The Natural Farmer

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Special Focus: Challenging Corporate Capture

Concentration and Power in the Food System

By Phil Howard

As you know, there's a tendency in many industries to move away from markets characterized by many small firms towards concentrated markets that are characterized by just a few large firms. This trend also occurrs in food and agricultural industries. You can think of markets as a spectrum, with competitive markets on one end, and monopolies on the other. What's becoming more common is an oligopoly, or what some people call a shared monopoly, with the appearance of some competition.

This can be a problem because institutional economists suggest that when four firms control 40% or more of sales, it results in an environment that's very conducive to price signaling. If one large firm announces that they're going to raise prices, the other firms will find it to their benefit to follow suit. They don't even need to gather in one room, although that does occur as well.

Markets dominated by fewer and larger firms result not just in increasing economic power, but also in the greater ability of firms to shape and reshape society to their benefit. Walter Adams was a chair of the economics department at Michigan State University, and then briefly served as president in the late 1960s. I'd never heard of him until I'd been at Michigan State for several years. With his former student, James Brock, he wrote the book, *The Bigness Complex,* where they pointed out that very large firms have the power to, (1) infiltrate government agencies with influential decision-makers drawn from the industries ostensibly being regulated, (2) coerce society to accede to their demands through threats to shut down facilities or to relocate them elsewhere, (3) obtain government bailouts, when collapsing giants are considered to be too big and too important to be allowed to fail—and note that this second edition of the book came out in 2004, before the massive bailouts of Wall Street in 2008, (4) obstruct technological advance, and (5) manipulate the alternatives from which society is allowed to choose.

For food systems, this results in many negative impacts, including locking in industrial pathways that are unsustainable, and a vicious circle of power concentrated into fewer and fewer hands. You may have heard the analogy of an hourglass, which comes from one of my advisors, Bill Heffernan, at the University of Missouri. He explained that in the US, we have about 2 million farmers producing food at the top of that hourglass and about 300 million people who eat food at the bottom. But in between is a much smaller number of firms that control how that food gets from farmers to everyone who eats, and the middle of the hourglass is getting smaller all the time. Even if there were no negative impacts of this outcome, it's not democratic to have a very small number of people making most of the decisions about what we eat.

Reversing Concentration

The big question is what can we do to slow or even reverse these trends? There are two broad strategies. One is to address the political system that facilitates this narrowing of the hourglass. The challenge here is that as these firms have become bigger, they've become more politically influential, and very effective at challenging any efforts to reduce their power. Another strategy is to create alternatives to these huge firms, which results in essentially two opposing trends: you have this dominant trend towards concentrated markets on one end, but you also have a counter-trend, where new alternatives are being created and ownership diversity is increasing, though often in just very tiny niches.

In other words, you have this dynamic where there is increasing power, which may lead to resistance, which in turn, may lead to creating alternatives—these alternatives may bypass the hourglass-shaped food system as a result. But the challenge here is that some of the most successful of these end up being copied or acquired by those dominant firms, and just absorbed back into the hourglass. This process of co-optation may unintentionally reinforce the power of these firms even more.

We will need multiple strategies to address these challenges, not just one, but many of these trends are hidden. Therefore, I suggest the key component of both strategies will be to increase the awareness and visibility of these trends.

I illustrate these dynamics with four examples: seeds, beer, meat processing, and organic processing. I describe how the hourglass is narrowing, how alternatives are being created in response to some of the negative impacts of these trends, the efforts by big firms to co-opt those alternatives, as well as responses that seek to increase the visibility of these alternatives to create more barriers to their co-optation.

I mentioned the narrow middle of the hourglass, but farmers face another bottleneck when buying inputs. At the global level, we now have just a few firms that are incredibly dominant in each of the key input sectors, such as farm machinery and animal pharmaceuticals. Many of these firms are dominant in multiple sectors, such as agrichemicals and seeds. The acronym CR4 refers to a "concentration ratio" of four firms, which is the sum of the market shares that these firms control. Four of five input sectors exceed the 40% threshold, and this is at the global level, not just a national level. Fertilizer is the input industry that is under this threshold at 33%, but this is at the global level, so when you look at specific fertilizer categories or national markets the CR4 is typically much higher.

For the US market, Coca-Cola controls over one-third of the sales of soft drinks. For beer, AB InBev has 40% of the US market just by itself, and for salty snacks, Pepsi/Frito-Lay has 45% of sales. If you look at different market segments you begin to see a lot of the same names again and again. JBS and Tyson are dominant in beef, pork, and chicken processing. Cargill is number three in soybean processing and beef processing, and earlier this year, the US government approved an acquisition—Cargill, along with a joint venture partner, Continental Grain, was allowed to acquire the number three chicken processor Sanderson. Looking at those segments one at a time doesn't give you the full picture of how dominant they are in many categories.

It often appears as if we have many choices despite these trends. A typical supermarket in my area, for example, might offer 800 different varieties of wine, but what is much harder to see is that over 40% of sales are controlled by just the top three firms. And it's similar in other categories, such as bread, where nearly half the sales in the US are from just two firms. Even much bigger industries or market segments, such as retailing, are becoming more concentrated. Walmart has 24% of retail grocery sales just by itself and the CR4 is 45%--this will rise when #2 Kroger buys #4 Albertson's for $24.5 billion. Simultaneously with announcing the plan for this merger, Albertson's announced a $4 billion distribution to shareholders which is currently held up by a court challenge by the grocery workers' union. Fast food has a CR4 of 39%, very close to that 40% threshold, and keep in mind that about 11% of calories consumed in the US come from fast food.

The seedy mix of seeds and ag-chemicals

At the global level, dominant chemical firms have acquired hundreds of seed companies in recent decades. The four largest seed companies in the world are also chemical companies, with a combined share of more than half of commercial seed sales.

Not surprisingly, prices have increased in conjunction with this consolidation. From 1996 to 2018, for example, corn and cotton seed prices in the US more than tripled. We have seen this quite expected result of increasing prices, but we have also seen other impacts like lower rates of replanting and saving seeds, reduced seed diversity, and less innovation.

Seminis, for instance, was a seed company that was formed by a Mexican billionaire. He saw what was happening in commodity seeds like corn and soybeans and started buying up fruit and vegetable seed companies. To pay back the money borrowed to make those acquisitions, Seminis dropped the less profitable varieties of seeds from these catalogs, more than 2,000 of them. Monsanto eventually acquired Seminis, as well as a large Dutch fruit and vegetable seed company, De Ruiter, before Monsanto was acquired by the German seed-chemical giant Bayer. This resulted in one firm controlling well over 20 percent of fruit and vegetable seed sales globally!

Before it was acquired, Monsanto formed a holding company called American Seeds Incorporated (ASI). In just a few years, 2004 to 2007, ASI acquired about two dozen Midwestern corn-soybean companies, although they kept this pretty quiet. They wanted to access the locally adapted seeds that these firms offered and tie them to Monsanto's patented, genetically engineered traits. Many farmers had no idea that this seed was now owned by Monsanto. Soon after, the number of seeds available started dropping, and eventually, many brands were eliminated. If you look across all the big seed companies, more than 57 were eliminated due to consolidation, reducing choices for these farmers.

One factor that is driving this consolidation is increasing intellectual property protections on seeds. Through court decisions and legislation over the years, it's become increasingly difficult for farmers to be able to legally save and replant their seeds. An example is the Bowman versus Monsanto decision of the Supreme Court in 2013. Vernon Bowman went to his local grain elevator, bought some soybeans, as people have done for decades, and planted them in his fields. He let Monsanto know he was

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Farmers' Rights: It is not too Late to Set This Right

By Michael Sligh

Farmers' Rights in the international area is used as shorthand for the hard-fought rights to save, share and sell seeds as defined under the UN Treaty on Biodiversity, which remains a critical and urgent concern that needs greater support and accountability. However, farmers' rights must also be understood more broadly as the ability of individual farmers to negotiate fair terms in highly concentrated marketplaces and for such rights to be protected and enforced. These rights include the rights to seeds along with rights to fair contracts, fair market access and choice, fair prices, and must accompany similar rights for all farm and food-chain workers.

While we are heartened and remain hopeful that the current Administration will succeed in securing meaningful reforms to our current highly predatory agricultural markets, we must not assume too much. We do recognize that campaign promises have been made, and that some appropriate executive orders have been issued and that USDA is currently re-engaging these critical agricultural concentration topics through listening sessions. This means it is the right time to make our voices heard.

Organic entering the "mainstream" has brought many positive benefits, including much greater consumer access to organic foods, more acres under organic production, increased taxpayer support for organic research and certification cost-share, and new resources for transitioning to organic, all of which lowers global pesticide loads, is climate-friendly, better protects our natural resources and reduces consumer, farmer and farmworker exposure to toxic chemicals.

But the state of play in agricultural markets reminds me of the sad old joke about the farmer being the only one who pays the freight in both directions and when asked what price they want for their goods, responds with "what do you give me"? Not too far from the truth for many farmers.

Many of us converted to organic to avoid the predatory cruelties of the industrial system. However, the mainstreaming of organic has also meant that organic farmers and their workers are exposed to the same macro- marketplace dynamics that conventional farmers have long been facing. The unfair marketing advantages reaped by hydroponics and confinement dairy and poultry operations are also examples of how the lack of standards for fairness hurts farmers who faithfully practice all of the requirements for organic production without working loopholes.

For family farmers and farmworkers, the failure to create fair and functional immigration and migrant reforms leaves both farmers and workers in jeopardy. If family farmers do not have protected rights and access, then their workers certainly will not either. The long-standing strategy of pitting farmers against workers remains highly effective, just as pitting poor whites against people of color continues to be so. Politically, family farmers and farmworkers need each other to win much-needed reforms and basic fairness. Such a re-coupling of common interests would generate much more meaningful outcomes.

There are multiple macro-trends that negatively impact US family farmers' and food-chain workers' ability to secure their rights, which now includes organic farmers and workers:

- Failure to update US labor laws to specifically include and protect farmers and farmworkers.
- Rapid concentration and consolidation of both the agricultural inputs and the marketing of agricultural products from seeds to retail, which accelerates loss of fair competition, and greatly limits farmer choice of where to sell their products, at what price and who they can buy their seeds and other ag inputs from. If there is only one main buyer or seller, then farmers' prices, choices and terms will always be less.
- Continuing decline of farmers' share of the food dollar (currently about an average of 9 cents), exacerbated by the corporate practice of raising retail prices while shrinking product size. There are no effective governmental controls to prevent this. They call it "inflation" as if this is some magical market term, while it is really just code for corporate greed, fueled by unrestrained market concentration, and because they can.
- Failure of Congress and the Supreme Court to curtail and limit campaign finance contributions to members of Congress. When corporations can funnel millions of dollars to both political parties and hire thousands of lobbyists to comb Capitol Hill (in 2020, there were over 11,000 registered lobbyists in DC), it is very hard for the public good to win out over private gain.
- Continuing decline in the total number of farmers (now about 1.3% of US population), and our ability to organize across sectors, race, regions, commodities and production systems. This challenge is also hampered by farmer and farmworker isolation, growing depression and sense of despair.
- Failure of the US to sign International Labor Organization (ILO) Conventions to protect the rights of farmers and workers. The US is tied with China on adopting the fewest number of standing international labor conventions, only two out of the eight core conventions - those on forced labor and on the worst forms of child labor. The US has never ratified Freedom of Association and Protection of the Right to Organize and Collective Bargaining.
- Loss of federal parity mechanisms that linked supply and demand with costs of production for some major crops, thus ensuring that farmers were paid enough to cover production costs and even make a small profit.
- Failure of USDA to implement their own crucial reports, all of which could have shifted federal policy toward greater fairness for family farmers.
- Chronic unfair lending and USDA programmatic discrimination against farmers of color and women farmers.
- Failure to plan for and adopt comprehensive policies to encourage farmers attempting to convert to organic.
- Failure of the National Organic Standards Board and the National Organic Program to embrace the International Federation of Organic Agricultural Movements Principles of Organic, which include fairness for people who grow and process organic products.

So, given all of these real and overwhelming challenges – what can be done?

It was 100,000 consumers signing a petition led by a multi-sector coalition composed of consumer, environmental, humane and farmer groups that pushed and won the passage of the Organic Food Production Act in 1990, after a decade of failed attempts. Can we imagine such a modern-day, multi-cultural, multi-sector cooperation to push for real legal and market rights for family farmers and farmworkers?

It is my strong belief that if such a coalition would push buyers and politicians to agree to fairness standards and to enact policy to reward and protect such standards, coupled with real penalties for abuses, we could begin to turn the tide toward greater fairness and justice for our food and fiber production sectors.

First, organic should lead the way. We could start with a campaign for NOSB and NOP to adopt all four IFOAM Principles of Organic, thus laying the groundwork for public and participatory dialogue on implementing fairness standards for organic. The framework for such standards already exists through the long and hard work of the Agricultural Justice Project (AJP), The Farm Worker Support Committee (CATA), Fair World Project (FWP), and the International Fair-trade Organization (FLO).

Secondly, we should all call for and support the establishment of an Independent Farmer Protection Bureau, within USDA with powers to protect farmers and farmworkers rights. There must be justice for all that labor in agriculture.

I do believe it is not too late – if real organic is to remain the gold standard, and if we who gave the bloom of our youth to this movement wish to leave a truly enduring legacy, environmental and humane organic standards will not be sufficient.

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What Constitutes a Fair Contract

An exceprt from the Agriculture Justice Project Toolkit

Freedom of Association – Meaning & Implications for Farms
Agriculture Justice Project (AJP) standards require that buyers respect the rights of farmers to freely associate or form organizations like marketing coops. For the farmer-buyer relationship, this means farmers must be free to raise concerns, negotiate terms of sales agreements, and lodge complaints or grievances in good faith without reprisals by the buyer.

Contracts Between Farmers and Buyers
While organic farmers who sell fresh produce to food coops and other independent retailers rarely feel the need for contracts, more and more farmers are faced with selling to much larger commercial entities where contracts are either required or might be advisable.

Please note that written agreements can include the kind of flexibility needed by both sides. Small-scale farmers may not want to be held to an exact number of pounds delivered on a date certain. Farming and weather conditions are too variable. Stores may not want to be held to an inflexible agreement either because they want to choose products based on quality and the fluctuations of actual sales. Where a friendly network of farmers and coops exists, written agreements may seem like overkill, just more paper wasted—but a paper trail makes verification possible and the effort of putting the terms of a buyer-seller relationship on paper can help clarify expectations on both sides. While spoken contracts do hold up in court, it is much easier to show what the terms are when the contract is written.

If your farm sells to a large retailer or distributor, you will probably be asked to sign a marketing agreement. Before you sign, you should know what you're getting into. Talk with officials from USDA or your local Extension

A quick summary of the advice on contracts: read the contract carefully before you sign anything! Be sure that you get a copy of the contract and that it includes in writing the terms of payment and the length of the agreement. Be sure you understand what is required, what the criteria are and who determines whether requirements have been met. You do not have to agree to every clause: cross out, date and initial clauses you do not like and the buyer may accept your terms. Make sure there is a conflict resolution process included, preferably in the form of an ag. mediation since arbitration is much more expensive.

Recommended readings on contracts

- Before you Sign on the Dotted Line…Questions for Farmers to Ask Before Entering a Direct Marketing Agreement, by Jill Krueger, Farmers Legal Action Group (FLAG). 6 pages.
- Contracting in Agriculture: Making the Right Decision. Information for Farmers from the USDA. Drake University, FSA, NSAC, 2016. 14 pages.
- The Dilemma of Contracting: Risk Management or Risky Business? (FLAG, 26 pages) provides a realistic appraisal of the advantages and dangers of contracts, and background on the limited existing federal and state legislation protecting farmers.
- FLAG has a range of other resources on contracts, as well, including guides specific to organic milk contracts. For a more exhaustive guide to contracts, see FLAG's Guide to Organic Contracts, which is over 300 pages long.

10 important rules to keep in mind -- before and after you sign the contract
1. Remember the first rule of contracts: whoever writes the contract benefits the most. Don't assume a contract protects you. It might, but you shouldn't assume so. The contractor who wrote the contract protected its interests. You have to protect your own. Contracts are "arms-length" transactions in which both sides try to maximize their advantages. The less bargaining power you have, the less "advantage" you have. The reality is most production contracts are one-sided—the company controls the information and has much more power than any grower or producer.

2. Read and understand a contract before signing it. Contract terms determine your rights and responsibilities. Once you sign a contract it creates binding legal obligations. That is why it is critical to understand what you are agreeing to do and to get good legal advice. Do not assume the courts will protect you if something goes wrong. Courts have resolved many cases involving production contract disputes and are likely to enforce the agreements made under the contract, rejecting growers' claims that the terms were unfair or poorly communicated.

3. If you do not understand the contract, ask questions and obtain legal advice. This is especially important if the investment or action involved is significant or if the contract creates a long-term relationship. Several states, including Illinois and Arkansas, have passed laws requiring production contracts to be "readable" or easier to understand for growers. These laws require contracts to disclose material risks, such as the potential need to make additional investments.

4. You will be required to fulfill the terms of the contract before you are paid. Because you have signed a contract to obtain an economic advantage, you will have to perform whatever obligations are required before you can receive the benefits.

5. Never assume not performing an agreement will be excused. Some contract terms may be more important than others but all have legal effects. If something happens to make you unable to fulfill the contract – like bad weather or illness – the contractor might excuse your unfinished work, but not always. In some situations, like a crop failure due to weather, state law may even provide an excuse. But if the failure to perform is your fault, even when caused by conditions beyond your control, the contractor might choose to enforce the contract. If you believe you may have to default on or breach a contract, consider alerting the other side and negotiating a resolution.

6. Be aware of the contractor's (or whomever the contract says will pay you) financial situation. The biggest risk with contracting is not being paid once you have performed. You can minimize the risk by investigating the contractor's finances, requesting financial guarantees, and dealing only with those covered by public laws ensuring farmers get paid for crops or services.

7. Remember, any proposed contract is subject to negotiation. Even though most contracts are printed, they can still be amended, if both parties agree. If you don't like a certain term, ask that it be changed. Remember – you will never have more bargaining power in a contract than just before you sign. The reverse is also true – once you sign, it will be difficult, though not impossible, to alter a contract. In addition, once you enter into a production contract relation – and invest substantial sums, such as for new buildings – you may have even less bargaining ability in future negotiations. Remember to save documentation of any changes made to a printed contract.

8. Be sure any changes to a contract are made in writing. Never rely on oral communications to amend an agreement. Just because you believe a contract was changed by a conversation with the contractor or its representative, doesn't make it true. If you and the other party agree to amend the terms of a contract, get the new terms in writing and have the other party sign them. Be sure to determine whether the other person has the legal authority to make the change. Most contracts include what are known as 'entirety' clauses, which state that only written terms are binding and "oral modifications" are not allowed -- unless reduced to writing. It is important to keep letters or other documents showing what was agreed to. Courts may allow oral testimony to alter contracts, but the burden of proof will be on you to prove the changes were made.

9. Keep good records of your performance under the contract. It is very helpful to keep records and documents concerning your performance --such as the amounts you delivered and when payments were made. Also, keep notes about any communications with the contractor. If a dispute arises, your records may provide the answers a court will need in order to resolve it.

10. Stay in touch with the other party. Good communication between parties to a contract is important for resolving uncertainties and preventing problems. Do not hesitate to ask questions if you don't understand what is happening, such as why a payment is late. The other party may be unaware of the problem. Good communication is especially important when conditions – such as price changes or weather – make upholding the contract difficult.

Resource: *agriculturaljusticeproject.org/*

Defending the US Organic Movement Against Corporate Capture

By Edith Pucci Couchman

There is a general consensus among informed observers that industrialized, large-scale, corporate interests have managed to co-opt and distort the meaning of the USDA Organic label, particularly through their gradual domination of the USDA's National Organic Standards Board and the National Organic Program (NOP). This capture is entrenched through many means, including extensive lobbying and contributions to politicians, revolving-door employment between agency officials and industry, and advertising which shapes and confuses public opinion and values.

Among NOP's worst failings is the fact that milk, milk powders, beef, poultry, eggs, and pork from animals raised in mega-dairies and Concentrated Animal Feeding Operations (CAFOs) are being sold under the Organic label. These operations subject animals, farmworkers, nearby communities, and the environment to unhealthy, disease-promoting conditions. Such confined settings cannot qualify as organic in Europe. A second major flaw is that vegetables and berries are now classified as USDA Organic despite not being grown in living soil. These container-grown or hydroponically-raised crops are typically produced with chemically laced liquids. They are not deemed organic in Europe or by organic programs elsewhere on the globe. Growth in living soil is by definition essential for traditional organic production. ('Feed the soil, not the plant' is an organic mantra!)

As a customer and eater, I have been discouraged to see these hydroponic and CAFO products gradually dominate the shelves in those small supermarket sections that claim to be organic. Amazon's Whole Foods stores can try to turn 'organic integrity' into a tasteless joke about properly bagging produce, but the crowding out of true, localized organic food is not a laughing matter. It has profound profound consequences for farmers, their families, low income eaters and communities. It is unacceptable that corporate interests profit from faux organics with a plethora of deceptive labels that delude the wealthy into thinking that, with their money, they are protecting their families from our country's increasingly toxic food supply while also helping happy farm families raise charming cows and chickens. This occurs even as those same companies simultaneously market 'cheap' pesticide- and additive-laden food (with a different set of brand names) to the poor. Will such interests be allowed to co-opt the historic (actually Indigenous) concept of organic? Will they be able to reduce it to a farming method that merely uses fewer synthetic biocides? Will those of us living now allow organic to lose its foundational focus on meeting human needs for both nourishment and creative, right livelihood - conducted in ways that value and sustain healthy, living soils; complex ecological connections; uncontaminated air and water; biodiversity; traditional cultures; and just, reverential, and regenerative relationships among all the participants within the process?

In this regard, I'd like to applaud the mission and accomplishments of the Real Organic Project (ROP). This five-year-old initiative is doing outstanding work raising public awareness and rebuilding organic integrity with its ROP certification and add-on label. I would encourage anyone reading this article to learn more about ROP, to choose products bearing their label whenever possible, to join as a contributing Friend, or to certify your farm with this farmer-led organization. Among the key requirements for the Real Organic label, in addition to meeting the standards for USDA Organic certification, are verification that the food in question is being raised in living soil or is not the product of cruel and crowded concentrated feeding operations.

Having touched on the broken NOP system, I'd like to turn to a concern that's very close at hand: should we be worried about corporate capture of our regional and state organic institutions – our associations? As a participant for over 40 years in the natural/organic food movement (as a general member, an event volunteer, a committee participant, a board member, and a paid staffer), I am sad to say that we do have to be alert for subtle and not-so-subtle efforts to co-opt our organizations' decades of labor and vision. Given the vast quantity of unfettered capital that is currently swirling about, disrupting entire cultures and even nations, why shouldn't we expect that our small but unique organizations could also be at risk for encroachment? If you accept the premise that these organic associations represent an outgrowth of worldviews centered around values of health, democracy, conviviality, appropriate scale (for most things – small!), sustainability, pluralism, the sacredness of the natural world, and biodiversity (or at the very least, awe and respect for the ecosystems which give us life), then I think we should be wary if our associations begin to operate in the more opaque, hierarchical, heavily monetized patterns of the corporate capitalist realm. If we become overly dependent for operational expenses upon profit-driven, corporate sponsors or questionable foundations, we put ourselves (and our credibility) at risk. Instead, we must be careful not to expand beyond our means. We should continue customs of voluntary simplicity, relying upon support from one another (i.e., from dues-paying, individual members), from trusted and well-vetted organizational partners, and from the income that's generated by our own activities/work, public grants, and the contributions in time and treasure of NOFA volunteers.

To stave off incremental co-optation, I would like to offer a few questions that can help us assess how well our state chapter is prepared to counter the varied forces of corporate capture:

1. Is your organization's general membership level increasing?
2. Are eaters, gardeners, and farmers well-represented among the membership, staff, and board?
3. How involved is the membership in committee work and events? To what degree has such activity become exclusively the responsibility of paid staff people?
4. Are members encouraged to contribute to the organization's communications and direction? How are such contributions "screened" or allowed to percolate and influence?
5. What role does the membership play in governance and in the organization's policy activities/directions?
6. How well-read are your newsletters, website, and social media posts?
7. Whose voices are being heard and who are we serving when our organizations commit resources? Are we including eaters with low incomes; children; youth; elders; gardeners; homesteaders; small-scale farmers; BIPOC, LGBTQAI and Indigenous peoples; and people with disabilities?
8. How committed are staffers to the broader social/planetary implications of the organic movement? How does that commitment manifest in concrete action?
9. What is the ratio of executive salaries to those of entry-level staffers? Is everyone guaranteed a living wage and benefits? Are non-commodified benefits also incorporated into the work world of staffers?
10. Is the board a dynamic partner – or merely a 'talking shop?'
11. How do board members manifest their commitments to those broader social/planetary implications of the organic movement? How do those commitments express themselves in concrete actions?
12. What are board members' affiliations and sources of their economic well-being?
13. How powerful is the board's executive committee vis-a-vis the rest of the board, staffers, the ED, and the membership?
14. Is there a healthy and free exchange of ideas and energy among staff, membership, and board? Is your organization a network or 'top-down?' Is decision-making consensual and open?
15. How dependent is the organization upon grants and sponsorships from for-profit corporations; from the financial sector, law firms, individuals, charitable organizations or private foundations with opaque or questionable funding sources; organic input manufacturers (recalling that, ideally, organic is so hyper-localized that all inputs are generated and recycled in place)?
16. Are folks with corporate connections able to punch above their weight when it comes to influencing the organization's activities, including communications, board, and policy work?
17. Who are the principal partner organizations – is there a broad span of allies reflecting the integrated and comprehensive vision (and potential) of localized organic practices?
18. What recourse does the membership have if the board or staff is perceived as not pursuing the mission?
19. Is the organization's atmosphere collegial, directed, collaborative - in general, enjoyable and fun?

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(Power - from B-1)

doing this because he thought that after the first sale patents should not apply to the seeds that are harvested in the next generation. The Supreme Court, however, ruled that Monsanto's patent applied to anyone, in perpetuity. We've even seen farmers go to prison for saving and replanting soybeans.

One response to this is the Open Source Seed Initiative, which involves a pledge placed on the packages of seeds that are for sale. The pledge says you can use the seeds any way you want, as long as you don't restrict others' use of the seeds or their derivatives by patents or other means. There are few legal teeth behind this, but it is raising awareness of the problem of intellectual property protections on living organisms. There are more than 60 small seed companies that are partners in this initiative, which has been applied to hundreds of new seed varieties. When you buy seeds from these companies, you are assured that they are independent, but also that they are supportive of more freedom for farmers and gardeners to save and exchange seeds. There are similar efforts in a number of other countries, including Kenya, Ethiopia, Germany, and India.

Anti-trust undermined

The next industry is beer. Back in 1959, Pabst tried to acquire Blatz, another Wisconsin brewer. This would have resulted in a combined national market share of 4.5%. Regulators from the US government opposed this action, and it went all the way to the Supreme Court. In 1966 the Supreme Court undid that acquisition, stating the concern that it would "lead to greater and greater control of the industry into fewer and fewer hands." Of course, that is the current situation, as just one firm accounts for 40% of the US market.

So what changed? The short story is, in 1980, Ronald Reagan was elected, and he appointed heads of regulatory agencies with a mandate to be much more permissive in terms of antitrust action. At the same time, judges were being indoctrinated by University of Chicago economists and lawyers. These judges went on junkets, or all-expenses-paid trips, to places like Arizona and Florida to play golf. While there, they would attend seminars promoting the idea that mergers and acquisitions were great for consumers because they were always more efficient, and would always result in lower prices for consumers. More than two-thirds of federal judges had participated in these junkets by the 1990s.

By 1992, the Department of Justice developed a threshold that if four firms controlled 80% of sales or less, that market was not considered "highly concentrated." As long as no one firm had more than a 20% share, they were not particularly concerned if the CR4 was as much as 80%. And then in 2010, they raised that threshold even higher, so that four firms could evenly divide 100% of the market, and it was not considered highly concentrated!

Four dominant brewing companies

Not surprisingly, firms have been taking advantage of these changes, both in the US and other parts of the world that have also adopted this more permissive approach. For beer, 54% of the volume for the entire world is now brewed by just four companies. About five years ago, Anheuser Busch InBev was already the number one brewer in the world, yet was allowed to acquire the second largest brewer, SABMiller, for more than $100 billion. Globally the dominant firms are continuing to expand and enter new markets, but in some places, like the US and Australia, they are beginning to lose some market share, much of this is due to the rise of craft beer.

The number of breweries in the US declined from more than 4,000 in 1873 to zero in 1920 due to Prohibition. After Prohibition ended in 1933 the number of breweries increased, but home brewing remained illegal until 1978. By that time, there were just 89 breweries in the entire United States—200 million people, but less than one hundred breweries! When home brewing was legalized, we started to see more craft breweries open. The numbers have increased even more rapidly in recent years, and by 2020 there were more than 9,000 breweries in the US.

At first, the big breweries ignored this trend. Then they started copying it. They introduced what some people call "faux craft" or "crafty" beers. These are products that look like and are priced like craft beer but are actually brewed in their giant facilities, such as Blue Moon and Shock Top. That strategy was quite successful for a while, but then sales started to slow down. The next step about a decade ago was to start acquiring formerly independent craft brewers. Nearly every large non-craft brewer that sells in the US market has since acquired a successful, formerly independent craft brewery.

A few years ago, I wanted to see how this played out on the retail shelves, so I visited 20 retailers where I live in Lansing, Michigan. I recorded the amount of space taken up by various craft beer brands and then decoded their ownership relationships. What I found was that for a typical retailer, about 40% of what I saw in the "craft beer" section had ownership ties to these big brewers. None of these were indicated on the labels or the brand websites.

One response is from the Brewers Association, which represents breweries the size of Boston Beer/Samuel Adams, and smaller. They have a little over 5,000 paying members. Any brewery that is eligible to be a member can now use its "Independent Craft" label. There are 3,000 breweries that now place this label on their packaging so that you can very quickly see that it's not owned by a big brewer.

Meat – juicy profit center with less for everyone else

The next industry is meat processing. The two largest meat processors in the world are JBS and Tyson, and they have made dozens of acquisitions of competitors in the last twenty years. Some of the amounts they paid were enormous, in the $3 billion or more range, and some as much as $7 billion.

JBS has been more active than Tyson both in the number of acquisitions and the geographic extent of these acquisitions. JBS started in Brazil as a small beef processor and then grew very quickly, acquiring other meat processors first in South America, and then on nearly every other continent. The firm hasn't yet made acquisitions in Asia but does have alliances with some firms there. How was JBS able to leapfrog other dominant meat processors and make so many acquisitions? One factor that we knew years ago was that the firm had substantial support from the government of Brazil. JBS was about 25% owned by two government banks in exchange for very favorable loans. Even though it was one-quarter government-owned, JBS was allowed to be the largest legal donor to political campaigns in the country—they funded more politicians than any other firm, which gave them substantial political influence. Just a few years ago, however, we learned that JBS also made illegal payments or bribes, amounting to more than $220 million to 1,800 politicians—this was revealed via a government wiretap investigation into allegations of tainted meat. One of the top executives explained, in exchange for immunity, why they did it. He said, without the bribes, "it wouldn't have worked, it wouldn't have been so fast." This gave the firm enormous advantages over competitors. By having subsidiaries in other countries, JBS could go around trade barriers that other Brazilian firms faced, such as restrictions on exporting beef to the European Union or China.

The founder of JBS and five of his six children—including two sons who admitted involvement in the bribery scheme—are all billionaires. The Tyson Foods heir, John Tyson, is also a billionaire. You may have seen a few years ago, he ran a full-page ad in the New York Times asking that safety regulations for workers in Tyson plants be reduced because the firm needed to "feed America," although at the time Tyson was sending record exports of meat to China. The CEO of the WH Group, headquartered in China, is a billionaire as well. That firm acquired Smithfield, previously the world's largest pork processor, based in the US, with some very favorable loans provided by the government of China in 2013. Following a bonus of nearly half a billion dollars, in 2017, the WH Group CEO received $291 million in compensation, which is more than the CEO of Apple, Tesla or Facebook made that year.

At the same time that executives and major shareholders of these firms have been increasing their wealth, these firms have been reducing what they're paying to their suppliers and workers and increasing the prices they're charging to customers. In recent months we've seen record-high prices for beef, pork, and chicken in the US. These firms have used the excuse of "inflation" to justify these price increases, but have bragged to their shareholders that they've been able to raise prices much higher than any increase in their input costs, and are reporting record profits.

Even before recent price increases, most of the leading meat processors in the US were allegedly using a company called Agri Stats, Inc. to share data on their operations and coordinate actions. Using this firm enabled them to drive up retail price increases and pay less to their suppliers and workers—they have paid hundreds of millions of dollars in fines and settlements in class action lawsuits as result.

Decreasing prices for livestock products contributed to the loss of farms in the US. From 1987 to 2017, for example, there has been a dramatic decline. For pork and dairy, there were about 200,000 farms at the beginning of this period, and just 50,000 farms at the end of this period, according to USDA data. The remaining farms have also rapidly increased in size as a result—for dairy, the average number of cows jumped from less than 100 to more than 1,300 during this period, and for pork, the average sales increased from 1,200 to more than 50,000 pigs.

To come back to JBS, this firm has nearly 100 brands globally as a result of its acquisitions. Among these include several organic brands and other apparent alternatives, such as grass-fed or pastured meat, as well as vegetarian or plant-based meat substitutes. Nearly all of the world's largest beef processors are acquiring lab-grown or cellular meat and seafood startups. Although this technology is far from achieving commercial success, meat processing industry executives have admitted that this is a defensive strategy, and they will not allow anyone to disrupt their industry.

Cornucopia Scorecard on organic meat

One response is from the Cornucopia Institute—this organization has developed scorecards for several organic products, including poultry and beef. Although all of the brands on the scorecard are certified organic by the USDA, they differ widely in their approaches to meat production. The Cornucopia Institute has a rating of one to five on how ethical they rate the practices embodied in these products, helping consumers to better support those that are more aligned with their values.

And it's not just the meat industry where this is occurring—in the organic food industry there are many other brands that have been acquired by the largest food firms in North America. Perdue, for example, has acquired half a dozen organic meat processing firms. Another example is WhiteWave, a spinoff of the conventional dairy giant Dean Foods, which previously acquired a number of dairy and dairy alternative firms in the organic sector. WhiteWave was later acquired by Danone (which controls the brand Dannon) of France for $12.5 billion. Last year, Danone announced that they were dropping the contracts of nearly one hundred small dairy producers in the Northeastern US because they would prefer to source from fewer and larger dairies elsewhere. (See article by Ed Maltby on B 15.) There is also the example of JAB Holding Company, which is controlled by the second wealthiest family in Germany and has been buying up a number of organic coffee and tea companies.

Organic Independents – Equal Exchange, Eden Foods

Several dozen nationally distributed organic processors, however, have made the decision to remain independent. This is important because they have resisted frequent, enormous buyout offers. It takes a strong commitment to continue to compete against some of the largest food processors in the world, which have the ability to spend massive amounts on advertising or to sell their products below cost for years in order to drive competitors out of business.

(continued on B-6)

(Power - from B-5)

Some of these independent organic processors are organized as cooperatives like Equal Exchange, while others have a strong commitment to organic principles, like Eden Foods in Michigan—they refuse to use the USDA label because it no longer represents their ideals.

I used to highlight the example of Clif Bar because the founder Gary Erickson nearly sold out. About twenty years ago he was offered $120 million to be acquired by Quaker Oats, a division of Pepsi. As negotiations went along, more and more promises were watered down and he backed out, but his business partner decided she wanted the $60 million. Erickson borrowed the money to buy her out and keep the company independent, and scrambled to pay it back. He's done a lot of good things since then, such as creating a foundation and funding organic seed breeding research at universities. Earlier this year, however, he changed course and sold the firm to Mondelez for $2.9 billion, so Clif Bar is no longer independent.

Changes in organic standards in recent years have led to a lot of dissatisfaction, and two changes in particular. About five years ago the USDA withdrew a proposed rule that would have tightened up the requirement for access to pasture for organic livestock. What we see now are giant, factory-scale dairies and egg producers, where livestock may never see the outdoors. Chickens may have tiny porches attached to football field-size facilities, but the birds never actually go out of doors. This is an enormous disadvantage for smaller producers, such as the dairy farmers who just lost their contracts with Danone. At about the same time, hydroponic produce was allowed to be certified as organic by the USDA—the US is one of the few countries in the world that currently allows hydroponic or soilless produce to be labeled organic. These changes triggered a response, and there are now two labels that could be considered "beyond organic": "Real Organic" and "Regenerative Organic Certified." Producers that already meet the standards of USDA organic certification can now take some additional steps to qualify for these labels, such as avoiding hydroponic production and providing substantial access to pasture for livestock—with no additional fees involved in the case of Real Organic. The hope is that this will help consumers who are committed to a much higher level of standards than embodied in USDA Organic to be able to support these values.

Signs of increasing resistance

To recap, I've described the industry consolidation that's narrowing the hourglass-shaped food system, as well as some of the impacts of these changes. I've also discussed alternatives that are being created and efforts to make those alternatives more visible through pledges, scorecards and certifications. I touched on the need to change the political system that's narrowing the hourglass—this strategy was successful 100 years ago when a number of antitrust laws were passed and the trusts were broken up. I've also touched on some tactics that in the shorter term might slow the narrowing of the hourglass, such as reinvigorating the enforcement of existing antitrust laws, rolling back patents on living organisms, establishing stronger penalties for executives who violate laws, and preventing the watering down to voluntary standards.

There have been some important successes lately in areas where we haven't seen them before. Labor unions have formed at Amazon, Starbucks, Chipotle and Trader Joe's, for instance. It's encouraging to see that there is more and more resistance because it's going to take a lot more people, and a lot more organizing to address these trends. In the very short term, I expect we're going to see continued consolidation. In the longer term, however, there's a good chance that more of these efforts will succeed in reversing the narrowing of the hourglass.

Phil Howard is a member of the International Panel of Experts on Sustainable Food Systems, and a professor at Michigan State University. He is the author of Concentration and Power in the Food System: Who Controls What We Eat?

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FRUITION SEEDS

ORGANIC SEEDS & TREES for SHORT SEASONS

Seed Keeping Chart

Plant (Latin Name)	Easy to Save	Life Cycle	Wet or Dry-Seeded	Self or Cross-Pollinating	Isolation Distance*	Optimum Pop Size**	Seeds Easy to Clean?
BEAN *(Phaseolus vulgaris)*	easy	annual	dry	self	5' ✻	5 ♣	yes
BEET *(Beta vulgaris)*	advanced ❄	biennial	dry	cross	1 mile	200	no
BROCCOLI *(Brassica oleracea)*	intermediate ♦	biennial	dry	cross	1 mile	60	yes
BRUSSELLS SPROUTS *(Brassica oleracea)*	advanced ❄	biennial	dry	cross	1 mile	60	yes
CABBAGE *(Brassica oleracea)*	advanced ❄	biennial	dry	cross	1 mile	60	yes
CARROT *(Daucus carota)*	advanced ❄	biennial	dry	cross	1 mile	200	no
CORN *(Zea mays)*	intermediate ♦	annual	wet	cross	1 mile	200	yes
CUCUMBER *(Cucumis sativus)*	intermediate ♦	annual	wet	cross	1 mile	25	yes ❁
EGGPLANT *(Solanum melongena)*	easy	annual	wet	self	80'	25	yes
FLOWERS *(diverse species)*	intermediate ♦	annual	dry	cross	1 mile	25	depends!
HERBS *(diverse species)*	intermediate ♦ ❤	annual	dry	cross	1 mile	25	depends!
GARLIC *(Allium sativum)*	easy	biennial	n/a	n/a	n/a	n/a	n/a
KALE *(Brassica napus)*	intermediate ♦	biennial	dry	cross	1 mile	60	yes
KOHLRABI *(Brassica oleracea)*	advanced ❄	biennial	dry	cross	1 mile	60	yes
LETTUCE *(Lactuca sativa)*	easy ❤	annual	dry	self	5' ✻	5 ♣	yes‡
MELON *(Cucumis melo, Citrullus lanatus)*	intermediate ♦	annual	wet	cross	1 mile	200	yes
ONION/LEEK *(Allium cepa, Allium porrum)*	advanced ❄	biennial	dry	cross	1 mile	200	yes
PARSNIP *(Pastinaca sativa)*	advanced ❄	biennial	dry	cross	1 mile	200	yes
PEA *(Pisum sativum)*	easy	annual	dry	self	5' ✻	5 ♣	yes
PEPPER *(Capsicum annuum)*	intermediate ♦	annual	wet	self	‡ see note below	5 ♣	yes
POTATO *(Solanum tuberosum)*	easy	annual	wet	‡ see note below	‡ see note below	‡ see below	yes
PUMPKIN *(Curcurbita pepo)*	easy ♦	annual	wet	cross	1 mile	25	yes
RADISH *(Raphanus sativus)*	easy ❤	weak biennial	dry	cross	1 mile	60	yes
RUTABAGA *(Brassica napust)*	advanced ❄	biennial	dry	cross	1 mile	60	yes
SPINACH *(Spinacea oleracea)*	easy ❤	weak biennial	dry	cross	1 mile	60	no
SQUASH *(Curcurbita pepo)*	intermediate ♦	annual	wet	cross	1 mile	25	yes
TOMATO *(Lycopersicon lycopersicum)*	intermediate ♦	annual	wet	self	1 mile	5 ♣	yes ❁

Often the easiest seeds to save are self-pollinated annuals that have easy seeds to clean.

♦ easy when isolated from other varieties sharing the same species

❤ resist saving seeds from the plants that bolt (go to seed) first, so you're selecting for longer vegetative windows. (Select in the opposite way for fruiting crops like tomatoes: save seeds from the first fruit(s)!

❄ overwintering can be a challenge, especially in short seasons (with rodent pressure)!

✻ profoundly self-pollinating, these plants can bloom closer and not cross, so 5' is simply to make it easier to not physically cross them when harvesting. fun fact: beans & pea flowers are pollinated before they even open.

♣ technically only 1 seed/plant can grow seeds and resist inbreeding depression, but the more the merrier!

*Isolation Distance: Physical barriers (barns, forest, a field of other blossoms) reduce this number. Also, if you're not concerned with plants crossing, let them cross!

**Optimum Pop Size: Though larger populations are less susceptible to inbreeding depression, seed can be saved from smaller population sizes. If you're growing less total plants in a given generation, aim to have this # of plants crossing within 5 plant generations.

❁ ferment seeds before drying

‡ LETTUCE when seedheads are indivually harvested to minimize chaff)

‡ PEPPER 60' between sweet, 300' to isolate from hot with absolute confidence

‡ POTATO Pollinating: tubers n/a, flowers self — Isolation Distance: for tubers, n/a flowers cross within 50' — Optimum Pop Size: tubers n/a; flowers 25'

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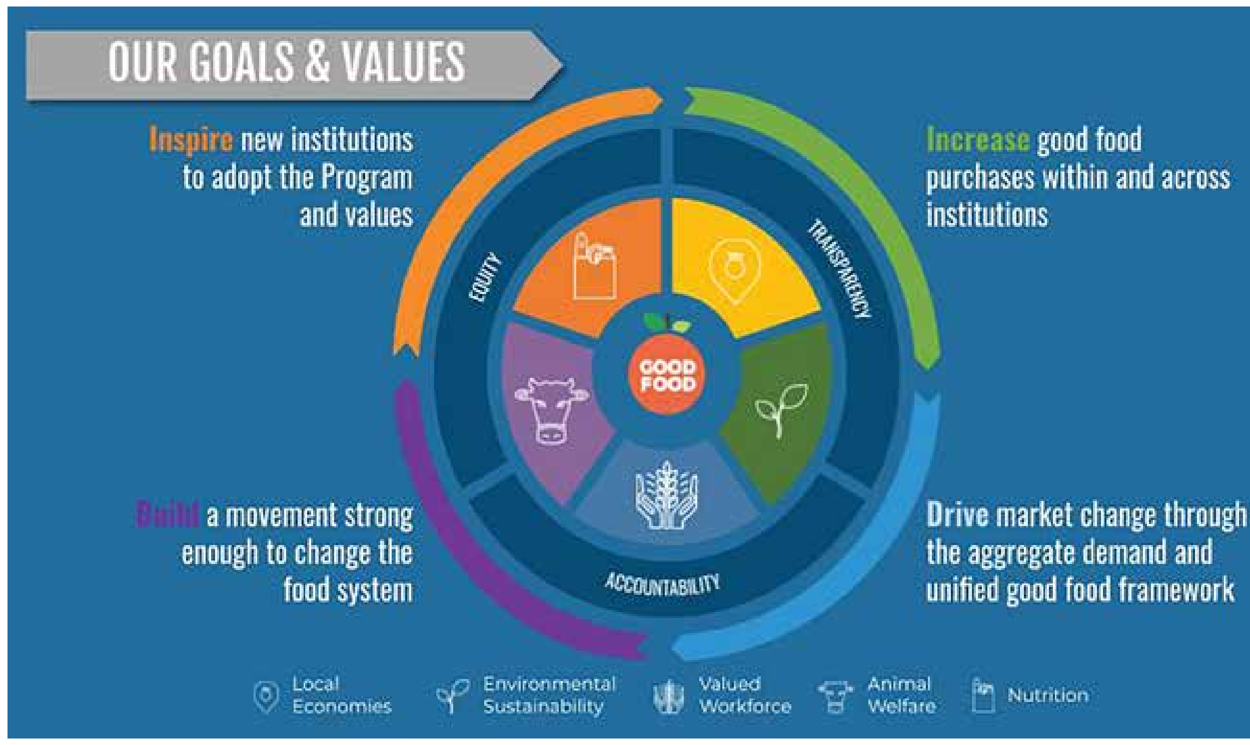
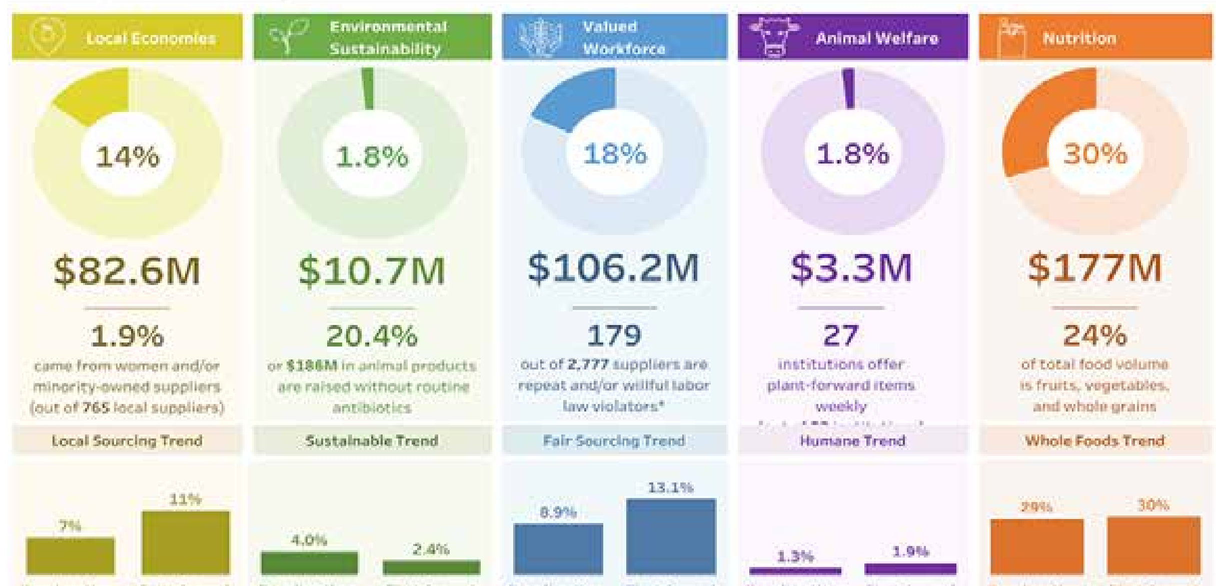
Values-Based Purchasing: Opening Markets for Mid-sized and Smaller Farms

By Laura Edwards-Orr





The Opportunity

"Good Food Purchasing is an idea whose time has come, and many different entities in our community - from city policy makers, to university food buyers, to farmers, to schools - now have a clearer vision of what a more just food system might look like for our community, and how to start making that shift." Kelli Brew, Farm to School Coordinator, Alachua County Food & Nutrition Services (Florida).

The Good Food Purchasing Program is a collaborative, cross-sectoral initiative aimed at using the power of public food procurement to fundamentally shift the way that food purchasing decisions are made; with equity, community accountability, and transparency at the core. The Center for Good Food Purchasing is the national home for the Program, and staff supports public institutions and the communities they serve to use their food purchases to support local economies, environmental sustainability, a valued workforce, animal welfare, community health and nutrition, as well as the core values of equity, accountability, and transparency. Using purchasing data to establish a performance baseline, the Center empowers institutions to set purchasing goals and develop strategies to make incremental improvement through their solicitations and contracting process as well as their menuing and operations. At the same time, community-based Good Food Purchasing coalitions work to develop and implement policy adoption, at the institution, city, county, or even state level, to formalize purchasing within the five-value-framework and commitment to transparency and accountability.

Working peer to peer and city to city, the Program is building large-scale market demand for values-aligned farmers, ranchers and food manufacturers - with over $1 billion in food spent in 24 cities, across 10 states and Washington, DC. Beyond the Good Food Purchasing Program, the Center is also working with Healthcare Without Harm and Real Food Generation, through the Anchors in Action Standards Alignment Project, to better coordinate demand between higher ed, healthcare, and city or county-level public institutions and create clearer pathways for diverse supply chains. These include purchasing thresholds from historically excluded farmers, alternative pathways to verification for non-certified growers, and strategies to address barriers to entry for small and mid-size producers.

While there is quite a lot of focus on individual institutional operators to turn procurement frameworks into three-dimensional and locally relevant programing, the real work often comes down to building relationships and feedback loops between suppliers, community-based organizations, and policymakers to build a responsive pathway to success for the long haul. This means that whether selling to institutions is a near-term goal for local farms and food suppliers, or a distant one, there are two main ways farmers can participate in the Good Food Purchasing Program.

Selling Good Food

The first pathway for farmers interested in participating in a local Good Food Purchasing Program is likely selling to the participating institution(s). While the institutional market can be a challenge to serve due to bureaucratic processes and strong price sensitivity, it can also be a meaningful and steady market when supply, demand and values align. As with any new customer, starting small and focusing on building a strong relationship is usually the best way to determine whether it's a good fit.

Institutions often hold special events or bring in local products for Harvest of the Month or other themed campaigns. These may fall under the small or micro purchase threshold (set to $10,000 by federal regulation; state or local threshold may be lower) and eliminate the need for any engagement with a formal procurement process. Once relationships are established, distribution capacity can often be a barrier to scaling institutional customers for individual growers so partnering with a food hub or values-aligned distributor is another way to establish a connection to the market without taking on additional financial risk or infrastructure. For those with the distribution capacity and product volume, pursuing larger contracts still under the simplified acquisition threshold (set to $250,000 at the federal level, state or local threshold may be lower) may be the next logical step.

The team at the Center supports institutions to meet their local purchasing goals in a number of ways. First and foremost, we establish a baseline of purchasing from suppliers located within 250 miles (unless otherwise defined by the institution in partnership with community representation) that are also locally owned and operated - local franchises of national businesses or publicly owned corporations do not qualify. Then the team at the Center, along with local partners, will help develop and support strategies to help an institution to meet their purchasing goal. Across the program, institutions average 14% of their total food spending with local suppliers and individual purchasing goals range from 15% to 30%. Common strategies for participating institutions include:

- Partnering with local organizations to provide technical assistance to identify and promote market opportunities, like the Chicago Food Policy Action Council's Guide for Growers & Food Businesses: Selling to Your Community's Institutions.
- Sharing current purchasing data to offer product level volume and pricing context to inform crop planning and product development, as the Mayor's Office of Food Policy in New York City began doing in 2021.
- Structuring solicitations to address barriers to entry for small and mid-size suppliers, as when Minneapolis Public Schools partners with local growers to invest in infrastructure and long-term contracts.
- Peer to peer learning to share best practices in partnering with local farmers and developing solicitation materials to attract values-aligned suppliers.

In some cases, the Center partners with a local organization or institution to develop advanced technical assistance programming to support further data and market analysis, buyer supplier convenings, supply-size TA for producers, or developing collective action strategies for a group of institutions with shared purchasing goals. Some recent examples of this kind of work include a Bay Area aggregate purchasing dashboard that details progress towards purchasing thresholds as well as a supplier database, which will support and inform a larger supplier engagement strategy moving forward, and "Food Forward NYC: A 10-Year Food Policy Plan" which will guide how the city supports values-aligned purchasing as part of a larger municipal strategy.

Breaking Down Barriers

The theory behind the Good Food Purchasing Program is to focus public dollars on maximizing public benefit - ensuring that taxpayer dollars are reinvested in local businesses and with suppliers that reflect community values. And yet there are countless reasons why the institutional market as it is today doesn't work for local farmers: complicated solicitation processes, inflexible product specifications, complex delivery logistics, mismatched volume requirements, food safety requirements, and costly third party certification requirements - all while expecting the lowest retail cost and highest quality. For local growers who are also striving to produce sustainable and high welfare products and create good, safe jobs for their employees, a low cost price structure can be too far from the true cost of production to consider selling at scale to such a customer.

As addressed above, institution or municipal level policy establishing a commitment to local and values-aligned purchasing as well as data transparency is an excellent first step. Establishing a baseline and commitment towards purchasing goals can bring to light underlying structural impediments towards achieving those goals. In response, many states and

(continued on B - 11)

A Real Organic Dairy Farm

An interview with Chuck Blood

By Elizabeth Henderson

Q. Tell us a little about your farming

Chuck: My partner Mary and I moved to Rocky Tops Acres over 40 years ago to work with the elderly owner. It grew into a good partnership. We worked for her for 5 years and then took over the farm. The farm is on Quaker Hill Road, in Hubbardsville, Madison County, NY. From the beginning, our commitment was to leave the ground in better condition than we found it and not to use anything ending in -cide. Over the years, our management evolved. At first, I thought of myself as a dairyman, but now I see myself as a manager of soil health.

Q. Who does the work on your farm?

Chuck: Our farm labor force is Mary and me with our daughter Autum now on the farm full-time. We hire some seasonal help and pay living wages, and just hired an evening milker at a fair wage for their experience - they are high school students usually. For a teenager with no experience, we pay $10 to $15 an hour; a trained equipment operator gets $15 to $25 an hour. Autum came home 5 years ago and said she wanted to take over the farm. This was a blessing and a worry - we had not made a succession plan. She came home because we are organic and grass-fed. If a stranger wanted to buy the farm, you are looking at $2M: $1M for real estate and the rest for equipment, the 72 cows and 55 head of youngstock. Autum now owns 30% of our LLC and eventually will take over our shares. She is making a living wage since she is a veteran on disability that provides a pension plus what the farm pays her. To smooth this along, we are selling the development rights to give us a pool of cash to retire with or for transferring the farm to our daughter. Anyone not doing that is missing a great opportunity.

Q. How long has your farm been certified organic?

Chuck: We were using organic methods from the start but we weren't certified until 1997, until there was money – a market for organic milk since previously there was no incentive.

Q. How do you market your milk?

Chuck: We have worked with every kind of milk processing company. Before we joined Organic Valley, there was no stable pricing. We sold to Juniper Valley then Butternut, then to Horizon, then Organic Cow which was a good operation until the owners sold 51% to Hood, which sold to Horizon and so we ended up back with Horizon which is owned by Danone. They are only out for the money. They have a 9800-cow dairy in Iowa on 9600 acres and Horizon is going to try to certify them. I have experience working with corporations. We have not tried Maple Hill which specializes in grass-fed, but it is still a corporation with 5 investors. I did not want to go with Maple Hill because sooner or later, they will be gobbled up.

After five years, HP Hood made a deal with Organic Valley (OV), as a reserve pool, and we were lucky enough to become members. At that time OV was asking members to reduce production by 7%, but since we were new, and without a record, we did not have to cut.

Q. Do you feel that OV represents the farmers and has genuine farmer input?

Chuck: Farmers have as much control as we can. There are constant meetings of a whole series of committees. I am not one to sit on the sidelines, so I get involved and OV has an excellent program. We just had our fall regional meeting. Anyone can come to either east or west NY section meetings. We always get staff and board members. There are 7 sections in OV – dairy, poultry, meat, produce, eggs, pork and grower pools. Each pool has its members and committee to help themselves. The dairy members elect the Dairy Executive Committee (DEC) at regional meetings. There are 80 - 100 DEC members. The OV board listens to the DEC. You have to want this job.

The barns at Chuck and Mary Blood's Rocky Top Acres. Photo provided by Chuck.

We have a two-layered system for setting policy: at a first meeting an issue is discussed and reviewed, then, after members have time to think it over, we vote the next month. My region is East – if members don't call me, I call them. OV members are developing a program to sell carbon credits to provide an additional revenue stream for farms. Members also control care standards that cover issues like stanchions, calf tethering, and calf socialization. I am on the care standards committee. I check with members to find out what they think. Recently, I met with a group of Mennonite members. Stanchions sunset on January 21, 2023, and members decide on those sunsets. I do not want the West Coast to dictate standards to East Coast farmers or vice-versa. There are 1600 good farmers using 1600 methods that are site-specific.

Q. Is there an economic advantage to being an OV member?

(continued on B - 13)

(Purchasing - from B -8)

cities are piloting incentive programs and best value procurement codes (which enables evaluation beyond cost in awarding public contracts) to level the playing field and create stronger access points for local and values-aligned suppliers seeking entry into the institutional market. Advocating for these kinds of supportive policies is critical to creating equitable and resilient regional food systems.

Good Food Purchasing Coalitions across the country are responding in various ways but always grounded in the priorities of the communities they serve and the purchasing data of their local institutions. Farmer participation in these advocacy efforts are critical to ensure that policy solutions are grounded in the operational realities of local suppliers and to give voice to that direct, positive impact to policy and decision makers. Two initiatives that we're particularly excited about right now are underway in New York and California.

The Good Food New York Bill, is proposed legislation that has grown out of dedicated efforts of the Good Food Purchasing Coalitions in New York City and Buffalo to update state procurement code to empower public institutions to prioritize values and equity driven purchasing, including a price allowance for aligned suppliers and products, as well as strong provisions for supply chain transparency and accountability. Sponsored by Senators Michelle Hinchey and Liz Krueger and Assemblywoman Crystal D. Peoples-Stokes, this bill will be reintroduced in the next legislative session and farmer engagement and support of the coordinated campaign will be critical to its passage.

In summer of 2022, California's Governor Newsom and the state legislature agreed on a budget that authorized $100 million for California school districts, after a rigorous and multi-sectoral campaign of advocates and stakeholders from all five value categories. Grants to school districts will augment budgets for local, sustainable, fair, and high welfare products and will be administered by the California Department of Education, in consultation with the California Department of Food and Agriculture.

Join us!

There is no one-size-fits-all in this work. The Good Food Purchasing Program is different in each community in order to ensure that change comes from the ground, informed by the people growing and eating the food, breathing the air and drinking the water, caring for the animals, and bringing food from the farm to the plate. That said, no matter where you are and whether you are looking to focus on growing the best carrots for as many people as possible or transforming the food system there is a seat for you at the table. If you are interested in getting involved and supporting good food purchasing in New York, contact Taylor at tpate@foodadvocates.org to learn more about the New York State Good Food Purchasing Coalition.

Laura joined the Center for Good Food Purchasing as the Director of Institutional Impact in 2020 to help build the capacity of institutions to act as leaders in the good food movement. Prior to joining the Center, Laura worked on the Program team at Farm Aid and at Red Tomato, a Northeast regional food hub, where she served as the Executive Director for four years.

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Farmer Ground Flour - Growing a Local Grain Ecosystem

By Emily Reiss

Farmer Ground Flour (FGF) is an organic, regional, flour mill in Trumansburg, New York. Its power is more than just economic support for the local economy. The mill provides resilience within a local food system and a model for how mutual support and collaboration can drive change. FGF's story started in 2009 with a vision for vibrant local flour and farms shared by millers Greg Russo and Neal Johnson, and farmer Thor Oechsner. This vision has stayed the same as the mill has matured into its current form with customers across the Northeast.

FGF occupies the middle of a very short supply chain. Farmers deliver directly to the mill, flour is made and then delivered directly to retail stores or to bakeries. This supply chain is short in both the number of stops as well as miles. For farmers, the relatively nearby delivery point saves time and fuel, with both equating to lower costs. For the end consumer, the short distance reduces the impact of food miles and increases the personal connection to a locally produced product.

"Local" also means more than just proximity. FGF fits the local scale of the growers it sources from. New York State organic grain farms tend to be smaller than their Western US and Canadian counterparts (who supply the bulk of organic food-grade grain). By providing a local market that can easily handle smaller amounts of grain, local mills like FGF match the needs of the local growers. Larger mills or other brokers would be less interested in these amounts, and certainly prefer to deal with fewer growers and larger lots. Farmers who sell to FGF plant between 10-200 acres of wheat in a given year. While much has changed from the early 1800s, remembering this region's past dominance of the grain market provides an informed perspective.

Rochester, New York - "flour city" - was the leading flour-producing city in the world in 1835 with nearly two dozen separate mills powered by the Genesee River. That grain came from the prolific regional supply as well as from farther away via the Erie Canal. Successful organic grain production could once again have a place in this region, especially with the key infrastructure like local mills.

Smaller growers also face unique challenges, particularly since any change to predicted revenue can have a substantial impact. In light of this, FGF's prices paid to farmers reflect the financial pressures

Oechsner Farms, Newfield, NY.
Source: farmergroundflour.com

of the growers, and the threshold needed to maintain the health of the mill. These prices are not tied directly to the larger grain market and thus can be kept constant for several years at a time. This allows farmers to plan ahead and be confident that they will receive a high and fair price for their grain when harvest comes, regardless of market volatility. The mill price is on average 15-20% higher than commodity organic, and even in these recent months of price spikes, the mill price has been consistently at or above the high end of the market.

This pricing philosophy also underlines the value of each grower to the mill. While FGF is not a coop, its strength still comes from the group of growers who make up the foundation of supply year after year. This ensures that the mill has a consistent supply and that the farmers will have this market in the future. Because of this consistency, the mill can embark on data analysis over the years for changes in quality, to help tease out what regional driving factors could be isolated to improve quality. This is knowledge that is derived from the commitment over time and the number of growers participating, which can develop into greater wisdom to be shared with future growers for the mill, as well as organic growers elsewhere. This knowledge sharing is a hallmark of organic growers in general, and ultimately anything that strengthens the regional and non-corporate food system benefits everyone involved, resulting in more possible markets for more farmers. The mill strives to make connections where farmers can collaborate and improve, where each farmer is part of this larger group and effort, stronger together than separately.

The mill can also be more than simply a mill by harnessing its power to affect change. It can do this by actively searching for solutions to some of the farmers' challenges, like developing products to allow for a larger diversity of crops to expand rotations on farms. With strength in numbers, the mill can also drive larger conversations around climate change adaptation and mitigation. There are increasing numbers of new certifications to address environmental and economic justice crises. With the right approach, the mill can offer an in-demand product to consumers, and support farmers in gaining recognition for their land stewardship. Again, with the collaboration of multiple growers, there is both a critical mass for change, as well as peer support throughout the process. This fosters connections, and strategies, and demonstrates a model of success, one that ultimately can influence others within the food system to enhance community resilience.

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Farmer Ground Flour founders and crew: L-R: Reuben Granskog, Greg Russo, Ben King, Thor Oeschner, Daniel Kidney, Neal Johnston, Dean Sparrell-Martin. Source: Farmer Ground Flour

USDA Discrimination Against African-American Farmers Continues

With Dania Davy's permission, we reprint her testimony before the House Agriculture Committee in July, 2022, where she shares the painful stories of African-American farmers who suffered discriminatory treatment in seeking loans from the USDA Farm Service Agency. The Federation of Southern Cooperatives, an association of Black farmers, landowners and cooperatives, has led a heroic struggle since its founding in 1967 to preserve Black farms by serving as a "catalyst for the development of self-supporting communities through cooperative economic development, land retention, and advocacy. We envision sustainable rural communities supported by a network of farmers, landowners, and cooperatives based on local control and ownership." The Federation campaigns relentlessly to end the racist practices of government and business alike.

Testimony by Dania Davy, Director of Land Retention and Advocacy at the Federation of Southern Cooperatives/Land Assistance Fund and Board representative of the Socially Disadvantaged Farmer and Rancher Policy Center at Alcorn State University.

Mr. Chairman and esteemed members of the House Agriculture Committee, I am extremely honored to have this opportunity to highlight ongoing credit access challenges Black farmers, landowners and cooperatives continue to face despite credit access improvements in the 2018 Farm Bill.

My name is Dãnia Davy. My legal career has afforded me the opportunity to serve rural, Black Americans starting with my Skadden legal fellowship at a nonprofit law firm in North Carolina, then performing outreach to Socially Disadvantaged Farmers & Ranchers in the Pigford II, Keepseagle, Garcia & Love class action discrimination settlements, and currently through the Federation of Southern Cooperatives/Land Assistance Fund where I serve as Director of Land Retention & Advocacy.

I appear before you today from the Mississippi Association of Cooperatives office in Jackson, Mississippi where our legal team is providing estate planning services via our mobile estate planning clinic which has brought us from Opelousas, Louisiana to Jackson and this weekend we will travel to Epes, Alabama. Along the way, we have had the opportunity to meet with many of our members, consisting of Black farmers, landowners and cooperatives that have stewarded the Federation throughout our 55-year history. This has been a deeply enlightening experience and a timely opportunity for us to hear directly from our members which has largely been limited to virtual meetings due to the ongoing pandemic that continues to disproportionately devastate rural, Black America.

This year, the Federation has hosted monthly listening sessions with our members, communities, and allied organizations, the most recent of which was focused on our members' credit access. Leading this work has given me specific insight into the deleterious impact of credit access challenges and the corresponding disproportionate debt burden, loss of land, livelihood, and legacy for rural, Black America.
I have spoken to a Black farmer in the Midwest who was unable to purchase the certified organic farm he sought because of a lengthy and duplicitous loan application process with his local Farm Service Agency. Despite the farmer's ability to cash flow his proposal and extensive farm management experience, the loan officer refused to approve the loan because the officer advised the farmer that the home on the farm was too nice.

A Black farmer in North Carolina shared with me that she was unable to expand her farm operations when she was discouraged from submitting her

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(Organic Dairy - from B - 10)

Chuck: In the store, OV milk goes for $5.79 a half gallon and right next to it is $4.79 for Horizon. But there is a difference in what farmers get per 100 pounds of milk because of required fees and quality premiums. Maple Hill charges farmers a lot more than OV for hauling the milk, so an OV farmer can afford a lower milk price. Quality premiums are based on 5 assets. With OV, you can miss one of them once a month and you still get paid for the other quality premiums. For other companies – it is all or none. OV has a quality improvement program for members. I serve on the WIP committee that meets monthly to review and provide support for other farmers; Level 1 – you made a mistake. Level 2 – we reach out with help.

We held a pasture day at our farm. Forty-nine people came. The conversations helped me get excited and recharged about what we so. In the organic dairy community, we share more than conventional farmers where it is cutthroat. The conventional mindset is part of the problem - 'if I don't tell you, I can make more.' That is not the way I was raised to farm.

Q. In her contribution to the Disparity to Parity *campaign, researcher Anderson states that OV practices supply management as a way to ensure fair or parity prices to members. Can you tell us how that works?*

Chuck: OV supply management creates a closer-to-sales pattern by requesting its members to have their prior production become active base, but there are two ways for the farmers to adjust this: one is to file an appeal and request a base increase; two is to do a shift in their monthly bases. OV wants to save family farms in an environmentally sustainable way so their strategy is to start with prices that a family farm needs to be profitable. OV sets its retail prices based on a livable wage for farmers—after the cost of production. In other words, it establishes price parity.

Q. When OV raises prices to customers, do the farmers get a raise?

Chuck: OV has passed on pay increases to their customers three times this year. The intention is for the farmer to get half of that. Because of inflation, that has not happened as much as we hoped. OV is one of a kind – the model has farmers at the top and the coop at the bottom. We want the coop to stay in business. We are trying to make a 1.5% profit for OV because that allows them to show a positive financial sheet to keep the bankers happy. We have to make sure the business can survive. We have to balance keeping customers satisfied with keeping our member-owners satisfied. Since the beginning of the year, we have been discussing how to raise prices. Our goal – is 50 cents rise each year for the farmers. You have to understand that the other companies set higher profit rates. Dairylee was 7%. Horizon is a subsidiary of Danone which wants 15% profit. There is a lot of money in food – the question is - how do we get a fair share?

We may underpay the coop's top employees, but there are other reasons why people come here; they are excited to work for OV to maintain sustainable prices for the farm owners. And we farmers get to learn about what the staff does. We have a Working Together group – 50 different farmers and staffers work together for a year and go through learning about one another's work and then meet in person the day before the annual meeting. You get to really know them. When you go to an annual meeting, employees thank you for being one of the farmer members. I have been in other coops - this is the best one I have ever been in. The difference between Horizon and OV is transparency. I can see OV financials and the coop can see mine. We can see what is going on with our business. When I was with Horizon, 25 of us asked Horizon to pay more because we were having a fuel bill crisis, but we had to prove it to them. If we had the processing here, we could have a local brand.

With OV, we have some control over our own destiny.

Q. How has the climate emergency affected your farm?

Chuck: It was a very hard season – horribly dry, the driest summer I have ever seen. A lot of dairy farms are going out of business. This weather challenges you to make sure you have everything right. Pastures have to be right or you purchase good hay to make up for it. My brother wants to get out of farming, but there are veterans and others like the grazing apprentice program which brings in a person who spends 6 months. Of the 89 dairy farms dropped by Horizon last year, 51 accepted OV offers but others are leaving dairy or stopping farming altogether. I think we have to learn what a climate challenge is and understand that nature bats last. We don't know whether what we are experiencing is just a normal change or all man-made.

Q. Where do you stand on the National Organic Program (NOP)?

Chuck: The OV rules for grass-fed milk are way above NOP rules. I was in favor of NOP, but I would have liked to see better enforcement. My farm is also Real Organic Project (ROP) certified. There is a huge gap between what NOP says and what the NOP allows farmers to do. The Origin of Livestock rule is finally closing some of the gaps, but it should not have taken a decade. When I stood in DC, I think it was in 1999, to promote 30% dry matter, I wanted to push it to 50% in five years. The NOP of 30% is the minimum. For those of us who believe in organic, it's in our blood, and we have gone way past what NOP stands for.

Chuck Blood grew up on a small family farm and when he married, he and his wife took over a dairy farm, converting it to organic. In cooperation with the NYS Soil and Water Conservation Districts and the forage council, their farm received the outstanding forage producer award and Conservation Farmer of the year. He is an active member of Organic Valley and served as a farmer reviewer for the NOFA-NY Certification program for sixteen years.

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Danone Puts Local Last: The Fight to save Organic Dairy Farms in the Northeast

By Ed Maltby

In August 2021, Danone North America, which owns the organic dairy brand Horizon Organic, notified 89 organic dairy farm families in Maine, New Hampshire, Vermont, and New York that the company was terminating their dairy contracts in 12 months' time and stopping all sourcing of milk in New England. The reason they gave is that, in the future, they would source their milk from larger operations "that better fit our (Danone) manufacturing footprint." Danone's swift regional exit marked the largest simultaneous contract termination organic dairy has ever seen. The organic dairy supply market is relatively small, with only a few buyers left after years of mergers and acquisitions, so when a major buyer like Horizon leaves, there are few options for farmers. This is especially critical in New England where the only alternative buyer is now Midwest-based CROPP Cooperative/Organic Valley. The news was devastating to those farm families, many of whom had provided organic milk to Horizon Organic for decades and were instrumental in building Horizon's successful brand.

Since 2017, organic dairies across the country have been receiving payment for their raw milk that is under the cost of production. They have not been able to build any financial reserves and have survived on subsidies and sweat equity. In 2022, massive inflation, especially in organic feed, is causing a higher than normal 'attrition rate' (the milk buyers' term for family farms going out of business) and many farmers do not have enough income coming in to fund their operations.

After Danone/Horizon's announcement in August 2021, some of the dumped farms immediately sold their cows, retired, or went out of business - selling their farms, or reverting to conventional production. The situation was further complicated when Maple Hill Creamery, which markets Grass-Fed milk, threatened to cancel the contracts of 46 of their farms, mostly in New York. NOFA-VT, NOFA-NY, Maine Organic Farmers and Gardeners Association (MOFGA), NOFA-NH, Northeast Organic Dairy Producers Alliance (NODPA), Organic Farmers Association (OFA) and the National Organic Coalition (NOC), (aka 'northeast organic producer groups') joined in a loud, public protest about Danone's action arousing the subsequent media interest. The media and industry exposure attracted widespread interest from the organic and conventional dairy industry who were willing to talk about investing in northeast organic dairies. The northeast organic producer groups used their tremendous support from consumers, advocacy organizations, and farmers to bring pressure to bear on Danone to honor their responsibilities to their organic dairy farmers and the northeast community. The USDA Secretary of Agriculture, under pressure from the northeast congressional delegation, set up a Northeast Dairy Task Force which had strong participation from all sides and yielded many good ideas. The USDA response to the Task Force recommendations led to an investment of $80 million in its four Dairy Business Innovation Centers (DBIC) across the country, including $20 million for the one based in Vermont.

NOC, OFA, and NODPA brought a national perspective and practical leadership as did NOFA-VT, NOFA-NY, NOFA-NH, and MOFGA, working directly with farmers while also advocating for different solutions. The Real Organic Project dedicated many hours to educating the community about the sometimes difficult-to-understand organic dairy world with their Milk and Honey Symposium, and by advocating for more transparency in sourcing milk. Gary Hirschberg, Stonyfield Co-Founder, launched the Northeast Organic Family Farm Partnership in January 2022. Its intent was to create more demand and market security to support and safeguard the region's organic family farmers. With funding from CROPP Cooperative, Lactalis/Stonyfield, and the northeast DBIC, it has been very successful in its education and advocacy for more sales of organic milk.

In March 2022, nearly all the farms that had lost their contract with either Danone or Maple Hill but wanted to stay in organic dairying were offered a Letter of Intent from CROPP Cooperative/Organic Valley which, if signed in 30 days by both buyer and farmer, gave the option to be signed onto CROPP's Reserve Pool. Farmers had to satisfy all the requirements of selling milk to CROPP, including milk quality, sufficient volume, and accessibility of the milk storage tank plus, "CROPP's membership qualifications (Page 4-5, Policy 1.2)."

The challenge for many of the small to mid-size operations was their ability to store milk to meet the requirements of CROPP's milk pick-up schedule, to store milk at the correct temperature, and to upgrade their chart recorders. This was especially challenging for the Amish community who typically have fewer cows and smaller bulk tanks. CROPP signed up over 50 farms and Lactalis/Stonyfield increased the number of farms they directly source milk from to 34. CROPP Cooperative has since moved all these farms to full membership. The added stress for these family farms is that the pay prices they were offered by CROPP are very similar to what they were being paid by Horizon/Danone, though less restrictive in qualifying for quality and component payments. These pay prices have not changed since 2017; farms receive 21 cents a half gallon, about $5 per hundred pounds of raw milk below the 2021 costs of production in 2021. (Milk is sold by the hundredweight, cwt.). CROPP Cooperative and Lactalis/Stonyfield stepped up to do what they could within their capacity.

In 2017, Danone, a B-Corp company, purchased WhiteWave, then owners of Horizon Organic. To gain the B-Corp designation, corporations must commit to making a progressive social impact and to environmental stewardship. Danone was part of negotiations with the Department of Justice to prevent a monopsony (a supply-side monopoly) in the organic supply market in the northeast. Four years later they created one. Danone owes these farmers and the northeast organic dairy community a future because these farms produced healthy, organic milk that helped make Horizon Organic the largest-selling organic retail brand in the USA. With the purchase of WhiteWave, Danone expanded its operations, especially in the non-bovine 'milk' category, to be one of the largest multinational dairy companies in the world.

In the past 18 months, the northeast organic producer groups representing the affected farmers have asked that before leaving the region, Danone provide support to the farmers they dropped. First, in September 2021, the group asked Danone to reinstate those farmer contracts. When Danone refused, the group asked for the following:
1) Give farmers another 6 months on their contracts
2) Make a significant investment in organic dairy processing infrastructure in the region
3) Provide farmers they dropped with severance pay

In December 2021, Danone agreed to:
- Extend contracts with farmers until February 28, 2023, with no change in terms of the contract.
- Provide a transition payment to farmers when the contract ends of $2/cwt. on the milk volume produced in the last 6 months of the contract with Danone/Horizon. Note: this is less than 7% of the current pay price these farmers receive.
- provide financial consultants to work with the farmers at no charge.
- co-invest in activities in the Northeast by working with regional stakeholders on systemic challenges related to the Northeast organic dairy infrastructure.

The northeast organic producer groups also arranged to have a question asked at the Danone annual shareholder meeting in France: did Danone intend to honor their commitments made in December 2022, especially the investment in northeast dairy infrastructure and in payment to producers? The reply to the shareholders was the same points that Danone made to producers and stakeholders as stated above.

Movement Pressure Had Limited Effect
By August 2022, Danone offered contract extension to all the farms they had canceled, but very few farmers say they have received their severance payments. Danone still has not made any financial investment in the region's dairy industry or set up any process to do so. On August 17, 2022, the producer groups reminded Danone North America of its promise to invest in the northeast organic dairy industry. Danone had asked for different projects they could invest in, and the producer groups developed proposals for how a Danone North America investment can make the greatest impact where it's needed most. Producer groups sent a long and detailed list of investments to Danone, many of which were also part of the recommendations from the USDA Dairy Task Force.

In October 2022, at the urging of producer groups, House Representatives Pingree (ME), Welch (VT), Kuster (NH), and Golden (ME) sent a letter to Antoine Bernard de Saint-Affrique, Chief Executive Officer, Danone, and Shane Grant, Chief Executive Officer, Danone North America, asking them to honor their promise to organic dairy farmers and northeast communities to invest in dairy infrastructure in the region. Representative Welch's office did meet with a representative from Danone North America, Chris Adamo (Vice President Public Affairs & Regenerative Agriculture Policy), about the letter. Adamo was very clear that Danone will not be investing, stating:
- They have "stopped exploring" co-investment opportunities.
- They did not get any good suggestions from USDA or other government agencies for what they should invest in.
- They no longer want to communicate with advocacy groups.
- They will not be matching the USDA's $20 million investment.
- They would consider some investment if they saw a way for it to benefit their remaining producers in the region, but they gave no commitment that they would do that.

Obviously, that is their final word. In contrast, in March 2022, USDA made a $20 million investment in the region to support farmers during this crisis.

Match Taxpayer Investments
Danone simply has not done enough. U.S. taxpayers should not be picking up the tab to clean up the economic mess Danone left behind. Danone must, at a minimum, match the $20 million taxpayer investment for northeast organic dairy. Danone's 2021 year-end sales were $25.11 Billion US dollars. Danone CEO Antoine de Saint-Affrique stated, "we ended the year on a strong note…We delivered on our commitment to return to profitable growth… with recurring operating margin at 13.7% in 2021. This was enabled by a strong focus on execution and a step-up in productivity, a pro-active approach to pricing and the disciplined implementation of Local First." But to Northeast organic dairy producers, Danone achieved these profits by putting Local Last.

"Farmers in Vermont have experienced an excruciating year; facing mental health strain and huge financial investment on their farms to maintain organic management. Danone needs to step in to give farmers a fighting chance to keep Vermont organic dairy a viable industry for the next generation," said Grace Oedel, Executive Director of NOFA-VT.

In Maine, Sarah Alexander, Executive Director of MOFGA commented, "We have lost dairy farms in Maine, and fear we could lose more. There is local motivation to rebuild our local dairy infrastructure, but we need Danone to at least match the taxpayer investment of $20 million that the USDA made in the wake of Danone's decision to leave the region. They owe the region's organic dairy farmers and consumers at least that much."

"Recently, the northeast organic producer groups met with Danone to request the much-needed regional investment the company committed to provide," said Kate Mendenhall, OFA Executive Di

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Farming at the intersection of economic and climate crises

By Grace Oedel

I belong to a local CSA that supplies my weekly milk from a small herd of fifteen or so cows. Across Charlotte's gentle hills the small herd grazes—one of the farming practices known for sequestering carbon out of the air and growing healthy soil while creating wildlife corridors, pollinator habitat, and filtering water. Truly exemplary people tend this land. They regularly host pasture walks to share with other farmers how they have restored so much ecosystem health to their land and soil. They also are incredibly generous and build community within their pricing model, offering milk at a sliding scale range so that all Vermonters have equal access to this nourishing product. They exemplify the "best of the best" in small-scale farming.

Then, two weeks ago, an accident: a tractor flipped. A leg broken. It was a harsh moment of reality. The family had a brief debate and quickly made the call that after being in dairy for almost twenty years, they would sell the cows. This accident wasn't the main reason, but it was the last straw; dairy farming has become simply too taxing - too costly, and despite caring deeply and being the best managers and community members—dairy simply isn't tenable.

Why is this? Why are Vermont's postcard-perfect farmers one broken leg away from having to sell their cows? Factors surely vary from farm to farm, but the big picture remains the same at present: economic crisis (inflation, fuel, feed - all up in cost enormously - while the price of milk is not) and climate crisis (ever drier and hotter years, making hay more costly and scarce, cows harder to keep cool and healthy, new infrastructure demands to beat the heat)—both layered onto a federal policy background that values giant corporate profit above all else.

And dairy isn't unique. Farms of all types are having a rough season—wells running dry, transport costs up to get to market, and consumers who themselves have less in their wallets to spend on food.

Corporate consolidation—that is, a few major companies gobbling up all they can of food production and distribution—is a pattern that repeats across the whole food system.

I've painted this picture to some non-farmer friends who have replied with some form of, "yeah, true. But it's hard for all small businesses." This is absolutely correct, and we should interrogate why being small in any sector is impossible right now. (You don't have to dig too deep—corporate consolidation is ubiquitous.) But also, for two major reasons farming is different, and we all need to care.

First: farmers aren't just business owners. Farmers—particularly organic farmers—are ecosystem stewards. Organic dairy farms keep land open (organic regulations require cows to be on pasture), sequestering carbon, protecting biodiversity, and filtering water. What happens if an un-conserved farm goes out of business? Look no further than the mini storage units recently plunked down in what had previously been a farm field up in Fairfax, Vermont. Then think about that pattern repeated across the state: the ripples of box stores slapped onto any field that a farmer can't afford to keep in production.

Consider what this does to Vermont's identity as a pastoral, beautiful place people wish to come to visit and live. What it does to the rural community that the farm helped to sustain. Think also of the environmental difference between a chain store versus a farm field. What happens to the rain that falls on that impermeable concrete parking pad and the soil underneath it? Consider the pollinators that used to find food for their journey in the hedgerows and the wildlife that came to the pond to drink.

While on the surface this looks like an outcome of an economic crisis, it morphs into yet another small piece of kindling tossed onto the climate fire that grows hotter by the year. Or in the hopeful alternative: each small, organic farm that can remain viable protects a bucket of water for dousing climate chaos.

Second: farmers grow food, which, at the risk of stating the obvious, we all need to stay alive. Currently, you can go to a box store and buy food brought in from elsewhere - the other side of the country or another continent. But we must not quickly forget the lessons we learned at the start of the pandemic about how utterly brittle massive food supply chains are – How easy disruption of that food showing up was. And across the country small, local farmers experienced a surge in customer interest and purchases. These farmers not only fed paying customers but were some of the people leading the way to create pathways to get food to people in need through quickly-made Mutual Aid efforts and creative aggregation. So, what will we eat when the next disruption happens if there is no local farmer who has been able to keep producing?

We cannot let short-term economic crises exacerbate longer-term climate chaos and food insecurity. Vermont's small and organic farmers feed us, help Vermont thrive, and feed our chances of a habitable planet. Every way we as individuals, (if we are in the fortunate economic group who can) or we as a collective (through state policy and investment), can support organic, small farms in thriving is a step towards a livable future for us all.

Grace is the NOFA-VT Executive Director. This article was originally printed in VT Digger on August 28, 2022.

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(Danone - from B -15)

rector. "They acknowledged their commitment, but then kicked the can down the road. It's time they pay up to support a viable future for the 89 farmers they have left behind."

The Future of Organic Dairy in the Northeast

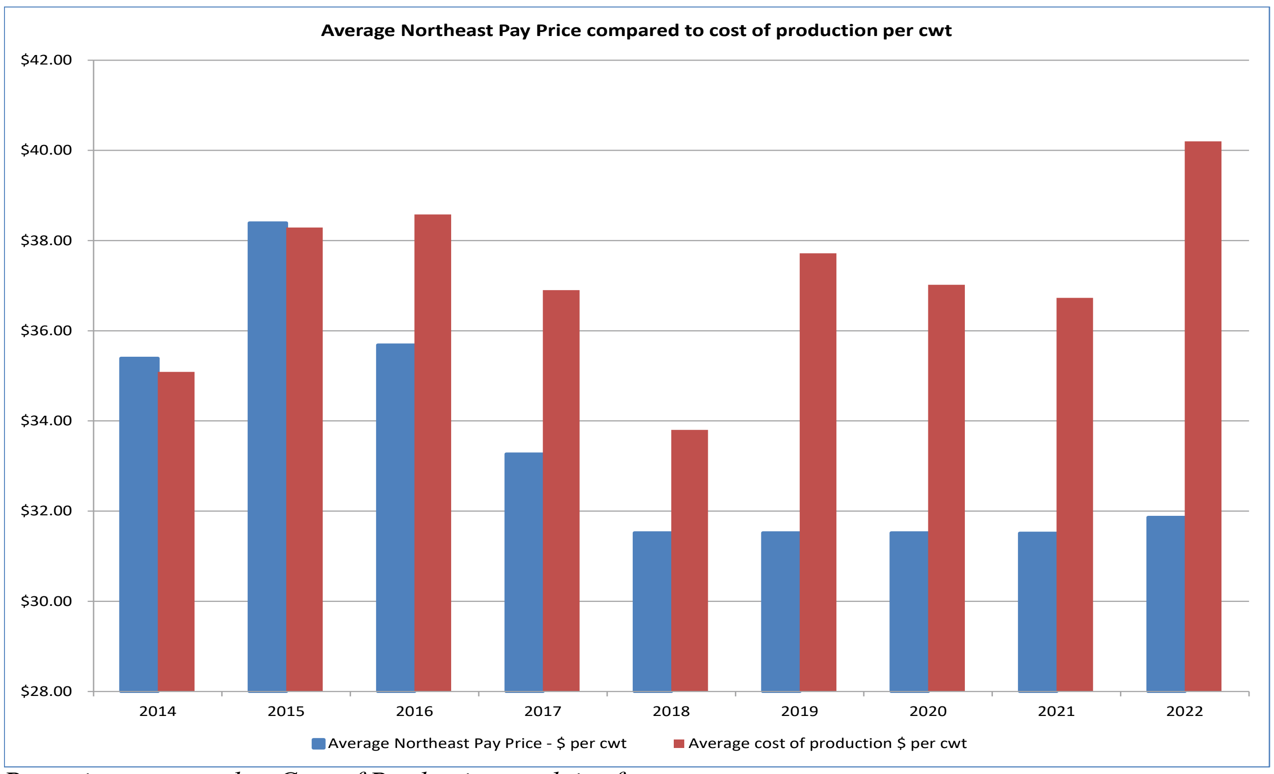
The northeast organic dairy community has had the perfect storm in 2022: unpredictable weather, loss of a major buyer of raw milk, continuing low pay prices, lack of competition, no COVID or Dairy Margin Coverage (DMC) program subsidy, and inflation caused by a world in tumult. The cost of feed and other inputs has reached ridiculous highs. The 2018 Farm Bill authorized the new Dairy Margin Coverage (DMC) program, which is a voluntary risk management program for dairy producers designed for conventional dairy and based on conventional expenses, though organic dairies can apply. In 2022, conventional dairy had a very good year so there have only been very limited payments made.

By contrast, because of the low organic pay price, producers have not been profitable and now, with the increase in the cost of inputs, they are unable to cash-flow their operations, having fully leveraged their equity. (Cash flow represents the cash inflows and outflows from the business. When cash outflows are subtracted from cash inflows the result is net cash flow. Profitability represents the income and expenses of the business. When expenses are subtracted from income the result is profit or loss.)

This has resulted in farm auctions, heavier than usual culling and reduced milk production. Small- and medium-sized farms have left organic dairy with many of the larger ones returning to conventional production. The writing is on the wall for the smaller operations that might only have 5 to 25 cows because buyers no longer want the logistical and quality challenges associated with picking up their milk. There is no enthusiasm from regulators, farmers or grant funders for some of the solutions that have worked in Europe, even ones promoted by companies like Danone and Lactalis, to use transfer stations to solve the transportation problem. From 2016 to 2021, Nicole Dehne, the certification director of Vermont Organic Farmers, said, "the organic dairy industry has seen a 22% decrease in farms. "At the end of 2021, we had 158 dairies," she added. "We anticipate having fewer than 150 dairies (in Vermont) by the end of 2022."

Organic milk buyers have given small pay price increases in 2022 (75 cents to $1/hundred pounds), but say they are not able to provide either a Market Adjustment Premium or a temporary pay price increase to support farmer cash flow. Stonyfield/Lactalis says they are committed to supporting a local supply, but have to work within the goals of their parent company Lactalis. They have pledged to increase their pay price by the end of the year to reflect a total annual increase to match the average national inflation. CROPP Cooperative reports that they are not in a financial position to increase their pay price, plus, they are in the middle of a planned change in leadership.

It is reported that there is no surplus of organic milk in the northeast. Retail milk prices are the highest they have ever been, and retail sales are steady, however, the farmer's share of the retail dollar is only 27%. The conventional dairy farmers' share of the retail dollar averages 60%. The organic dairy companies are reporting that they are using increased income from a higher retail price to maintain their operations rather than pay farmers extra. The marketplace has not responded by increasing the pay price in the northeast to increase supply. Any shortage of supply in the northeast is being provided by organic milk sourced from large organic CAFO's delivering Ultra-Pasteurized milk from Colorado and Texas. Unlike conventional dairy, organic dairy does not have any existing federal safety net or margin protection programs to assist when the costs of inputs increase and pay price is below production expense. Reliance on the conventional dairy safety net program, Dairy Margin Coverage program, assisted organic dairies in 2020 and 2021, as did the COVID payments, but there have been none of those payments in 2022.



Pay price compared to Cost of Production on dairy farms.

Organic dairies face unique challenges and the effect of doing nothing on the farming community, the rural communities they support and the environment will be vast. NODPA and regional and national organic producer groups advocated for emergency funding. In both 2010 and 2017, the USDA did use the Dairy Economic Loss Assistance Payment (DELAP) which provided economic help to stabilize conventional dairy operations during tough economic times. The 2010 Agricultural Appropriations Bill authorized $290 million (worth $396,336,170 in 2022, adjusted for inflation) for loss assistance payments to eligible dairy producers. This is a time when USDA is investing heavily in supporting organic transition and there needs to be an investment in retaining organic land, and recognizing the organic pioneers who have done so much.

While there are neither easy solutions nor one silver bullet, there are opportunities for organic family dairies to survive these crises and even to grow. Every Task Force on dairy and organic dairy has highlighted the lack of dairy infrastructure. This is one of the reasons that there is not more packaging of local milk, and that organic milk is transported from Colorado to Maine for a retail store brand. It is less expensive than processing northeast milk in the northeast for a northeast retailer. Unfortunately expanding and/or renovating dairy infrastructure is not cheap and existing plants have become increasingly difficult for independent brands to access. With so many of the processing plants in the northeast controlled by Dairy Farmers of America, the largest dairy company in the US and the 6th in the world with 2021 sales of $19.3 billion is in short supply and expensive. USDA has invested heavily in meat processing facilities and needs to supporting size-appropriate dairy infrastructure.

The northeast organic dairy community has been hard hit by abuses of loopholes in the organic regulations and the inability of the National Organic Program to enforce the regulations consistently across the country. The different interpretations of the Pasture Rule and the Origin of Livestock (OOL) allowed the rapid expansion of organic dairy CAFO's that are able to produce low-cost organic milk for store brands through their vertically integrated processing systems. This can be trucked across the country more cheaply than it can be produced locally. We can see some long-term solutions that will create opportunity in the future with the passage of OOL and Strengthening Organic Enforcement (SOE) (assuming they have the right language in the final rules, and these rules are implemented immediately), plus enforcement might encourage more domestic production of organic soybeans and corn to satisfy the huge demand from the organic poultry industry and organic dairy operations both large and small. This still leaves the production of organic milk in the northeast more expensive than anywhere else in the country.

Competition has been the usual way to change pay price. When milk is in short supply, buyers compete for supply and pay price goes up; when there is a surplus, pay price goes down. The northeast is not in surplus, but ultra-pasteurized and even ultra-filtered milk can now be imported more cheaply from other parts of the country. Few consumers understand that these are overly processed forms of milk. Ultra-filtration is one of the newest trends in dairy processing. This technique pushes milk through a semipermeable membrane filter, allowing specific components of milk to pass through based on their molecular weight. Why do brands choose to do this? Because it allows a dairy brand to engineer the final product. This is how ultra-filtered dairy brands can achieve higher protein milk (milk proteins have heavier molecular weight) with less sugar (lactose has lower molecular weight). Machine-selecting which components make the cut, the natural balance of the milk is lost.

Currently, there is no competition on the supply side for organic dairy in the northeast, except to a small degree within the grass-fed labels, although even there, the pay price for the premium label is still lower than the farmer's costs of production.

A Farmer-Controlled Northeast Brand for Milk

The long-term answer is to invest in regional and size-specific organic milk that is produced, processed, and marketed in the northeast, taking full advantage of the large and discriminating consumer base. Local milk would guarantee an adequate return to northeast organic dairies while providing environmental and economic benefits to the region, rather than exporting them to Colorado. NODPA was awarded a grant by the northeast DBIC to work with NOFA-VT and a team of consultants to look at the viability and create a business plan for store brands that are supplied by northeast organic milk for a consumer-facing regional brand and entrance into the institutional market. This unique brand would be owned and controlled by producers. It would have short supply lines to both processing and distribution and guarantee consumers will pay for what they get.

NODPA is working with developers to build a new plant in the northeast that is independently owned and controlled. Consumers have proven with the buy local programs that they will pay extra for local products that support their community. The survival of organic dairy farms in the northeast is dependent on recognizing the increased cost of producing organic milk in the northeast, and then building a business that understands the regional economic, environmental, and social benefit to the whole region of a local supply based on consumers' preferences and support for the region's organic farmers.

Ed Maltby is a producer with over 45 years' experience managing conventional and organic dairy, beef, sheep and vegetable enterprises on a variety of farms in Europe and the United States. He has served as NODPA Executive Director since 2005 and serves on the Board of the National Organic Coalition and the Organic Farmers Association.

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A Parity Farm Bill for a Future with Family Farms and Monarchs

By George Naylor

Once again, so many groups are focused on the "Farm Bill", the key piece of legislation that could possibly put some constraint on the agribusiness appetite for cheap commodities and global markets to sell bulldozers and biocides. It's been the hope of the family farm movement that a good farm bill will assure "fair prices for farmers" and secure a future for family farms rather than endless consolidation, further industrializing agriculture. It will take a lot more public awareness and a repurposing of our government before that happens.

Members of NOFA battle in concrete ways the slings and arrows of a food and agriculture system that is destroying the earth. Can your knowledge and dedication be spread far and wide so virtually everybody will be dedicated to stopping the destruction? Unless everybody focuses on the essential changes needed in a Farm Bill, I'm afraid that umpteen environmental organizations focusing on "their" issues and lobbying our corporate-financed Congress to change our agricultural system and save the planet has as much chance to succeed as a snowball in Iowa on the Fourth of July in 2050.

"The rich get richer, and the poor get poorer." "Get big or get out." "Inflation is hurting the poor." I'm sure you've heard these sentiments many times. An agricultural economist at Iowa State University told my wife, "It's the nature of agriculture to consolidate." So where is this all to end? One big farm with genetically modified crops that will resist being drenched in pesticides? Genetically modified livestock that will convert genetically modified corn and soybean meal more efficiently in next generation CAFOs? Lots of poor people (serfs?) and a few multi-billionaires?

Our modern industrial agriculture system uses 91% of the approximately one billion pounds of pesticides used in the United States. Now's the time to honor the 60th anniversary of Rachel Carson's ground breaking and inspirational book Silent Spring. If you haven't read the book, read it now. If you have read the book, read it again! She says that we must recognize that we shouldn't call these toxic chemicals pesticides, we should call them biocides. Her scientific logic and citings convey that their effects on all living beings can be deadly, destructive of our genetic heritage, and crash ecosystems that will lead to a global disaster. She dedicated her book to her contemporary philosopher and humanitarian, Albert Schweitzer, whom she quotes: "Man has lost the capacity to foresee and to forestall. He will end by destroying the earth."

The effects that biocides have on human health is frightening, but Carson warns that an even greater tragedy could be the damage to our ecosystem—the system we cohabit with the rest of nature. This damage was all too apparent to me and my wife, Patti, as we traveled from Iowa to a National Family Farm Coalition meeting in Massachusetts this summer—continuous corn and soybean fields devoid of any other plants all the way into New York State. Can you imagine what other living things those fields are devoid of? Over 250,000 square miles in the US are used to grow genetically modified corn and soybeans engineered to not be affected by the most omni-powerful herbicide known, glyphosate. Now that the inevitable resistance that Rachel Carson warned about made this Monsanto bioweapon obsolete, new generations of genetically altered crops have been made to resist glyphosate along with 2,4-D (Enlist technology) and dicamba (Extend technology). So there's virtually no milkweeds for Monarch reproduction or flowering plants for nutrition of that now endangered species. The US Fish and Wildlife Service has declared that this incredible butterfly warrants endangered status, and Center for Food Safety will launch a campaign in 2023 to get full protection of the Endangered Species Act.

Since I have never raised Roundup Ready crops, my 85 acre oat field had lots of milkweeds, which I dodged with the windrower, along with red clover that provided nectar to fuel the Monarchs' migration.

From the time I started farming in 1976, I've been involved with movements (like the American Agriculture Movement) and many organizations and coalitions (like the National Family Farm Coalition) dedicated to passing a good Farm Bill. We found that the concerns for family farm justice and stewardship of the land were bedrock positions of farm movements going way back. The catastrophes of the Dust Bowl and the Great Depression led farm groups to make demands of the Roosevelt administration in 1933 to change our agriculture system forever to prevent more of the same. After all, it was obvious that red topsoil blowing all the way from Kansas and Oklahoma to Washington, D.C. was more than an act of God. So was the farm depression of the 1920's—combined with the Roaring Twenties—that led to the Great Depression when even more farms were being foreclosed and unemployment reached 25%.

The Roosevelt administration responded with a plethora of programs as part of the New Deal. While all of the agricultural features of the New Deal were experimental, it should be recognized that methods aimed at achieving Parity and land stewardship became functional and achieved success.

Why is it so important for all our citizens to understand Parity? First, people need to understand that the dystopian agriculture we have today resulted from the logic of the market under every Farm Bill after 1952 that was intended to replace Parity with "market-oriented" policy. What we have today was inevitable from the logic of free markets where the name of the game is to make as much money as possible or to hang on to the farm by maximizing production no matter what the costs are to the environment or society. Understanding parity will show that we don't have to stick with this out of control system.

Second, this market-oriented policy was the product of a bipartisan consensus (referred to as "the Washington consensus" in modern neoliberal terms) written at the behest of imperialist multinational corporations and their multinational banks. It denied that a democratic government has a vital role in avoiding disparity and environmental destruction and propagandized that government should stay out of markets. (Farm Bureau's mantra was "Farming is like any other business, so get the government out of agriculture.")

Third, if we are ever to stop this insanity and create a truly sustainable civilization, we have to understand how a democratic government can programmatically prevent the robbery of nature and our fellow human beings. Otherwise, we will be limited by demagogues who capitalize on confusion and anger to maintain whatever remains of the status quo.

So how can we understand this fundamental economic principle of parity? The current state of inflation should help focus our attention. Two percent of inflation has been the goal of the Federal Reserve in normal times. Recent monetary and fiscal policy has led to soaring inflation so that much of the debt racked up by so many sectors of the economy will be paid off in cheaper dollars. Inflation is real. Ask somebody at the lower end of the wage scale. The federal minimum wage (another product of the New Deal) hasn't been increased since 2009. Now you can see why inflation hurts poor people. If the minimum wage had been adjusted for inflation, wages would have kept up with inflation. Low wage earners have been the victims of "market-oriented" policy. (Farmer and economist Brad Wilson reports that today's minimum wage is the lowest it's been in real dollars since 1940!)

Much like the minimum wage, a parity farm program uses a price support mechanism to make sure that the purchasers of farm commodities pay a price that has been adjusted for inflation. The New Deal goal of parity used the average prices of agricultural commodities in the years 1910-1914, which they took as the base years because the farm economy was in balance with other sectors of the economy. Under the New Deal, farm prices maintained their buying power (i.e. 100% of parity) from 1941-1952. If corn prices had been adjusted for inflation, the price of corn paid by vertically integrated CAFO corporations today would be over $13 per bushel, instead of around $5 per bushel. I think livestock would be raised on family farms instead of in CAFOs had it not been for the "get big or get out" imperative forced by lower and lower corn prices that led to lower prices for livestock. All the billions of government subsidies never stopped the loss of family farms, because they only underwrote the cheap corn and soybean production so critical for the corporate takeover of livestock production. Parity programs would have kept livestock on the land, so that more natural farming with sound crop rotations, reduction of soil loss using hay land and pastures, reaping nitrogen from legumes, and simplified no-chemical weed control would have been the norm. Creating an all organic system for the nation would not have been all that difficult.

So even though we can say that a parity price is a "fair" price for a farmer who grows corn, more importantly a parity price avoids a "misallocation of resources," in this case the use of corn, other feed grains, and oilseed meals to feed livestock in CAFOs or livestock factories.

Policy fashioned on New Deal principles would have avoided wasteful overproduction of commodities through the use of quotas so that farmers wouldn't be aiming at record breaking yields every year. The myriad of "supply management" schemes through the market-oriented years since 1953 never aimed at parity prices because that mechanism would mean that the world would always be on the brink of food shortages. Instead, a parity program would rely on commodity reserves (the Ever-Normal Granary) to keep bountiful years from depressing prices and provide needed supplies when crop shortfalls occurred. In other words, parity prices do not require creating scarcity and farmers do not need to abuse the land to stay in business.

I believe it's imperative that we base our policy choices on the lessons of history to lay the groundwork for the kind of revolutionary change in agricultural policy we need. Because parity price supports counter the profit motives of the industrialized food and agribusiness corporations, getting a Farm Bill with parity price supports has a snowball's chance of passing. It may seem logical to advocate for various compromises such as price supports set at "cost of production." Cost of production is calculated by USDA referencing typical monocrop large scale farming with a multitude of chemicals and their related GMO varieties. Wouldn't using the cost of production calculation just stabilize and lock in the status quo of industrial production of corn and soybeans to feed livestock in CAFOs?

NOFA members have shown how healthful, organic food can be produced on family farms and are setting the groundwork for a food system completely dedicated to organic principles. Obviously, we need a parity system to avoid family farmers becoming endangered species replaced by corporate farms managed by artificial intelligence, and more importantly to stop the march toward our final Silent Spring.

George Naylor has been farming his family's farm since 1976 choosing to never raise GMO crops. George and his wife Patti began 7 years ago transitioning the farm to organic. Last year George, Patti, and his sons Dylan and Jackson celebrated the 100th anniversary of the Naylor farm. Their new farm project is an organic cider apple orchard. George was a member of the first Iowa Corn Promotion Board, was active in the 1980's Iowa Farm Unity Coalition, and worked on a farmer team writing the Harkin-Gephardt farm bill. In the early 2000's he served as president of the National Family Farm Coalition and was a lead plaintiff in a national lawsuit against Monsanto. He currently serves on the boards of the Center for Food Safety and Family Farm Defenders. Patti and George blog. contact - funkypintobean@gmail.com

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BerkShares: an Alternative Vision for Thriving Regional Economies

By Jared Spears

Visiting the Great Barrington Farmers' Market this past season, you'd encounter all the hallmarks of a healthy, well-attended farmers' market: fragrant smells, a convivial bustle and an array of bright, voluptuous produce. But something not obvious at first glance makes this market, in the Berkshire mountains of Western Massachusetts, unique. Approaching the register at Indian Line Farm's stall, you'd see a chalkboard sign listing "Payment Options:" the familiar cash, check, credit card and (more recently popular) Venmo are listed alongside methods very particular to place: "BerkShares" and "Digital BerkShares."

As mobile payment apps proliferate and as credit and debit cards continue to grow more ubiquitous, market sellers everywhere have had to adapt to new modes of transacting. And whether it's credit card companies charging small sellers 2-4% of each swipe, or Silicon Valley tech companies getting into the mix, we've become increasingly beholden to far-away, profit-seeking entities for simple exchange between neighbors.

It can be easy for us to reach for our credit card, but those processing fees add up, creating a burden on small businesses as money trickles out of a local economy. From a community economic standpoint, substantial fees from cards and the loss of underlying deposits from small banks both represent wealth leakage outside of regions into a larger, faceless system. The concentration of Americans' financial activity among a few corporate banks disproportionately favors the "Wall Street" economy over that of "Main Street." Like the devastating effects of big box chain stores on smaller, locally-owned businesses in recent decades, wealth leakage forms part of a broader narrative of disinvestment and extraction familiar in too many parts of the country, particularly rural economies.

But the presence of community-issued BerkShares currency over the past fifteen years has contributed to an alternative story here in the Berkshires: one of a more circular regional economy that leaves space for local exchange and production as a basis for resilience. Keeping money circulating locally by design, BerkShares stands for a conscious choice to support the individual storefronts, farms, and other organizations which imbue unique character and vitality to small towns and villages.

Elizabeth Keen, co-owner and farmer at Indian Line Farm, is among the local currency's long-standing advocates. The notion of "community support" is, after all, baked into the ethic of Indian Line: "Community Supported Agriculture is a term coined in my dining room in 1986," explains Keen. In this regard, Indian Line is fairly famous as farms go. Robyn Van En, evangelist for the radical CSA model that has been adopted by farmers around the world, farmed at this 20-acre plot down the road from Great Barrington from 1983 until her untimely death in 1997.

Keen was employed by Robyn at that time. Today, she and her partner Al Thorpe carry on this legacy, farming organically while adding their own personal touch. As Keen explains, Community Supported Agriculture is a relationship between farmers and consumers: sharing the risk and also sharing the bounty that can exist on a farm. Accepting BerkShares for purchases is a natural extension of this ethos.

At the farmers' market, they see plenty of the colorful paper notes—denominations of 1s, 5s, 10s, and 20s featuring the faces of local heroes—sorting them in a second cash drawer. Indian Line even accepts the local currency for CSA payments among its 250 full- and half-share members, a shift from the program's early days. Keen was at first wary about taking in more BerkShares than the farm could recirculate. But those concerns are now long past: "We'll take Berkshares for the full price of a share and we're creative enough now that we know where to spend them," she says.

Indian Line can spend BerkShares with local suppliers and service providers, pay portions of farmhands' wages, and even pay their lease fees to the Community Land Trust on which the farm is situated. In this way, BerkShares recirculates with over 350 locally-operating organizations which employ local people and tend to care for community (as one resident memorably put it: "is Amazon going to sponsor your kids' little league team?"). By participating, merchants distinguish themselves as locally-owned and community-minded while saving on card fees and recirculating back into the local economy. BerkShares can at first sound a bit funny to outsiders. But as all BerkShares in circulation remain backed 1:1 with US Dollars at community banks, it leaves no doubt about the underlying value. The currency is free to accept and reuse, with only a 1.5% fee if a business chooses to exchange BerkShares back to US Dollars. While competitive to cards and mobile platforms, the modest fee provides participants a positive nudge to keep money earned within the community.

When it comes to big purchases like an annual CSA payment, Indian Line has in recent years forwarded a small surcharge on to customers who chose to pay via credit or debit. Thus, BerkShares offers a feel-good alternative that benefits both parties. In 2022, a digital BerkShares beta app even experimented with making such payment possible from a smartphone, a proof of concept to inform a future digital iteration. Whatever the format, using BerkShares encourages recirculation and reinvestment within the region and fosters personal bonds between producers and their communities. The need for tools that empower area citizens to shape regional economic transformation grows all the more important in the face of climate change. Just climate action makes the relocalization of basic production an urgent necessity. Here in the Northeast, for example, non-profit Food Solutions New England has set the goal of achieving 50% locally-sourced food by 2060.

With regenerative farms like Indian Line, the Berkshires have a strong head-start. Local currency can provide a vehicle to accelerate such ambitions, helping to usher in a more vibrant and ecologically sound regional economy. (At scale, BerkShares, Inc. even proposes to have productive loans issued in the local currency, spreading the wealth of such investments in the area.)

"Any way we can fight back against these big systems that otherwise seem inevitable," Keen says, "is inspiring."

Resource: *berkshares.org*

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1 & 50 BerkShares "Dollar". Source berkshares.org

(USDA - from - B - 12)

microloan application by her local FSA agent. Her loan officer advised her that she would need to collateralize her $50,000 microloan with her home which far exceeded the microloan value. The FSA agent encouraged her to use credit cards to finance her farm instead of applying for a microloan.

But perhaps the most disturbing story I have heard is from a Black rancher in Texas who first contacted us seeking assistance when the debt relief promised last year was delayed putting his farm operations in a devastating limbo. In our most recent conversation, he further emphasized the vulnerability of his operation due to the combination of an unrelenting drought, extremely high input costs, and the uncertainty surrounding his promised farm loan debt relief which put him at risk of losing his farm – thereby repeating a pattern of disproportionate land loss that cost his grandfather his entire farm operation many acres of which this rancher had dutifully recovered to keep his family's ranching legacy alive and pass on to his children. Despite my assurances of a farm foreclosure moratorium, he referenced contemplating suicide as he has taken the heartbreaking step of initiating the liquidation of his livestock and land to avoid foreclosure.

Access to credit is the lifeblood of any farm or ranch operation. Without it, no farmer can meet the demands of acquiring or accessing land, developing critical infrastructure, or purchasing inputs. The changes in credit access in the 2018 Farm Bill did not anticipate the devastation caused by the global pandemic and, thus, did not go far enough to address the credit needs of farmers on the ground today.

Dating as far back as Reconstruction, Black farmers have been disproportionately denied credit or provided less favorable terms, a trend that is so well documented as to be common knowledge. The long-standing history of race-based discrimination in credit access popularly resulted in the race-based class action litigation against the USDA. As one devastating consequence of disparate credit access, Black farmers have been at least three (3) times more likely to lose their land compared to White farmers during the same time period.

Our farmers are their communities' first responders, not only do they perform the critical feat of feeding their families and communities, but they create jobs, stimulate rural economies, and lay the foundation for thriving self-sufficient rural regions. As we review the Farm Bill and prepare for the scheduled reauthorization next year, we must use this opportunity to prevent the looming threat of the loss of Black farms, land, and livelihoods that has been institutionalized by racially disparate credit access.

As the farmer stories I have shared this morning have outlined, our farmers need a more flexible, transparent, and streamlined FSA loan application process. One way to do so is to simplify the first $100,000 of any farm loan in line with the existing microloan process. This will accomplish both an increased limit for microloans and position our farmers to acquire their initial inputs and establish their initial infrastructure more expeditiously. For any loans that exceed $100,000, we recommend alignment on farm ownership and farm operating loans to the farm ownership loan's $600,000 limit. There is already a process in place for evaluating a loan application's ability to cash flow up to the $600,000 limit and with the increased cost of all inputs, we need our farmers to have access to increased operating loan amounts to remain competitive. Finally, our farmers need support and resources to develop a financial institution, owned and controlled by farmers of color, which accomplishes the same rural credit access as the existing Farm Credit System.

I humbly submit this testimony and recommendations for your consideration.

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Building a Food Hub for Economies of Collaboration

By Chris Hartman

Economies of collaboration can compete with economies of scale. That theme, first introduced to me at a National Good Food Network conference a few years ago, speaks to the fundamental strategy behind food hubs and the regional food system development efforts they represent. Across the country, food hubs are innovating and operating alternative supply chains, partnering with networks of small, midsize, and large farms, processors, and food producers, as they offer a wide range of customers a robust and resilient catalog of regional foods. The important and immediate opportunity at hand is that the pool of customers interested in this regional, values-based supply chain is moving beyond the "choir" of individuals, independent retailers, and farm-to-table restaurants, and is beginning to include a far broader and vastly larger set of customers, including public and private institutional procurement. This is a grand moment of opportunity for food hubs and independent regional food system networks. This is also a precarious time in which large, established, industrial food system players recognize the shifting sands and seek to maintain their strategic need for control and scale.

Headwater Foods, Inc. (headwaterfood.com) is a food hub in upstate New York. We work with more than 200 different farms, processors, and food producers, and we source and sell regional foods across New York State. Many of the farms we work with fall into the mid-size and large category, this is within a NY family farm context. We also work closely with small farms that seek a wholesale market in addition to any direct markets they already serve. We work with produce growers, grain and legume growers, farms raising animals, dairy farms, and a wide range of processors and value-add producers making all sorts of food products.

We work towards whole crop utilization with some farmers and plan years in advance, and we work with surplus and seasonal opportunities with others. Our level of planning and communication with our farm partners is unique to each relationship and our shared sense of mutually beneficial business. The agricultural practices utilized by our partnering farms range from Certified Organic (piloting regenerative certification) to conventional farming. There are Animal Welfare Certified, pasture-based meat operations in the mix, and a cull NY dairy cow program producing ground beef. Our supply chain seeks to be inclusive and capable to meet customers where they are at regarding their values and goals around food purchasing, while offering a well-supported path towards ongoing enhancements and further ability to lean into those values.

Our customers include smaller restaurants and retailers in our local service region, colleges and k-12 schools across a broader area of the state, foodbanks across all of NYS, and other distributors seeking to offer a set of local products to their own customers. Our delivered orders range from a few cases of produce, meat, and grocery items to a smaller local customer, and full truckloads of product to larger customers in NYC. Our offerings range from unique local foods for specialty chefs (rainbow carrots and heritage pork) to NY Grown and Certified staples for institutional kitchens (frozen vegetables and canned beans). Ultimately, we sell "Programs" to these customers, a planful, relationship-based approach to building and coordinating a supply chain to support their operation, including the reporting, compliance, and storytelling needs they may have.

Many of these customers are public institutions or publicly funded organizations. In this case, we add a few layers of value and ultimately "sell" to a few different audiences. The economic impact associated with food purchased from a network of independent, regional farmers, food producers, and distributors is significant. New York public dollars spent on food can, and should, have multiple layers of benefit, impacting the social, economic, and environmental health of our communities. Whether we are supporting fresh, healthy, and enjoyable foods for people facing hunger and food insecurity, or filling the dining halls of our schools and universities, we work closely with NYS to support a supply chain that invests in and helps to build the future, sustainable food system we want and need.

Headwater's focus has been to inspire, aggregate, and organize values-based demand across various customer segments, allowing us to coordinate and build capacity within corresponding values-based supply chains. Headwater began within a neighborhood farmers' market project in Rochester NY with the intention to help move local foods beyond the high-end, boutique market they seemed trapped in. Our interest has been to look at both supply and demand as we seek positive change in this way. We have worked to create fair, diverse, and durable, regional markets for farms and food producers while building capacity and inclusion within the regional food production system to meet this greater and broader market demand. We have helped to grow a collaborative network of farms, food processors, and other food hubs and distributors so as to create a scope and scale that can meet much of the significant food requirements of our region. We are committed to a shared understanding of the path forward, learning and aligning values across this network of partners, and building solutions that work for all of us. As we work to "regionalize" national commodities, connecting the significant (and increasingly values-based) purchasing power of public and private institutions to regional production, processing, and distribution, we are beginning to see the economies of collaboration and we are beginning to compete with those that have focused on economies of scale. How we continue to build capacity and define inclusion within the supply chain, and how the collaborative network undergirding this emerging regional food system grows and evolves, is the important work ahead and will be much of the measure of our true success. I look forward to following up on our progress in future additions of this fine publication.

Chris Hartman is founder and President of Headwater Foods, a NYS focus Food Hub based outside of Rochester NY. Headwater is a Certified B-Corp, and is committed to developing a socially and environmentally sustainable food system for the Northeast Region. Chris has worked for more than 25 years as a farmer, a community organizer, an educator, and a social entrepreneur towards a better future food system for NYS.

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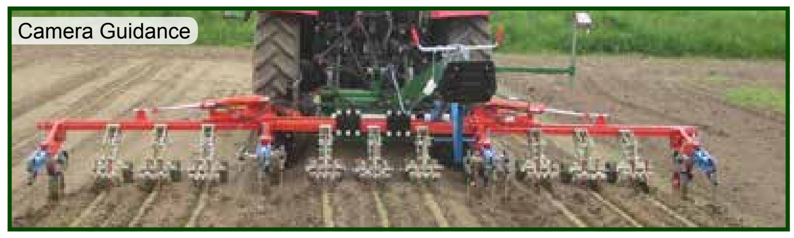
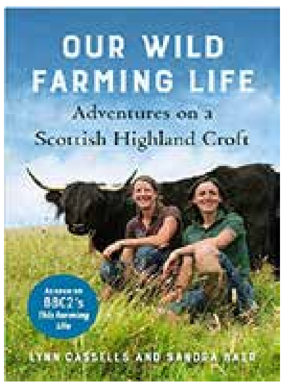


Book Reviews

Our Wild Farming Life
Author Lynn Cassells and Sandra Baer
Chelsea Green Publishing, 2022, 224pp, $12.95



Reviewed by Chris Travis

Our Wild Farming Life by Lynn Cassells and Sandra Baer is a great choice for anyone with little knowledge of the rigors of farming, who may be considering a foray into the business of agriculture. This book is a genuine and heartfelt account of the trials and errors two women surmount on their journey to becoming successful farmers. Whether by intent or happenstance, the muck and muddle of two neophyte foresters turned neophyte farmers, building a working farm from scratch, will catch at your boots and give you pause, but you will be able to see the saplings by the thousands, the tens of thousands.

The first three chapters are a slog, the only cogent and cohesive message communicated has something to do with Scottish Croft law and the alluded to, but never entertained, the serendipity of luck, love, and envy-inducing benefactor leading to croft ownership.

The real fun of this pan-Atlantic missive begins in chapter four, replete with lessons about what not to do. These new farmers stumble into a life of farming with absolutely zero understanding of what that entails, poisoning their own well water in a scene that had me asking the pages of my book why anyone would do such a thing.

But slowly, parenthetically bracketed by cringe-inducing trial and error, these inexperienced farmers gain confidence, footing, and knowledge of the life they have chosen. A shining example of their success is their kitchen garden. This small nucleus of joy serves as subsistence for mind, body and spirit, and in many ways, it seems that this garden serves as the touchstone for the ladies; they come back to this garden as if to center themselves, to center their vision. The garden also seems to serve as the germ seed from which their success and inspiration grow outward. Reading of their incremental progress toward a fully realized farm is plodding and painful, and the author provides us with a front-row seat to the sweat and tears shed in pursuit of an unclear future; but when they finally start to figure it out, things really take off.

As these farmers get their legs beneath them and all the pieces begin to fall into place, one important detail of their journey is access to grants. This lesson is tucked into the mud and muck of their failures, but shines through and demonstrates how grant opportunities provide a genuine opportunity for growth and goal.

The ensuing chapters tease at a handful of salient agricultural topics as these farmers muddle their way toward a successful enterprise. Kudos for the description of their experiences implementing permaculture practices, silvopasture, animal husbandry, ecosystem management, re-forestation, agri-tourism, value-added products, farmer-community relations, and deer management. They skim over these topics like fog scudding across the heath, but any aspiring farmer would be well served to note their struggles and take a deep dive into any of these subjects.

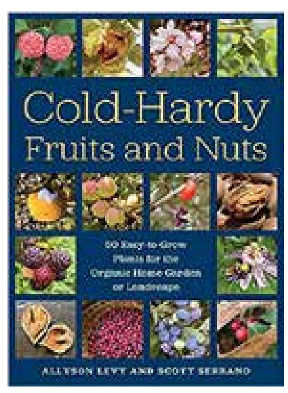
Honest about their difficulties with money, a passing suggestion regarding the true value of food and farmers' dependence on subsidies hinted at fundamental problems in agriculture. Yes, their farm is one example of a possible solution, the authors acknowledge land acquisition is an obstacle many aspiring farmers never overcome.

It is easy to cheer for these young farmers as they grow thirty-thousand saplings, their business acumen, and their herd. It is easy to cheer for them as they struggle with the ever-present issue of off-farm work, through cold and wet, bend their shoulders to hard work and sacrifice, to finally achieve success - a success achieved thanks in large part to a dynamic business model adapted to opportunity and community feedback. This an important lesson for young and old farmers alike.
The most important lessons to learn from this hardy, entrepreneurial farmers are: look before you leap, and do your homework. These farmers show us just how uncertain making it up as you go can be. They also show us that with enough determination, perseverance, a whole lot of on-the-job learning, and a dash of self-awareness, success can be found in just sticking to the basics.

Reading about their five years' worth of painfully earned and tearfully gleaned knowledge, I felt mud over-topping my boots as I slogged through the muck of bog and heather. The trials and failures of these farmers will challenge the reader to understand that the real gift, the treasure buried in the mud beneath the sphagnum, is the relationship a farmer builds with the animals, the community, and most importantly, the environment. We can only hope that their thirty-thousand saplings become a towering forest.

Cold-Hardy Fruits and Nuts 50 Easy-to-Grow Plants for the Home Garden or Landscape
Athor Allyson Levy
Chelsea Green Publishing, 2022, 224pp, $22.72

Reviewed by Angela Highsmith



As a student of permaculture living in the northeast who loves useful plants that are low maintenance, I was excited to read *Cold-Hardy Fruits and Nuts*. I love that the book casually shares knowledge, enriched by the authors' lived experience - they grow every plant presented in the book. It's like having a close farmer friend advising you on how to plan out a kitchen garden over dinner - a farmer with an eye and appreciation for beauty and function.

The book is written by two visual artists who began their garden as a source of inspiration and raw materials for their art. This grew to an extensive 11-acre collection of cold-hardy plants, focused on the rare and underutilized. The selection of 50 plants they present are not only edible and easy to grow, but beautiful as well. After the introduction, the reason for writing and "How to Use This Book" sections, it really begins with the "General Considerations" section comprised of; "Choosing a Planting Site", "Buying a Plant", "Planting & Care - The First Season", "Amendments", "Delaying Planting & Storage Containers", "Pest Control & Animal Protection" (this one felt a little overwhelming considering the promise that these plants are over 90% pest-free, but I later appreciated all the solutions given for a wide spectrum of possible challenges), and "Winter Protection" (this topic seems to contradict the title of "easy-to-grow", but after reading through the entire book I realize these measures are not generally required for most of the plants. They're offering tools to set us up for success, should we want to go that extra mile). This last section was very informative and useful, but also dry and uninspiring. No matter, the rest of the book came alive for me with inspiration around the cultivation of these often overlooked plants.

The plants are beyond the typical cold-hardy standbys. Many are non-native, but all grow without special efforts in the Northeast. There are familiar berries, nut trees and Quinces as well as some interesting fruits I'd never heard of like Che, Shipova and Goumi. Their reasons for highlighting this uncommonly diverse selection of plants are centered around sustainability in a world of climate change and homogenous landscaping & agriculture. They wisely explain that diversifying what we grow benefits people with more options, food and less pest control, and also wildlife by having a "greater diversity of flower options over an entire growing season". Each plant has its own alphabetically ordered chapter beginning with a brief history and description followed by: "Growth Difficulty Rating", "Taste Profile & Uses", "Plant Description" (more technical than the introduction), "Flowers", "Polli nation Requirements", "Site & Soil Conditions", "Hardi

(continued on next page)

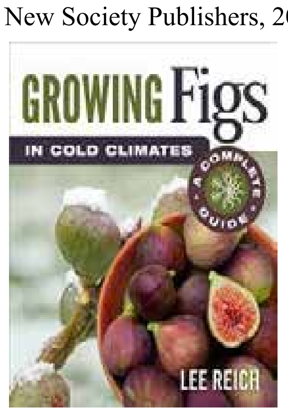
(Books - from B - 22) ness, Fertilization & Growth Comments", "Cultivars", "Related Species", "Propagation, Pests & Problems", with some plants having additional specific notes. Each section is full of useful information, often with observations and advice based on how the plants have grown in the authors' garden over time. This is the real meat of the book which I'm now regularly as a cross-reference to cultivate and add to my wish list. The categories create a user-friendly experience where one can quickly look up topics like the taste profile, aesthetic, or growth habits of unfamiliar plants to consider if one really wants them in their garden.

I also appreciate that the book provides a handy variety of propagation methods not commonly explained in Google searches, or even other gardening books, that better suit my situation. I've had the book just a few weeks and it's already dog-eared multiple times, not something I can say about most of the gardening books I own.

The book closes with the usual resource list that I always intend to use, but don't, but he useful flow of this handy list solidified the authors' credibility, so I feel encouraged to use their resources for my plant orders next spring. I love the authors' experienced advice and instruction given in a clear, concise, and easy-to-later-reference way. As a casual gardener who loves weeds as much as cultivated plants, this is a book I will certainly use for years. Why wouldn't we grow beautiful plants that also feed us? It's a bonus that once established, these are set-it-and-forget-it plants that need little care.

Growing Figs in Cold Climates

Author Lee Reich
New Society Publishers, 2021, 115pp, $24.99



Reviewed by Elizabeth Gabriel

I've known Lee's work for decades since first becoming interested in permaculture and perennial production. *His book Uncommon Fruits* for Every Garden sits on our shelf with a tattered cover, held together with masking tape after referencing it so many times. Since moving from Washington, D.C. - where figs are easy-to-grow street trees - back to the Finger Lakes, I've successfully killed at least a dozen figs despite growing Hardy Chicago (the only cold variety I was aware of until reading this book). So I was thrilled when Lee asked TNF to review this new book.

Overall, and as is expected from Lee, he provides a botanically informative book with digestible how-to descriptions about growing methods and pruning that a gardener or farmer can implement. For readers not yet interested in growing figs, he helps a reader fall in love with the possibility as he tells of various wonders about this "subtropical plant, that tolerates subfreezing temperatures" such as: "A fig tree might bear fruit on new, growing shoots; on one-year-old stems; or on both new, growing shoots and on one-year-old stems" and "Figs bear fast, sometimes in the first season after being rooted from cuttings!" The appeal to cultivate these plants continues to grow as he describes the fig's tolerance of abuse and frost damage and as gorgeous photos of prolific fig trees adorn the book.

The book provides excellent visual depictions to show various techniques to prune for a breba crop (crop born on one-year-old stems), main crop and for root pruning. He also briefly explains 5 methods for growing figs in cold climates - something I've always wondered - each with a pros and cons list; "(1) container, (2) plant in ground each spring, dig up each fall, (3) swaddle stems, (4) lay down or bury stems, and (5) in ground, in cool or unheated greenhouse or hoop house."

All this notwithstanding, the book's surprisingly casual tone and somewhat odd style of requesting permission from the reader (the first paragraph of the book ends with "what's up?", followed by two section headings titled "Let me elaborate" and "Let me digress") within the first few chapters caught me off guard and slightly distracted me from the depth of information the book seems to want to provide - and I'm looking for.

In chapter 4 "What Kind of Cold Do You Have?", Lee discusses three different types of cold climates; "Region 1: Frigid winters, hot summers; Region 2: Frigid winters, cool summers; and Region 3: Coldish winters, cool summers". He clearly explains the characteristics between these regions; he mentions (and displays) Hardiness and Heat Zone maps, and explains that the absolute cold and heat temperatures these maps depict don't tell the whole story because "when cold arrives", how much cold is also important to plants as well as rainfall and drought. Since he points out the limitations of the Zone maps, this section would be strengthened if Lee provided an overlay map of his "3 cold-climate Fig Regions" with these two Zone maps and average rainfall maps. Further, while it sounds important for a grower to know which Fig Region they are in, I was eagerly waiting for this section to provide guidance about what to do in my region - which variety to grow, which pruning method to choose, etc.- but it does not. (Some of this is offered later in the book, but not all).

What varieties should we in the Northeast plant for production? On page 73, Lee literally says "Sorting out fig varieties is a mess," and yet he provides a helpful overview of 16 varieties he's determined to do well in any of the 3 cold Regions because they all set good breba and/or main crops that ripen relatively early, ripen in cool summers, are more tolerant to low temperatures, and taste good. According to this section, Hardy Chicago was a reasonable choice in my Region 1 (although it isn't mentioned in the subsequent charts provided on pages 83-85), but I think I'll try a hardy more dwarf variety like Alma, Celeste or Verte next time in my small greenhouse. That raises my final point - an expanded chart with clear headings such as fig variety, breva or main crop potential, fruit size/color/texture, leaf size & shape, tree size, level of hardiness, ripening notes, recommended pruning approaches as per variety, Fig Region and growing method would more easily help a reader make decisions and grow figs successfully; perhaps in the next edition?

The book is definitely useful and I recommend it for hobby growers in the Northeast trying figs for the first time and for those with some experience wanting to fine-tune their pruning styles, and expand their growing methods. Lee also provides a list of sources for buying plants and social media groups to connect with to further your learning.

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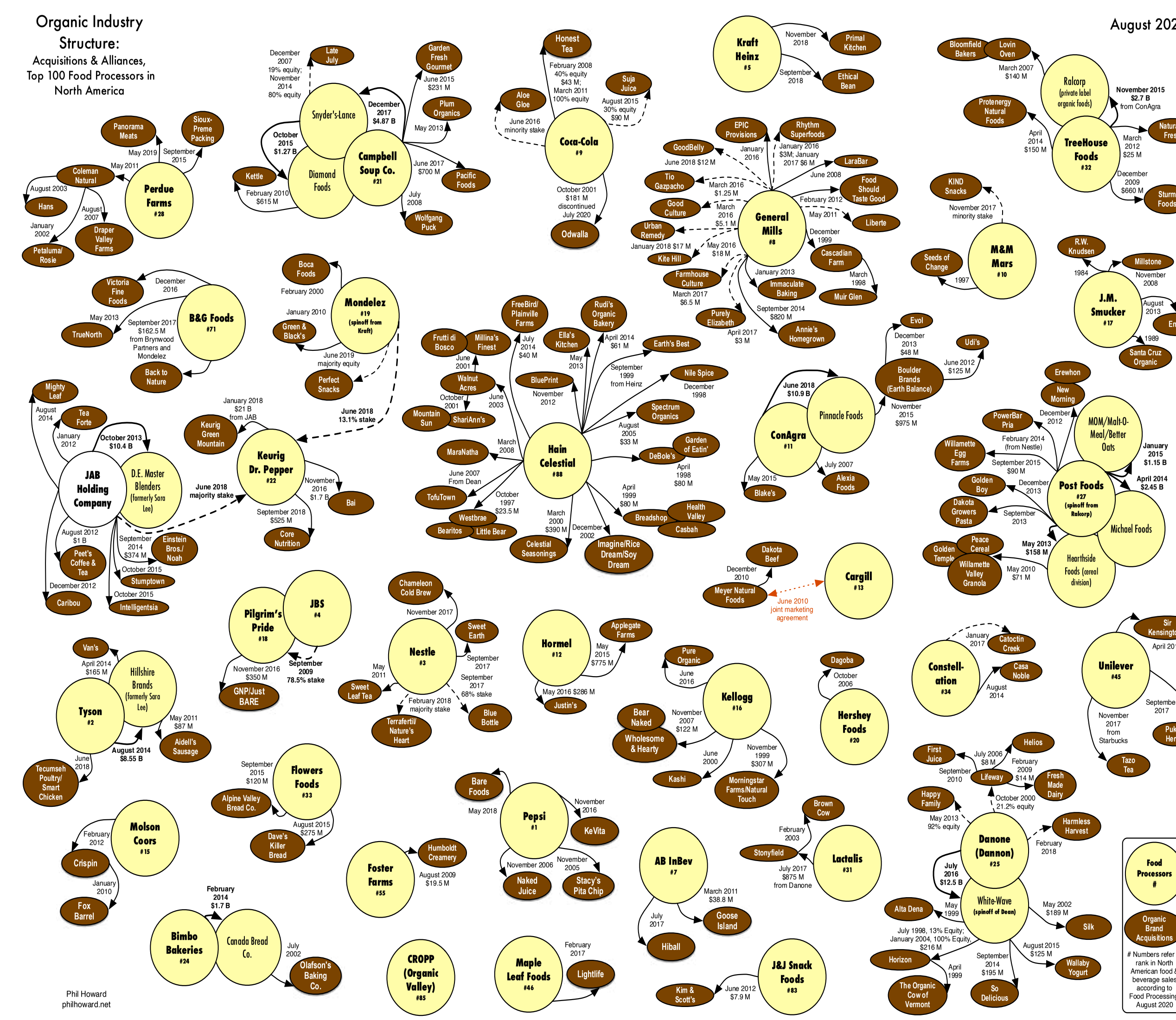

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