

Project Title: *Renewing the Agriculture of the Middle: A Planning Grant Request to Develop and Implement a National Strategy*

This proposal seeks a planning grant to support the travel and meeting expenses for a planning task force that would author a white paper articulating a new national strategy to renew what we are calling the “agriculture-of-the-middle.” This term refers to a disappearing sector of mid-scale farms and related agrifood enterprises that are currently unable to successfully market bulk commodities or to market directly to consumers. Focus will be placed on articulating the following components: 1) key dimensions of a regionally oriented, total food systems approach to the agriculture-of-the- middle, and 2) potential funding sources and procedures to support a national research and education initiative addressing these dimensions. The white paper is viewed as an initiatory and working document to launch a dialogue with appropriate governmental and non-governmental organizations whose interests and missions would support the development of such a national initiative.

Objectives and Rationale

Problem Statement:

During the past several decades, the American food system has become increasingly dualistic. On the one hand, small-scale farming and food enterprises in many regions have successfully defined niches and developed direct marketing relationships that allow them to thrive and increase in numbers. This is an encouraging trend with benefits to the communities in which these new markets exist. On the other hand, consolidated food and fiber firms have reshaped the food system to meet their business interests by establishing contractual supply chains that move bulk commodities around the globe, often at the expense of local communities and the environment.¹ Increasingly left out as this dualistic food system evolves are those farms and food enterprises that currently fall between the supply chains that move bulk commodities and the supply chains that feature various forms of direct-marketing. Many of these farms fall into what the USDA’s Economic Research Service calls “farming-occupation farms” and “large family farms.”²

Given the historical importance of such farms, these polarizing forces threaten to “hollow out” rural America in many regions by transferring much of the agricultural economic activities that have sustained rural communities, impacting agribusiness viability, job creation, and the maintenance of local tax bases. Over 80% of farmland in the U.S. is still managed by farmers that fall between the direct markets and the consolidated firms. These are mostly farms that have been in the family for several generations and good land stewardship is a high priority because the land is seen as part of the family’s heritage. *If present trends continue, these farms, together with the social and environmental benefits they provide, will likely disappear in the next decade or two.* The “public good” that these farms have provided in the form of land stewardship and community social capital, will disappear with them.

¹ See Willard W. Cochrane, 1999. “A Food and Agricultural Policy for the 21st Century. (Unpublished paper available from the author.) Cochrane points out that as of 1997 over 61% of total agricultural production in the U.S. was being produced by just 163,000 farms and that 63% of those farms were already producing a single commodity under contract with a consolidated firm. Meanwhile 575,00 small to medium-sized family farms produce 30% of total national production.

² Doris Newton and Robert Hoppe, “Typology of America’s Farms,” Third National Small Farm Conference, Albuquerque, NM, Sept. 17-20, 2002.

Opportunities, Needed Explorations, and Outcomes:

Given the changes that are taking place in the agricultural and food system, this is very likely to be our last chance to develop effective strategies for regenerating a significant agriculture-of-the-middle. As indicated above, the task of the proposed task force will be to frame a convincing rationale for a national initiative that would provide resources for exploring and evaluating such strategies. More concretely, we propose to do this by providing a rationale for the marshalling of public and private resources to develop and test models for linking mid-scale sustainable food enterprises on a regional basis. These new food system approaches would explore and evaluate linkages between farms-of-the-middle and corresponding enterprises-of-the-middle in the rest of the food system, e.g., regionally-based food processors, distributors, and retailers. Regionality must be taken seriously in these explorations as opportunities and constraints will differ between various regions of the country.

Models are being developed by farmers and other food systems entrepreneurs that can provide a foundation for the proposed national initiative. These models involve new enterprise structures and mid-tier value chains that can simultaneously serve the environment, rural communities, farmers, and the growing segment of the consuming public that wants to use their shopping dollars to support a new agriculture. Mid-tier value chains are strategic alliances between independent (often cooperative) food production, processing, and distribution/retailing enterprises that seek to create and retain more value on the front end of the chain, and often operate at a regional level. Examples include the wine industry in upstate New York, emerging alternative pork production and marketing systems in Iowa, as well developing regional agricultural marketing labels (e.g., the Organic Valley of Family Farms, Wisconsin; Placer Grown, California; and Puget Sound Fresh, Washington). *It is this nation's larger small farms and mid-sized farms that have the comparative advantage in developing this new agriculture since they have the flexibility to implement innovative production and marketing systems and can produce the volume necessary to supply significant quantities of food into these new food chains.*

However, farmers and other food entrepreneurs will need help in creating this new agriculture. The research and education community must provide responsive leadership relative to analysis, model building, evaluation, and education in the following three areas: (1) production systems, (2) market structures and relationships, and (3) procedures and policies for recognizing, evaluating and rewarding non-market benefits from the new agriculture. It is such activities that the new national initiative will support. It is anticipated that much of this research and education will be coordinated through centers of sustainable agriculture located in land-grant universities, and be regionally comparative in nature.

The following outcomes are anticipated from a substantial commitment to public-sector research & education engaging food systems approaches to the agriculture of the middle:

- The development of more comprehensive, regionally appropriate, ecologically sound agricultural production systems that enable farmers of the middle to increase their efficiencies while restoring the health of local ecosystems.
- The creation of new market structures/models and marketing relationships for midsize farms that create and retain greater value in the farm and rural community sectors, and that increase the viability of local and regionally-based food processing and distribution enterprises.
- The exploration of policy alternatives that support these new marketing and production systems.

- The development of a national cadre of researchers and food system practitioners with expertise and commitment to mid-scale food system analysis and reform.
- The assurance that the information and other inputs needed for healthy, diverse food systems remain in the public domain.

Approach and Methods:

Infrastructure of Sustainable Agriculture Centers at Land Grant Universities

This proposal comes from an informal network of sustainable agriculture centers associated with land-grant universities from across the country. Many land-grant universities have established sustainable agriculture centers, programs and institutes that coordinate much of their sustainable food systems research; and many others have core clusters of faculty, students and staff working in this area. These centers see themselves as being key actors in helping to implement the national initiative once it is funded. They will be able to draw on the wealth of experience and geographically widespread expertise in applied research, demonstration, education and evaluation of food systems components within land-grant universities. In most states, these centers and programs have established relationships of trust with farmer groups, non-governmental community-based organizations, state departments of agriculture, federal funding agencies and emerging food enterprises. They share the public service mission of the LGU system role. As of April, 2003, numerous centers, institutes and programs have already endorsed this project.³

Principal contacts for the network and this project are Frederick Kirschenmann, Director of the Leopold Center for Sustainable Agriculture, Iowa State University (leopold1@iastate.edu), and George W. Stevenson, Associate Director of the Center for Integrated Agricultural Systems, University of Wisconsin (gwstevenson@wisc.edu).

Activities Supported by the Planning Grant

The planning grant would support a task force of approximately fifteen persons that will author an action plan articulating the following components for a new national strategy:

- Key dimensions of a regionally oriented, total food systems approach to the agriculture of the middle, and
- Potential funding sources and procedures for a significant national research and education initiative addressing these dimensions.
- In addition, the task force will produce an academic report that emphasizes the research findings underpinning the action plan.

Invited to the planning task force will be mid-scale family farmers and food system entrepreneurs, representatives from the land-grant centers representing all regions of the U.S., a representative from the USDA SARE program, and other selected persons with particular

5. Leopold Center for Sustainable Agriculture, Iowa State University (Fred Kirschenmann, Rich Pirog); Center for Integrated Agricultural Systems, University of Wisconsin at Madison (Steve Stevenson); Center for Environmental Farming Systems, North Carolina State University, (Nancy Creamer); Minnesota Institute for Sustainable Agriculture, University of Minnesota (Helene Murray); Community, Food and Agriculture Program, Cornell University (Tom Lyson); Center for Sustaining Agriculture and Natural Resources, Washington State University (Chris Feise, Marcy Ostrom); Office of Sustainability Programs, University of New Hampshire (Tom Kelly); University of California Sustainable Agriculture Research and Education Program (Sean Swezey, Gail Feenstra); Center for Applied Rural Innovations, University of Nebraska (Chuck Francis); Consortium for Sustainable Agriculture Research and Education (Bob Miller, Kim Leval, Molly Anderson).

expertise in food systems analysis and in government program development. The time frame for the planning team is between twelve and eighteen months, beginning with the securing of funding. Facilitation of and administrative support for the planning task force will be provided by George W. Stevenson and Patricia Haza of the Center for Integrated Agricultural Systems, University of Wisconsin-Madison. The University of Wisconsin-Madison will serve as the fiscal agent for the project.

Implementation of the Planning Task Force's Recommendation:

The central purpose of the planning task force's white paper is, of course, to outline a strategy to get this project funded through appropriate federal sources, so it is difficult to outline the precise steps to be taken at the end of the planning team process. However, we have given some preliminary thought to what the next steps might look like and how they may be implemented.

Engage the National Sustainable Agriculture Network.

Both the national Campaign for Sustainable Agriculture and the regional Sustainable Agriculture Working Groups have been kept apprised of this project and will have some representation on the planning team. We have received assurance from this network that they will be anxious to help move this project forward as appropriate in terms of the planning team recommendations. This SA network is in a position to obtain the support of numerous farm groups and NGO's with whom they have worked in concert in recent years.

Engage Regional SAREs.

We have had ongoing conversation with each of the SARE regional leadership as well as other participants in the SARE program concerning this project. This SARE membership is strategically positioned to obtain support for this project from Land Grant University leadership. Land Grant University leaders, in turn, can be very instrumental in obtaining support for the project from farm organizations and some commodity groups, as well as support from key House and Senate leaders.. Again, the specific manner ;in which this will be done will become part of the planning team strategic plan, but we have obtained enthusiastic support for the project from SARE participants and have every reason to believe that they will play a significant role in the implementation phase.

Organize Sustainable Agriculture Centers and Institutes related to Land Grant Universities.

The 12 centers for sustainable agriculture connected to Land Grant Universities originally crafted this proposal and all have signed on to move this project forward. We expect that they will play a key role in coordinating the implementation phase as well as obtaining support from Land Grant University leadership to help move this project through the appropriate federal funding mechanisms.

Cooperate with Federal Agencies as Appropriate.

We have already made some contacts at USDA who have agreed to work with us as may be appropriate in the implementation phase. We expect that further relationships will be identified and developed during the planning process.

Evaluation

The final measure of impact from the proposed project and the resulting white paper will be its effectiveness in mobilizing a broad range of support from among the community of mid-scale family farmers and food system entrepreneurs, the public research and education community, federal agencies, private funders, and ultimately, in the passage of federal legislation to provide public support for a national initiative on the agriculture of the middle. Shorter term quality control will be achieved through insuring that the full range of needed competencies are represented in the working group. These competencies include, among others, expertise in mid-scale agriculture and food chains, food systems research and education, and government program development. Finally, drafts of the white paper will be submitted for review and scrutiny by persons possessing the above competencies who were not members of the working group. Included among these reviewers will be individuals representing the SARE program at both the regional and national levels.