

Chapter 1: GET BIG OR GET OUT

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In 1938, there were 6.5 million family farms in the United States. Today, there are less than 2 million.¹

For decades, the government mantra has been simple – “Get big or get out”, a phrase coined by Secretary of Agriculture Earl Butz, who served under the Eisenhower and Nixon administrations. He famously urged American farmers to go fence-row to fence-row with the big commodity crops like corn and wheat. He was eventually forced out of office for telling crude racial jokes about African Americans that were widely publicized in the press.² He was later found guilty of tax evasion, served some time in jail, and paid a large fine.³

“Get big or get out” was a great phrase, as such things go, but like all propaganda, it was based on an irrational assumption that was never questioned. The consequences of the policy, for rural America, were never publicly considered.

Bigger farms inevitably means fewer farmers.

If there are fewer farmers, there will be fewer people living in rural areas.

And so it comes to pass that there are fewer people buying clothes at local stores, going to school at local schools, serving as volunteers in community organizations, and attending local churches. Thus, rural communities wither and die.

According to the government’s propaganda, this is all as it should be. It is no one’s “fault”, it is just the impact of giant mega-trends over which no one has any control.

But in fact it is not an accident that our rural communities are dying. It is the direct result of deliberate government policies that have the effect of depopulating rural areas and encouraging the movement of population to urban centers.

SMALL LEAKS CAN SINK A LARGE SHIP.

Generally, in rural areas, the economic pattern is simple:

¹National Catholic Reporter, May 31, 2002, Farmers: Get big or get out, by Rich Heffern, online at http://findarticles.com/p/articles/mi_m1141/is_30_38/ai_87353921/ .

²Time Magazine, October 18, 1976, Exit Earl, Not Laughing, available online at <http://www.time.com/time/magazine/article/0,9171,946703-1,00.html>.

³New York Times, July 25, 1981. Butz Released Five Days Early, <http://www.nytimes.com/1981/07/25/us/butz-released-5-days-early.html>.

- ★ Items necessary for human life (food, energy, manufactured goods), are trucked in from other areas, with the local area being a link in a global just-in-time distribution chain.
- ★ Most of the money paid for those items goes out of the area quickly.
- ★ Much of the economic activity is financed by money from outside the area, so interest paid on the loans also leaves the area, and persons seeking financing must meet national standards. Lenders may not be interested in non-traditional financing needs..
- ★ Some money comes back into the area in the form of government transfer payments, government spending programs, and the sale of goods and services produced/located in the county to places elsewhere.
- ★ Therefore, the net result over time in rural areas is that they are slowly being killed by a “death of a thousand financial cuts”. More money goes out than comes back in, and this financial accounting doesn’t even begin to report eco-system issues such as the continuing loss of fertility, depletion/pollution of water/aquifers, and erosion of topsoil, losses which are not reported in conventional accounting systems.
- ★ So a local rural economy can be compared to a ship with lots of leaks. As Benjamin Franklin said, “A small leak can sink a large ship.” This is why rural areas everywhere are slowly sinking.

THE HUMAN COST

Over the last few decades, there have been several waves of bankruptcies among American farmers. Between 1986 and 2002, Oklahoma counted 500 farm-related suicides, as people reacted with despair to the on-going financial crisis in American agriculture.

The National Catholic Reporter article, “Farmers: get big or get out”, quotes Mary Hendrickson, of the Department of Rural Sociology at the University of Missouri in Columbia, about the devastation of rural communities caused by the loss of farmers:

"The devastation in America's rural communities is caused by the loss of infrastructure that makes society work. The small farms go down, and they pull everything else along with them. What disturbs me most are the compromises rural folks have to make in order to stay on the land. People are desperate to stay because of family connections and love of the land, and they find themselves in a powerless relationship with the big guys. As a result, they have to do unpleasant things. When food decisions are made somewhere else, dollars also go out of the community. You lose human capital, too. When you work for someone else, you don't learn those leadership skills, the ability to evaluate many factors and uncertainties and then make good decisions that have been the hallmark of farming since day one in this country.

“Public figures are actually telling farmers there is no necessity for small-scale agriculture in the U.S. anymore. ‘Tough luck,’ they say, ‘you just have to move, go somewhere else.’ But people don’t want to move. Not only do the farmers have to leave their land, but the butcher, hardware store proprietor, implement mechanic in town, they all have to go, too. Then all that’s left is the Wal-Mart.”

Katherine Copeland was an advisor to the 4-H Club I was a member of while growing up in Tillman County, Oklahoma. She was truly the “salt of the earth”. If you had a potluck dinner, you wanted her to come because she always brought a tasty covered dish. If you were selling tickets or band candy, she was sure to buy. Her family had farmed their land outside of Chattanooga, Oklahoma since 1910. They followed the government’s advice. They got big, they borrowed heavily, the price for farm commodities declined, and they were at risk of foreclosure. In despair, she took her own life. She climbed on top of a barrel of burning trash and died of smoke inhalation. The New York Times, reporting the story on July 11, 1986, put it this way:

The suicide of Katherine Copeland, whose family had plowed the fields of southwestern Oklahoma since 1910, came the day after the wheat crop was harvested. She hated the idea of losing the farm, said her eldest son, Robert. "She felt that she had failed her parents and failed her children," he said.⁴

According to conventional economic theory, all of these bankruptcies and the declining number of farmers is actually a “good thing”. Bankruptcies “eliminate” inefficient producers, and their assets are distributed to “more efficient” producers. There is a net gain for the economy.

But I can’t help but think that there is a problem with this accounting. Our primitive accounting systems have no way of accounting for the death of Katherine Copeland, or the 499 other people classified as “farm-related suicides” in Oklahoma since 1986. How do we put a price on the loss of this kind and loving woman’s life?

Frederick, my home town, during the 1960s had four department stores downtown -- Norwoods, Penny’s, Perkins Timberlake, Anthony’s. There were two dress shops. All of these stores had owners, managers, employees. Now they are closed. Those jobs are gone. There is a big box store – Alco’s – on the outskirts of town, and a couple of dollar stores. Instead of the profits remaining in the town, they are siphoned off elsewhere to benefit corporations with headquarters in far-away cities.

How do we account for this loss of economic vitality on the “Get big or get out” ledger?

AGRIBUSINESS CORPORATIONS LAUGHING ALL THE WAY TO THE BANK

⁴New York Times, Oklahoma Woman, fearing farm loss, takes her own life, July 11, 1986, <http://www.nytimes.com/1986/07/11/us/oklahoma-woman-fearing-farm-loss-takes-her-own-life.html>.

Meanwhile, back at the transnational agribusiness corporations, profits are up. Cargill – 160,000 employees in 67 countries – up 62%⁵ ; Tyson – up 50%⁶; Archer Daniels Midland – up 24%⁷.

This is not an accident. This is what we pay for when we go to the supermarket and buy the products of the agribusiness system. These are the consequences of the “Get big or get out” philosophy.

Chapter 2: The Ecological Costs of “Get Big or Get Out”

⁵Cargill profits jump 62% despite ingredients drop, Food Navigator, October 13, 2008, <http://www.foodnavigator-usa.com/Financial-Industry/Cargill-profits-jump-62-percent-despite-ingredients-drop> ,

⁶Tyson Beefs Up Profits, Daily Bread - the Business of Food, Nov. 10, 2008, <http://tbm.thebigmoney.com/blogs/daily-bread/2008/11/10/tyson-beefs-profits> .

⁷ADM defies recession, February 3, 2009
<http://www.istockanalyst.com/article/viewarticle/articleid/3005511>