

FRESH the MOVIE

Facts and Solutions Needed to Fix the Food System!

The documentary FRESH provides a vivid glimpse into our nation's broken industrial food system which is reliant on chemical-intensive monocultures and inhumane factory farm practices. It also shows the heroes who are working for change. The National Family Farm Coalition looks at some of the federal and international policies responsible for this sad state of affairs and what needs to change to create a system that sustains our farmers, our health, our planet, and builds true food sovereignty—the right of communities to have democratic, just and fair food systems.

What's Wrong with Our Food System?

- **It's Not Subsidies, but Corporate Control!** Some critics have erroneously concluded that the main problem is subsidies paid to farmers to grow bad “commodity” crops. Subsidies are a symptom of a broken system, not the cause of it. The main problem with our current food system is corporate control that lets agribusiness manipulate prices for farmers and reap vast profits while forcing farmers to be dependent on subsidies. Farmers do not benefit from the low animal feed and processed food prices, agribusiness corporations do.
- **Free Trade Agreements Driving Out Fruit and Vegetable Farmers.** Beekeepers are an example in which livelihoods are being threatened by below-cost honey imports from countries such as China. The policies that have put U.S. beekeepers making honey, Florida citrus growers, California garlic producers, Oregon asparagus growers and many other specialty crop farmers out of business are in part due to the World Trade Organization and trade agreements such as NAFTA that promote food as just another commodity in one big globalized market. Free trade agreements allow corporations to source food from wherever environmental and labor standards are the most lax. “Free trade” models represent the opposite of a food system that is local, sustainable and just.
- **Agribusiness Consolidation is the Main Factor Behind Our Corporate-Controlled Food System**
 - **A Few Corporate Entities Control the Dairy Industry.** In the dairy industry, 3 dominant players control most of the dairy products we consume. Dean Foods controls the majority of fluid milk markets (up to 100% in certain parts of the country), while Kraft dominates the consumer cheese sector and Leprino Foods manufactures most of the mozzarella cheese for the pizza and food processing industries. Meanwhile, farmers in many parts of the country have only one dairy cooperative they can sell their milk to: Dairy Farmers of America. DFA then works in tandem with the likes of Dean Foods to manipulate milk prices to be low for farmers while price-gouging consumers. These anti-competitive practices have been the subject of a two-year investigation by the Department of Justice and DFA has been fined \$12 million for price manipulation by the Commodity Futures Trading Commission.
 - **2 Companies Dominate the Corn Seed Market.** DuPont (Pioneer) and Monsanto control 58% of the U.S. market for corn seed. These companies have been pushing expensive genetically modified seeds onto farmers, further endangering biodiversity by encouraging monoculture crops and risking contamination of conventional and organic crops.
 - **3 Companies Control 90% of the Corn Market.** Only three companies (Archer Daniels Midland, Bunge and Cargill) control 90% of the global grain trade. This means farmers in Iowa and elsewhere have had less and less options for selling their grain. These companies can also manipulate the price of corn on the Chicago Board of Trade.

- **3 Companies Control 90% of the Beef Industry.** The meatpacking industry has become increasingly consolidated in recent years due to a Brazilian company taking over two major U.S. meatpacking companies. 3 meatpackers (JBS Swift, Tyson, Cargill) control nearly 90% of the industry!
- **4 Companies Control 66% of the Pork Industry.** Smithfield, Tyson, Cargill and JBS Swift process most of the pork in the U.S. Now they are expanding their factory farm model to places such as Poland, Romania and Mexico. A Mexican Smithfield plant is suspected of being behind the recent outbreak of Swine Flu. Factory farms provide the perfect conditions for new flu viruses that resist antibiotic treatment.
- **4 Companies Control 60% of the Poultry Industry.** Contract poultry growers usually are under the thumb of Pilgrim's Pride, Tyson, Perdue and Sanderson Farms.

How Can We Help Independent Livestock Farmers and Ranchers?

U.S. Livestock Producers Becoming Endangered as Factory Farms and Contract Farming Takes Over. Poultry farmers function as "contract" serfs for corporations as they harness much of the risk and none of the reward. The hog industry is increasingly becoming just as vertically integrated, with Smithfield using the same type of contracts with hog farmers and controlling production from birth to plate. Only the cattle industry remains as the last frontier for truly autonomous and independent farmers. Corporate mergers and consolidation squeezing out farmers have led to the sad decline of America's farmers and ranchers. From 1980 to 2008,

- U.S. dairy operations declined from 334,000 to 60,000.
- U.S. hog and pig operations declined from 667,000 to 65,000.
- U.S. cattle operations declined from 1.6 million to 956,000.

Stop the National Animal Identification System! Since 2005, USDA has launched a campaign to force farmers to electronically tag every single pig, chicken, cow in the U.S. and report animal movements to the government. While factory farms get one group ID, diversified family farmers must tag individually every one of their animals. NAIS poses a serious threat to the livelihoods of farmers and would allow for even more corporate control of our food.

Support Enforcement of Anti-Trust Laws in Agriculture. For the first time in history, the Department of Agriculture will work with the Department of Justice to look into issues of corporate consolidation in agriculture. Starting in March 2010, USDA and DOJ will hold workshops across the country to look at the seed, dairy, and meatpacking industries to determine if anti-trust (anti-competition) laws have been violated in these industries. We must show the Administration how detrimental corporate concentration and consolidation have been to American agriculture, and that enforcement of these anti-trust laws is crucial for the survival of our local food systems.



What Would a Just and Fair Farm Policy Look Like?

Beware of Fake Reforms! The FRESH Act and other “alternative” farm bills introduced in 2008 by Representatives Kind (D-WI) and Flake (R-AZ) claimed to overhaul our broken farm programs by eliminating subsidies in favor of privatizing the farm safety net into the hands of private insurance companies. Such radical “deregulation” reform would have allowed corn prices to drop as low as they could go and been a boom to the processed food industry and factory farm operations seeking cheap corn. Many food justice advocates and sustainable agriculture boosters were misled by this legislation, which would have only furthered the stranglehold of corporate agribusiness over our food system.

Oppose Free Trade Agreements that Destroy Local Food Systems. NAFTA, the WTO and other free trade agreements help foster a food system controlled by agribusinesses looking for the cheapest sources of food produced under the most lax environmental and labor conditions. Thanks to free trade, U.S. beekeepers, Washington apple growers and Florida citrus growers have steadily lost their markets thanks to a surge of cheap imports from China, Mexico and elsewhere. Meanwhile, agribusiness takes U.S. cheap corn and dumps it into developing countries, destroying their local food systems and helping install an American-style diet based on HFCS processed food and fast food meat produced from industrial factory farms. We need food sovereignty principles, not free trade, to be the basis of our agriculture system.

Return Farm Programs to What Worked! The National Family Farm Coalition supports a farm program based on what historically worked in the past under the New Deal: replace subsidies with a price floor that enables farmers to recover their cost of production and forces agribusiness to pay a fair price to farmers. A price floor would likely curtail the proliferation of cheap high fructose corn syrup (HFCS) sweeteners and also help slow down industrially raised meat. Revive Farmer-Owned Reserves and create a Strategic Grain Reserve so we can store up grain for a rainy day and ensure stability in the system

Address Antitrust Abuses. The U.S. Government has allowed one corporate agribusiness merger after another with little oversight by the Department of Justice. In March 2008, JBS, a Brazilian company, who already owns U.S. meatpacker Swift, offered to buy Smithfield’s meat company. Seed companies, banks, meat packers, grain traders, have all been allowed to amass incredible market power. Whereas diversified mid-sized family farms used to produce most of our meat, only a few corporations now dominate the livestock industry, driving out family farmers and replacing them with Confined Animal Feeding Operations (CAFO). The Farm Bill’s new livestock title is a good beginning to finally address abuses in the livestock industry, but much more needs to be done to help sustainable livestock farmers.

Rebuild our Local Food Systems. To reorient our food systems, we need to increase food access by supporting local food production, processing, distribution and retail infrastructure that provides more fresh fruits, vegetables and other healthy foods, especially to lower-income communities. We can also encourage local procurement policies by schools and other institutions to increase access to healthy foods, create new markets for farmers and encourage the development of healthier, community-based food systems.

For more information and to read the National Family Farm Coalition’s Food from Family Farms Act, go to www.nffc.net. Contact NFFC at (202) 543-5675.