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RuSource Briefing

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Citation Details

Citation for the version of the work held in 'OpenAIR@RGU':

MCELWEE, G. and SMITH, R., 2012. Illegal diversification in the farming community? Available from <i>OpenAIR@RGU</i> . [online]. Available from: http://openair.rgu.ac.uk
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Citation for the publisher's version:

MCELWEE, G. and SMITH, R., 2012. Illegal diversification in the farming community? RuSource Briefing. [online]. 1660. Available from: http://ofi.openfields.org.uk/1.12120694 [Accessed 2 April 2013].
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‘Illegal Diversification in the Farming Community

Gerard McElwee¹ and Robert Smith²

Traditionally, farmers enjoy high levels of social esteem. Like the entrepreneur, they are ascribed the twin status of hero and loner. However, not all farmers are paragons of virtue and some are dishonest. These are what we call ‘rogue’ farmers.

Farm crime

Farm crime includes crimes committed against and by the farming community.

Farmers are affected by increasingly high levels of crime. Farmers report commercial crime ranging from fire-raising; housebreaking; livestock rustling; theft, of machinery, gates, all-terrain-vehicles, fuel, fencing and tools.

- Thefts from farms is a recurring problem but rustling is the highest cost crime per incident to farmers.
- The highest levels of farm crime are those nearer large urban conurbations whereas farmers living in remote locations experience the lowest levels of crime.
- The average cost of these incidents is £1,400 but only a small percentage of farmers who are victims of crime reported financial losses as a consequence.

At present research into rural crime tends to concentrate on the crimes committed and not upon the profile of the individuals concerned in the commission of the crimes. A strong theme to emerge is a belief amongst farmers and country folk that farm crime is carried out by marauding criminals and vandals from urban areas. Indeed, it is claimed that predatory urban-based criminals frequently plan and perpetuate crimes

¹ Professor Gerard McElwee, Sheffield Business School, Sheffield Hallam University; Email: g.mcelwee@shu.ac.uk

² Reader in Entrepreneurship; Aberdeen Business School; E-mail: r.smith-a@rgu.ac.uk

in rural areas, including those on farms. Likewise, rural communities blame the migration of urban criminals into the countryside for the increase in crime.

Farming, entrepreneurship and theft – an analysis

We suggest that there are a number of legal strategies open to farmers.

Competitive Change Strategies open to Farmers

1. Growth by expansion of land use
2. Growth by expansion of animal production
3. Enlarging capacity and adding value by vertical integration
4. External business
5. Cooperation with other farmers
6. Diversification
7. Migrate into non agricultural employment
8. Different use of capacity by specialisation
9. Leave farming
10. Do nothing.

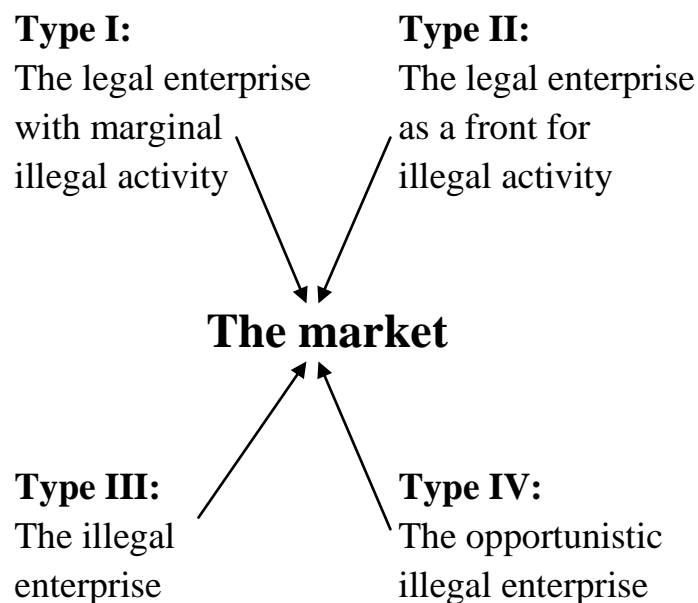
We suggest that all of these strategies can be used both for either legal and legal activity or a combination of both. Circumstances; geography, economics, place or the entrepreneurial skills of the farmer dictate what strategies are possible. Expansion and capacity building may not be possible due to land prices and diminishing profits. Nor is there scope always scope for diversifying. Isolation will mean poor road infrastructure limited opportunity for tourism or property speculation.

Thus diversification may involve illegal income-generating strategies such as sheep rustling, cattle theft, the theft of trailers and farm equipment, the theft of gates, the illicit trade in veterinary products, and diesel as an economic crime as entrepreneurship. If such items are capable of being stolen or acquired illegally and then traded then they present money making opportunities.

Classifying the Illegal Farm Enterprise

Four types of enterprise are suggested. All of the entrepreneurs who run these types of enterprise ‘meet’ or coalesce and network in a central market place – ‘The Market’. They do this either formally or informally and either virtually or physically. In the Market, information and ideas are exchanged, deals are brokered and in some cases plots hatched. Clearly, there is crossover between each of the ‘types’.

A Framework of Illegal Rural Enterprises



Type I: The Legal Enterprise with Marginal Illegal Activity

This enterprise is formally registered as a business but will engage in semi-legal activities when possible. The farmer may not perceive these activities as particularly problematic. Such activities may include the alternative use of expertise and equipment, for example agricultural fitters or mechanics may use the legal business premises for an off the books business venture servicing cars or agricultural vehicles on a strictly cash basis. Alternatively it may involve accepting cash for allowing others access to the premises or equipment. This may even occur inadvertently when a farmer enters into an arrangement with a silent partner who abuses the trust of the individual. Even ‘Gentlemen Farmers’ are not immune from acting illegally or on the borders of morality as evidenced by the following examples - the abuse of political or fraternal contacts to gain pecuniary or reputational advantage. In extreme cases this could include bribery to win a contract.

This type of entrepreneurship may include the illegal sale of livestock or meat from livestock without registering the animal. Another example is farmers who engage in EU subsidy frauds. One police interviewee suggested “What must be remembered is that such individuals all operate from a position of social advantage and that the businessman-farmer status conferred upon them allows them freedom to operate from police surveillance.” The deliberate commission of environmental crimes such as polluting the environment with slurry spillages can also be legitimately placed in this category because operational pressure in factory farming scenarios can cause farmers to take risks and cut corners. Likewise many ostensibly honest farmers still run the risk of running vehicles illegally on red diesel. The illegal use of labour and gangmaster crime is another linkage.

Type II: The Legal Enterprise as a Front for Illegal Activity

This rural entrepreneur allows his or her business to be used for money laundering purposes with criminal knowledge / intent. One example relates to a drug dealer from an urban environment buying a country garage business and running it down whilst using it as a vehicle for laundering money on fictitious deals. Alternatively it could relate to a haulier operating an unviable business to gain a more lucrative income stream from drug running or from off the books haulage of illegal substances. In these examples the entrepreneur’s main activities are ‘hidden’ by the core business.

Type III: The Illegal Enterprise

This enterprise is likely to be structurally efficient. It will have access to supply networks and clear knowledge of its customers and markets. Examples of such enterprises may include: drug dealing, smuggling, prostitution and poaching. In a rural context the relationship between the rural entrepreneur and in particular the farming community will be tenuous or symbiotic. Often the farmer will have sold or rented surplus accommodation to a tenant. There is a market for such rural retreats amongst the criminal fraternity. A group of criminals or an individual will rent or acquire the property to evade police attention. They use the property either for cannabis factories or for a drugs stash. Often the farmer will be unaware that his tenants are acting illegally but this is not always the case because there is a lucrative market in the rental of property on a ‘no questions asked’ which is being exploited by Chinese organized Crime gangs. Often these roving bandits exploit the vulnerability of the rural community to crime. Other examples include illegal ‘puppy farming’ and ‘halal slaughter’. The fact of the matter is that once such a *modus vivendi* is in place between such bandits and rogue farmers it may lead to the commission of other illegal activities. This can manifest itself as illegal smuggling of alcohol, cigarettes and contraband goods or even wildlife crime. The urban criminal underworld meets the rural underworld and may manifest itself in the form of illegal dog fighting, hen fighting, illegal dog racing and badger baiting, hare coursing and in the commercial poaching of deer and salmon and even bare knuckle fights. The first four scenarios

can entail the illegal use of spaces and places. They usually occur in isolated rural locations and involve gambling – huge sums of money can change hands.

Type IV: The Opportunist Illegal Enterprise

This type of enterprising activity is loosely configured. The person who engages in the activity is likely to be presented with an opportunity that cannot be missed. The activity may require an enterprising skill set. An example is cattle rustling and sheep stealing which requires specialist insider knowledge to commit. Other examples include farmers and the halal market to make money on sheep which have lost their market value. Another example is the trade in illegal veterinary products or farmers renting out barns for illegal raves or to illegal shooting parties. All of the above crimes / entrepreneurial opportunities do not occur in isolation as they require the active participation of an illegal entrepreneur from the rogue farming community.

For comments and other examples or stories please contact
Gerard McElwee g.mcelwee@shu.ac.uk