

February 1, 2020

Dear Elected Official,

Independent family farmers are fighting for their survival – facing five years of sinking prices (often below the cost of production), mounting debt, rising bankruptcies and a series of extreme weather events. While President Trump’s engagement in trade issues has made a bad situation worse, the current crisis will not disappear with a new trade deal. This system was designed for, and by, multinational agribusiness firms that have shaped our agricultural commodity sector to only be profitable for highly capitalized large-scale operations that these firms control. The below signed farm and food organizations welcome new policy proposals by Presidential candidates and elected officials to finally address the root cause of the current crisis – the failure of current agricultural policy to limit vertical integration and the failure of free trade-dominated markets to pay farmers fairly for what they produce.

The farm economy has long been plagued with over-production, whether of corn or milk, that drives prices down and farmers off the land. Family-scale farmers do not have the market power to negotiate their input costs or the price of what they sell. This free market approach in agriculture, absent fair price and wage protections for small and mid-scale operations, has decimated America’s rural economies. Net farm income has dropped nearly 50 percent since 2013. The multi-year drop in dairy prices has been devastating – the country lost over 2,700 dairy farms in 2018 alone.

Congress has repeatedly refused to deal directly with the over-production and price issue in the Farm Bill. Instead, the status quo 2018 Farm Bill accepts that farmers will lose money, and tries to fill in the gaps with a variety of inadequate insurance programs to keep farmers afloat. A recent statement by the current Secretary of Agriculture doubled down on this policy approach, telling farmers “the big get bigger, and the small go out.” But those Farm Bill programs are failing under the weight of consecutive years of low prices. The winners in this system are global agribusiness firms and large-scale factory farms that benefit from cheap commodities – not people living in rural communities and those working the land.

There are proven policies to ensure a fair price for farmers that covers the cost of production and basic living costs – called parity. We still use a variation of this approach in our sugar program, where farmers have been largely insulated from the current crisis. Other countries also take this approach, including Canada’s largely successful dairy and poultry supply management programs. Core elements of a parity-based supply management system must include:

- Scale-appropriate price floors and ceilings (adjusted for inflation) targeting family farmers living and working on the land
- Farmer-owned public grain reserves to reduce market fluctuations
- Acreage set asides (combined with soil conservation requirements)

- Managed imports and exports to prevent undercutting farmer incomes in the U.S. and limit dependency on foreign markets
- Strong antitrust enforcement, to limit vertical integration and corporate capture.

If integrated with greatly expanded conservation programs supporting more regenerative, climate-resilient systems, the benefits of policies to ensure a parity price for farmers could bring multiple benefits to rural communities. It would remove the constant pressure of wildly fluctuating prices and year-to-year survival, allowing farmers to invest in more sustainable cropping systems supporting greater soil health, lower carbon emissions, and cleaner water. It would reduce financial burdens on taxpayers to bolster farm incomes driven down by overproduction. It would allow farmers to extend crop rotations and transition to more diversified operations that return livestock to the land managed by independent family farmers and ranchers. It would provide a stable market for the next generation of farmers and entice kids back to the farm. And with input from farmers of color and others who have faced historical discrimination within farm programs, it could ensure that these programs provide fair access for everyone.

The current farm crisis is a result of deliberate policy choices made by our policy-makers and government agencies. We can and must make different choices. The organizations listed below believe that an independent family-farm centered system, with more farmers on the land, is best suited to revitalize rural communities. We encourage all Presidential and Congressional candidates and elected officials to put forth supply management proposals focused on addressing overproduction and ensuring parity prices.

Sincerely,

ActionAid USA
Agroecology Research-Action Collective
Ashtabula, Geauga, Lake Counties Farmers Union (Ohio)
Campaign for Family Farms and the Environment
Community Farm Alliance
Dakota Rural Action
Data for Progress
Family Farm Defenders
Farm Aid
Farm and Ranch Freedom Alliance
Food First
Food for Maine's Future
Food & Water Watch
Iowa Citizens for Community Improvement
Institute for Agriculture and Trade Policy
Land Stewardship Project
Missouri Jobs With Justice
Missouri Rural Crisis Center

National Family Farm Coalition
Northeast Organic Farming Association – Interstate Council
Northeast Organic Farming Association of New York
Northeast Organic Farming Association of Vermont
People’s Action
Pesticide Action Network
Real Food Media
Rural Vermont
United Vision for Idaho
Western Colorado Alliance
Wisconsin Farmers Union