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Are We Outsourcing Confinement Livestock and Poultry Production?

Randall D. Little and David L. Zartman

Concentrated animal feeding operations (CAFOs) are large livestock and poultry operations that raise animals in a confined situation. What is the future of CAFOs in the U.S.? Major changes are in store if current trends and pressures continue unabated. Vocal and organized segments of the American public are pushing for policies that discourage concentrated animal centers and favor more pastoral and natural kinds of food production. This paper explores emerging trends that will influence the future of confinement animal production.

Key forces seem to be coming into play, almost in the manner of a “perfect storm” that will cause major restructuring within animal production agriculture. These forces are environmental concerns, farm labor issues, and animal rights.

The sheer volume of manure produced presents potential risks to air and water quality; effective waste management is a must. EPA’s “CAFO Rule” sets a zero-discharge standard for manure from CAFOs, with severe penalties for discharges into waterways. CAFOs will be required to submit detailed information normally included in a Clean Water Act CAFO permit even if there is no evidence of improper manure management. A possible unintended consequence of this rule is even greater concentration in animal production because of the costs of compliance.

In areas with growth in animal production and processing, demand for labor often exceeds local supply; immigrants satisfy that demand. Societal pressures call for greater advantages to low-income people; it is reasonable to expect employee wages and benefits to continue to trend upwards, even to levels unsustainable for CAFOs. Also, if any immigration reform grants residency to farm workers currently in the U.S. illegally, it is unknown if those workers will they remain in production agriculture.

Concern for animal welfare has increased in recent decades. Animal-welfare issues are championed by public-interest groups with their own agendas, ranging from improving the conditions in which farm animals are raised to the complete elimination of farm animal use for food and fiber. A key delineating question is, “Do animals have rights in the same way that humans do?” Those who adhere to the concept of animal rights believe animals and people are equal and deserve the same rights, thus one would necessarily reject the use of animals for food.

Increasingly burdensome regulations, stemming from any of the “perfect storm” forces, on animal production will increase the cost of production. Such changes favor countries with little or no regulatory control.

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