

# THE TRUTH ABOUT INDUSTRIAL AGRICULTURE:

A Fragile System Propped up by Myths and Hidden Costs

## A COMPANION GUIDE

This is a companion guide to our “Truth About Industrial Agriculture” report, a tool to educate policymakers, advocates, and the public about the impact industrial agriculture corporations have on the U.S. food and agriculture system.

Large, concentrated supply chains once yielded short-term production benefits, but now that these industrial corporations have a stranglehold on our food system, we are seeing vulnerable supply chains, unfairly compensated farmers and unprecedented farm debt, poorly-paid and badly-treated workers, environmental degradation, poor public health outcomes, and unequal access to affordable, healthy food.

The truth is, industrial agriculture is an economically flawed system that only survives due to two factors:

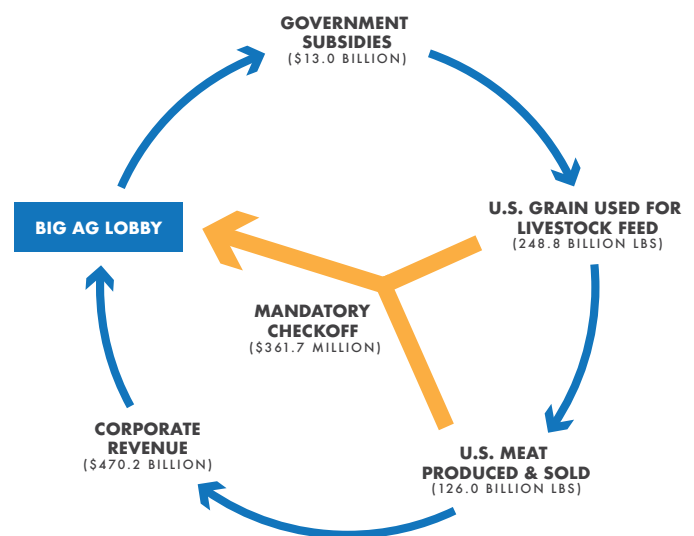
### 1. EXTERNALIZED COSTS

Industrial agriculture interests intentionally evade the true costs of production, foisting the bill onto other entities. If they accounted for these costs and liabilities, their businesses would no longer be economically viable and they would not be competitive with independent farmers and ranchers.

### 2. MYTH-BASED MARKETING CAMPAIGNS

Industrial agriculture interests would rather spend billions of dollars on lobbyists and myth-based marketing campaigns than alter their wealth-extracting supply chains. The falsehoods they perpetuate persuade consumers and policymakers alike that there is no other option.

There is no more compelling evidence for the artificiality of agricultural markets than the feed-meat complex: a cycle of constant feed-grain monocultures and CAFO-raised livestock propped up by taxpayer-funded subsidies and mandatory producer fees.



The intentional cost-evasion by these industrial corporations threatens the long-term viability of our agrifood system and guarantees that higher costs, both financial and human, will be paid in the future.

# EXPOSING THE HIDDEN COSTS OF INDUSTRIAL AGRICULTURE

Here are just a few of the costs of doing business that industrial agrifood corporations **simply don't pay**. These are eventually picked up by producers, consumers, and taxpayers. The burden of these costs falls disproportionately on poor communities and communities of color.

## INDUSTRIAL AGRIFOOD CORPORATIONS DON'T PAY FOR...

### LABOR:

- Worker safety, healthcare, and liveable wages
- Farm debt and adequate income for producers
- Equipment and building maintenance
- Manure management
- Market risks

### TAXPAYERS:

- Net local tax base decreases
- Lowered property values
- Increased local infrastructure maintenance taxes and utility maintenance
- Commodity payments for below cost-of-production prices
- Industrial recovery from natural disasters and market disruptions

### RETAIL COSTS:

- Responding to true cost of production
- Producer's share of the retail price
- Fair competition in agriculture markets

### ENVIRONMENTAL COSTS:

- Environmental and life-cycle greenhouse gas inventory reporting compliance
- Extreme weather caused production crop and animal losses
- Rising crop insurance premiums
- Weather related yield decreases
- CAFO manure liability and responsibility
- Soil erosion and decreased water quality from nutrient runoff
- Opportunity cost for farmers transitioning to non-industrial agriculture systems

### PUBLIC HEALTH AND COMMUNITY COSTS:

- National health expenditures and poor health outcomes related to nearby industrial agriculture, including respiratory complications and death
- Antibiotic resistance impacts
- Drinking and recreational water contamination
- Low nutrient diets
- Food containing trace pesticides, herbicides, and fertilizers
- Decreased community well-being and economic development
- Displaced farms and farmers, rural depopulation, and increased food insecurity



# DISPELLING THE MYTHS OF INDUSTRIAL AGRICULTURE

These are some of the well-funded falsehoods that multinational agrifood corporations use to defend their destructive business model and defeat any meaningful reforms to the food system.

**MYTH:** INDUSTRIAL AGRICULTURE IS THE ONLY WAY TO FEED THE WORLD.

**TRUTH:** Smaller farms meet 70% to 80% of the world's food needs, and they could double or triple production without adopting industrial farming methods.

**MYTH:** INDUSTRIAL AGRICULTURE'S EFFICIENCY IS THE ONLY WAY TO KEEP RETAIL FOOD PRICES AFFORDABLE.

**TRUTH:** Efficiency limits of Big Ag's large-scale, centralized production were reached years ago – yet not only are food prices high relative to inflation, more Americans are classified as food insecure than ever before.

**MYTH:** INDUSTRIAL AGRICULTURE IS NECESSARY TO SUPPORT RURAL COMMUNITIES AND ECONOMIES.

**TRUTH:** The economic benefits industrial agriculture claims to offer rural communities are short-lived and vastly outnumbered by the damages they inflict on communities' economic, civic, physical, and environmental well-being.

**MYTH:** THERE ARE NO ALTERNATIVES TO THE INDUSTRIAL AGRIFOOD SYSTEM.

**TRUTH:** The U.S. already boasts alternatives that offer built-in resilience and redundancy – collective food aggregation, cooperative groceries, farmers markets, Community Supported Agriculture (CSA) shares with local farmers, and roadside stands, to name a few – that could be prioritized in our policies and subsidies.

**MYTH:** INDUSTRIAL AGRICULTURE POSES NO SIGNIFICANT RISKS TO PUBLIC HEALTH.

**TRUTH:** Public health issues – including antibiotic resistance, asthma, cancer, hypertension, and respiratory complications – are widely recognized by the scientific community as being linked to nearby industrial agriculture operations.

**MYTH:** INDUSTRIAL AGRICULTURE IS SUSTAINABLE, CLIMATE-FRIENDLY, AND RENEWABLE.

**TRUTH:** Industrial agriculture causes a host of environmental ills: degraded soil runs into waterways, rendering both drinking and recreation water unsafe; synthetic inputs rely heavily on fossil fuels; pesticide and herbicide use lead to decreased plant and animal biodiversity.

**MYTH:** INDUSTRIAL AGRICULTURE IS INEVITABLE.

**TRUTH:** Industrial agriculture is the product of intentional policy decisions on the part of federal agencies and other decision-makers who promoted it as the future of agriculture.

