

The Economics of Happiness in Agricultureⁱ

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The twentieth century was the *American Century*, as is commonly conceded by historians. During the twentieth century, the United States replaced Great Britain as the dominant global economic and political power. The U.S. came from behind to beat the Soviet Union to the moon and take leadership in space. The U.S. came from behind to pull ahead of Japan in electronics and communications technologies. America replaced the whole of Europe as the single dominant global military power. And American capitalism outlasted European socialism and communism to become the world's dominant economic model.

The *American Century* was a time during which economics gained precedence over all else - including politics, society, and culture. America struggled economically, along with the rest of the world, during much of the first half of the century. But America built the foundation for its modern industrial economy during World War II, used its post-war economy to help rebuild Europe and Japan, and afterward, never looked back. Research and development supported by economic growth allowed America to take world leadership in space and electronics. Economic growth made possible the most powerful and dominant military force ever assembled in the history of humanity. And a national commitment to economic growth provided the motive for America's *corporatist* version of capitalism, which eventually became the model for much of the rest of the world.

But, as we enter a new century, there are growing questions concerning the sustainability of the American economic engine of growth. Growing evidence of air and water pollution during the 1960s raised questions concerning the inherent negative environmental impacts of the industrial paradigm of economic development. The energy crisis of the 1970s raised concerns about the extractive nature of capitalistic economies and their inherent reliance on finite supplies of non-renewable resources. During the 1980s, a preoccupation with narrow, individual self-interest led to a growing economic gap between the “haves and have-nots,” raising concerns for social equity and justice. And, when the “economic bubble” of the 1990s burst at the turn of the century, many more people began to question whether America's economic growth is sustainable. A so-called economic recovery accomplished by exporting America's middle-class jobs only adds to growing concerns for the sustainability of America's capitalistic economy.

Until recently, the environment has been the focus of primary concern for sustainability. Relentless economic growth was depleting non-renewable resources and polluting the natural environment. Today, there are growing questions of social and cultural sustainability. Concerns are not limited to concerns about the disappearing American middle-class. There is growing evidence that our relentless pursuit of economic prosperity is degrading relationships among people within families, communities, and society as a whole and is destroying the social fabric of

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our country. In our quest for global economic supremacy, the United States has become a splintered nation of disconnected people, and consequently, an increasing unhealthy society.

We Americans spend so much time and energy pursuing economic success that we have very little time left for connecting with other people, or even connecting with our inner selves. Those of us who succeed in achieving wealth or recognition from our peers, often sacrifice family, friends, and other personal relationships in the process. We focus so intently on the economic bottom line that we lose sight of the line that separates caring from carelessness and right from wrong. We trade personal relationships and ethical rightness for material success.

Those few who achieve success soon discover that neither wealth nor fame can ensure happiness. Those who work and strive for success inevitably discover they can never have *enough* money or *enough* recognition. Success is always fleeting. There is always someone wealthier or more famous to make us feel we need more - no matter how much we have achieved. Most of us, however, will never achieve wealth or fame, because both are defined by the few who achieve them and the many who do not. If all were wealthy and famous then none would be wealthy or famous. Most workers and strivers live their whole lives believing if only they could have been successful, then they would have been happy - as Thoreau wrote, leading “lives of quiet desperation.”¹

We see this desperation in the lives of those who work both in corporate offices and on factory assembly lines. We see it in the halls of Congress and in City Hall, in the government bureaucracies of Washington, DC and in administration of our local schools, in civic organizations, nonprofit organizations, and even in our churches. We see it among entrepreneurs who operate small businesses and among families who operate farms. In pursuing the economic and political values that bring fleeting success, we have lost sight of the enduring, lasting values that bring true happiness. In our pursuit of economic success, we Americans have lost sight of the real purpose of life's journey - the pursuit of happiness.

Historically, happiness has been widely accepted as the motive of all purposeful human activity. The drafters of the Declaration of Independence, for example, listed “life, liberty, and the pursuit of happiness” among the inalienable rights of all people. Philosophers throughout the ages have spent a lot of time thinking about happiness. The *hedonist* philosophers equated happiness to sensory pleasures - to individual, personal experiences. However, another group of philosophers, including Aristotle, used the word *eudaimonia* for happiness. *Eudaimonia* is inherently social in nature - it is realized by individuals, but only within the context of family, friendships, community, or society. Aristotle's happiness, social happiness, was a natural product of positive personal relationships.

Equally important, this social happiness was considered a by-product of actions taken because they were intrinsically good, for their own sake, not as means of achieving some sensory pleasure or satisfaction. In essence, the early philosophers believed that true happiness was not something to be pursued, but instead, was a natural consequence of *righteous* living. Aristotle believed that a virtuous life was a happy life. Happiness was not about achieving, it was about living, day by day - living with positive relationships and a sense of righteousness.

In our pursuit of *hedonistic* economic success, however, we have abandoned the social and ethical happiness of *eudaimonia*, and we have suffered the inevitable consequences. For those who need hard evidence, Robert Putnam's book, *Bowling Alone*, provides a host of statistical measures verifying that America is becoming an increasingly disconnected, dysfunctional society.² For example, each decade since the 1960s, a smaller proportion of Americans have voted in elections, participated in civic, social, and professional organizations, participated in organized social activities, and visited each other's homes. Most such measures of social connectedness dropped by 30-50 percent between the 1950s and 1990s.

As Americans have become increasingly disconnected, we have become a more contentious and less civil society, as evidenced by our spending far more each decade for lawyers, courts, law enforcement, and prisons - all symptoms of a society of people who have lost the ability to get along together. Putnam also points out that our dysfunctional personal relationships have been associated with deteriorating physical and mental health, with a ten-fold increase in mental illness and a tripling and quadrupling of suicides among young adults and adolescents respectively. Less serious, but far more common, incidents of "malaise" - headaches, indigestion, and sleeplessness - have shown patterns similar to those for mental illness.

During the first half of the 20th century, as Americans became increasingly connected, they became both wealthier and happier. Since the 1950s, however, as we have become increasingly disconnected, continuing increases in wealth have failed to bring further increases in happiness. A growing body of scientific research, including a recent article in the prestigious *Science* journal, confirms that the supposed link between wealth and happiness is largely an illusion.³ The Positive Psychology Center of the University of Pennsylvania provides a number of credible references and resources supporting the proposition that beyond some very modest level of income, a person's happiness depends far more on the quality of their personal relationships and their sense of purpose and meaning in life than on their level of income or wealth.⁴

Nowhere are the consequences of our self-centered, materialistic American lifestyle more evident than in American agriculture. Americans have come to accept, as an article of faith, that our food should be cheap so that we will have more money left to spend on other things that supposed will make us happy. American farmers and food industry workers responded by producing large quantities of "cheap food." We boast that the average American has access to the widest variety of food items of any people in the world, and spends only about a dime of each dollar of disposable income for food. In reality, we spend less than two cents of each dollar of income for food, because the other eight cents of each "food dime" goes to pay for processing, transportation, storage, packaging, advertising, etc. - not for food.

The negative consequences of our quest for *cheap* food are seen most clearly in the demise of family farms and the decay of rural communities. A competitive marketplace forced farmers to specialize, standardize, and consolidate - to industrialize their farming operations - in order to reduce costs of production and bring down the costs of food. The most obvious social consequences in rural areas have been larger farms, fewer farms, and thus, fewer farm families. The number of farmers in the U.S. dropped from more than six million in the 1930s, to less than two million in 2000. And for more than a decade, U.S. farm families have earned more than ninety percent of their total household income from off-farm sources.

The demise of family farms has resulted in the decay of many rural communities. Fewer farm families have meant fewer people to buy clothes, shoes, and groceries on Main Street, but also, fewer farm families to help support local schools, churches, and civic organizations. In addition, large-scale farming operations often bypass local communities when marketing their products and purchasing inputs. As a result, agriculturally dependent counties now rank among the most economically depressed areas in the U.S.⁵

Horticultural crops were among the first agricultural sectors to be consolidated into large-scale specialized production units under corporate contractual arrangements. A classic 1940s study by Walter Goldschmidt comparing the two central California farming towns of Arvin and Dinuba was among the first to document the detrimental economic and social effect of large-scale, corporate agriculture on rural communities.⁶ Numerous studies since in all parts of the country have confirmed that when small family farms are consolidated into large profit-driven commercial farming operations, people in rural communities suffer the economic and social consequences.⁷ In production of fruits and vegetables, in particular, farm families and local farm workers have been systematically replaced by migrant workers, most of whom are immigrants, as producers strive to remain competitive in markets that demand ever-cheaper food.

Today, the corporate consolidation of all sectors of agricultural production through comprehensive contractual arrangements represents the final stage of agricultural industrialization. Family corporations have been prominent owners of U.S. farms for decades, but the large, publicly traded agribusiness corporations that dominate agriculture today are fundamentally different. Family corporations can reflect the social and ethical values of the family in their decisions and thus function much as independent family farms. However, most investors in publicly traded corporations have neither the ability nor the desire to participate personally in corporate decisions. In most cases, they simply expect corporate managers to maximize the return on their investment by maximizing corporate profits and growth. Individuals and families also may *choose* to maximize profits, but managers of most publicly traded corporations simply have no choice. They maximize profits, meaning they extract and exploit natural and social resources, without reinvesting for the future.

Even more disturbing, the transnational corporations that dominate global food markets pledge their allegiance to no particular nation. They are not people. They have no social or ethical values and thus have no commitment to any particular community or country. In a global free market, they produce their products wherever in the world they can be produced at the lowest possible costs, which increasingly is not in America. For example, the U.S. historically had been a large net exporter of fruits and vegetables. However, U.S. imports of fruits and vegetables more than doubled between 1994 and 2004, resulting in a net trade deficit of \$3 billion.⁸ Places such as Mexico, China, and South America have far lower costs of land and labor than do places such as California and Florida. The impacts can be seen in communities such as Wenatchee, Washington, once known as the “apple capital of world,” where independent growers and packers have become a rarity and the few remaining corporate packers rely on apples grown in New Zealand and China to maintain their competitive edge.⁹

The industrialization of agriculture also has resulted in degradation of the rural environment. The consequences of mechanization, agri-chemicals, and large-scale confinement animal feeding operations (CAFOs) have been excessive erosion of soils, pollution of streams and groundwater, and depletion of the soil organic matter and biological diversity upon which our food production ultimately must depend. Agriculture has become the number one non-point source of stream pollution in the US,¹⁰ and a growing “dead zone” in the Gulf of Mexico is attributed largely to agricultural pollution sources.¹¹ CAFOs, essentially animal factories, are the epitome of an industry driven by short run, economic self-interests. CAFOs have filled the air of many rural areas with a hazardous stench and turn livestock waste into a major point source of water pollution. Perhaps even more important, they have pitted neighbor against neighbor, turned independent farmers into corporate hired hands, and have ripped the social fabric of rural communities to shreds, as a few investors have benefited at the expense of the larger community.

Even those farmers who have survived economically have sacrificed the happiness of farming. Most conventional commercial farmers today will admit, “Farming just isn't fun anymore.” It's not just a matter of lack of profitability; it's also their loss of a sense of being part of a community and the lack of integrity in their relationships with their animals and with the land. Most conventional farmers today, even so-called successful farmers, advise their children to leave the community and to get an education, so they can do something other than farming for a living. This is hardly indicative of happy farm families or expectations of a happy future in farming.

It's time to stop and ask, “Is this the kind of agriculture we want?” “Is this the kind of society we want?” Is this what we want to be? If the *hedonists* were right, then Americans should be the happiest people on earth. We would have the most friendly, most civil, least contentious society in the world. We would be the happiest people in the world. Americans probably spend more money on themselves, for their own sensory pleasure, than has any people at any time in human history. But our wealth has not brought happiness. The evidence continues to grow that lasting happiness is to be found in positive relationships, in family, community, and society, and in living with a sense of purpose and rightness in our relationships with the earth. It's time to stop and ask, “What kind of people do we really want to be?”

Most economists see nothing to be concerned about in the current trends in agriculture or in society. To economists it is just a matter of corporations responding to consumer demands by minimizing their costs of production. Displaced American farmers and farm workers will simply have to find other employment, doing something in which they can compete in a global labor market. Farming communities will simply have to look elsewhere for an economic purpose for being. Higher profits for corporate investors will more than offset losses in U.S. farm and rural incomes, they say, leaving the American economy stronger than before.

To most economists, if the economy is growing, if it is getting bigger, then the economy is getting better, regardless of the consequences for social equity or environmental integrity. But, I simply don't believe that a bigger economy necessarily results in a better society or that a more economically efficient agriculture is necessarily a better agriculture. I don't believe the demise of family farms, the degradation of the rural environment, and the decay of rural communities can

be so easily justified as simply declaring them the inevitable consequences of a free market economy.

Why should anyone pay any attention to me? The agricultural establishment - the recognized experts on agriculture and economics - tell a completely different story. Those of us who are concerned about social and ecological consequences of the corporatization of American agriculture are simply out of touch with reality, they say. We are labeled as twenty-first century Luddites, opposed to all technological progress, or at least considered naively nostalgic in longing for a return to farming of the past. So, why should anyone pay any attention to me?

First, I am an economist, and have been one for more than thirty-five years. I have been a professor of agricultural economics at the major state agricultural universities in North Carolina, Oklahoma, Georgia, and Missouri. I grew up as a farmer - on a small dairy farm in Southwest Missouri. I also operated a small business during my high school years and I worked in management for three years for a major meat packing company - Wilson Foods - after graduating from college. Perhaps most important, I spent three-fourths of my life and half of my professional career believing and teaching the very things that the agricultural establishment is extolling today. I know where these folks "are coming from" because I have "been there."

I used to tell farmers that they were going to have to either "get bigger or get out." I told them they were going to have to become sharp financial managers, smart personnel managers, and astute marketers, because the only farmers with a future were those who saw farming as a business, rather than as a way of life. I cautioned farmers to separate farm business from family business, and not allow family matters be an economic drag of the farm. I believed the family farm was of the past, not of the future.

However, during the *farm financial crisis* of the 1980s, I began to feel that something was terribly wrong in American agriculture. Many farmers had borrowed heavily at record high interest rates to expand production to meet booming export demand during the 1970s, only to see exports dry up, commodity prices plummet, and record farm profits turn into disastrous farm losses. The agricultural establishment at the time chastised these farmers as poor managers who should have known better than to borrow so much, or at least should have known how to survive the inevitable hard times of farming. However, I discovered that the farmers who were in the biggest financial difficulty were those who had been doing the things that the agricultural establishment - including me, and my economic colleagues - had been telling them they should do. It would have been easier to deny it, and many did, but I eventually came to realize that I had been much more a part of the farm problem than a part of the solution.

Luckily, at about this time, something called sustainable agriculture was making its way onto the national agricultural scene. The more I learned about sustainable agriculture, the more I realized that it might answer my growing questions concerning why the agriculture I had been promoting wasn't working. But more important, in sustainable agriculture, I felt I might find a reason to believe again in the future of farming.

I returned to Missouri, my home state in late 1988, to work with farmers interested in this new kind of farming. My first understanding of sustainable agriculture was that of a *balanced*

approach to farming. Missouri had a highly successful extension program back in the 1950s that focused on balancing farm profitability, soil conservation, and family living; it had been called the Balanced Farming program. The program had been driven by the need to increase farm income, but without degrading the land or the quality of family life. Sustainable agriculture, on the other hand, was being driven more by environmental concerns arising from the profit-driven, industrialization of agriculture. But, the needs for farm income and for a desirable quality of farm and rural life were still recognized as being critically important.

A sustainable agriculture must protect the natural environment and conserve natural resources, in order to sustain the long run productivity of the land. But a sustainable agriculture must also be capable of meeting the needs of society - not just as consumers, but as farmers, rural residents, and as members of civil society. And finally, a sustainable agriculture must be profitable, at least periodically, if farmers are to survive financially. Farming sustainably is about finding balance and harmony among the ecological, economic, and social aspects of farming. Certainly, sustainability is about meeting the needs of the present while leaving opportunities for the future, but to me, it was just a *common sense* way to farm.

Through my work with a new breed of farmers, I rediscovered the happiness in farming. Most of these new farms are family farms, where the families and farms are inseparable. The social and ethical values of the family are reflected in the farm and thus the farm becomes a reflection of the family to the community. Many of these farmers market directly to local customers, through farmers markets, community supported agricultural organizations (CSAs), roadside stands, and on-farm sales - often to loyal customers whom they know personally. These new farmers prosper by building positive relationships within their families, with other farmers, and with their customers and neighbors.

Over the past five years, I have had the privilege of speaking to sustainable agriculture groups at 25-35 different venues a year. The new farmers who attend these conferences may label their products as organic, natural, biodynamic, holistic, ecological, or simply rely on being *locally grown* as their market advantage. Livestock and poultry producers may further distinguish their products as humanely raised, hormone and antibiotic free, free-range, or grass-fed. Attendance at these conferences range from a few dozen people to a few thousand; there are at least six conferences in North America attended by over 1500 people a year. Several now draw 500-700 people each year and the number drawing 100 or more are too numerous to count. At the larger of these conferences, a very high proportion of those attending are farmers, rather than representatives or organizations or government agencies.

These new farmers are very different from the farmers I had worked with previously. First, the new farmers are much more diverse, with respect to age, gender, education, and income. Second, more families, including children, attend sustainable agriculture conferences, and the whole family participates, often as presenters and well as attendees. Third, these new farmers willingly share ideas and information; they are trying to help each other succeed rather than drive each other out of business. Perhaps because of these differences, the new farmers tend to be much more hopeful, if not optimistic, about their future in farming. But the things that most clearly set these new farmers apart from conventional farmers are their philosophy of farming and their philosophy of life. These new farmers define success not just in terms of profit, but also

in terms of their overall economic, social, and spiritual quality of life. They are not trying to get rich; they are trying to live a good life. They are putting the fun back in farming; they are pursuing, and finding, happiness.

The opportunities in sustainable agriculture not limited to farms of a particular size, or to specific products or markets. The size of sustainable farms and their products and markets are simply a reflection of the sustainable philosophy of farming. Nowhere are the new opportunities greater than in production of fruits and vegetables. The sustainable agriculture movement began with organic producers of fresh fruits and vegetables for direct sale to customers at local markets. Today, the frontier of the sustainable agriculture is moving beyond farmers markets, CSAs, and roadside stands and into the higher-volume retail markets. The growth in markets for organic foods, with sustained growth or more than 20% per year, has been the most visible indicator or the growing popularity of sustainably produced foods among mainstream consumers.

As mainstream supermarkets have competed for scarce supplies of organic produce to meet the growing demand, they have turned to large-scale, specialized producers who produce according to USDA standards for organic certification but have no commitment to the organic philosophy of sustainability. Increasingly, organic consumers are rejecting “industrial organics.” They are concerned about the impacts of their food choices on people who produce it as well as the land where it is produced. They want food produced with ecological and social integrity - produced sustainably. Increasingly they are demanding foods that are grown by *local* producers. The best way of insuring the integrity of their food is to buy it from people of integrity - people they know and trust.

Smaller independent supermarket chains are moving beyond organic to sustainable/local foods as a means of surviving the brutal competition of the supermarket giants, such as Kroger, Safeway, and Wal Mart. Whole foods, the largest natural foods chain and fastest growing supermarket chain in the U.S., recently announced a policy of increasing their local purchases of products. They are trying to differentiate their products from the organic foods in mainstream supermarkets. In the Midwest, local and regional chains, such as the Hen House markets in Kansas City, Schnuck's and Dierbergs' markets in St. Louis, and Hy Vee markets of Des Moines all have programs focusing on increasing sales of high quality, locally grown produce.

According to food retailers, the greatest challenge to further expansion of the sustainable/local food market is finding local farmers who are willing and able to produce for direct sales to retailers, which requires creating and sustaining long-term relationships between farmers and the owners and managers of retail food markets. Sustainable relationships must be relationships of integrity, based as much or more on personal commitment and trust as on economic advantage. The local market opportunities are essentially unlimited for fruit and vegetable producers who are willing and able to embrace the philosophy of sustainability.

Some people are uncomfortable with the name *sustainable* agriculture because it suggests that conventional agriculture is *not sustainable*. Eventually, however, we must confront the facts that an agriculture driven solely by the economic bottom line, quite simply, is not sustainable. There is no strictly economic incentive to maintain the productivity of the land or the civility of society for the benefit of some unknown someone of some future generation. Economic benefits

are inherently individualistic in nature and thus must accrue to the individual investor or decision maker within his or her lifetime. It makes no economic sense to incur costs today for the sake of someone else's future benefit. So a farming operation that is motivated solely by economics eventually will use up the productivity of the land and the productivity of people who farm it. It eventually will deplete its natural and human resources, the source of its productivity, and thus is not sustainable. If our agriculture is not sustainable, neither is our society nor is humanity.¹²

As long as we understand these undeniable facts, it really doesn't matter what we call this new kind of agriculture. Perhaps, the basic ideas would be more acceptable in today's producers if we referred to it as farming for the triple bottom line. The business concept of a triple bottom line first came to widespread attention in corporate management circles in the late 1990s and has since gained in popularity among businesses of all types.¹³ Managing for a triple bottom line suggests managing for balance among the economic, environmental, and social dimensions of business performance, rather than maximizing profits or growth. Triple bottom line managers recognize that businesses lacking social and ecological integrity are not economically viable over the long run; their costs eventually increase and customer loyalty declines. So they focus on conserving non-renewable resources and protecting the environment, and on being a good neighbor and good corporate citizen, even if it results in less profit in the short run, because they know they must maintain their ecological and social resources to sustain long run profitability.

In many situations, they find that by paying more attention to social and ecological performance, they can actually improve economic performance, even in the short run. They may find ways to transform wastes into economic inputs and to increase production while using fewer costly, non-renewable resources.¹⁴ They may also find ways to reduce labor costs and create new markets by developing and maintaining better relationships with their workers, their customers, and others in the communities in which they operate.¹⁵ In general, they improve their efficiency in converting ecological and social resources to increase economic performance. But the true triple bottom line manager understands that they cannot *maximize* short run profits without exploiting the ecological and social resources upon which their long profits depend. Thus, their ecological, social, and economic bottom lines are given equal priority in their management decisions.¹⁶

To some producers, triple bottom line management might seem a bit naïve or idealistic, but it has a firm foundation in classical capitalist economic theory. The *classical* economists, such as Adam Smith and Thomas Malthus, accepted the proposition that living was about the pursuit of happiness, not just the pursuit of wealth. They understood that economics is but a means to a greater end, that wealth, at most, was only a means to seeking happiness. The Founding Fathers of the United States were even so bold as to identify the pursuit of happiness among the inalienable rights of all people. In fact, it's only within the past century that economics has abandoned the pursuit of happiness for the pursuit of wealth.

Early nineteenth century economists, including notables such as Adam Smith and David Ricardo, considered happiness to be the ultimate goal of all economic activity. Smith wrote of self-interests but he also wrote, "No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable."¹⁷ Ricardo, the father of free trade theory,

defended the importance of trade as being important to the “happiness of mankind.”¹⁸ Neither assumed that greater wealth was synonymous with greater happiness.

However, around the turn of the twentieth century, Vilfredo Pareto, an Italian, set about to free economics from the subjectivity of sociology and psychology, by focusing on what he called “revealed preferences” rather than “happiness.”¹⁹ Economists should focus on consumer choices, he suggested, and let the sociologists and psychologists worry about whether such choices actually make people happier. Pareto's theories eventually were adopted by other economists, primarily because it allowed economics to focus on observable and measurable human behavior, rather than some intangible concept of human happiness.

In the early 1900s, another noted economist, Alfred Marshall, conceded that economics no longer dealt directly with human “well-being,” his term for happiness, but rather with the “material requisites” of it.²⁰ Later twentieth-century economists, however, made little distinction between wealth and happiness. Economists wanted objective, quantifiable variables to accommodate their mathematical and statistical models. Maximizing profit, income, or wealth became equivalent to maximizing satisfaction or happiness, as far as the *neoclassical* economists were concerned.

Regardless of what neoclassical economics suggest, our common sense tells us that wealth does not bring happiness, because happiness requires more than having lots of money to buy lots of *stuff*. Managing for the single economic bottom line reflects a *hedonistic* philosophy of happiness. Managing for the triple bottom line is consistent with the belief of Aristotle and others, that true success is a natural consequence of *right* relationships among people and between people and the earth. How can a farm or any business possibly sustain its profitability over the long run by any other means than contributing to the happiness of people? Managing for the triple bottom is managing for sustainability, is managing for lasting happiness.

Over the years, I have come to believe that the new sustainable American farmers are lighting the path back to happiness for the rest of us. In the eyes of these new farm families, I see happiness, and in their happiness, I see hope for the future of America. As a nation, we have been working harder, making more money, and buying more *stuff*, but in the process, we have become a nation of increasingly disconnected, unhappy people. The old industrial model of economic development isn't working any more and it will only create more problems in the future. The old economics of narrow self-interests isn't working any more, and it will only lead to further extraction and exploitation in the future.

We are going through a great societal transition, out of the old industrial economic era and into something new and fundamentally different. In times like these, we have no time-tested models or paradigms to guide us. In times like these, we must return to our common sense of the *laws of nature* and *natural law* - the principles of right relationships that have guided all civilization of all times. We know that positive relationships must be based on commonly held core values, such as honesty, fairness, responsibility, compassion, and respect. We know that when we violate these principles we diminish our quality of life. We don't have to be taught these things; we know them. To regain our lost sense of happiness, we know we must make the time and expend the effort needed to restore broken relationships and to search for purpose and

meaning of our lives. We know that we must search for happiness within the context of caring families and communities, in a sense of rightness in our relationships with other people and with the rest of creation.

We are not just material beings; we are also social and spiritual beings. The economics of happiness values our social relationships with each other and our ethical relationships with earth, as well as our individual, material well-being. Farming, working, and living sustainably is not about becoming wealthy; instead, it is about living a good life - personally, socially, ethically. Sustainable living is about the pursuit of happiness. The new sustainable farmers are not only helping to create new sustainable systems of farming and food production, they are also helping to understand the economics of happiness.

End Notes:

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¹⁴ Paul Hawken, Amory Lovins, and L. Hunter Lovins, *Natural Capitalism* (New York: Little, Brown & Co., 1999).

¹⁵ Bob Willard, *The Sustainability Advantage: Seven Business Case Benefits of Triple Bottom Line* (Gabriola Island, BC: New Society Publishers, 2002).

¹⁶ For examples of triple bottom line managers, see Ray Anderson, *Mid-Course Correction: Toward a Sustainable Enterprise: The Interface Model* (White River Junction, VT: Chelsea Green Publishers, 1998); The Fetzer Environmental philosophy at <http://www.fetzer.com/fetzer/wineries/philosophy.aspx> (accessed Dec 2006); and New Seasons Market, <http://www.newseasonsmarket.com> (accessed Dec 2006).

¹⁷ Adam Smith, *The Wealth of Nations* (Amherst, NY: Prometheus Books, 1991, original copyright 1776), 83.

¹⁸ David Ricarico, *The Works and Correspondence*. Edited by Piero Sraffa (Cambridge, England: British Royal Society, 1951-55), I, 132.

¹⁹ Vilfredo Pareto, *Manual of Political Economy* (New York: Reprinted by Kelly 1971, original copyright 1906).

²⁰ Alfred Marshall, *Principles of Economics*. (London: Macmillan, 1946, original copyright 1890), 27.