

Sustainable Agriculture

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New policy goal should be more farmers, not fewer

By Richard A. Levins

I spent a week this fall visiting farms in Holland and the European Union headquarters in Brussels. As I had expected, we talked about high-profile issues such as food safety, mad cows and genetically modified organisms. But the discussions I found most interesting were about policies that would save small farms and preserve the character of rural areas.

The current member countries of the European Union (EU) have almost eight million farms, four times as many as we have in the United States. As other countries join the EU, millions more farms will come under Common Agricultural Policy. Should that policy demand that these farms "get big or get out," the path we have taken here, or should they try something else?

I think the answer depends on what you expect from a farmer. In the United States, our policies most often take a fairly narrow view of what a farmer does: plant and harvest crops, feed and care for livestock. Waves of new technology constantly make it possible for fewer people to do these vitally important tasks. Hence, we hear solutions to the farm income problem that would reduce the number of farmers. In short, we have too many farmers.

The Europeans I met took a different, broader view of the farmer's job description. In addition to producing food, the European farmer is expected to play a significant role in supporting rural economies and in protecting the environment. This is additional work, and it requires more farmers, not fewer.

Don't American farmers have the same goals for their communities and their environment? Of course they do. Two decades of working with farmers have, if nothing else, taught me that the farmer's heart is in the right place. But it is unrealistic for public policy to on one hand ask farmers to do more, and on the other hand, to talk of needing fewer farmers.

The European idea may not seem new for U.S. farmers, but we apply it all the time to other professions. Teachers, for example, must pass textbook knowledge along to students. But they also must encourage students and lend excitement to learning. They must be the first to diagnose all types of student problems. They must participate in the overall process of making sure that their school provides the best possible learning environment.

This is why, in spite of new teaching technologies, we continue to prefer smaller class sizes and more teachers. The same reasoning applies to nurses, police officers and many other professions. We want more of them, not fewer.

But somehow, the language of teachers, of nurses, and of police officers does not apply to farmers in this country. Surely, the best of farmers cannot do as much for the environment when they are responsible for 2,000 acres instead of 200, or 500 dairy cows instead of 50. And no one thinks that rural communities will be better off if we pursue a policy that basically "lays off" good farmers and asks them to move elsewhere.

It's time we stopped inventing policies to reward the largest farmers and do without the rest. Instead, we should be talking of farmers the way we do teachers, nurses, and other providers of services we all value. We would be better off with more farmers, not fewer.

(Levins is a professor and economist with the University of Minnesota Extension Service He has written *Willard Cochrane and the American Family Farm* (University of Nebraska Press, 2000), a book that reinterprets the history of 20th century farm policy. He may be reached at (612) 625-5238, or dlevins@apex.umn.edu).

Conservation Security Act could make U.S. organic farmers competitive

The proposed Conservation Security Act in the Farm Bill could "level the playing field" and make U.S. producers more competitive in the global organic market, says an economist at the University of Minnesota.

European Union (EU) organic producers have captured much of the international market due to government subsidies, says Luanne Lohr, holder of a U of M School of Agriculture Endowed Chair in Agricultural Systems. Lohr says European organic producers have benefited from early development of EU organic certification standards in 1991 and agri-environmental support programs implemented under a EU regulation in 1992.

U.S. organic farmers have fallen behind since they're at a disadvantage due to lack of similar government support, Lohr says. "The Conservation Security Act could level the playing field by providing farmers with financial support for practices that protect the environment," Lohr says. "This includes organic production, and these payments would not be subject to WTO limits on subsidizing production."

The growing international organic market is conservatively projected to reach sales of \$102 billion by 2010. Current value of the European organic market is estimated at \$5.2 billion, of which U.S. imports contribute only four to six percent. The Japanese organic market is estimated at \$3 billion, but U.S. imports constitute only three percent.

The proposed Conservation Security Act is the only policy tool U.S. agriculture has to counter the European Union's advantage, Lohr says. "The European agri-environmental program is a 'Green Box' policy under the World Trade Organization (WTO). This means it's not subject to spending limits or elimination as long as payments are related to environmental enhancement rather than production or export performance."

Organic farming is risky, and 28 percent of U.S. organic farmers earned less than \$5,000 in gross income in 1997. With some income risk protection, more farmers could promote their exports, Lohr says. This could include travel to international trade shows sponsored by the USDA Foreign Agricultural Service, certification with more expensive internationally recognized certification bodies and tailoring crops to meet product demand in international markets.

Lohr is a faculty member on leave from the University of Georgia. Her research was also supported by the Minnesota Institute for Sustainable Agriculture. She's written a new paper, "The Importance of the Conservation Security Act to U.S. Competitiveness in Global Organic Markets," that's available at <http://agecon.lib.umn.edu/> on the Internet. Lohr may be reached at (612) 624-7258, or llohr@appec.umn.edu.

Protect prime farmland and open spaces, Mondale says

The post-World War II "American dream" made subsidized low interest housing loans available for new homes only and used gasoline taxes to build new roads. But that dream has disappeared, says Ted Mondale, chair of the Twin Cities Metropolitan Council. "Those policies resulted in congestion, increased living costs, and loss of open space and prime farmland," Mondale says. "It's no longer possible to graduate from college, get a job paying \$35,000 and be able to afford a good home that's close to work and schools."

Some 44 percent of Twin Cities area residents say development issues are the top regional problem, and 77 percent say traffic congestion is worse than it was last year, Mondale says. And the number one problem cited is a lack of affordable housing.

Just building more roads won't solve traffic congestion problems, Mondale says. "The 'roads only' approach won't work--we can't build our way out of congestion. Both Los Angeles and Atlanta tried that, but they have the worst congestion in the U.S.," he says.

A "balanced" development approach of private enterprise with public incentives gives communities the tools to build the way they want to. And that policy is working in the Twin Cities metropolitan area, Mondale says. "We have 70,000 more people living in developed areas now compared to 10 years ago, and the core cities grew for the first time in 40 years. Without that policy, these people would be scattered along the corridor between Rochester and St. Cloud."

Mondale spoke at a recent seminar sponsored by the Minnesota Institute for Sustainable Agriculture and the College of Agricultural, Food and Environmental Sciences.

Organizations can apply for grants to reduce pesticide use

The Agricultural Utilization Research Institute's (AURI) Pesticide Reduction Options (PRO) program is requesting proposals to reduce pesticide use. Under this program, eligible Minnesota organizations may apply for grants of up to \$40,000 to fund projects that minimize pesticide contamination on Minnesota farms.

Funding is provided from the pesticide regulatory account established by the Minnesota Legislature. About \$200,000 is available. Forms and guidelines are available online at www.auri.org/programs/pro.htm. Proposals to be considered for funding are due to AURI on Jan 31, 2002. For more information, contact Edward G. Wene at (218) 281-9014.

A different digital divide in agricultural e-commerce?

Whether individual agricultural producers will have full access to e-commerce technology is a question of technology development and control, not one of access to computers and the Internet.

"This is the real digital divide question," says W. Parker Wheatley, one of the authors of a research paper from the University of Minnesota's Department of Applied Economics. "You can buy a computer for \$500 and get Internet access; that's not the problem. However, a digital divide in the development of strategic applications is still possible."

"First, the 'big players' will develop marketing and information software to fit their needs. Second, they will consider the needs of individual producers to attract them as users as well," Wheatley says. "Who develops commercial applications as well as who owns them will have important strategic implications for how individual producers engage in and benefit from electronic commerce."

E-commerce can help small niche producers if they work together with others in a cooperative venture to form a critical mass. "But unless they've already established markets, it's usually not cost effective for an individual small producer to develop his or her own website," Wheatley says. "With millions of websites out there, it's very difficult to gain the attention of potential customers."

"Although individual producers may find it difficult to generate their own electronic agents or applications, they probably won't be at a large disadvantage," Wheatley says. "And they probably won't be worse off using Internet market places than conventional ones "

"E-Commerce in Agriculture: Development, Strategy and Market Implications," is available at agecon.lib.umn.edu.

Calendar of events, 2002

These events are sponsored by numerous organizations. More information is available on MISA's website: www.misa.umn.edu.

Jan. 24-25. **Minnesota Grazing Conference**, Mankato Holiday Inn. Contact Jan or Doug Gunnink, dgunnink@prairie.lakes.com or (507) 237-5162.

Jan. 31-Feb. 2. **Upper Midwest Regional Fruit and Vegetable Growers Conference**, St. Cloud Civic Center. Contact MFVGA at (763) 434-0400.

Feb. 1-2. **Fourth Annual Value Added Conference**, Ramada Inn and Conference Center, Eau Claire, Wis. Call (715) 834-9672.

Feb. 1-3. **Northern Plains Sustainable Agriculture Society Winter Conference**, Seven Seas Inn, Mandan, N.D. Call (701) 883-4304, or see www.npsas.org.

Feb. 7-8. **Minnesota Organic Conference 2002**, St. Cloud Civic Center. Contact Jan or Doug Gunnink, dgunnink@prairie.lakes.com or (507) 237-5162.

Feb. 22. **SFA of Minnesota 11th Annual Conference**, St. Olaf College, Northfield. Keynote speaker is John Ikerud. Contact Carmen Fernholz (320) 598-3010 or DeEtta Bilek (218) 445-5475.

What we're about

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Also check MISA's home page at www.misa.umn.edu.

Our mission statement: To help bring people together to influence the future of agriculture and rural communities to achieve socially, environmentally, and economically sustainable farms and communities.

To stimulate thinking and discussion about sustainability, we try to present items that reflect different points of view. This being the case, we aren't promoting and don't necessarily agree with everything we publish.