

The Next 30 Years of Provender: From Natural/Organic to Sustainable/Localⁱ

John Ikerdⁱⁱ

I am pleased be invited back to speak to you by the Provender Alliance. I am particularly honored that you have asked me to speak at your 30th anniversary conference. I first heard of your organization shortly after I became involved with the sustainable agriculture movement, almost 20 years ago. However, I didn't appreciate just how long it had been around. I am not here to speak to you as an expert in natural foods marketing, as you all certainly know far more about your day-to-day business that I do. I will talk a good bit about the general history and trends in natural foods, but I plan to focus my remarks on how I see your business fitting into the larger sustainable agriculture movement, of which I believe natural foods have been and will continue to be an important part. Most important, I want to focus on those trends most likely to shape the next 30 years of Provender.

The American food market is dynamic and ever changing, and with each change, comes both challenges and opportunities. The natural foods market is no exception. The growing popularity of natural foods during the 1970s and 1980s laid the foundation for a booming organic foods market during the 1990s. By the early '90s, growing public concerns about food safety, nutrition, and health had sparked dramatic growth in the market for organic foods. Certified organic foods seemed to satisfy food buyers' desire for a more precise definition and standards for *natural* foods. Certification also allowed producers of *natural foods* to gain access to more markets. During the decade of the '90s, organic foods grew an average rate of 20% per year, doubling every three to four years. While organic food buyers obviously were a small minority of all consumers, they seemed willing to pay almost any price for organic foods. Even at the farm level, organic premiums were more than enough to offset the lower yields and higher dollar and cent costs typically associated with organic farming. So the numbers of organic farmers grew to meet the growing market demand.

The early organic farms were small, intensively managed operations. Farming without synthetic pesticides and fertilizers typically required more labor and more-intensive, hands-on management, but this was actually an advantage for smaller, organic farmers. Farmers on smaller farms had more time to work and to learn than they had money to invest, giving them a natural advantage over larger capital-intensive farming operations in this market. Most organic foods at that time were sold at farmers markets, roadside stands, or by small natural foods stores, typically operated as cooperatives. The early organic customer knew the people who were providing their food and often the farmers who grew it. For a time, at least, the smaller farms and natural foods coops had the organic market pretty much to themselves. Most of the larger farm operators treated organics as a passing fad, hardly worth consideration by *real* farmers. The large supermarket chains weren't interested in such a small market segment; they were trying to meet the needs of "Mrs. Consumer," who supposedly was only concerned about convenience and cost.

ⁱ Presented at the 30th Annual Meeting of the Provender Alliance, Hood River, OR, October 5-7, 2006.

ⁱⁱ John Ikerd is Professor Emeritus, University of Missouri, Columbia, MO – USA; author of, *Sustainable Capitalism: A Matter of Common Sense*, <http://kpbooks.com>; E-mail: JEIkerd@centurytel.net ; web site: <http://faculty.missouri.edu/ikerdj/>.

The late '80s and early '90s brought dramatic changes in organic foods retailing. By the late '80s, several natural foods retailers had expanded into small chain store operations, operating from three to 20 stores. In 1991, Whole Foods, at the time a six-store operation, took the initiative in a consolidation process that ultimately would reshape the natural foods market.¹ Well known regional natural foods chains, including Well Springs Grocery, Bread and Circus, Mrs. Gooch's, Fresh Fields, and Bread of Life eventually became part of the fast-growing Whole Food organization. In 1993, Wild Oats followed the lead of Whole Foods and began acquiring other natural foods cooperatives and small retail chains.² By 2006, Wild Oats would be operating 110 stores in the U.S. and Canada, but would still be significantly smaller than Whole Foods, which would operate 186 stores in the North America and the UK.

Throughout the '90s, the farmers producing for the rapidly growing organic food market remained smaller, independent operations, at least for the most part. A 1998 survey of the Organic Farming Research Foundation indicated that nearly 90 percent of U.S. organic farms were single-family operations or family partnerships.³ More than 60 percent were full-time farming operations, even though the average size of an organic farm was only about 140 acres – just over one-third as large as the average U.S. farm at the time. So organic farming was still dominated by small, family farms, at least in terms of farm numbers. However, this was about to change.

Prospect for large profits from the rapidly growing organic food market eventually attracted the attention of the large food corporations. No other segment of the food market was growing as fast as organics and Whole Foods had become the fastest growing food chain in the U.S. The mainstream national supermarkets, including Kroger, Safeway, and even Wal Mart, added lines of organic foods and began promoting organic foods in their ads. As the share of organic foods marketed by mainstream supermarkets grew, the market share left for the smaller independent natural foods stores and coops obviously fell.

By 2003, USDA statistics indicated that conventional supermarkets had 49% of the organic foods market and natural foods stores, including the chains, had 48%, leaving farmers markets and cooperative food-buying clubs with just three percent.⁴ The share of the organic market held by *independent* natural foods and health foods stores had fallen from 62% in 1998 to 31% in 2003. In 2005, Wal Mart announced plans to move into organic foods in a big way, reportedly committed to retailing organic foods for a price premium of only 10% over their “always low” conventional food prices.

The large corporate food retailers, and the large food processors who supplied them, found it difficult to deal with large numbers of small farms, particularly with the diversity of organic standards and certification programs that existed among different groups of farmers in different regions of the country. They encouraged organic farmers to adopt uniform standards for national organic certification so they could assemble the large quantities of organic products necessary to supply their stores. Organic farmers were led to believe that uniform standards would give them greater access to these mainstream food markets. On the surface, standardization of organics seemed to be a good idea and most organic farmers supported it.

In 2002, the USDA launched its National Organic Program of uniform national standards for certification of organic foods. However, uniform national standards simply facilitated the ongoing industrialization of organic food production and distribution – the specialization, standardization, and consolidation of control needed to accommodate the mainstream food system. With greater standardization, organic producers could continue to specialize and consolidate into even larger scale operations. Organic production was no longer defined by the farmer's commitment to maintaining the organic matter and natural regenerative capacity of the soil, but by a set of written rules regarding allowable and non-allowable inputs and production practices. Large producers typically could meet these *minimum* requirements at lower costs than could the philosophically committed organic farmers. Larger producers also could produce the large quantities of organic products demanded by the mainstream supermarkets and could ship truckloads or shipping containers of organic produce across nations or around the world.

A 2002 study conducted at the University of California indicated that 27 larger organic growers, with sales of over \$1 million a year, already accounted for over half of all organic sales in the state, even though they represented only two percent of California's organic farms.⁵ The market share for large farms may be somewhat less in other states, but California represents a significant share of total U.S. organic production. By 2005, the large U.S. food processors and retailers were importing 10% of their organic food products from other countries.⁶ The organic food *industry* is openly promoting relaxation of organic rules to facilitate increased U.S. production. The industrialization of organics farming left smaller independent organic farmers, like the smaller natural foods stores, struggling for their economic survival.

The message seems clear: smaller, independent natural foods retailers and smaller, independent organic farmers both have to look beyond organic, if they are to survive and to thrive in the future. Changes in the food system in the next 30 years, like the last 30 years, will bring new risks, but also will bring new opportunities. The key to success in the next 30 years of natural foods retailing is to confront the risks and welcome the opportunities. The next 30 years will be very different from the last 30 years, and thus will require fundamentally different ways of thinking.

Change invariably is spawned by dissatisfaction with the present. Thankfully, a growing number of Americans are awakening to the fact that something is fundamentally wrong with today's industrial mainstream food system, even if they don't know how to explain logically what they know intuitively to be true. These people are not just concerned with pesticide residues in their foods; they are concerned about diet, health, and nutrition in general; genetically modified organisms, hormones and antibiotics, and mad cow disease; humane treatment of animals and fair and equitable treatment of farmers and farm workers.

The people in this newly emerging food culture are beginning to understand that it's the industrial nature of today's farming systems that leads to degradation of the land and dependence on fertilizers and pesticides, which not only pollute the natural environment but also make farming reliant on non-renewable fossil energy. They are beginning to understand that it's the industrial nature of today's systems of food processing and distribution that leads to exploitation of the farmers and food systems workers who produce, process, distribute, and prepare our foods. Most thoughtful people know intuitively, if not explicitly, that our industrial food system, with

its commitment to quick, convenient, and cheap food, quite simply is not sustainable. These thoughtful, discriminating people are willing to spend the time, money, and effort to buy foods that are produced by methods that are ecologically sound and socially responsible.

This growing commitment to sustainably produced foods is reflected not only in the growth of organic foods, but also in other trends, such as the Slow Food movement. Slow Food is a worldwide organization with over 80,000 members in 100 countries, who are committed to promoting the “diversity of local and regional quality foods produced and marketed in ways that guarantees farmers a fair price and protects the environment and the natural landscape.”⁷ Slow Food membership is growing rapidly worldwide and is projected to reach 100,000 in the U.S. alone by 2010. Those in the movement understand that a return to local and regional sustainable food systems, that going beyond organic, is necessary to ensure ecological and social integrity of their food.

The Chefs Collaborative is a national network of more than 1,000 American chefs who are promoting sustainable cuisine by celebrating the joys of local, seasonal, and artisanal cooking.⁸ Their fundamental organizational principles include “sound food choices emphasizing locally grown, seasonally fresh, and whole or minimally processed ingredients.” Their other principles are very much in harmony with the development and support of an ecologically sound and socially responsible food system. Independent restaurants everywhere, across all price ranges, seem to understand that their best defense against the national franchises is to advertise their reliance on local farmers who provide them with locally fresh, high quality foods.

A growing body of statistics also indicates that for many discriminating food buyers organic foods are no longer enough. People increasingly want to *eat local*; meaning they want to buy their foods locally, from people they know and can trust. A number of surveys over the past few years have indicated that roughly three-fourths of American consumers have a strong preference for local foods.⁹ In fact, *local* is becoming the *new organic*. For example, many smaller organic farmers who market directly to their customers through farmers markets, roadside markets, or CSAs have chosen not to become certified as organic, but instead to rely on personal relationships with their customers to validate the integrity of their products. Affirming their judgment, the number of farmers markets in the U.S. has more than doubled in the past ten years, a decade during which organic foods were increasingly available in mainstream supermarkets. For many people, relationships are more important than convenience. They want to buy food “with a face.”

Today, local markets are no longer limited to farmers markets and other direct markets, as local foods are now making significant inroads into higher-volume retail food outlets. An increasing number of independent food retailers are beginning to form alliances with groups of local farmers to begin creating new sustainable food *value chains*.¹⁰ A newly formed organization, The Association of Family Farms, described the basic nature of these new alliances on its website, “In value chains... the producers, processors, distributors, and retailers are partners bound by pledges and contracts that reflect shared core values: sustainability, transparency, fair distribution of profit, high quality product, and relationship with the consumer.”¹¹

The value chain concept is similar in many respects to programs being carried out by a few innovative food retailers who operate chains of food stores, but yet, are still far too small to compete on cost or convenience in today's industrial food market. For example, New Seasons Market is one of the fastest growing retail food chains in Portland, OR, currently operating six stores with plans to expand to nine. New Seasons food stores look pretty much like any other modern supermarket, with delis, bakeries, and other amenities American food shoppers have come to expect. Unlike some of the larger natural food chains, New Seasons does not cater exclusively to higher-income customers. They typically locate in areas bordering lower and higher income neighborhoods, drawing their loyal customers from both, and helping to strengthen both communities. They offer a conventional, as well as organic, option for nearly every food item. In addition, virtually every item in the store is labeled with respect to origin. They procure as many items as they possibly can within their local region and focus their merchandizing and marketing efforts on items produced locally and regionally.

Hen House Markets is a 13-store supermarket chain operated by Ball Foods Inc., a family corporation with a long history in the Kansas City, Missouri area, with a strong commitment to maintaining its local connections. They have teamed up with Good Natured Family Farms, a cooperative of thirty-some farmers in southeastern Kansas and southwestern Missouri. The cooperative owns and manages their own Good Natured brand, which now includes an expanding line of branded food products, including beef, chicken, eggs, milk, and sausages.”¹² The cooperative also serves as marketing liaison for other local producers. The joint Good Natured-Hen House “Buy Fresh, Buy Local” campaign has resulted in a growth in retail sales of 35% per year in local products over the past three years. Some of the local products are organic, but the emphasis is on buying local. The critical challenge in creating these new higher-volume value chains is in maintaining the ecological, economic, and social integrity of the food system, including the integrity of relationships among eaters, retailers, processors, and farmers.

The new frontier of the natural food market is the shift from organic to local. However, those who continue to be successful over the next 30 years will be those who recognize that shift from organic to local, as well as the continuing popularity of organics, are reflections of more fundamental public concerns for the long run sustainability of our economy and society. By coupling industrial development with capitalistic free markets, Americans have achieved tremendous increases in productivity and wealth, benefiting all sectors of American society. While no one is suggesting a return to the past, there are growing indications that current American system of industrial economic development quite simply is not sustainable.

This conclusion is not a matter of personal opinion; it is based on some of the most fundamental laws of science – the laws of thermodynamics. While thermodynamics may seem a bit esoteric to a group of natural foods marketers, I think the fundamental principles of sustainability are so important to the future of humanity that they should be taught in every high school in the country. Everyone needs to understand that sustainability ultimately depends upon our use of energy, because anything that is useful in sustaining life on earth ultimately relies on energy. All material things that are of any use to us – our food, clothes, houses, automobiles, – require energy to make and energy to use. Actually, all material things, such as food, gasoline, wood, plastic, and steel are concentrated forms of energy. All useful human activities – working, managing, thinking, teaching, – require human energy, which comes from the physical energy in

the things people use. Physical scientists lump all such useful activities together and call them “work.” Thus, all *work* requires energy.

In performing work, energy always changes in form – specifically, from more-concentrated to less-concentrated, more-dispersed forms. In fact, this natural tendency to disperse gives energy its ability to perform work. Energy is dispersed when matter is changed into energy, as when we eat food or burn gasoline. Energy also is dispersed when heat is used to produce electricity and electricity used to produce light. However, regardless of its form or the work it performs, the total energy embodied in matter and energy always remains unchanged. This is the law of energy conservation, as in Einstein's famous $E=MC^2$. At first, it might seem that we could simply go on recycling and reusing energy forever. If so, sustainability, meaning the ability to continue performing work, would be inevitable.

However, each time energy is used to perform work, some of its *usefulness* is lost. Once energy is used, before it can be used again, it must be reconcentrated, reorganized, and restored; and it takes energy to reconcentrate, reorganize, and restore energy. The energy used to reconcentrate, reorganize, and restore energy, is simply no longer available to do anything else. It has lost its usefulness. This is the law of entropy; the tendency of all closed systems to tend toward the ultimate degradation of matter and energy; a state of inert uniformity of component elements; an absence of structure, pattern, organization, or differentiation.¹³ The desolate surfaces of the Moon and Mars are systems as close to entropy as most of us have seen. Since this loss of useful energy is inevitable, it might seem that sustainability is impossible. And in fact, life on earth would not be sustainable without the daily inflow of solar energy, which could be used to offset the usefulness of energy lost to entropy.

So what does all of this have to do with the food system? Industrialization, including industrial food production, is not sustainable because industrial systems use and reuse both natural and human energy, but do nothing to offset the inevitable loss of usefulness of energy due to entropy. That's why they are so efficient. They do nothing to replace the energy that is inevitably lost when anything is used to do any kind of useful work. Industrial farms don't use the energy from the sun to restore the productivity of the land, they transform solar energy to crops and livestock that are sold off the farm and used up elsewhere. Our food system overall uses about 17% of the total fossil fuels used in the U.S., in addition to all of the solar energy collected by the leaves of agricultural crops. It uses ten kcals of fossil energy for every kcal of food energy produced.

The capitalistic markets, which drive our industrial systems, reward investments in means of extraction and exploitation but provide no incentive for investments in regeneration or renewal of resources to be used by future generations. All economic rewards must accrue during the lifetime of the investor. It makes no economic sense to invest for the benefit of some unknown someone in the future. Thus, our industrial food system actually accelerates the tendency toward entropy – it is not physically sustainable.

The law of entropy applies to social energy as well as physical energy, which is perhaps even more relevant to the future of natural food marketing. All human resources – labor, management, innovation, creativity – are products of social relationships. No person can be born or reach

maturity without the help of other people who care about them *personally*, including their families, friends, neighbors, and communities. All organizations, including farms and food businesses, depend on the ability of people to work together for a common purpose, which depends upon the civility of the society in which they were raised.

Industrialization inevitably disperses and disorganizes *social* energy because it weakens personal relationships. Maximum economic efficiency requires that people relate to each other *impartially*, which means, *impersonally*. People must compete rather than cooperate if market economies are to work efficiently. When family members work away from home to increase their productivity, they have less time and energy to spend together, and personal relationships are threatened. When people choose to save money by shopping in another town rather than buying from local merchants, personal relationships among community members suffer from neglect. As in the case of physical energy, there are no *economic* incentives for industrialists to invest in renewing or restoring energy through personal relationships within families or communities for the long run benefit of society. So industrialization inevitably devalues personal relationships, disconnects people, and thus dissipates social energy.

We see the social consequences of our industrial food system in rural areas that are being decimated by the loss of smaller, family farms and the farming families who depended on these farms for their living. We also see it throughout the food system as agricultural field workers and food industry workers – from food processing to fast food retailing – are underpaid and overworked, with few if any benefits.¹⁴ We see it throughout American society, with growing incivility, confrontation, civil lawsuits, prison populations, and public support of global military aggression. And we see the personal consequences of this growing dissention in increasing incidences of physical malaise, clinical depression, and suicides among teenagers and young adults.¹⁵ The industrial food system is accelerating the tendency toward social entropy – it is not sustainable.

Economies are simply the means by which we deal with relationships among people and between people and the natural environment in complex societies. Economies actually *produce* nothing; they simply transform physical energy and social energy into forms that can be traded or exchanged in *impersonal* marketplaces. All economic capital, meaning anything capable of producing anything of economic value, is extracted from either “natural capital” or “social capital.” The industrial food system extracts its economic capital from the earth and from society; it uses up the fertility of the farmland and the productive capacities of people. Thus, when all of the physical and social energy have been extracted and exploited, the industrial food system will have nothing left to support it economically. The industrial food system inevitably accelerates the trend toward economic entropy – it is not sustainable.

The last 30 years of natural food marketing reflected a growing public demand for ecological sustainability – the protection and regeneration of natural capital or physical energy. People rebelled, once they understood that the mechanistic paradigm of industrialization was inherently extractive and exploitation. They knew intuitively that a sustainable food system must be based on a different paradigm, a paradigm of living systems. Living things are self-making, self-renewing, reproductive, and regenerative.¹⁶ Living plants have the natural capacity to capture, organize, concentrate, and store solar energy, both to support other living organisms and to offset

the energy that is inevitably lost to entropy. Living things have a natural propensity to reproduce, renew, and regenerate energy – living things move away from entropy.

The next 30 years of natural food marketing will be much more about social sustainability – the protection and regeneration of social capital or social energy. Humans, being living organisms, devote a significant portion of their time and energy to renewal and regeneration. By nature, we devote large amounts of time and energy to raising families, with very little economic incentive to do so. Obviously, an individual life is not sustainable because every living thing eventually dies. But, communities and societies of living individuals clearly have the capacity and natural propensity to be highly productive while devoting a significant part of their life's energy to renewing the ecological and social capital needed to sustain economic capital.

The dissolution of personal relationships – within families, friendships, community – goes against the basic nature of human society. While the disconnecting forces of industrialization are strong, the forces now pulling people back together are unrelenting. The laws of human relationships are just as real and undeniable as the fundamental laws of physical relationships. In a recent space experiment related to the origins of the universe, scientists observed that particles of dust, when floating in a gravity-free vacuum, had a natural tendency to be attracted to each other, to form themselves into clumps. They were attracted to each other by a gravity-like force. People likewise are drawn to each other by a force that we might call “social gravity.” Throughout history, people of all times in all cultures have yielded to this force of social gravity in their natural tendency in forming relationships within families, communities, and societies.

Industrialization has dispersed and disorganized people within modern societies, leaving them much like the dust particles floating aimlessly in empty space. However, the relentless forces of social gravity now appear to be pulling people back together. As with the dust particles, disconnected people first reestablish personal relationships by forming little “clumps,” small groups of people attracted by common interests. These clumps of people with common interests eventually form communities of people who share common commitments, and eventually grow into cultural, social, economic, and political movements. The natural tendency of people is toward social connectedness, toward community and society. Communities are stronger and more durable when people of common interest live in close proximity, but communities of interest can also be powerful political and economic forces. Today, a growing number of people – farmers, workers, consumers, and citizens – with common interests, concerns, and commitments are driving the new local foods movement. They are moving away from social entropy and toward sustainability.

The local movement, when coupled with sustainability, reclaims the historic principles of organic farming. Sir Albert Howard, a pioneer of organics, began his book, *An Agricultural Testament*, with the assertion, “The maintenance of the fertility of the soil is the first condition of any permanent system of agriculture.”¹⁷ He contrasted the permanent agriculture of the Orient with the agricultural decline that led to the fall of Rome. He concluded, “The farmers of the West are repeating the mistakes made by Imperial Rome.” J. I. Rodale, another prominent proponent of organic farming, wrote, “The *organiculturist* farmer must realize that in him is placed a sacred trust... As a patriotic duty, he assumes an obligation to preserve the fertility of the soil, a

precious heritage that he must pass on, undefiled and even enriched, to subsequent generations.”¹⁸

Rudolph Steiner, the founder of Biodynamic Farming defined an organic farm as a living system, as an organism, whose health and productivity depended on healthy relationships among its ecological, social, economic, and spiritual dimensions. He wrote, “A farm is healthy only as much as it becomes an organism in itself – an individualized, diverse ecosystem guided by the farmer, standing in living interaction with the larger ecological, social, economic, and spiritual realities of which it is part.”¹⁹ To Steiner, organic farming was about the farmer becoming an integral part of a natural, living, productive, regenerative system.

True organic systems are living systems and living systems are naturally renewing and regenerative systems. The long-term social movement toward more sustainable food systems is bringing farmers, families, food industry workers, food retailers and their consumers back together again in living communities – returning to the historical roots of organic foods and farming. The transition from industrial foods to sustainable/local foods will take time, just as it took time to industrialize our food system. Piggly Wiggly built the first self-service food store in the U.S. in Memphis, TN in 1916. But supermarkets did not become the dominant means of food retailing until the 1950s, more than 30 years later. It may take 30 years to complete the transformation of the natural foods movement beyond organic, to local, and then to sustainable.

Ironically, industrial organics may pave the way for the next phase of the movement, by making mainstream consumers aware that there really is something wrong with *conventional* industrial foods. Once they start asking questions about conventional foods, many will start questioning industrial organic foods as well. The movement isn't just about pesticides, food additives, or humane treatment of animals; it's about the basic integrity of the food system. A growing awareness of the lack of overall integrity already is driving the growth preference for local foods. Discriminating organic consumers are looking for food with ecological and social integrity, not just food with an organic label.

The natural foods market may have a great deal of diversity for many years to come. Industrial organics may be sufficient to satisfy some food buyers. Retail food chains that connect and maintain connections with their local communities may be one means of going beyond organic. Such retailers, however, will not be able to expand beyond their local communities without losing their uniqueness and thus losing their advantage over the industrial mainstream. In addition, relationships between retailers and customers in high-volume, multi-location supermarkets, by necessity, will be less direct and less meaningful than is possible for those in smaller, independent neighborhood stores.

Smaller independent natural foods stores will find new opportunities for success as more people give in to their natural need to connect more closely with other people within their local communities. The smaller independent organization, particular a cooperative organization made up of local people, can be an effective means not only of protecting natural capital but also of building social capital, which provides the means of sustaining economic capital. In more everyday terms, as people realize the social benefits of personal relationships with other likeminded people, they create economic opportunities for other likeminded people who can

provide forums for and become a part of their new communities. But the relationships within such communities cannot be simply economic; they must be personal relationships of integrity. People need a common purpose to bring them together, and local, independent natural foods stores could provide such a purpose.

Over the next 30 years, the ability to establish and maintain positive, mutually beneficial relationships could well hold the key to success in natural foods. Unfortunately, we live in a society that has placed little value on relationships. Men, in particular, have been taught to be aggressive, assertive, and competitive, rather than kind and cooperative. However, those who are able to master the art and science of relationships may well find relationships, regardless of their economic benefits, to be the most rewarding aspect of success.

Relationships, although inherently difficult, are built and maintained or broken in accordance with a few basic common sense principles. Steven Covey writes in his best selling book, *The Seven Habits of Highly Effective People*, “there are principles... natural laws in the human dimension that are just as real, just as unchanging and unarguably ‘there’ as laws such as gravity in the physical dimension.”²⁰ The principles of human relationships are a part of every major religion and philosophy and transcend the races, nationalities, and cultures of the world.

The Institute for Global Ethics has conducted surveys, interviews, and focus groups with people around the world, asking people, “What do you think are the core moral and ethical values held in the highest regard in your community?”²¹ From a wide variety of responses, five values consistently ranked high in nearly every inquiry. They were honesty, fairness, responsibility, compassion, and respect. Who would want to form or maintain a personal relationship with someone who is dishonest, unfair, irresponsible, uncaring, and disrespectful? The key to positive personal relationships is quite simply to treat people, as we would like to be treated, with honesty, fairness, responsibility, compassion, and respectfulness.

The first three values, honesty, fairness, and responsibility, form the personal characteristic of integrity. Integrity suggests wholeness, completeness, and soundness. A person of integrity must be honest, fair, and responsible; a lack of any one of these three basic principles will lead to mistrust. Relationships that are lacking trust are not sustainable. The people of the sustainable/local foods movement are seeking relationships with people of integrity. They are seeking relationships with people they can trust, which means with people who are trustworthy. Those who succeed in the natural foods business over the next 30 years must be people who at least strive to be honest, fair, and responsible in all of their relationships.

The social values of compassion and respect form the personal characteristic of empathy. Empathy requires that one person be willing and able to visualize him or herself in the place of another, and then to treat the other person as they would have liked to be treated. Empathy goes beyond integrity. You might want to do business with people you can trust to be impartial and unbiased in all of their relationships, but would you really want to be friends with such a person? Empathic relationships are not relationships of usefulness; they are relationships of kindness and respect. The people of the sustainable/local foods movement are not just searching for a reliable source of local food; they are searching for ways to reconnect with people. Those who succeed in

the natural foods business over the next 30 years must be people who at least strive to be compassionate and respectful in all of their relationships.

The American food market is dynamic and ever changing, and with each change, comes both challenges and opportunities. The challenges of today are rooted in the industrial paradigm of development, which permeates our food system, our economy, and our society. The industrial system is very productive and efficient, but is also extractive and exploitative, and thus is not sustainable. The organic phase of the sustainable foods movement was driven by an awareness of its lack of ecological sustainability, the current local foods movement is being driven by an awareness of its lack of social sustainability.

The key to success in natural foods over the last 30 years was to improve economic efficiency. The key to success the next 30 years will be to improve ecological and social integrity. In matters of efficiency, large industrial organizations have the natural advantage; they don't waste money by investing in the future of nature or society. In matters of integrity, living organizations, people, have the natural advantage. By nature, living things are self-renewing and tend toward regenerative, sustainable communities. Industrialization has torn families, communities, and societies apart in their quest for greater efficiency. It will take people to bring families, communities, and societies back together again in the quest for sustainability. Over the next 30 years of the natural food business, the ability to meet the challenges and to realize the opportunities will favor people, not industry, people of integrity – trusting, caring, loving people.

End Notes:

- ¹ Whole Foods Market, “Our History, <<http://www.wholefoodsmarket.com/company/history.html>>
- ² Wild Oats, “History,” <<http://www.wildoats.com/app/cda/cda.php?pt=History>>
- ³ Organic Farming Research Foundation, 1999, *Third Biennial National Organic Farmer's Survey*, Santa Cruz, CA USA.
- ⁴ Carmelo Ruiz-Marrero, 2004, *Clouds on the Organic Horizon: Is organic farming becoming the victim of its own success?* Special to CorpWatch, November 25th, 2004 <<http://www.globalpolicy.org/soecon/tncs/2004/1125organic.pdf>, accessed January 2006>.
- ⁵ Carmelo Ruiz-Marrero, “Is organic farming becoming the victim of its own success?”
- ⁶ Organic Consumers Association, “Shortage of Organic Ingredients in the USA Spurring \$1.5 Billion in Imports,” <<http://www.organicconsumers.org/organic/shortage060326.cfm>>
- ⁷ Slow Foods International <website: <http://www.slowfood.com/>>.
- ⁸ See Chefs Collaborative website: <http://www.chefscollaborative.org/>
- ⁹ Diane Conners, “Hunger Grows for Locally Grown Food: *Restaurants, grocery stores discovering a tasty advantage*, published by Great Lakes Bulletin News Service, 3/30/2005.
- ¹⁰ Fred Kirschenmann, Steve Stevenson, Fred Buttel, Tom Lyson and Mike Duffy. 2003. “A White Paper for Agriculture of the Middle Project,” <www.agofthemiddle.org>
- ¹¹ See *The Association of Family Farms*, <<http://www.associationoffamilyfarms.org/overview.asp>>
- ¹² See *Good Natured Family Farms*, <<http://goodnatured.net/>>
- ¹³ For a more in-depth discussion of entropy, see John Ikerd, *Sustainable Capitalism: A Matter of Common Sense*, Chapter 3 (Bloomfield, CT: Kumarian Press Inc., 2005).
- ¹⁴ Eric Schlosser, *Fast Food Nation*, (New York: Houghton Mifflin Company, 2001).
- ¹⁵ Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon and Schuster, 2000).
- ¹⁶ For a more in-depth discussion of living systems, see Ikerd, *Sustainable Capitalism*, Chapter 5.
- ¹⁷ Sir Albert Howard. *An Agricultural Testament* (Oxford, England: Oxford University Press, 1940). *also in Small Farms Library* <http://journeytoforever.org/farm_library/howardAT/ATtoc.html>
- ¹⁸ J. I. Rodale. 1948. *The Organic Farmer's Creed*, Chapter 8. *The Organic Front*. Rodale Press: Emmaus, PA, USA. <<http://www.soilandhealth.org/copyform.asp?bookcode=010133>>
- ¹⁹ Rudolph Steiner. *Spiritual Foundations for the Renewal of Agriculture*. Gardner, M. (1993) (ed) (Junction City, OR: Bio Dynamic Farming and Gardening Association of USA, 1924). <<http://www.biodynamics.com/index.html>>
- ²⁰ Stephen Covey, *The 7 Habits of Highly Effective People* (New York: Fireside Books, Simon and Schuster, 1989), 34.
- ²¹ Rushworth M. Kidder, *Moral Courage* (New York: William Morrow, HarperCollins Publishers, 2005), 43.