

Agricultural policy is health policy



Reforming markets for equitable access to food

HEALTHIER FOOD » FACT SHEET

Diversifying the ownership and control of the food system through a combination of policy, antitrust enforcement, and purchasing choices can reverse the social, environmental and human health damage caused by the consolidation of the food system.

Reasons to act

- Consolidation can reduce access to healthy foods by increasing prices and reducing market responsiveness.
- Consolidated food system control has damaging effects on community strength and civic culture and has led to the breakdown of local communities.
- Consolidation leads to job loss while reducing wages and safety standards for food system workers and increasing poverty-associated health impacts.

A healthy food system is one that encourages farm and fishing businesses of all sizes to remain independent and to compete with each other to produce healthy and sustainably grown, raised, and harvested foods.

This type of food system is also **better for rural and fishing communities**, and regional economies. However, over the last couple of decades, the trend has been toward consolidation.

The deregulation era of the 1980s was the beginning of the global consolidation trend that **continues to this day**.

As corporations gain market share and power, their **influence increases over policy** at all levels of government as well as agricultural education through the **academic centers they fund**.

Federal antitrust laws are in place to protect against anti-competitive behavior, however, critics argue that legislators and federal agencies have failed to **adequately enforce these laws**.

Economists report that consolidation in the food system has led to **unexpected consequences to the health of individuals** and communities with the greatest impact on lower-income communities of color.

The current trend of consolidation is **projected to continue**, which will intensify the **barriers for small and diversified farmers** and fishers and further exacerbate its negative impacts.

Health Care Without Harm envisions a global food system comprised of a diverse network of local food systems that are transparent, health and wealth promoting, resilient, sustainable, fair, and economically just. The primary role of this food system is to conserve, protect, and regenerate the human and ecological systems that enable food production to support the needs of all eaters now and in future generations.

What are the consequences of consolidation?

The break-down of local communities

“Two decades ago... it wasn’t uncommon for 120 farmers to turn up at a planting seminar ... These days, 20 farmers might show up, even though they still represent the same number of acres.”

– The Wallstreet Journal

As farm and fishery income is **controlled by fewer people**, local economies and communities suffer. Today, the four largest agriculture companies control over 50 percent of the crop seed, agriculture chemicals, and farm machinery markets. These mergers have created efficiencies for owners, but have led to low-skilled and poorly-paid jobs, increased mechanization, lost jobs, and a steady decline in national income for farmers since 2012.

The **impacts are similar for fisheries** where consolidation affects access to capital for small and mid-sized fishing operations, creating barriers to entry, and inhibiting vessel and equipment upgrades that can increase the efficiency of fishing operations, the ability to adopt more sustainable practices, and respond to changing stocks and conditions.

The younger residents of once-prosperous rural communities are **leaving en masse** as the best employment opportunities are in urban areas. As well-paying jobs leave a community the ripple effects include reduced access to health care, grocery store and school closures, and increased poverty with associated **health effects**. In many cases, our **rural communities** have become unsustainable, lacking the civic institutions needed to train and attract the next generation of farmers.

Prioritizing purchases from local or smaller scale producers helps to support the **viability of these businesses and local communities** in the face of market consolidation.

Making the unhealthy choice the easy choice

“The bigger the buyer, the more difficult it is for farmers to set up an equitable relationship.”

– Bloomberg

The **rise in the obesity epidemic** has aligned closely with the **rise in food system consolidation**. While there are many factors that influence obesity, consolidation of the food system has affected what is most affordable and readily available to shoppers. When market control is consolidated, the supplier has more leverage in setting prices and directing the offerings at each level of the food system (production, distribution, retail).

For example, **one recent study** projected that the powerful market control, due to large corporate mergers, would lead to 20 percent higher seed prices causing increased costs throughout the system. The lack of competition keeps prices high for customers and low for producers.

Multinational food corporations gain efficiencies by creating uniform offerings, unresponsive to the demands of the local market, individual health care facilities, or consumers. Farmers and fishermen, distributors, or food outlets who want to shift their product choices face significant barriers due to their reliance on one company at one or more points in the supply chain.

This is no different in the institutional supply chain where the reliance on group purchasing organizations or food service management companies limits flexibility in shifting to local or smaller suppliers due to exclusive contracts with a set number of suppliers and products.

“A healthy food system must thoughtfully place doctors, farmers, nutritionists, and others on the front lines of public and food system health as the key advisors and drivers of dietary and agricultural policy change.”

— STACIA CLINTON, RDN, HEALTH CARE WITHOUT HARM HEALTHY FOOD IN HEALTH CARE PROGRAM DIRECTOR

Policy opportunities

- Ask your member of Congress to stand up for competitive markets and enforce antitrust laws
- Stand with beginning farmers and ranchers to address policies that act as barriers
- Support improving mental health in the agriculture industry through policy actions led by National Young Farmers Coalition and National Farmers Union

Corporations have a strong motivation to encourage over-consumption. A large company with high levels of market control will **engineer and aggressively market** processed and packaged foods that exploit cravings for salt and sugar, effectively tempting the public away from healthy, fresh whole foods from which hunger and nutrition are more adequately satisfied.

As long as processed food companies maintain market power achieved through consolidation, they will have no incentive to reformulate their products and the nation's health will continue to decline. A shift in consumer behavior and regulatory support is needed to turn the tide.

Challenges to worker safety and health

“As farms have transitioned from family operations into big businesses involving thousands of cows and massive machinery, new safety concerns have emerged.”

– **Washington Post**

Agriculture is a **dangerous industry**, with higher rates of illness and **deaths** than policing or **construction** while being one of the least regulated. Leading causes of death in the agricultural sector are related to the use of heavy machinery (tractors, vehicles, improper use of processing equipment, etc.) but, federal data collection and reporting programs have been eliminated in recent years and therefore the best available information relies on **news reports**.

These tragic incidents appear to be increasing despite improvements in other sectors. Consolidated market control leads to increased political power by a few, and the ability to **stall labor laws** and slow enforcement that will improve worker safety and health.

Independent farmers and fishermen are not immune from the health consequences associated with system consolidation. Farming and other agricultural worker **suicide rates** are among the highest of any occupation in the United States, and the prevalence is similar in countries around the world.

Farmer bankruptcy continues to increase as **net incomes dropped 45 percent** from 2013 to 2016, the largest three-year drop in the United States since the Great Depression. Banks and policymakers have tremendous influence on the livelihood of independent farmers and fishermen. Consolidation of the system has demonstrated a benefit to corporations while often costing individual farmers and fishermen.

Taking action

Purchase from independently owned producers

Health professionals can use their purchasing dollars and other financial streams to invest in sustainable and healthy farm and food businesses rather than mass-produced factory production.

- Encourage your hospitals to purchase from smaller, diversified sources or use their purchasing power to negotiate with contract food service providers to supply the hospital with food from non-consolidated sources.
- Identify smaller, diverse, and ecologically sound sources for your personal shopping and educate other consumers to do the same. Consider using transparency tools like **buycott.com** which help you identify parent corporations by taking a picture of the product barcode.

Advocate

Citizen-led initiatives have been the only documented intervention to slow consolidation. In order to advocate for better food options, health leaders need to stand

against consolidation and support policies that allow smaller and more sustainable practices to compete in the agriculture market.

Bringing a health-conscious voice to the consolidation debate can help smaller-scale farmers and fishermen better advocate for policies and compete against the tremendous political power that large industrial-scale companies and supply chain businesses have.

Learn more about how health professionals can effectively engage with federal food policy, including the [2018 Farm Bill](#). Subscribe to the [Health Care Without Harm newsletter](#) to receive updates and action opportunities to weigh in on Farm Bill policy.



Health Care Without Harm seeks to transform health care worldwide so that it reduces its environmental footprint, becomes a community anchor for sustainability and a leader in the global movement for environmental health and justice.

This fact sheet was produced by Health Care Without Harm's national **Healthy Food in Health Care program**, which harnesses the purchasing power and expertise of the health care sector to advance the development of a sustainable food system.

www.healthyfoodinhealthcare.org

