

Small Farmers, Big Markets: Working Together for Sustainabilityⁱ

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For decades, American farmers have been told they had to either get bigger or get out of farming. Now farmers are told that getting bigger is not enough, that even big farmers will have become contract producers; they will have to give in to corporate control. So now, it's get big *and* give in, or get out of farming. However, an increasing number of farmers are defying the advice of the agriculture experts and agricultural establishment. They are not giving in, they are not getting big, and they are not getting out. They are finding ways to survive and even prosper on small farms. These small farmers are new hope for the future of farming in America.

This hope is exemplified most clearly in the sustainable agriculture movement. Some small farmers, and even some sustainable agricultural advocates, may be uncomfortable referring to sustainable agriculture as a “movement.” However, a social movement may be defined as “any sustained organized effort by advocates of a common goal or purpose.” I believe the organized efforts to develop a more sustainable agriculture has been advocated by enough people for a long enough time to qualify as a legitimate *social movement*. And, I believe the future of small farms in America is very closely connected with sustainable agriculture movement.

Sustainable agriculture first came to general public awareness in the 1980s, with the merging of three different, but related, agricultural concerns. Organic farmers and environmental groups were concerned with the impacts of agricultural chemicals on the natural environment and on human health. Some conventional farmers and agricultural groups were concerned about the impacts of rising costs and falling prices on the agricultural economy. Small farmers and rural advocacy groups were concerned about the impacts of agricultural industrialization on farm families, rural communities, and society as a whole. These three groups came together in support of the initial LISA legislation and later in defending the LISA program against relentless attacks by agribusiness groups and their allies within the *agricultural establishment*.ⁱⁱⁱ

Agribusiness was not about to support any government program that promoted the use of fewer commercial inputs. Most mainstream farm organizations and agricultural universities lacked the courage to oppose the agribusiness community. But, the coalition supporting sustainable agriculture held together well enough to save the political identity of the movement. They redefined and renamed LISA to create the Sustainable Agriculture Research and Education program, or SARE. Obviously, the SARE program is not synonymous with the sustainable agriculture movement. But, the persistence of the USDA SARE program, in the face of relentless efforts to disable or destroy it, bears testimony to the movement's continuing strength and durability.

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ⁱⁱⁱ The *agricultural establishment* refers to USDA, the Land Grant Universities, Commodity Groups, major farm organizations, and other advocates of continuing agricultural industrialization.

Since the mid 90s, the sustainable agriculture movement has continued to show impressive growth at the grass roots level. At least five annual “sustainable agriculture” conferences in the U.S. consistently draw more than 1,200 participants a years – with a couple drawing 2,500 or more.^{iv} Equally important, the larger conferences are mostly organized by grass-roots organizations and the vast majority of those attending are farmers. Sustainable agriculture conferences drawing 500-700 are far from rare and conferences drawing 100-250 people per year are too numerous to attempt to count. Some of the early optimism regarding a quick and easy transformation from conventional to sustainable agriculture may have faded, but the grass roots sustainable agriculture movement today remains alive and well.

Perhaps even more important, the sustainable agriculture movement today is picking up new allies among other likeminded farm and non-farm groups. The issues of economic globalization, corporate consolidation of the food system, confinement animal feeding operations, biotechnology, and other more general food safety, health, and nutrition issues have all helped to strengthen the sustainable agriculture movement. Increasingly, sustainable farming conferences are planned in collaboration with citizen and consumer groups and on many occasions initiated and organized by such non-farm groups. In addition, with greater recognition and growing consumer support, the sustainable agriculture movement is reaching beyond the farm gate, beyond farmers' direct markets, and into the commercial food system.

Independent food processors, distributors, and marketers are beginning to realize they face the same kinds of challenges from a corporately controlled, global food system as do independent family farmers. They are also beginning to understand that they have the same kinds of opportunities as farmers in helping to create and benefit from a new and different sustainable food system. With its new allies, the sustainable agriculture movement now embraces thousands, if not hundreds of thousands, of likeminded advocates and active proponents scattered across the continent and around the globe.

The “agriculture of the middle” project, led by the Leopold Center at Iowa State University, is but one of many current public and private initiatives attempting to move sustainable agriculture into the commercial food system, by expanding opportunities for accessing higher-volume food markets. As independent food processors and retailers realize they face the same threats as independent family farms, they are becoming more open to forming alliances with farmers. Independent farmers, processors, and retailers are beginning to cooperate to create a new alternative food system. These new food alliances are providing more sustainably produced food to more caring customers, creating opportunities for more small farms as well as new opportunities for somewhat larger farms.

New opportunities in higher-volume food markets are being created by a growing consumer distrust of the industrial food system. Many consumers are concerned about the safety, wholesomeness, and nutritional value of food offered in supermarkets and fast food restaurants today. Their concerns are not limited to safety and quality; they are also concerned about the mistreatment of farm animals, farm workers, farmers, and the land. Increasingly, consumers

^{iv} Ecofarming and Bioneers in California, Pennsylvania Association for Sustainable Agriculture, Upper Midwest Organic Farming Association, and Northeast Organic Farming Association of New York.

want to know where their food came from, how it was produced, who produced it. They want to know the people who provide their food. This new consumer-driven movement represents the best hope for the continued success and prosperity of small farms.

The keys to success in the new American food system will emerge from the experiences of those who are creating it, just as the principles of sustainable farming have been discovered by the new American farmers. Sustainable agriculture research and educational programs, such as those coordinate through the SARE program, can provide useful information and suggestions, but the new sustainable food system will be diverse, individualistic, dynamic, and decentralized. Thus, the people who are on this new frontier will have to find something that works for them, individually in their particular place, at a particular point in time. From their individual successes, and failures, we will eventually learn the principles of success. As of today, we can do nothing more useful than to observe and to learn from those who are creating their little part of a new sustainable food system. The following are but a few examples.

The Root Cellar – Columbia, MO

A Columbia Daily Tribune story in February 2004 called the Root Cellar, “an upstart food retailer that aims to provide a local alternative to the traditional supermarket.” According to co-owners Walker Claridge and Kimberly Griffin, “Everything at The Root Cellar is locally processed or locally grown using more traditional farming methods: The produce is almost all pesticide-free.

“The beef, poultry, and dairy products come from pasture-based animals raised without hormones or antibiotics. Product packaging throughout the store bears zip codes from around the state. In the freezer, there's chicken from Missouri Country Fresh in Macon and slabs of grass-fed beef raised on Covered L Farm in Centralia. The dairy case features cheese from Goatsbeard Farm in Harrisburg and organic milk from Green Hills Harvest in Purdin. Peanut butter from East Wind Nut Butters of Tecumseh shares shelf space with rice from Martin Rice Co. in Bernie, whole-wheat pasta from Hodgson Mill in Gainesville and honey from Bonne Femme Honey Farm in Columbia.” Places like the Sandhill community in Scotland County and Taste of the Kingdom in Fulton supply mustard, jellies, jams, and hot-pepper condiments. The Root Cellar is a growing commercial food market that provides a connection between local growers and consumers.

Patchwork Family Farms – Columbia, MO

Patchwork Family Farms is a locally oriented marketing organization, representing 15 independent family hog farmers located in mid-Missouri. After several years of farm advocacy work through the Missouri Rural Crisis Center (MRCC), Roger Allison and Rhonda Perry decided that what farmers needed most was better markets for their products. Patchwork started by marketing mainly to local customers through the MRCC office in mid-town Columbia. Today, however, most of their product is sold through a number of restaurants in Columbia, Kansas City, and St. Louis, as well as several local supermarkets. Along the way, Patchwork found it necessary to purchase a small meat processing plant to accommodate their producers. Patchwork has recently added vegetables to their line of meats and sausages, giving their restaurant customers a more complete line of locally grown products.

The Patchwork website lists the standards their growers must meet for products marketed through the organization. “Growth hormones or synthetic growth promoters are prohibited, No continuous feeding of antibiotics, Animals must receive adequate amounts of sunshine, fresh air and quality feed necessary to maintain good health, Animals are raised with social responsibility, using environmental stewardship and sustainable growing practices.” Patchwork allows local growers to benefit from access to higher-volume markets for local foods by working together. <http://www.patchworkfamilyfarms.org/ogs.html>.

The Farmers Diner – Vermont

In 1999, Tod Murphy, who learned the food business working in upscale coffee shops, saw the new opportunities that could be created for family farmers by focusing on the local economy. So Tod created The Farmers Diner™. The Farmers Diner™ in Barre, Vermont demonstrates that buying local foods and making them available to the entire community is both possible and profitable. Currently the Barre restaurant spends over 65 cents of every dollar with farmers and small-scale food producers who live and work within 70 miles of the diner.

Tod faced a difficulty common to many local marketers in finding a local processor for meats he wanted to purchase from local farmers. He eventually purchased and now operates a local processing plant to meet the needs. He eventually plans to open two diners in the area, of a size similar to Bob Evans or Shoney's restaurants, in order to make efficient use of the processing plant. The eventual goal is “a national network of The Farmers Diner™ restaurants, serving typical diner foods sourced from local farmers and producers.” The website states, “We expect The Farmers Diner™ to be a leader in family/casual dining because local fresh food tastes superior, customers prefer to support their neighbors and communities, and we provide great service at reasonable prices.”

<http://www.central-vt.com/web/farmdiner/>

New Seasons Markets – Oregon

New Seasons Market operates four food supermarkets in the Portland, Oregon area. As Brian Rohter, co-founder and president, explains on their website, “Three families and about fifty of our friends decided in late 1999 that we wanted to create a business that we could be proud of – a company that had a true commitment to its community, to promoting sustainable agriculture and to maintaining a progressive workplace.” New Seasons supermarkets look pretty much like any other modern supermarket, with delis, bakeries, and other amenities American food shoppers have come to expect. Once inside the store, the most noticeable difference is that virtually every item in the store is labeled with respect to origin and there is an “organic” option for nearly every food item. Also, many of the food products originate pretty close to Portland with labels often including the names of the farmers.

In the case of regular suppliers, such as their provider of pork, a pamphlet provides a story of the history and nature of relationships between the Market and its farmers. As they say on their website, “Locally owned and operated means being an active and committed participant in the community; because our kids go to school with your kids. Locally owned and operated means buying from small vendors and supporting the development of our regional food economy. Locally owned and operated means being in touch with our customers.” New Seasons Market is

a new kind of supermarket chain, linking local farmers with a high-volume market for sustainably produced foods.

(<http://www.newseasonsmarket.com>)

Good Natured Family Farms – Hen House Markets

Good Natured Family Farms is a cooperative made up of thirty-some farmers in southeastern Kansas and southwestern Missouri. Diana Endicott, who farms with her husband Mel, was the moving force in gaining access to supermarkets in the Kansas City. Today, they market their products primarily through Hen House Markets in Kansas and Missouri. Hen House is a 13-store supermarket chain operated by Ball Foods Inc., a family corporation with a long history in Kansas City. Good Nature Family Farms (GNFF) fits in well with Ball Foods' commitment to maintaining its local connections. GNFF has developed an expanding line of branded food products, which now includes beef, chicken, eggs, and milk, with other products in various stages of development.

As GNFF states on their website, “We have three goals: Support local farmers by providing them with a market for the food they raise, provide our customers with fresh, natural foods raised humanely, without hormones or sub-therapeutic antibiotics, and raise our beef, chicken, eggs, and milk in a manner which protects and conserves the precious resources upon which they rely.” In 2003, GNFF products marketed through Hen House Markets totaled more than \$4 million. Diana Endicott has certainly opened up new opportunities for local farmers to access higher-volume markets.

<http://www.goodnatured.net>

Institutional Market

High-volume markets for sustainably produced foods also include institutional markets – schools, hospitals, extended care facilities, etc. – in addition to supermarkets and restaurants. The most impressive progress thus far seems to have been made in getting sustainably produced local foods into public schools.

The Federation of Southern Cooperatives has been an active promoter of Farm to School programs in the South. On their website, they report, “One member cooperative - New North Florida Farmers Cooperative - is currently selling produce to several schools in Florida, Georgia, and Alabama. The cooperative specializes in cut and packaged greens. Other cooperatives in the region are supplying schools with fresh local greens, including collards, turnip greens, kale, and spinach.

<http://federationsoutherncoop.com/>

The University of Northern Iowa Local Food Project works with the Practical Farmers of Iowa to connect institutional buyers, including colleges, restaurants, hospitals, prisons, etc., with local producers. On the website, they state, “The ten institutions we have worked with so far have spent nearly \$600,000 of their food purchases locally. These dollars would otherwise leave our state and even the country. We figured for every dollar invested in this project, we have helped \$6.50 stay in our community and region.”

<http://www.uni.edu/ceee/foodproject/>

A Cornell University website states, “Many projects and activities in schools throughout New York State and the country are helping to link farms and schools. Such projects use a variety of strategies that include adjusting menus to incorporate local foods, ordering New York grown foods from farmers and distributors, and hosting farm-school events for students. The website lists more than a dozen schools in New York that have committed to buying local, sustainably produced foods.

<http://www.cce.cornell.edu/farmtoschool/east>

The Wisconsin Homegrown Lunch is a grassroots program whose goal is to enhance the Madison, WI public schools' existing meal programs by introducing fresh, nutritious, local and sustainably grown food to children, beginning in the city's elementary schools. On their website, they state, “The program will provide an opportunity for children to reconnect with their natural world, while helping to develop stable markets for the producers and processors of those foods.”

<http://www.reapfoodgroup.org/farmtoschool/goals.shtml>

A number of colleges also have made a commitment to purchasing sustainably produced foods from local farmers. For example, Pennsylvania College, a technical school in Williamsport, PA, decided in 2000 to expand its purchase of local foods to include hormone-free milk from a family-owned dairy farm in the vicinity. They state on their website, “While most colleges purchase food for their students and staff from huge corporate food distribution services, Penn College, has taken a bold step away from ‘the system,’ and in support of sustainable family farmers.”

http://www.pct.edu/foodserv/local_foods

These programs are just a few among many, which are opening new high-volume markets for sustainably produced foods through institutional markets. More examples can be easily be searching the internet.

<http://www.sustainabletable.org/schools/dining/>

Farmers markets, CSAs, roadside stands, and other face-to-face markets will continue to be important. But, the sustainable agriculture movement is also accessing higher-volume markets by moving beyond the direct markets and into the food systems. The critical challenge in accessing these high-volume markets is to maintain the integrity of the system, not just the integrity of food quality and safety, but also, integrity of relationships – among eaters, retailers, processors, farmers, and through farmers, with the land. Small farmers serving local markets have a tremendous advantage in creating and maintaining relationships of integrity. However, finding ways to maintain the integrity of the movement, as sustainable agriculture as moves into the food system could be the key to the economic future of small farms.

As the entities and organizations grow larger and their connections less direct and personal, temptations will grow to fall back into the old industrial mindset of specialization, standardization, to achieve greater economies of scale. Only a firm commitment to the principles of sustainability, to ecological and social integrity as a means of maintaining economic viability, will be sufficient to withstand the temptation. Sustainable systems must be systems of integrity build upon relationships of integrity, regardless of whether relationships are face-to-face or one or twice removed. Once that integrity is compromised, the system is no longer sustainable.

Successful small farmers may question whether they have any real stake in working together for the success of the movement. After all, if they have found something that works for them, they may not be too excited about a lot of other farmers, large or small, sharing their secrets of success. However, in building sustainable food systems, the more people succeed, the greater will be the opportunities for all, including both existing and new participants in the marketplace. Sustainable food producers do not succeed by competing with others or by preventing competition from others, but instead, by helping each other succeed. Examples of this principle in practice can be found at farmers markets all across the country. The larger the numbers of farmers selling at a market, the larger the number of customers drawn to that market, and the larger the dollar volume of sales for each farmer vendor. Existing farmers benefit by encouraging other farmers to enter the market.

The same principle will hold for higher-volume food markets. As more farmers cooperate to process and market their products, more food consumers will become aware of the possibility of buying locally grown and sustainably produced foods. As a result, more consumers will begin to seek out and buy larger proportions of their foods from food retailers who buy sustainably produced foods from local farmers. Those who prefer to buy their food direct from local growers are not going to abandon *their farmers*, just because they have opportunities to buy additional foods locally through retailers. They will simply buy more locally produced food. As long as everyone in the system maintains the integrity of the system, by sharing rewards among all participants, everyone in the system will benefit economically, from farmers who get a fair price for what they produce to consumers who get the foods they want at a reasonable price. The initial challenge is to move enough volume to create consumer awareness of the new local and sustainable food alternatives. As more people participate, more people will benefit.

Perhaps the greatest challenge for small farmers in accessing higher-volume markets is that of working together for their mutual benefit. Individually, small farmers are simply not capable of providing the volume of uniformity and variety of high quality products needed to supply even a small retail supermarket chain, a large restaurant, or a school. Only by planning their production together and by pooling their products for processing and marketing, can small farmers successfully access and benefit from these bigger marketing opportunities. Regardless of whether farmers form a farmers cooperative or some other form of business organization, they must learn to work together if they are to succeed. They must see the wisdom of benefiting collectively as a necessary means of benefiting individually, rather than expecting to benefit individually, and thus, to benefit collectively.

The initial purpose for cooperation may be to achieve economic benefits, but a cooperative venture among farmers cannot be sustained if it is viewed simply as a business venture. At some point, members inevitably will be confronted with opportunities to benefit as individuals, at least in the short run, by doing things contrary to the long run collective interest of their cooperative organization. The most common example, an outside buyer will offer higher prices to individual members than the cooperative is capable of paying at some point in time. If members abandon the cooperative venture in order to realize greater individual benefits in the short run, they inevitably will destroy the ability of the organization to provide them with greater benefits, collectively, and thus, individually, over the long run. Those who benefit from dealing with

farmers individually, rather bargaining with them collectively, intentionally devise strategies to break the collective will of cooperative organizations. The only thing that holds the collective together during times of such challenges are the personal commitments of the members to each other – for social and ethical reasons, as well as for their long run, economic well-being.

Unfortunately, few farmers learn the art and science of commitment and relationships either during their upbringing or as part of their professional development. Americans, in general, are taught to be independent and self-sufficient, to rely on themselves rather to relate or commit to others. Most men, in particular, reach adulthood with little understanding of how to build or maintain personal relationships and with little comprehension of the value of doing so. Perhaps, more than any single thing, sustainable agriculturalists need to understand the value of personal relationships and to learn the art and science of building and maintaining relationships. Relations are important to the success of farmers who market through farmers markets, CSAs, and roadside stands, but are absolutely essential in creating and maintaining the cooperative ventures necessary in working together to access higher-volume markets.

A wide variety of relationship strategies and techniques are available to individuals through materials provided by the “self-help” industry. Books ranging from classics such as, *How to Win Friends and Influence People*, by Dale Carnegie, to *The Road Less Traveled*, by Scott Peck, to, *Everything I Needed to Know About Life, I Learned in Kindergarten*, by Robert Fulcrum, contain gems of wisdom regarding human relationships. However, sustainable relationships must be based on integrity and empathy, rather than strategy or technique. If a marketing strategy, for example, is based on techniques that mislead or manipulate customers, the deception ultimately will be discovered and the organization will not be sustainable. It lacks integrity and empathy. Sustainable relationships must be based on principles, rather than strategies or techniques.

Steven Covey, in his book, [The Seven Habits of Highly Effective People](#), addresses principle-based relationships, perhaps as well as anyone who has written on the subject. Covey writes, “natural laws in the human dimension... are just as real, just as unchanging, and arguably ‘there’ as laws such as gravity in the physical dimension” (p. 32). Principles are different from values, in that values reflect the conventional wisdoms that are passed on from one generation to the next, and may change over time and be different among cultures. Covey points that even gangs of thieves have values, they just don't happen to be values that are acceptable to civil society.

Principles come from our common sense of right and wrong – the things we know to be true because we sense it in the very core of our being. This common sense comes to us all quite naturally, regardless of our native intelligence, our social status or background, or our training and education. Some people choose to ignore their common sense, relying instead on conventional wisdom and things they have learned for themselves through experimentation and observation. But, we all have common sense, if we are willing to use it. Thus, we all have access to the fundamental principles of positive relationships, if we will learn to listen to our common sense.

Covey addresses some of these common sense principles of relationships among his seven habits. The first three principles address individual effectiveness, including setting goals, setting priorities, and being proactive. These principles lead dependence to independence. The second

three address collective effectiveness, or relationships, and include thinking win/win, seeking first to understand and then to be understood, and working for synergy – where the total is greater than the sum of the parts. These principles allow the individual to move beyond independence to achieve *interdependence*, to develop lasting relationships of mutual benefit.

Some may argue that people simply will never reach agreement on matters of principle. However, such arguments mistake values for principles. People disagree concerning values, but not core principles. For example, the Institute for Global Ethics has questioned people of many different cultures, religions, and nationalities in many countries of the world regarding ethical principles. They have found that people of all cultures, religions, and nationalities agree on several moral or ethical principles, although they disagree widely on values.

The Institute lists the following ethical principles of which people have a common sense of their rightness (<http://www.globalethics.org/>).

- Honest and truthful
- Responsible and accountable
- Fairness and equity
- Respect and dignity
- Compassion and caring

Who among all of civilized society believes it to be right and good to be dishonest, irresponsible, unfair, disrespectful, or uncaring? These core principles could go a long way toward ensuring the sustainability of any relationship and any organization, including a farmers' cooperative.

If farmers are to be successful in their efforts to work together to access higher-volume markets, they will do well to begin with a firm commitment to each other and to their customers to treat each other with honesty, fairness, compassion, respect, and responsibility. They can then work with traditional cooperative and business development professionals to develop their statements of purpose or goals and to develop an organizational structure and business strategies for carrying out their purpose or achieving their goals. However, they should reject any purpose, structure, or strategy that conflicts with these fundamental ethical principles. No organization can be sustained if it is lacking in integrity and empathy.

Finally, it is far easier to sustain a cooperative venture, or any other type of relationships, if we are working with or for people that appeal to us personally. We need to either work with friends and work for friends or make friends with those with whom and for whom we work. It's simply very difficult to maintain a positive business relationship with someone that you don't like personally. So our sustainable organizations need to become communities of personal interest and personal commitment, not communities of economic interest and contractual commitments. Economic interest and contractual commitments inherently stress, and may ultimately destroy, personal relationships. Only when we give equal priority to friendship and ethical relationships can we sustain economic relationships. Sustainability depends on harmony and balance among the social, ethical, and economic.

Farmers on small farms often complain, with justification, that they get no respect in the agricultural community. However, as sustainable farmers learn to work together to gain access to more high-volume, high-value markets small farmers may well become the new mainstream of agriculture. Sustainable small farms will become the standard of success for farming in rural communities. Large contract commodity producers will start asking sustainable farmers how they too can learn to make a better living on a smaller farm, with less land and less money invested. They will see sustainable agriculture as a means for breaking free of corporate domination. People will start abandoning the large corporate food chains and fast food franchises, in search of good local food. Those who broke free of the industrial food system first will be respected as trendsetters in the community.

The sustainable agriculture movement has brought us to the threshold of developing a new food system. Someday, a network of local community food systems, linking independent, local farmers with independent, local food processors and retailers, will provide food for the growing number of customers willing to pay for quality and integrity. To succeed, the new system must be an ecologically sound, economically viable, and socially responsible system of food production and distribution. The new system must reconnect consumers with farmers, people with the earth, and reconnect people with each other, through relationships of integrity and empathy. The new food system will create new opportunities for all farmers who choose to farm sustainably, but the sustainable paradigm of farming is particularly well suited for families on smaller farms. Progress of the movement thus far may have seemed slow, but progress nonetheless has been persistent. The process of creating a new food system will still take time and effort to complete. But, for anyone who is not yet a part of the movement, now is the time to join.