



## **AGRICULTURE: THE LAND AND FARM CRISIS**

### **Position Statement**

Adopted: 10/27/87 Amended: 10/21/91

Recognizing that Montana is richly blessed with the soil, water, clean air, and climate to sustain one of the great agricultural resources of the nation and the world, the Montana Association of Churches supports the rejuvenation and preservation of our system of family owned and operated farms and ranches.

#### General Recommendations

The Montana Association of Churches seeks policies which:

- At the local, state and national levels will help preserve the family farm system and the vitality of rural communities;
- Will help provide public assistance to those families who have lost their farms and are in need of: food, clothing, shelter, medical care, job training, and more;
- Facilitate and support the united efforts of farm groups, community groups, churches, and public agencies to resolve the farm crisis;
- Do not produce negative effects on food production in developing countries and foster effective means of distributing surplus produce to the most needy areas of the world;

- Encourage effective stewardship of land and other natural resources.

### **Supporting Statement**

Revised: 10/19/2004

#### **Montana's Farm and Ranch Crisis**

*"The Biblical people have known for centuries that the land is central to God's covenant with them, central to shaping the human community, central to relationships of justice among all peoples who dwell on earth."*<sup>i</sup>

"If prosperous rural economies are not a worthy goal, then what is? The question is of great urgency among U.S. farmers these days. Out beyond the prosperity of Wall Street and Silicon Valley, the producers in America's food economy are struggling for survival. The weather has been miserable. Prices for some commodities are at Depression-era levels. Imports are soaring, and giant agribusiness firms are squeezing out farmers for a bigger share of the food dollar." (Sen. Byron Dorgan, North Dakota)

Montana ranks second in the nation for land in farms and ranches. However, the American Farmland Trust reports we are losing prime agricultural land to development at a rate of 2,760 acres a year from 1992-1997, a 237% increase over the previous five years.<sup>ii</sup>

Montana ranks nationally in the top ten producers of wheat, barley, beef cows, sheep, lambs, wool and sugar beets.<sup>iii</sup> Montana's soils and climate combine to grow some of the world's highest quality wheat and hardiest calves. Agriculture plays an enormous role in the character and well being of the state and its communities. Historically, agriculture has

generated one-third of the annual revenues from basic economic sectors, more than twice any other basic sector. Agriculture is Montana's largest industry, generating more than \$2 billion annually for the last five years.<sup>iv</sup>

The vast majority of communities in the state are either heavily or solely dependent upon agriculture. Yet the structure and nature of what has been a predominantly owner-operator, family-farm based system of agriculture is eroding, subject to several severe stresses. In addition to the perennial uncertainties of floods, droughts, hail, and soil erosion, the marketplace and government policies are driving families from their farms and ranches.

Low, Depression-era commodity prices make it difficult to earn a living, and farms find themselves going deeper into debt. Most farm and ranch families in Montana rely on outside jobs to continue in agriculture. Even so, the continued lack of income undermines farm/ranch solvency and many are forced to sell or are experiencing foreclosure. Compounding the difficulty, low prices prevent young farmers from establishing themselves in the business. For every farmer/rancher under the age of 35, there are two over the age of 65.

Government policies have enormous effects on the farm/ranch economy. The Conservation Reserve Program (CRP), intended to reduce a wheat glut and promote soil conservation, resulted in taking hundreds of thousands of acres out of grain production in rural Montana, hurting agricultural suppliers, co-ops and other Main Street businesses. In spite of CRP, the price of wheat, Montana's most important grain crop, remains deeply depressed.

Free trade policies of recent federal administrations hasten the demise of our rural communities as

American farmers are forced to compete against the lowest common denominators from abroad in labor costs, environmental regulations (or lack thereof), and health standards. By contrast, European family-based agriculture is thriving with prosperous family-sized units and healthy rural communities. Grounded in commitments to food security, rural vitality, and food quality and safety, European nations have consciously chosen trade and agricultural policies that support a family farm system.

In the absence of federal anti-trust enforcement, independent producers are vulnerable to price manipulation by monopolies in the agricultural industry. The rapid and continuing concentration of food conglomerates, such as the merger of Cargill and Continental grain companies, further erodes food producers' bargaining positions. In all commodities, a highly integrated and concentrated market is forcing formerly independent producers into absorbing disproportionate costs and risks in order to market their products. For example, chicken and pork, producers have had to convert to capital intensive and environmentally offensive confinement operations in order to gain contracts from their marketplaces which consist of a few giant vertically integrated food companies.

In cattle, a system of highly concentrated packer and feedlot interests can be manipulated to keep the price paid to producers low. Three companies control nearly 80% of the beef-packing industry, and these same food giants play controlling roles in other meats and grains, as well. Montana cattle producers are increasingly feeling the pressures that their counterparts in pork and chicken faced over the past two decades. Monopolization lowers the profit for farmers and ranchers. While Montana farmers and ranchers are struggling to make any

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 Episcopal Church Diocese of Montana \* Evangelical Lutheran Church in America-Montana Synod  
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 United Church of Christ of Montana-Northern Wyoming Conference \* United Methodist Church Yellowstone Conference

profit, in recent years large multi-national corporations like ConAgra, Cargill, Iowa Beef Processors, and Tyson Foods, Inc. are often making a 20% (or more) return on investment.<sup>v</sup>

The effect on rural communities is devastating. Local access to public and private services- cafes, schools, roads, grocery stores, and health care-become increasingly difficult to sustain in many small Montana towns. At the same time, indicators of deep distress pile up:

- Montana suicide rate ranks 2<sup>nd</sup> in the nation, up from 3<sup>rd</sup>.<sup>vi</sup>
- Suicide among farmers is now two times the rate of the nation as a whole.<sup>vii</sup>
- Rural domestic abuse has increased 30% in the past three years.<sup>viii</sup>
- Eighth graders in rural America are 104% more likely than their peers in urban areas to use amphetamines, and 50% more likely to use cocaine.<sup>ix</sup>

In states with highly urbanized economic centers (e.g. Denver, Seattle), the devastating losses of the family-based agricultural system might be averted or mitigated by viable economic alternatives. In a remote, sparsely populated, vast state such as Montana, the agricultural system cannot be abandoned without endemic poverty, depopulation, and deterioration of services, civic and community life.

### **The Land, Stewardship, and Community**

*"We in the heartland inherited from both the Native American and Judaeo-Christian traditions a sense of reverence for the land as God's gift for us and a mandate to share the land's benefits."*<sup>x</sup>

The religious traditions that make up the Montana Association of Churches (MAC) share in the Biblical vision of humanity's relationship to the

earth through God's covenant. The land is not ours to waste or to monopolize:

*"Land must not be sold in perpetuity, for the land belongs to me, and to me you are only strangers and guests."* Leviticus 25:23 (Jerusalem Bible)

We share in the biblical tradition that teaches us to relate to the land as stewards, caretakers for generations to follow us. This tradition also includes strong guidance on the nature of land distribution appropriate to that stewardship, in which land should be held in broadly dispersed ownership, as evidenced in the Jubilee Year practice of the Israelites under God's direction. Every fifty years, the land was redistributed equally among the children of Israel to prevent concentration of land and power.

*"Woe to those who join house to house, who add field to field, until there is no more room, and you are made to dwell alone in the midst of the land."*

Isaiah 5:8 (Revised Standard Version)

Isaiah reminds us of the relationship of community to the land, and the consequences to community of allowing land ownership to concentrate.

The family farm system has helped preserve and promote important values: faith, hope, perseverance, generosity, trustworthiness, honesty, and concern for the neighbor. These values in turn have helped promote the stability, harmony and prosperity of the rural communities.

When productive land is not the private preserve of a few wealthy citizens and corporations, but rather is distributed among millions of our fellow citizens, our food supply remains secure.

There is no significant overall economic benefit likely from further consolidation of land. Studies

show that maximum efficiencies in farming are achieved on a scale well within the range of a typical family operation.<sup>xi</sup> The costs to communities and society of the trend away from family farms have been and will continue to be high. In a 1940's study by Walter Goldschmidt which has been replicated many times since, "in those communities with smaller operations that were worked by their owners there were many more voluntary associations - Boy Scouts, Rotary, church groups, public school support groups, etc.- and a higher quality of life. As farm size and absentee ownership increase, social condition in the local community deteriorate."<sup>xii</sup>

<sup>i</sup> American Lutheran Church, "The Land," September 10, 1982.

<sup>ii</sup> American Farmland Trust website, [www.farmland.org/farmingontheedge/](http://www.farmland.org/farmingontheedge/). Accessed on 4/1/04.

<sup>iii</sup> Montana Agricultural Statistics Service. [www.nass.usda.gov/mt/](http://www.nass.usda.gov/mt/). Accessed on 9/12/03.

<sup>iv</sup> Montana Department of Agriculture. <http://agr.state.mt.us>. Accessed on 10/14/03.

<sup>v</sup> Net revenue of each company can be found on their individual websites.

<sup>vi</sup> American Association of Suicidology, 2001. [www.suicidology.org](http://www.suicidology.org). Accessed on 10/16/03.

<sup>vii</sup> Singh, Gopal K. and Siahpush, Mohammad, "Increasing Rural-Urban Gradients in U.S. Suicide Mortality, 1970-1997, Am. J. of Pub. Health, July 2002, Vol. 92, No. 7, 1161-1167.

<sup>viii</sup> LaBlanc, Sandra A., "Background on the Rural Crisis," ELCA Church Council, November 12-14, 1999, Exhibit N, Part 1.

<sup>ix</sup> The National Center on Addiction and Substance Abuse at Columbia University. *CASA Paper: Rural 8<sup>th</sup> Graders Using Drugs, Smoking, Drinking at Higher Rates Than Urban 8<sup>th</sup> Graders*. January, 2000. [www.casacolumbia.org](http://www.casacolumbia.org). Accessed on 9/12/03.

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<sup>x</sup> "Strangers and Guests", Catholic Bishops of the Heartland. May 1, 1980.

<sup>xi</sup> U.S. Dept. of Agriculture; *A Time to Choose: Summary Report on the Structure of Agriculture*, Washington D.C., GPO, January, 1981.

<sup>xii</sup> Shannon Jung, et. al. Rural Ministry: The Shape of the Renewal to come, 1998.