Framing the Challenges we Face

1. Food System and Ecological Challenges
2. Social and Cultural Challenges
3. Economic and livelihood challenges
Low farm gate prices drive extractive farming practices.

1970: gas - $0.36
milk - $1.40/gal
farmer - $11/cwt

2015: gas - $2
Milk - $3.25/gal
farmer - $13.50

Many costs - to people, animals and the environment - are ‘externalized’

Talking about complex issues:
“Take Five with Tony”
takes on economic externalities

Supply Chain’s increase convenience, efficiency
Production ➔ Processing/packing
Distribution ➔ Wholesale/retail

..BUT numerous costs are not included, are “externalized”
CAFOs, workers and consumers

Cheap food = very low wages

Our portions keep getting bigger
...and we do too!

Eating well is more expensive, less convenient.

By 1990, over half the US population lived within a 3 minute drive of a McDonalds.

Fast food companies spend over $4 Billion/yr on advertising.

Growth in population, growth in consumption:

- Worldwide, available productive land has decreased from 14 acres per person to 3.7 acres per person over the past century, a drop of almost 75%.

* Climate change, declining water resources, phosphorus scarcity…

2. Social and cultural issues: “Ubiquitous Abundance”
Competing with the 24/7 culture of convenience

[Less ubiquitous] Abundance?

The decline of our public life

Who Controls the story?

1980’s: Fifty companies owned 90% of all media outlets
2014: Six companies own 90%

Result: Less local news, far fewer reporters, less depth, diversity of coverage and the predominance of trickle down perspectives

Exceptions: Food Sleuth Radio

“The victory of consumers is not synonymous with the victory of citizens.” Benjamin Barber
3. Economic Issues: Trickle Down Economics...

- ... isn’t trickling down
  - Over 93% of new income gained since end of recession has accrued to the wealthiest 1%.
  - Wages for middle class and working folks have been stagnant for 30+ years
  - The Walton family has more assets than 100 million Americans

Concentration throughout the Farm and Food System

Workers’ wages divorced from our productivity
Problems with Economic Concentration

Cornell Study (2001) compared counties dominated by one or two large firms with those that had many small firms.

“Big business” counties had:
* Greater income inequality
* Lower housing standards
* More low birth weight babies
* Higher disability levels
* Higher crime rates

(Mitchell)

Investing in Local businesses:

State and local payments to large firms now total $50 Billion per year. 
* Peters and Fisher

Illinois study of economic impact of local vs. chain:
- restaurants - 25% more impact
- retail - 63%
- services - 90%

Wealth & Income Concentration

- When 93% of all new income goes to top 1%...
- …and income for ‘bottom’ 60%’ is stagnant...
- …and wealth has declined dramatically for working folks, especially people of color...
- …and local banks that lend to small businesses are themselves going out of business, then
- building a fair, healthy, sustainable food system requires building a better economy!

Building the alternative: Phase one: the local foods movement
The Local Food Movement’s Roots: Getting More of the Food Dollar to Farmers

Farmers markets not just for ‘foodies’

Conventional Farmers Transitioning

A bit of progress
- 2012: First census in generations to show net increase in number of farmers
- Local, regional food sales exceed $5 Billion (USDA, 2011)
- SNAP use at farmers markets increased from $2.7 million (2008) to $19.4 million (2015)
Tools to Increase Food Access: Food Hubs

400+ Food hubs nationwide

Linking smaller farmers to much bigger markets

Non-profit Food Hub: DC Kitchens
Community-owned retail can increase food access, reduce food miles

Moving Beyond Foodies and Locavores

Can we reach the next tier of consumers:

Vaguely concerned and sporadically motivated food shopper

HOW?

From kale and kohlrabi to cucs and burgers?

Long-term: Tackling the big issues

Building a Healthy (just, sustainable) economy from the bottom up:

Six Key Transitions to get us there
First Transition

Renewing Households and Communities: From Consumptive Dependence to Productive Resilience

“A living economy depends upon local control. Wall Street has learned that its ability to generate unearned profits is best served by a system that minimizes local self-reliance and maximizes each locality’s dependence on distant resources and markets.”

David Korten

Transition 1: From Consumptive Dependence to Productive Resilience

Intensive production in small spaces - Growing Power
Tool libraries - More than 50 in US

How Smart KY
- First 4 years: 160+ households, majority low to moderate income
- Avg savings of $51 per month
- 10 jobs created

Clean Energy Collective - 24 projects in eight states

Transition one: Supportive Policy

Enabling lower income people to save (2013 Study by Reid Cramer and Elliot Schreur):
- Mortgage interest deduction benefits: Wealthy get 75%; bottom 60% get 8%
- Recommend: Universal 401K plan
- Recommend: Financial security credit
Second Transition

Unleashing Local, Living Economies: From Trickle Down Problems to Bottom Up Solutions

“The green economy should not just be about reclaiming thrown-away stuff. It should be about reclaiming thrown-away communities. It should not just be about recycling materials to give things a second life. We should also be gathering up people and giving them a second chance.”
Van Jones

Transition 2: Unleashing Local Living Economies

ACME Panel, Radford, VA

PUSH Buffalo, linking good jobs with community and ecological restoration

Bren Smith’s “Vertical Ocean Farming”
Producing multiple products while restoring the ecosystem

Healthier meats, more productive pasture, fewer inputs

Organic no-till
Good farming practices fight climate change

- Organic farming increases soil carbon: Rodale Institute study showed increase in 3500 lbs. of CO₂/acre/year for organic grain production

- If all U.S. cropland went organic, CO₂ sequestered would equal 158 million cars, nearly 70% of U.S. fleet

Diverse, local economies...

- Create more jobs: Analysis by Stacy Mitchell found that for every $10 million in sales, independent retailers employ about 50 people; for Big Box retailers, 21; for Amazon, 14.
- Spur innovation: Small businesses generate 16x more patents (per employee) than large

Habitat for Humanity, Solar installation, Bellingham, WA

Transition two: Supportive Policy

- Dramatically change agricultural and economic development subsidies
- Utilize Community Benefits Agreements where public funds are used
- Fundamentally change Trade Policy!
A new approach to trade deals

Huge, corporate trade deals are NOT needed for trade between nations:
* Already have $740 billion in trade with Pacific Rim nations, with no TPP.
* Exports have been increasing, trade deficit shrinking with these countries, with no TPP.

Take Five series on trade policy

Third Transition

Building Broadly Based, Durable Prosperity: From Concentrated Wealth to Worker Ownership and Community Capital

“It’s time to dream a deeper dream, the dream of an economy that is built around ideals like fairness, community, and sustainability—an economy that in its normal functioning tends to create fair and just outcomes, benefits the many rather than the few, and enables an enduring human presence on earth.”

Marjorie Kelly
“Give a man a fish, feed him for a day. Teach him how to fish, feed him for a lifetime”

Unless...

He doesn’t have a net, a boat, access to the water...

True “capital” enables productive activities

Revitalizing degraded parts of Grand Rapids, MI

Building local capital
The Wild Ramp, Community based retail store

La Montanita Cooperative Distribution Center

New Hampshire Community Loan Fund, Manufactured home loan program

Local currencies to increase $ circulation in communities
Regionalized, diverse, bottom up economies

- Improve health, reduce crime and incarceration, reduce obesity
- Increase participation in community groups, civic life
- Post Katrina: local businesses re-opened twice as fast as chain stores, in order to provide needed goods and services

Transition three: Supportive Policy

- Level the playing field between big banks and community banks and credit unions
- Support worker cooperatives through tax incentives for business transfer, integration into business & econ development curricula, increasing availability of investment
- New forms of local investment, eg Slow Money

Phoenix: Changing building codes enabled faster, less expensive reclamation of downtown buildings

Three More Essential Transitions...

... are in the book!

An organizing principal, from Wendell Berry:
Solving for Pattern
What ‘Solving for pattern’ is not

2012: More than 50% of all farms reported herbicide-resistant weeds

Organic, low-till farming fights climate change and suppresses weeds

Just adding wheat to the rotation reduced weeds, herbicide use and corn rootworm—dramatically!
Anthony Flaccavento
www.ruralscale.com

www.bottomupeconomy.org

You Tube: Take Five with Tony!