



## Why the Organic Checkoff is Bad for Organic Farmers, the Environment, and Independent Family Farm Agriculture

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In January, the U.S. Department of Agriculture (USDA) proposed an **organic research and promotion checkoff program** (an assessment on organic sales) which could unfairly promote large organic processors' needs over those of smaller, family farmers. USDA promotion/ research/information programs focus on the marketplace. **They are not about farmers or farming.**

According to USDA, "These programs are designed to maintain and expand markets and uses for agricultural commodities." **Without a stated goal to increase U.S. organic farmers and farms**, we believe this checkoff program **will increase demand and encourage supply at the fastest rate and lowest cost through consolidation and global supply**, never good for smaller, independent organic farmers or farms.

Organic is about more than sales—it's the extra benefits to the environment and to animal and human health. Unless we preserve the viability and profitability of our farmers, and increase organic farmers and farms, we will not see these health and environmental benefits.

Let's look at a few examples:

### **DAIRY**

Here in NYS, we just came through a two-year period where milk buyers were paying conventional farmers less than half what they were paying organic farmers. At the same time, organic milk buyers were desperate for more milk. That price difference plus consumer demand motivated many conventional dairy farmers to begin the transition to organic.

All looked rosy for NY dairy farmers until a few months ago when organic milk buyers across the board

stopped accepting new milk (and began putting production caps on those already on the trucks). Transitioning farmers' contracts were reduced or in question (no place for their organic milk to go). But we still see organic milk buyers sponsoring huge factory organic dairies in the Southwest and Western U.S. as well as purchasing more and more imported organic dairy products to balance their domestic supply.

Why? Well, it is much easier and cheaper to buy milk from one big source, rather than lots of truck runs by independent dairies (~50-1000 head). This is nothing new to the US dairy industry, but **the organic community demands a different model**—one that fosters **more local organic dairy farmers contributing to their own local communities by growing more organic food and managing our local farmland ecologically**. If organic milk buyers only pay attention to the marketplace, they can easily justify abandoning their sourcing from independent dairies who use organic practices and provide their communities with healthy animals, healthy workplaces and healthy food. Factory-farm organic dairies are run like factories, and often need unsustainable amounts of irrigation water.

Since dairy pricing is all about balancing significant variations in supply and demand, balancing high demand and lower supply with lower priced global milk powder and processed dairy products (e.g., cheese), also drives down pay-price and forces our U.S. family farm dairies out of business.

This business behavior is not sustainable for our local communities or economies. **Without a stated commitment** to keeping our organic farmers in business and increasing numbers of organic farmers and acreage, we find that **despite a rapid increase in**

**organic sales, the U.S. is not increasing either farmers or acreage fast enough. U.S. organic sales have grown at over 10% annually almost every year since 2002, but annual growth in organic farms from 2010-2014 averaged only 2.4%.**

**Without a commitment to sourcing from U.S. organic family farms,** dairy transition becomes a zero sum game: new farmers getting incentives to transition are coming into organic as our current farmers are forced to give it up. We demand more for the future of organic. And we need farmers with strong voices to demand that the founding ethics of organic are upheld at every level of the industry's growth.

### **GRAINS**

How about those organic grains—needed by organic dairies and prized by a new demand for organic and “heirloom” varieties? Organic grains have hit a wall in the U.S. because imported organic grain coming in at significantly lower prices has lowered demand for U.S. product and stalled farmer interest in transition. Last year, 70-90% of organic soybeans and 40% of organic corn were imported. Both are grains we can easily grow organically in the US. But we need a domestic commitment from U.S. organic milk buyers, so the increasing demand for organic doesn't flood the market with cheap imports. As the checkoff will inevitably put a lot of resources into promotion of more organic to increase consumer demand, organic milk buyers are supporting the checkoff and get even more cheap imports to meet this demand.

### **SPECIALTY CROPS –VEGETABLES, FRUITS, ETC.**

Farmers in other commodities often feel that the checkoff will not really affect them. Perhaps they are

smaller, and possibly “exempt” from paying the checkoff (but not from the paperwork), and have less pressure from factory-organic pricing. The checkoff will increase consolidation in all organic commodities, and along with global sourcing, will keep our local “specialty crop” farmers focused on direct or local marketing channels. This will suppress their chance for growth in the retail and wholesale markets.

### **STRUCTURAL CHANGE**

What I'm proposing here is that organic re-double its **commitment to health and the environment**—those ‘other’ values besides the marketplace. Let's find a way to be a real structural change to our food supply. **Organic does not have to mimic the path of the conventional food system,** even if the latter system is trying hard to make it so. Organic farmers built our current successful market, and they took a different path to do so. We must uphold the very values that first set us apart, as we face a juncture in organic's future.

### **THE CHECKOFF**

So what if—instead of using a failed USDA program that has already put family farmers out of business in many commodities—Organic designed a program committed to the growth of organic farmers and farms as well as organic sales?

In promoting the label, we would also be promoting the type of U.S. agriculture and food production that is good for all of us—keeping our farmers in business and supplying healthier food for everyone.

A tall order? Sure. But the organic community has already re-defined what food and agriculture can be. Let's step it up and change our conventional food delivery systems as well.

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**[Please submit your comments](#) to the USDA by the April 19 deadline and **oppose the Organic Checkoff** program. See the other organizations who also oppose this program and learn more: <http://noorganiccheckoff.com/>**