



# LSP *Myth Buster* #66

An ongoing Land Stewardship Project series on ag myths and ways of deflating them.

Updated: December 2024

## → **Myth:** More Hogs on Fewer Farms = More Money in Local Piggy Banks

→ **Fact:** Hogs have traditionally been known as “mortgage lifters” on small and medium-sized farms.

That’s because they can be brought to market relatively quickly utilizing feed raised right on the farm. Farmers could sell a pen load of pigs on a regular basis, bringing in a steady income that paid bills, and yes, helped pay off the farm. But somewhere along the line, hogs transitioned from being a mortgage lifter for individual farms to a way for Big Ag to foreclose on rural America’s economy.

Today, the vast majority of those hogs are not raised in systems that boost incomes for small and medium-sized farms, or, in general, benefit the economies of local communities. That’s because the hog industry has become consolidated to an unprecedented level due to the onslaught of concentrated animal feeding operations (CAFOs) and the replacement of open markets with the closed contract system. In Iowa, the nation’s top pork producer, the number of farms raising pigs dropped by two-thirds between 1997 and 2022, according to the USDA. During that same period, the average number of pigs per Iowa farm has jumped from 825 to over 4,500. In Minnesota, which is the country’s second largest pork producer, the trends are similar: there were over 7,700 farms raising pigs in 1997; in 2022 that figured was below 3,000. Meanwhile, the average Minnesota herd size skyrocketed from 730 to a little over 3,000.

When the National Pork Producers Council (NPPC) reports such statistics in its industry summaries, it tends to gloss over the number of lost livelihoods they represent, and focuses instead on overall economic activity. A recent NPPC report noted that the “\$27.2 billion of gross cash receipts from hog marketings in 2023 represents only a portion of the total economic activity supported by the industry.” That’s an eye-

popping figure, but doesn’t tell the whole story of how much money stays in rural communities, where it can be circulated among farmers and local businesses.

In 2022, Food & Water Watch released an analysis examining the relationship between the health of rural Iowa communities and the size of hog operations. The researchers looked at the period between 1982 and 2017 using data gleaned from the U.S. Census of Agriculture and the Iowa Department of Revenue. What they found was that the Iowa counties that sold the most hogs and those with the largest hog farms

declined economically based on several categories, including real median household income and total wage jobs. The counties with the most large hog CAFOs also experienced population declines at twice the rate of the state’s typical rural county.

On a per capita basis, personal income increased in each Iowa county between 1982 and 2017. But measuring per capita income can mask economic inequality, by, for example, not accounting for the fact that a few large earners inflate the county average. Measuring *median* household income can provide a more accurate gauge by finding the middle point among all households. Indeed, it turns out the median household income among counties with high hog sales and large farms was between 6% and 7% less in 2017 than in 1979. In contrast, it increased slightly within counties with smaller farms.

Meanwhile, the four largest meatpacking firms now control 67% of all hog purchases. Brazil-based JBS, the largest meatpacker in the world, has been reporting record profits in recent months. In contrast, an Iowa State University agricultural economist recently wrote that, for farmers, it was possible that 2023 and 2024 will go down as the “worst two year stretch for

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*Hogs have gone from being mortgage lifters to a way for Big Ag to foreclose on rural America’s economy.*  
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profitability in hog production.”

One benefit touted by the boosters of the consolidated CAFO system is that it provides a ready market for feedstuffs in the form of corn and soybeans. However, the loss of individual crop farms has paralleled the loss of hog operations. When hogs were more integrated on diversified farms that were of moderate size, farmers weren't as vulnerable to crop market price swings — they could simply walk low-priced corn off the farm in the form of a hog.

The economic devastation caused by Big Pork is another reason the Land Stewardship Project and its allies are working for a Farm Bill that addresses consolidation in the industry and stops subsidizing the establishment of manure digesters and other facilities that make producing livestock in mega-scale operations lucrative at taxpayers' expense. It's also why LSP is working on the state level to make CAFOs pay the full cost of managing all that liquid manure they produce.

The real cost of factory farming should give local government leaders pause as they consider approving permits for such facilities as a way to supposedly

boost the local economy. As the new book by Sonja Trom Eayrs, *Dodge County, Incorporated*, points out, too often local township officers and county supervisors buy into the myth that if a few pigs are good for the local economy, then lots and lots of pigs are even better for the bank.

Instead of chasing manure lagoons, they could be taking steps to support a more localized food economy. The National Sustainable Agriculture Coalition recently reported on some interesting figures from the U.S. Census of Agriculture: in 2022, 116,617 farms reported more than \$3.26 billion in direct-to-consumer sales — this is a 150% increase in the value of direct sales since 2012. Research conducted by food analyst Ken Meter shows that local food webs can keep wealth circulating in rural communities at a much higher level than the commodity-based, export-driven system of agriculture.

Someone once erected a billboard along Interstate 35 in northern Iowa that read, “Politicians Take Note...Hogs Don't Vote.” Decision-makers should also keep in mind that it's not more hogs that drive a local economy, it's more hog *farmers*.

### More Information

- Food & Water Watch report: “The Hog Bosses,” [foodandwaterwatch.org](http://foodandwaterwatch.org).
- NSAC blog: “Census of Agriculture Reveals the Promise of Regional Food Systems,” [bit.ly/nsacblog](http://bit.ly/nsacblog).

### More Myth Busters

Other *Myth Busters* can be found at <https://landstewardshipproject.org/myth-busters>. For paper copies, contact Brian DeVore at 612-816-9342 or [bdevore@landstewardshipproject.org](mailto:bdevore@landstewardshipproject.org).

### LSP Fact Sheets

Want a quick primer on everything from regenerative farming techniques and the negative repercussions of factory farming to how to write a letter-to-the-editor and make sure a lease agreement meets your stewardship goals? Check out the Land Stewardship Project's collection of fact sheets on our website at <https://landstewardshipproject.org/fact-sheets>. For paper copies, contact Brian DeVore at 612-816-9342 or [bdevore@landstewardshipproject.org](mailto:bdevore@landstewardshipproject.org).