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## THE ECONOMIC PAMPHLETEER JOHN IKERD

### Can we afford good food?

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Can we all afford enough wholesome, nutritious, sustainably produced food to support healthy, active lives? The good news is, yes, we can afford enough good food, enough for everyone—today and in the future. The bad news is that many people will need to make some very different food choices. National and global food systems do not change very quickly or easily, but individuals can change their food choices. Changes in individual food choices can lead to changes in local food systems, and changes in local food systems can lead to changes in national and global food systems.

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*Producing enough good food is not the problem. Today's farmers are already producing more than enough food for everyone in the world, even though more than 800 million people remain "chronically undernourished" (United Nations, 2019). This is certainly true in the U.S., where agricultural production is abundant, yet in 2020 one in nine households, and one in seven households with children, were classified as "food insecure" (U.S. Department of Agriculture Economic Research Service [USDA ERS], n.d.-a). Meanwhile, about 40% of the most productive farmland in the*

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*Why an **Economic Pamphleteer**? In his historic pamphlet *Common Sense*, written in 1775–1776, Thomas Paine wrote of the necessity of people to form governments to moderate their individual self-interest. In our government today, the pursuit of economic self-interest reigns supreme. Rural America has been recolonized, economically, by corporate industrial agriculture. I hope my "pamphlets" will help awaken Americans to a new revolution—to create a sustainable agri-food economy, revitalize rural communities, and reclaim our democracy. The collected *Economic Pamphleteer* columns (2010–2017) are at <https://bit.ly/ikerd-collection>*

U.S. is used to produce ethanol for our automobiles (USDA ERS, n.d.-b). In addition, U.S. farmers export more than 20% of their total production (Office of the United States Trade Representative, 2019).

U.S. farm exports do not go to the nations that suffer the most from hunger but to nations whose consumers can afford to pay global market prices. An analysis of U.S. farm exports for 2015 found that 86% of U.S. farm exports went to 20 nations classified by the United Nations as medium-to-highly developed, and only half of one percent went to 19 of the least developed nations, including Haiti, Yemen, and Ethiopia (Environmental Working Group, 2016).

Contrary to the mantra of American agriculture, industrial agriculture does not “feed the world.” Small and mid-sized family farms (those up to 250 acres or 101 hectares) currently produce about 70% of the world’s food supply (Ritchie, 2021). Close to half of these farms cultivate less than five acres. Global research has shown that production on these farms could be more than doubled using non-industrial, agroecological farming systems (Grain, 2011). Solving the global hunger problem will require helping farmers in developing nations produce enough good food to meet their own needs and the needs of others in their nations (Ikerd, 2015). However, hunger will persist, globally and in the U.S., until enough people care enough to recognize and ensure nutritional food security as a basic human right (Ikerd, 2016a).

Today’s quick, convenient, and cheap food is made possible only by imposing high environmental, public health, and social costs on society (Rockefeller Foundation, 2021). Even if these environmental and public health costs were prohibited or “internalized” by changes in U.S. government policies, any shortfall in production could be offset easily by more sustainable farming operations. For example, a 2014 meta-analysis of 115 studies found that organic crop yields averaged less

than 20% lower than conventional, and yields were less than 10% lower on farms using intercropping and integrated crop rotations (Yang, 2014). Sustainability, not productivity, is the challenge to food security in the U.S.

That being said, farming systems that impose fewer environmental and social costs on society cost more to operate than do industrial farming operations—at least in the short run. However, there is no reason to expect food costs to increase as much as the current ecological and social costs of industrial agriculture, because most of these

costs can be avoided by shifting to more sustainable means of production. In any case, most Americans could easily afford to pay the full economic, ecological, and social costs of food production, and Americans can afford to help the rest of the people of the world to do likewise.

Over the past several years, U.S. households have been spending less than 10%

of their disposable incomes, on average, on food (USDA ERS, n.d.-d). Admittedly, many low-income consumers spend a larger share of their income on food, but high food prices are not the *cause* of food insecurity (Ikerd, 2016b). In 2020, U.S. farmers received only about 16 cents of each dollar spent by consumers (USDA ERS, n.d.-e). Even if farm-level production costs increased by 50%, retail food prices would need to increase by only 8% (50% of 16%) to accommodate the higher farm-level costs. U.S. food prices increased more than 10% between April 2021 and April 2022 (U.S. Bureau of Labor Statistics, 2022), with no improvement in food quality or integrity. Consumers currently spending 10% of their incomes for *industrial food* would need to spend less than 1% more of their incomes for *good food*.

Defenders of the industrial agri-food status quo are economically and politically powerful, and governments are unlikely to make the necessary changes in farm and food policies until they are forced to do so. However, people do not need

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government approval to change their individual food systems. At the very least, consumers could reduce food costs by wasting less food. Between 30% and 40% of the food produced in the U.S. is currently wasted (USDA, n.d., para. 1). More than three-fourths of all food waste occurs at the retail and consumer levels (USDA, n.d.). Most of these wastes are avoidable, and the unavoidable waste could be composted to use as fertilizer to support food production.

Food costs could also be reduced by eating more meals at home. About half of all U.S. food spending goes for foods eaten away from home, in restaurants and other eating establishments (USDA ERS, n.d.-c). From 1993 to 2020, the farm share averaged 14%. The share for meals eaten away from home was only 5%, compared with 22% for meals eaten at home (calculated from data from USDA ERS, 2022). Since farm-level costs are essentially the same for both, this suggests that food eaten away from home costs about four times as much as food eaten at home and puts less money in the farmer's pocket.

A typical household spending US\$8,000 per year for food (US\$4,000 at home and US\$4,000 away from home) could save US\$1,500—more than 20% of total food costs—by cutting spending on away-from-home meals by half. That is, the US\$2,000 reduction in the cost of eating out would be offset by just US\$500 in additional supermarket purchases. The farm share also would increase from 14% to 17%. Admittedly, if all consumers made such a change, there would be significant impacts on the foodservice industry; but this is true of any major change in national or global food systems.

Food costs and the farm share could be improved even more through direct sales of raw and minimally processed food from farmers to consumers. Farmers markets, farm stands, community supported agriculture operations (CSAs), buying clubs, and online purchases are all logical options. Farmers who sell direct to customers

typically have higher production costs than industrial producers and rely on greater ecological and social integrity of their farming systems to receive prices high enough to cover their costs plus a reasonable margin of profit. The economic advantage of direct sales is that both farmers and customers have choices that are not available to them in the industrial agri-food system.

Neither farmers nor consumers can avoid paying some portion of the 86 cents of each food dollar that is typically spent for processing, transportation, packaging, advertising, and other marketing services. For example, live hogs or chickens are not yet food and typically are not raised in

consumers' backyards. Consumers occasionally buy live animals from farmers, but they have to pay custom processors to turn them into food. Farmers markets, CSAs, and other direct sales all involve costs for farmers and their customers that would not be incurred in the conventional agri-food system. That said, many of the costs that make up the farm-to-retail spread are avoidable through direct sales—just not

all. The farm-to-retail share of US\$6,880 (86% of a typical US\$8,000 household food budget) provides farmers and their customers with a lot of different choices to consider for making good food both profitable and affordable.

Finally, consumers who are willing to invest their time, energy, and intellect in home gardening can reduce the cost of fresh, locally grown fruits and vegetables to the cost of seed, seedlings, and a few hand tools. Russians obtain “over 50% [of] agricultural products from family garden plots ... roughly 92% of all Russian potatoes, 87% of all fruit[,] 77% [of all] vegetables, and 59% of all Russian meat[,] according to the Russian Federal State Statistic Service” (Pool, 2014, para. 1). The Russians do it out of necessity, but home gardening can be a wise choice for anyone.

The deciding tradeoff in nearly all such choices is between convenience and costs. Many people in the U.S. can easily afford to pay the full

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ecological, social, and economic costs of good food in supermarkets and restaurants—if they choose to do so. Others cannot. For many, choosing good food is not an easy choice in today's hectic world, where there never seems to be enough time or energy for everything that needs to be done. For these people, making good

food affordable means fundamentally changing their individual food systems, from production through to consumption: changing from depending on a system that prioritizes “quick, convenient, and cheap” food to one that prioritizes food “quality, integrity, and value.”



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