H. Liffmann, Lynn Huntsinger, and Larry C. Forero, "To Ranch or Not to Ranch: Home on the Urban Range?" *Journal of Range Management* 53, no. 4 (2000): 362-70.

56. Sullins et al., "Lay of the Land," 26. The threat posed by ranchettes, as I present it here, is specifically that faced by the ranching way of life, but ranchettes also threaten ecological balance on rangelands; see Knight, "Ecology of Ranching," 131-35.

57. Huntsinger, "End of the Trail," 88.

58. Sullins et al., "Lay of the Land," 28-31; Butler, "Economic Survival," 199-202; Field, "Making a Living," 191; Alexander and Propst, "Saving the Family Ranch," 213-14; Weeks, "Cloudy Sky," 229-30.

59. Field, "Making a Living," 186, 189-90; Starrs, *Let the Cowboy Ride*, 135-40.

60. Weeks, "Cloudy Sky," 228.

61. Alexander and Propst, "Saving the Family Ranch," 205-9; Evans, "Grazing the Grasslands," 79.

62. Bob Budd, "Blue Birds and Black Cows," in *Ranching West*, 175-81.

63. Savory, "Re-Creating the West," 167.