

8-1-2018

## Crossing Lines: Integrating Law and Economics in Farmland Leasing Workshops

Peggy Kirk Hall  
*Ohio State University*

Barry Ward  
*Ohio State University*

---

### Recommended Citation

Hall, P. K., & Ward, B. (2018). Crossing Lines: Integrating Law and Economics in Farmland Leasing Workshops. *Journal of Extension*, 56(4). Retrieved from <https://tigerprints.clemson.edu/joe/vol56/iss4/17>

This Ideas at Work is brought to you for free and open access by TigerPrints. It has been accepted for inclusion in Journal of Extension by an authorized editor of TigerPrints. For more information, please contact [kokeefe@clemson.edu](mailto:kokeefe@clemson.edu).

## Crossing Lines: Integrating Law and Economics in Farmland Leasing Workshops

### Abstract

Farmland leasing involves both legal decision making and economic decision making, which often are addressed through separate educational programs. In response to high demand for farmland leasing information in a period of leasing uncertainty, we integrated law and economics into a single farmland leasing curriculum. "Crossing the lines" and combining our areas of expertise yielded a comprehensive program that followed the actual farmland leasing decision-making process. Attendees of 11 Ohio Farmland Leasing Workshops reported positive knowledge change and high program value. Extension educators can apply our integrated approach to other issues that possess both legal and economic dimensions.

**Keywords:** [farmland leasing education](#), [agricultural law education](#), [farm management education](#), [integrated programs](#), [law and economics](#)

**Peggy Kirk Hall**  
Associate Professor  
and Field Specialist,  
Agricultural and  
Resource Law  
Ohio State University  
Extension  
Marysville, Ohio  
[hall.673@osu.edu](mailto:hall.673@osu.edu)

**Barry Ward**  
Assistant Professor  
and Leader,  
Production Business  
Management  
Ohio State University  
Extension  
Columbus, Ohio  
[ward.8@osu.edu](mailto:ward.8@osu.edu)

### Introduction

Farmland leasing is vital to the farm economy of the United States. A substantial percentage of the nation's agricultural production occurs in farmland lease arrangements, with the proportion of farmland acres under lease in the United States ranging between 34% and 43% and increasing beyond 50% in the Corn Belt, Plains, and Delta regions of the country (Nickerson et al., 2012). A farmland lease is a risk-sharing land tenure arrangement that carries legal and financial consequences for both parties (Allen & Lueck, 1992). As state leaders in agricultural law and production business management, we have individually provided research-based information to assist our clientele with the legal and economic components of farmland leasing. However, a period of agricultural profitability and farmland rent volatility in Ohio (Ward, 2015) intensified the need for farmland leasing resources. To meet this need, we combined our areas of expertise to develop a unified Ohio Farmland Leasing Workshop. Our goal was to equip farmland owners and tenant operators with legal and economic information that would help them make equitable and sustainable decisions amid growing turbulence in the farmland leasing market. The workshop provides a foundation for continued farm management programming that integrates law and economics.

## Program Design

The Ohio Farmland Leasing Workshop is a 3-hr program that comprises nine legal and economic modules:

- Farm Leases and Legal Enforceability,
- Types of Farmland Leases,
- Economics of Crop Production,
- Factors Affecting Farmland Rental Rates,
- Evaluating Cash Rent Survey Data,
- Outlook for Farmland Rental Rates,
- Common Legal Issues with Farm Leases,
- Farm Lease Checklist, and
- Developing a Farm Leasing Arrangement.

Within each module, we present research-based information using a PowerPoint presentation. Throughout the program, we use the following teaching methods to emphasize and apply the information:

- real-life examples,
- hypothetical problems, and
- case studies.

We provide each attendee with a folder of written materials that includes

- crop production budgets,
- cash rent survey data,
- legal and economic fact sheets,
- samples of farmland leases, and
- presentation handouts.

## Program Delivery

Partnership with our county-based agricultural and natural resources Extension educators is critical to program delivery. We encourage educators to collaborate with one another to host geographically dispersed multicounty

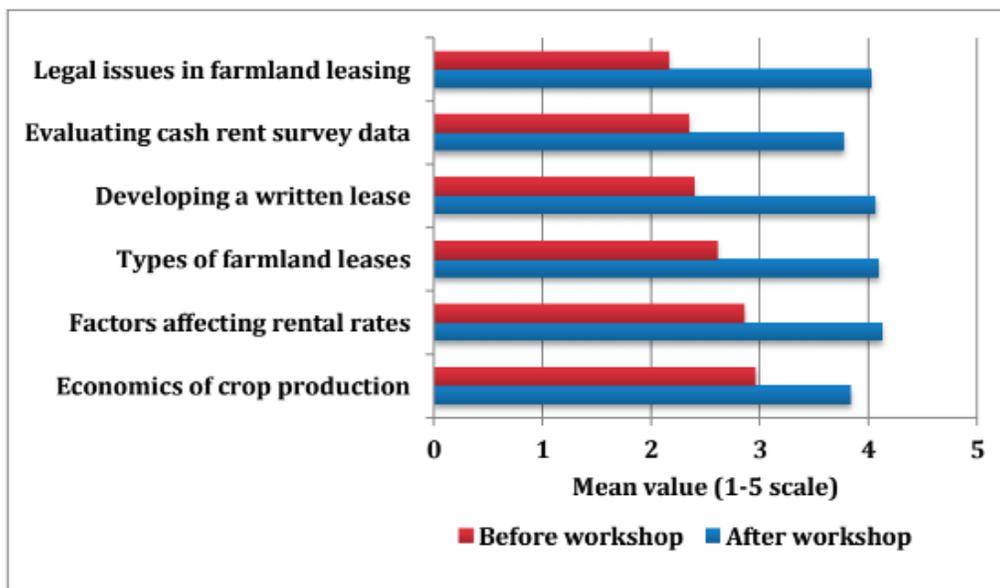
workshops. The educators manage local marketing and program registration while we handle state-level marketing, provide materials, and present the workshop. A funding arrangement allows for the sharing of costs and revenues between our state and county programs. Workshop fees set by host educators have ranged from \$0 to \$25, varying due to levels of local sponsorship. During the first 2-year period of the program's existence, we delivered 11 workshops to 453 attendees.

## Program Evaluation

We administer a retrospective pretest/posttest instrument at the end of each workshop to determine program impact (Davis, 2003). On a scale of 1 to 5, a participant rates his or her knowledge level on a topic before the workshop and after the workshop. Participants have reported knowledge change in every topic area (Figure 1), with the largest gains reported for legal issues in farmland leasing and developing a written lease for a farm.

**Figure 1.**

Participant Assessment of Change in Knowledge Levels After Workshops ( $n = 408$ )



We also ask each participant to report his or her level of agreement with statements about the workshop on a scale of 1 to 5, with 1 indicating *strongly disagree* and 5 indicating *strongly agree*. Although a lesser number of participants have responded to this question, over 95% of those who have responded have agreed or strongly agreed that the workshop will help them with future decision making and that it is a very good value (Table 1).

**Table 1.**

Participant Levels of Agreement with Statements About Farmland Leasing Workshops  
( $n = 216$ )

Level of agreement (%)						
Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Response	

<b>Statement</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>mean</b>
The workshop will help me make decisions in the future.	0	0	4.6	38.4	56.9	4.52
The workshop was a very good value.	0	0	3.7	27.8	68.5	4.64

## Lessons Learned

Integrating law and economics into a unified program required more deliberation than we anticipated. Our initial plan was to combine our expertise by presenting an economics module followed by a legal module. We soon recognized that additional integration of legal and economic information could impose a logical order onto the information-gathering and decision-making processes involved in farmland leasing. The final program design alternated and commingled our areas of expertise, much like a real-life farmland leasing situation. The practice of "crossing the lines" (Boone, 1990) between our distinct program areas was initially difficult but became more fluid over time and enhanced our individual comprehension of farmland leasing issues in addition to contributing to reported program impacts. By integrating the two subject matters into one workshop and teaching as a team, we also were able to provide more thorough answers to participant questions posed during and after the workshops.

## Plans for the Future

The Ohio Farmland Leasing Workshop provides a foundation for farmland leasing resources that concurrently address legal and economic issues. Increases in participant knowledge levels and high participant satisfaction encourage us to offer the workshop regularly. A future step will be to tailor the program to address the needs of women landowners.

The idea of crossing lines and integrating law and economics is not new. Many opportunities exist to apply the concept to the development of new Extension resources. Leasing of farm buildings, agricultural equipment, livestock, and recreational lands are additional farm management decisions that would benefit from integrated workshops and resources.

In addition to leasing topics, agricultural issue areas such as grain marketing, agricultural diversification, and farm transition planning are currently of concern to farm and landowner clientele. Combining legal and economic resources into one workshop or educational resource, whether for leasing or other critical issue areas, would strengthen the educational experience and allow participants to improve their knowledge base. Extension systems that do not have legal faculty can use this model by partnering with attorneys in private practice, taking care to choose attorneys with teaching skills and agricultural law expertise who will not use workshops as an opportunity to sell legal services. Our workshop experience indicates that Extension should continue to seek ways to cross the lines and integrate law and economics when planning resources for our clientele.

## References

Allen, D., & Lueck, D. (1992). The "back forty" on a handshake: Specific assets, reputation, and the structure of farmland contracts. *Journal of Law, Economics, & Organization*, 8(2), 366–376. Retrieved from

<http://www.jstor.org/stable/765085>

Boone, E. (1990). Crossing lines. *Journal of Extension*, 28(3), Article 3TP1. Available at:

<https://www.joe.org/joe/1990fall/tp1.php>

Davis, G. (2003). Using a retrospective pre-post questionnaire to determine program impact. *Journal of Extension*, 41(4), Article 4TOT4. Available at: <https://www.joe.org/joe/2003august/tt4.php>

Nickerson, C., Morehart, M., Kuethe, T., Beckman, J., Ifft, J., & Williams, R. (2012). Trends in U.S. farmland values and ownership. United States Department of Agriculture Economic Research Service Information Bulletin No. 92. Retrieved from <https://www.ers.usda.gov/publications/pub-details/?pubid=44660>

Ward, B. (2015). *Examining land values, rents, crop input costs and margins in 2016*. Retrieved from <https://farmoffice.osu.edu/sites/aglaw/files/site-library/farmmgtpdf/2015-2016AgPolicyOutlook.pdf>

---

*Copyright* © by *Extension Journal, Inc.* ISSN 1077-5315. Articles appearing in the Journal become the property of the Journal. Single copies of articles may be reproduced in electronic or print form for use in educational or training activities. Inclusion of articles in other publications, electronic sources, or systematic large-scale distribution may be done only with prior electronic or written permission of the *Journal Editorial Office*, [joe-ed@joe.org](mailto:joe-ed@joe.org).

If you have difficulties viewing or printing this page, please contact [JOE Technical Support](#)