

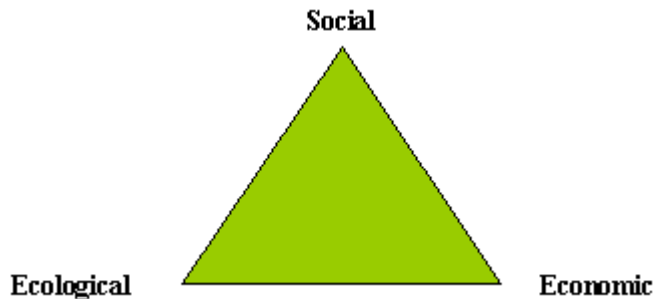
# Successful Strategies for Food System Change: New Rules (*change in system structure*) or Market Populism?

By Karl North at <http://karlnorth.com> (*with comments in italics from John Gerber; November 2016*)

In recent decades sustainability has developed into a concept with revolutionary implications as evidence became conclusive for arguments that the crisis in the food economy is systemic (*and therefore will not be understood without systems thinking*). In brief these arguments are:

- A. Current practices in agriculture are destroying the resource base it needs to survive. Although it is a slow moving disaster (*remember Karl's model?*), the system is in a self-destruct mode.
- B. Agroecological research shows that agriculture could become ecologically sustainable only by obeying ecological imperatives that would restore its resource base. They are imperatives because, like the laws of physics, in the long run (*which is what sustainability is all about*) they cannot be compromised if agriculture is to survive.
- C. There is a sustainability crisis in agriculture as in all other sectors of our economy because the rules of our economy (*structure*) allow unrestrained use of capital and property to maximize private profit in the marketplace without paying damages for the destruction of social institutions and ecological processes that human civilization needs in order to survive (*think... commodity system*). This pattern that externalizes ecological and social costs is not accidental – it is a function of the type of economic system (*structure*) we have.
- D. Therefore sustainability can only be achieved by fundamental changes in the game rules (*structure*) that preserve the capitalist economy.

As these arguments became increasingly persuasive, guardians of the economic status quo (*government, corporations and many academics*) acted quickly to co-opt the term ‘sustainability’ and defuse it of its subversive power. The USDA promoted a definition, rapidly adopted in the land grant universities and other mainstream agricultural institutions, where sustainability involved a constant trade-off between three desirable goals:



This equilateral triangle ignored ecological necessity by placing it on equal footing with economic and social concerns. Thus, for example, the editor of the *Journal of Sustainable Agriculture* writes not of imperatives but of ecological “idealism” that need to be “tempered with reality”, and defines sustainable agriculture as a system that “works in concert with socioeconomic realities” (Vol. 17, No. 4, 2001, pp 1-2). The notion that it’s OK to compromise ecological concerns to conform to economic reality has now become widespread, and the term sustainability is no longer threatening, having lost its power to shed light on the current human predicament. *True... unless we are clear that social justice matters when we use the word “sustainable.”*

In the confusion reigning since the demise of sustainability as a concept that has explanatory power and implies deep structural changes in the present political economy, people working to change the food system have tended to adopt change strategies that do not aim at major changes in the rules and policies that keep the system running in its current ruts. They have encouraged farmers to adopt more ecologically benign practices, and exploit niches in the food economy such as direct marketing via farmers markets and CSA share marketing, adding value with on-farm processing, and providing specialty products for upscale and ethnic minorities (*all patterns of system behavior*). And they have encouraged consumers to vote with their feet: change their buying habits to force food system change through the mechanism of the market.

But rarely has anyone tried to justify these strategies in terms of a dynamic analytical explanation of how the food system would respond to these or alternative strategies for change. This is unfortunate since action for change based on unexamined assumptions about how the social system works, or simply on wishful thinking, has often led to failure, defeatism, and subsequent burn-out. Farmer and consumer change agents who have few of the necessary social science tools (*like systems thinking*) can perhaps be excused for not grounding their choices of action in a careful analysis of how the system works. Scientists on the other hand, social scientists in particular, have a responsibility (and an excellent opportunity) to serve the sustainable agriculture movement by sharing the thinking behind the food system change actions they are promoting. This (*systems*) thinking should include an understanding of social forces (*mental model*) and the long-term patterns of power relations in our society (*structures*), developed through a careful reading of political and economic history.

## **An Intellectual Vacuum**

In my experience with action networks like the ill-fated Consortium for Sustainable Agriculture Research and Education (*I was Executive Director of this group for a while and Karl was a Board Member*), the Campaign for Sustainable Agriculture, and fledgling landgrant alternative agriculture programs, scientists and other activists who promote change strategies rarely justify them with this depth of social analysis. There are several reasons for this. First, to be fair to scientists, it must be said that, because it is so revealing, this sort of social science has been demonized and its practitioners driven to the margins of their disciplines (*only biology, chemistry and physics are “real” science after all*). In fact most social analysis produced in the United States that reveals systemic causes is typically dismissed as ‘leftist’, and not given a fair evaluation (*at UMass, it might be called “crunchy” and therefore discounted*).

Second, the analytical capacity of change agents in organizations like those already mentioned is further limited by their training, which has tended to be in biological, not social science. Finally, analysis that reveals systemic causes also reveals that only strategies that leverage deep system changes (*like changes in structure and mental models*) have a real chance of success. As such strategies generally require a more difficult and more sustained effort than ones currently popular, activists tend to shy away, rationalizing their choices of more superficial change by wishful thinking. This leaves an intellectual vacuum that needs to be filled if we are to find ways of working for change that have a chance of bearing permanent fruit.

## **Market Populism**

In the spirit of working to fill the vacuum, I offer a critique of the largely entrepreneurial and market demand approach to change – dubbed “market populism” by both its critics and its advocates -- that the sustainable food system movement has settled for so far. I then argue for a very different approach that requires a political struggle for new rules for the food system (and the larger political economy), and present examples of how this struggle is faring in various localities. The general market populism approach (buy local) rests on the idea that farmers and consumers need only vote with their feet: as more of us make different choices in the way we farm and shop for food, the food system will peacefully transform itself, perhaps eventually silently flipping over like a giant iceberg that has melted too much on one side. The trouble with this model of change is that for the great majority of farmers and consumers, the system makes the choices too hard.

First, for most consumers, conventionally-produced food may be bad, but it is cheap. Those most likely to change their buying habits are mainly the people who are either affluent enough to pay the costs of more sustainably-produced food or literate enough to be well-informed about the threats of conventionally-produced food. Moreover, massive enlightened consumer choice is unlikely because the major players and profit takers in the food system have financed a sophisticated industry dedicated to manipulating such choice. Historically, the effective incentive for social change via individual choice has come only when threats to health and quality of life become markedly greater than the cost of change. Unfortunately, by the time the threats become apparent much of the resource base that human society needs for an acceptable future quality of life will be damaged beyond repair.

Second, the idea that farmers can repair the whole food production system by adopting healthy practices individually, farm-by-farm, fails to bear up under scrutiny. In reality, for every farm-financial-success story celebrated in the press, many other farms have gained progress toward ecological sustainability only via financial sacrifice, and many others have failed. Pioneers who sacrificed willingly to be on the cutting edge drove the first groundswell of organic farming. If a growing “settler” class is to follow these pioneers, however, the going will need to be easier and less risky. Farmer choice is, furthermore, unlikely to lead to real sustainability because the standard of sustainability targeted in the United States is sadly very low, even by comparison to Europe. The main lesson I draw from my ten years of service on the NOFA-NY Organic Certification Program Standards Board is that the bar could never be raised very far without destroying the economic viability of the organic farms in the movement. Consequently, in the United States we have settled for a luxury model of sustainability: even the most progressive organic farmers have made only a few steps toward a truly sustainable agriculture, and I fear that in time we will suffer for it. In Cuba, by contrast, an agriculture that has of necessity begun to wean itself from heavy dependence upon petroleum and other unsustainably high inputs, and a government possessed of the political will to change have shown that real progress toward sustainability is possible.

A third problem with market populism is its heavy reliance on market niches (*stepping outside the commodity system*). Economic niches, by definition, are the little corners in the economy that more powerful players ignore as unworthy of attention. In the case of food production, the cost of more sustainable farming methods has led inevitably to a gentrified organic food marketplace, creating a two-tier food economy. This niche market has a glass ceiling: the rapid initial growth of this market has misled the organic farming movement into thinking that such growth will continue to usurp the market space of industrially grown food.

Even as market populism succeeds enough that a niche food begins to capture significant market share, it appears on the radars of the Kelloggs, the Krafts and the Sara Lees and they act quickly to destroy the original niche enterprises either by hostile takeovers, or by forcing them into bankruptcy with price wars or with look-alike products of diluted quality. The pattern of big fish swallowing little fish is no historical accident; it is inherent in the way our type of economy functions.

The short history of independent organic milk in the Northeast is an excellent example of the pattern. By the time organic milk outgrew its niche, the Horizon corporation was poised to strike, and within a couple of years had captured 70% of national market share. That left only the most stalwart of the independent producer or processor coops in business, and vulnerable to inevitable predatory pressure.

Likewise the long push for a national organic standard now stands revealed as an effort that paved the way for industrial organic, with its large scale processing and distance marketing by major corporations (7000 acre California farms now control half the national “organic” produce market). Already the losers are evident: the effort to build local food economies and the smaller scale organic farming enterprises that have been the cutting edge of progress toward sustainability.

Finally, none of the strategies of market populism address the problem of increasing farm size and the resulting split communities composed of a few wealthy elites and many poor farm laborers. This trend, inevitable under current economic rules, is returning rural Americans of European descent to the feudal system their ancestors originally fled.

To be led into optimism by short-term success stories of a few small farmers and processors is wishful and unsociological thinking. This simply ignores the powerful historical patterns that our type of economy generates, and imperils those who seek to emulate these stories. If events run true to pattern most of the ‘successes’ will encounter glass ceilings and the predatory behavior that characterizes the system. If change agents had a better understanding of our political economy and the distinctive agenda it imposes on its players, they could make these glass ceilings visible to farmers, consumers and residents of rural communities, who could then devise better ways to conquer these obstacles to desired changes.

Is market populism at least a stepping-stone in an effective food system change strategy? Until such time as the political will for major change emerges (*shifts in mental models*), the niche exploitation alternative and other market populist measures do offer a breathing space, sheltered from the predatory market forces shaping commodity farming, to test, refine, and slowly propagate, sustainable practices. And they provide immediate goals that are occasionally attainable in the short run, around which to organize people around the policy issues that are the only chance for long-term permanent change. But using the various efforts I have described as market populism primarily as an organizing tool requires a very different approach to them from the way these projects and programs are conceived today.

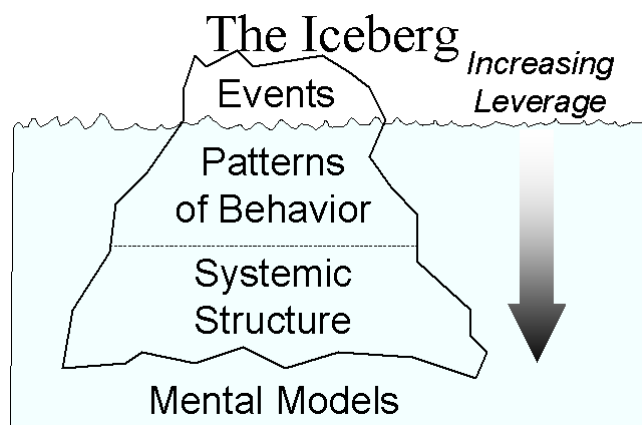
Decentralized efforts such as local economic niche exploitation and consumer/producer coops (*changes in structure*) must be designed to generate the political consciousness to take the struggle to the next level.

## New Rules

What is to be done? What strategy of change will put the food system permanently on the road to sustainability? Right now the sheer size, market clout, access to capital and massive advertising budget of the major players keep them in control of agricultural commodity markets and processing, and therefore indirectly allow them to shape everything that affects sustainability from farm production technologies to final products and where they will be retailed. The only strategy that has had any long-term success at eliminating this stranglehold is one of changing fundamental rules (*structure*) of the system to favor sustainable and equitable production and distribution instead of profit maximization at all costs. This will require some sacrifice. But new rules campaigns can succeed where market populism is failing because rules make everyone share the burden (and more willing to share the burden), not just that minority of consumers, farmers, and other food system participants who shoulder the burden for all of society by taking the ethical high road on their own. And new rules can provide both farmers and consumers with opportunities to escape the economic traps and treadmills that have been their fate in the present political economy.

## A Systems Analysis Tool for Citizens

New Rules strategies can fail for the same reasons that market populism fails: when they are predicated on faulty or nonexistent analysis of the social system and its historical dynamic. New Rules strategists need to be aware of the social structural iceberg:



This systems thinking tool is important in two ways. First, it directs our attention below the obvious flow of events to patterns visible over time in the surface flow, deeper to the structures of power in social institutions that shape patterns of behavior, and finally to the interplay of implicit and explicit rules of the societal contract with the mental models that constitute the collective consciousness. These rules shape the social structures and institutions that jointly govern or limit what can happen in the system. Secondly, with an understanding that the direction of influence is from lower to higher levels in the iceberg, we realize that leverage for change increases with strategies that aim for new rules at deeper levels of the iceberg. Thus changes in land tenure rules (such as would leverage a revival of the commons) provide more leverage and potentially more lasting and effective outcomes than changes in the next federal farm bill, which have been tried repeatedly with no significant net progress. In contrast to most sustainable food system politics in the United States, changes in the land tenure rules in Cuba in the last forty years, including major recent ones, which are examples of greater leverage through intervention deeper in the iceberg, are arguably among the most powerful rule changes wrought by the Cuban revolution, considering their long term impact on both Cuban society and the island's agroecosystems.

How does this iceberg analytical tool work in practice? Let's take the example of federal farm bill politics. Looking for patterns, we can see that despite enormous effort from organizations devoted to solving social and ecological problems in the food system, the consequences of farm legislation at the national level have been worsening problems.

There is a further pattern in the legislative and executive process whereby apparent initial legislative progress gets whittled into insignificance. What generates these historical patterns? If we look lower at the structure of power relations in the governing institution, we see that politicians are not power holders but power brokers: they must serve power or risk their careers. But the balance of power leans heavily in favor of concentrated private capital. In order to sustain the illusion of a democratic institution in the collective consciousness, politicians must make gestures so that they appear to be serving the public interest, while in the end mostly serving private capital. For this purpose they have evolved a process that is a gauntlet whereby promising initiatives taken in full public view can usually be gutted behind the scenes at any number of points (committee, joint conference, appropriation, enforcement, etc.), when they displease powerful interests.

The strategy of organizations like the Campaign for Sustainable Agriculture has been to run this gauntlet every time, thus legitimizing the institution, for very little gain, when strategies offering real long term results might be those that leverage lower in the iceberg, exposing the process, the governing institution, and its mental model in the public mind as a myth, thus helping to create the mindset at the grass roots that could be the power basis for fundamental institutional change.

## **What Kind of Rules?**

Strategies must be holistic to have any prospect of long-term success. A food system change strategy must include a vision of policies that simultaneously will provide everyone with safe, affordable food, protect the environment and society from destructive farming, and provide farmers and farm workers a fair income. History is littered with policies that failed to consider the long-term health of the whole:

Agricultural commodity production quotas in Canada, England, and France. quotas to become saleable commodities, abetted the trend toward megafarms. Grazing allotments in the Western United States also underwent commodification, with the same results. And because these policies could never properly confront the mental model of extreme property rights that is the flaw in American individualism, they turned ranchers into loose cannons who destroyed public property.

Environmental movement strategy to halt degradation of Northwest forest ecosystems, by focusing narrowly on environmental policy, and even more narrowly on enforcing the endangered species act, alienated large populations whose livelihood directly or indirectly depended on the timber industry. These strategic mistakes led the larger public to reduce the problem to a conflict between owls and jobs, so that Time magazine could eventually display the endangered northern spotted owl on its cover over the caption, "Who gives a hoot?"

Holistic policy design avoids such failures by protecting both nature and the livelihoods of farmers, ranchers, loggers, and everyone whose quality of life depends on the health of the natural resource base. This approach inevitably involves new rules about who controls key local natural resources like land, water, timber and other biological resources. Rules will have to respect both the lay of the land, as implied in the concept of watershed democracy, and the shape of human communities on the land.

One promising direction that potentially enables holistic policy design is the revival of the commons. See: <http://www.thefoodcommons.org/>. Successful commons management occurred in many traditional rural cultures, and remnants hang on in places as disparate as West Africa and the French Pyrenees, despite the ravages of centuries of privatization. The insinuation in the ‘tragedy of the commons’ story that common people cannot cooperate to manage resources held in common, is an invention of capitalist ideology: sustainable land management historically has been better on land truly held in common, unlike the limited rights the land-owning nobility allowed commoners in the feudal British ‘commonwealth’ (sic), which is the usual example cited. The real tragedy is poor management; that has only increased on average with increasing privatization of land in recent centuries. An example of a modern revival of the commons concept in Australia, demonstrates once again what traditional commons management has proven, that to be sustainable, resource management must be applied to the wholes appropriate to the human community, ecosystems, and watersheds that are involved and affected, not just to small pieces of these wholes as defined by private ownership.

## **Choosing New Rules Struggles in the United States**

In the United States one could theoretically attempt to make new rules at local, state or national levels. Western Europeans have made some progress at the national level with rules that favor sustainability and penalize other behavior. Central government agencies like SAFER in France control the market for agricultural land to keep it in farming and to keep it affordable to farmers. Rules creating farm commodity production quotas, although imperfect, have saved farmers temporarily from overproduction and commodity price exploitation. But such progress is due to mass organization around issues, a relatively informed public, and high population densities that have brought environmental problems to a crisis stage. These conditions do not yet exist in the United States to a degree that would support a national mass movement for change at the federal or state levels, where the food system oligarchy is in almost complete control.

In local communities, however, where organizing is face-to-face and the negative impacts more apparent, there is a light groundswell of activity all across the country to change the rules in various sectors of the economy. The rebellion against Walmart superstores is the hot spot, as it begins to dawn on communities that the net effect of the local retail monopoly the Walmart-type big boxes have captured, is to suck the wealth out of the local economy as never before.

Generally, given the power structure of our society, when communities make new rules they can expect big capital to use its power at the state and federal level to open fire with jurisdictional suits. Low wage earners in the lucrative pre-Katrina New Orleans tourist economy successfully organized to push through a city minimum wage law higher than the federal minimum. Although it gained workers an only slightly fairer share of the profits, the state of Louisiana immediately filed a jurisdictional suit in court.

In Vermont town meetings in a recent year, 28 towns passed resolutions based on the understanding that genetically engineered foods have been shown to cause long-term damage to the environment and to the integrity of rural family farm economies, and can have serious impacts on human health. Most of these community political acts included either new rules restricting entry or calls for statewide restriction. The right of towns to take such measures was a matter of considerable statewide controversy, with a ‘liberal’ Democratic Secretary of State arguing that such discussions were beyond the legal purview of town meeting and therefore should not be allowed.

At least ten townships in Pennsylvania have adopted ordinances that ban agribusiness corporations from owning farmland or operating within their boundaries. The ordinances are part of an attempt by residents in north-central and south-central Pennsylvania to stem a tide of new and proposed agribusiness operations in those regions. This emerging trend, also seen in Missouri and Iowa, reveals that local communities are fed up with state governments that have failed to protect workers, public health and the environment from the negative effects of industrial agriculture. The default of the state-level government is particularly obvious in Pennsylvania, where state government has repeatedly attempted legislation – supported by the state Farm Bureau -- to overturn the local ordinances and force communities to accept factory farms.

On rare occasions where the issue is sharp enough in the public mind, a struggle for new rules can be waged at a state level. There seem to be few such issues yet in the food economy. Among examples to learn strategy from elsewhere in the national economy, the transport of nuclear fuel is a good first bet. As I write (2002), the governor of South Carolina has ordered state troopers to meet and block shipments of plutonium the Bush administration has scheduled into his state.

## In Summary

The lesson to derive from the response pattern of the oligarchs is that communities that change the rules of local economies to protect local resources, serve local food security and sovereignty, and take back their economic destinies must foresee that they will have to coalesce into regional and even international alliances in order to defend their gains. Strategies aimed at short run gains, while essential to address the worst aspects of the system, need as their ultimate goal an education into the nature of the beast, so that people will understand the severe limitations of these quick fixes in effecting permanent change. The historical pattern of the capitalist system is to play communities all over the planet against one another in a vicious cycle of wealth extraction from local economies toward centers of private capital and power. The challenge is to organize mass movements to break that power.

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**To read more from Karl North, see: <http://karlnorth.com/>**

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*NOTE: Karl argues that only major structural changes (policies, organizations and physical things) based on more equitable and environmentally sound mental models can result in the kind of systemic change needed.*

*An example of the sort of structures needed may be found here: <http://www.thefoodcommons.org/>*

### **The Food Commons model has three integral components:**

- **The Food Commons Trust**, a non-profit, quasi-public entity to acquire and steward critical foodshed assets
- **The Food Commons Financing Arm**, a community-owned financial institution that provides capital and financial services to foodshed enterprises
- **The Food Commons Hub**, a locally-owned, cooperatively integrated business enterprise that builds and manages foodshed-based physical infrastructure and facilitates the complex logistics of aggregation and distribution at different scales among all the moving parts of the system, and provides scale economies, business services, technical assistance and training to new small food businesses.

*This proposed change relies on a shift in mental models from the industrial growth society to a life sustaining society (remember Donella Meadows). The basic premise of this mental model is the idea of **the commons**.*

*For a discussion guide on “the commons” see:*

*<http://www.yesmagazine.org/issues/reclaiming-the-commons/discussion-guide-reclaiming-the-commons>*