



Crossroads Resource Center

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Tools for Community Self-determination

Testimony by Kenneth A. Meter

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[My name is Ken Meter], and I am president of Crossroads Resource Center in Minneapolis. I thank you for your invitation to testify this afternoon.

Crossroads Resource Center has worked alongside community-based groups since 1972. This winter, we were asked by Hiawatha's Pantry Project in Lanesboro to study the farm and food economy of seven counties in Southeast Minnesota.

Our study began with a few simple questions. We wondered why, in this region that produces more than \$1 billion of food each year, the town of Houston recently spent two years without a grocery store. We wondered why, when 8,400 local farmers are struggling to make a living, local residents spend half a billion dollars each year buying food from distant suppliers. We wondered why farm families work two or three outside jobs merely to cover the costs of producing commodities.

After looking at the numbers, we discovered that local families lose *\$800 million each year* as they grow and buy food.

This is a very conservative figure, but a staggering total, equal to *20 times* the amount brought into the region by farm subsidies.

The fact that this *region subsidizes the national economy* will not be news to most farmers in this room. But no one in America, to our knowledge, has measured such losses before.

It would not have to be this way. The region's food consumers are a formidable market. If they purchased only 15 percent of their food directly from local growers, this would generate enough farm income to replace federal subsidies.

Southeast Minnesota is not unusual. Similar stories could be told of almost any rural region in America. In many regions, in fact, the numbers could look even worse, because Southeast Minnesota farmers have been pioneers in soil conservation, and the economy is more diverse here than in some rural locales.

While it is very humbling to realize how vast these issues are, our study was written with the understanding that we can only reverse losses once we know what causes them. Solid data like this is terribly important to have.

Further, we can use these findings to re-cast the farm debate in Washington. Policy should focus on rural communities as a whole, not simply on farmers. And policy should start from the presumption that farmers subsidize the national economy, rather than the other way around.

Farmers go to the federal well because there is water there, having weathered a severe economic drought that has plagued farm families for 30 years. But it is not enough to give farmers more water. We must also fix the buckets that farmers use. We must build new economic structures that stop these leaks once and for all. This is not a time to quibble about whether farmers receive too much water. It is a time to ask, is the water safe to drink? Who ultimately gets the water? And how do we build buckets that do not leak?

I was extremely pleased to learn, when I attended the farm hearing in Worthington on August 4, that farmers are asking for the choice to *leave* the capital-intensive economy. I am also pleased to hear farmers in Southeast Minnesota asking for the chance to build a *parallel food economy*—one that feeds people, one that protects soil and water, and one that builds wealth for rural residents.

These farmers are not asking for an income stream from the federal well. They are asking for *investments* in rural communities. Further, they are asking the federal government to *stop* subsidizing economic systems that extract wealth.

Once we make new investments, we will also need to evaluate results.

Tragically, USDA publishes very little data that allows rural communities to understand how their local economies rise and fall. Given the massive unintended consequences of the Farm Bill of 1996—including of course the \$30 billion required to support farms in 2000—it is the *responsibility* of the federal government not only to pass solid rural legislation, but also to provide excellent data that allows rural communities to assess the impact of the *next* farm bill on their communities.

Crossroads stands ready to help the Senate Agriculture Committee in any way to advance these goals.