

Shocks to the System Undermining Ag & Communities

Farmer Statement: We Need to Build a More Resilient System Together

Note: These Land Stewardship Project farmer-members from Minnesota recently authored this statement on the farm crisis: Kathleen and Allen Deutz, livestock and crop farmers, Marshall; Laura Frerichs, produce farmer, Hutchinson; Laurie Driessen, livestock and crop farmer, Canby; John Snyder, livestock and crop farmer, Forestville; Beth Slocum, livestock farmer, Welch; Jim Nichols, crop farmer and former Minnesota Agriculture Commissioner, Lake Benton; Jon and Ruth Jovaag, livestock and crop farmers, Austin; Bonnie and Vance Haugen, dairy farmers, Canton; Leon Plaetz, beef and crop farmer, Wabasso; Anna Racer and Peter Skold, vegetable and livestock farmers, Webster; Ted Winter, crop farmer, Fulda; Sue and Ken Griebel, dairy farmers, New Ulm; Angie and Nate Walter, dairy farmers, Villard; Tom Nuessmeier, livestock and crop farmer and LSP organizer, Saint Peter; Paul Sobocinski, livestock farmer and LSP organizer, Wabasso.

Even before the pandemic struck earlier this year, Midwestern farmers were experiencing very difficult times. Low commodity prices due to trade disruption, high land costs, and consolidation of the dairy industry in the face of declining demand have driven Minnesota farmers to the brink, and in the case of nearly 300 family dairy farmers last year, over the brink, into bankruptcy.

Then came COVID-19. The first shock to agriculture came as schools, restaurants, hotels, and institutional cafeterias closed. Half-pint milk cartons destined for schools could not be readily switched to gallon jugs for retail markets. But the cows kept producing, and milk was dumped.

As a result of closed institutional and restaurant markets, sales of vegetables and other produce disappeared, literally overnight. In fact, farmers up and down the food system saw prices plunge, yet consumers did not see lower food prices. The price of processed beef almost doubled this spring and beef packers saw their profit margins reach historic highs, according to USDA statistics. It doesn't make sense, and is a prime example of just how highly concentrated corporate power has become in our food and farm system — even the basic laws of supply and demand don't apply anymore.

The next shock from COVID-19 came as the virus spread through the workforces of numerous large meat processors in Minnesota and nearby states. As hundreds of workers came down sick and dozens started dying, the plants shut down. Farmers lost their markets overnight. With no place to go, pigs and poultry were euthanized. Meanwhile, demand at food shelves exploded as people were thrown out of work by the pandemic.

Farmers working on thin margins already faced insolvency. Many of us mobilized, came together, and proposed immediate

emergency measures to prevent a repeat of the 1980s farm crisis when panicked lenders forced farmers to pay up immediately, forcing many off their land and out of farming, permanently harming rural communities.

In a matter of weeks this spring, the Minnesota Legislature (*see page 8*) heard our voices and passed three crucial farm crisis measures nearly unanimously (there was a single dissenting vote):

→ Farm foreclosures were delayed through harvest (Dec. 1) for farmers exercising their right to mediation of farm debt over \$15,000. This will give time for crops to mature, markets to rebound, COVID-19 outbreaks to be managed, and federal support to be delivered.

→ Additional funds were provided to increase the availability of Farm Advocates. These Minnesota Department of Agriculture employees work directly with farmers in trouble to guide them to available assistance and financial mediation with lenders. They provide an experienced shoulder to lean on through all kinds of trouble, and are a critical resource, especially during a crisis.

→ A grant program under the Rural Finance Authority of the Minnesota Department of Agriculture was created and funded to share the cost of fees associated with transitioning loans to government-backed loan guarantees through the Farm Service Agency.

Senator Mike Goggin (R-Red Wing) and Representative Todd Lippert (D-Northfield), as chief authors of legislation related to mediation extension and loan restructuring grants, deserve our thanks for exercising their leadership. As Senate and

House agriculture leaders, Senators Torrey Westrom (R-Elbow Lake) and Bill Weber (R-Luverne), along with Representatives Jeanne Poppe (D-Austin) and Rod Hamilton (R-Mountain Lake), recognized the need for urgent action and guided these temporary, emergency measures forward. But these measures alone are not enough.

As the examples we cite here make clear, the pandemic has shown that our existing food production, processing, and distribution systems are not resilient and do not function well when under stress:

→ Our livelihoods as farmers are dependent upon access to food processing facilities where safe working conditions, paid sick leave, and affordable healthcare are guaranteed for workers — many of whom are people of color, immigrants, and refugees. Food workers and farmers are in this together. When workers get sick, people suffer, our farms suffer, and we depend upon government aid to rescue us — which we do not like to do.

→ Concentration of food production in large facilities controlled by a handful of corporations risks massive disruption to supplies when a disease causes shutdowns. The disease can be human, or, as we experienced a few years ago with avian flu, livestock-based. Government steps in to supply aid to large corporations and producers, but what about the small producer who is told to “just stop raising pigs for a while” as the market glut of confinement hogs is churned through the system?

We can and need to do better.

We are proud to be raising good food to feed our neighbors. We live in one of the world's most productive agricultural regions. Let's work together to find ways to develop a strong, resilient food production and delivery system that provides farmers a fair price at the farm gate, and that provides food workers fair wages and safe working environments. Economic justice for farmers and food workers is essential if we are to raise, process, and deliver a reliable supply of safe, affordable, and healthy food for all. Please step forward to join us in building a more resilient food system. □

For more on how you can join in the fight for fair prices for farmers, competitive markets, support for small processing plants, and economic justice for processing plant workers, contact LSP's Paul Sobocinski at 507-342-2323 or sobopaul@landstewardshipproject.org. See page 11 for details on new farm crisis resources available to farmers.