



THE TRUE COST OF GOODS

HOW MUCH DOES YOUR FOOD REALLY COST?

For this column, we will focus on two categories of farming: non-family, large scale corporate factory farms and small to medium organic family farms. According to the USDA, [farms are classified based on ownership, annual gross revenue, and the primary occupation of the principal operator.](#)

DO FARMERS CONTROL THE COST OF FOOD?

Short answer: No! Large scale, industrialized factory farms are controlled by the corporations that own them. Those corporations have a tremendous ability to influence grocery prices at will. [Many of these large farms, processors, and grocery stores are vertically integrated, have concentrated control over available food, and are often owned by multinational interests.](#) To meet those interests' large industrial farms must rely on environmentally degrading growing practices to achieve business goals (i.e., Influence the price on the shelf). Using a mining and extraction model, factory farms are dependent on environmentally damaging fossil fuels, synthetic pesticides and fertilizers, mechanization, and as few human workers as possible! The farmworkers they do have are often paid as little as possible even as they're exposed to dangerous and demeaning conditions. Large-scale, corporate farms, with their relentless focus on 'yield and profit,' churn out a high volume of "product" which they then supply to processors and supermarket chains at low prices. The cheap monetary prices are only feasible because the for-profit interests are able to ignore (externalize) destructive, long- and short-term ecological cost (including human wellbeing) involved in getting such industrial food to the shelves. Cheap food floods the supermarkets at the expense of environmental health, biodiversity, small scale farmers, rural economies, local control, and resilience.

Meanwhile, the proponents of industrialized food systems assert that they are heroes indispensably supplying one of humanity's most essential needs. Instead, their 'cheap,' fossil fuel-dependent form of food production is generating catastrophic climate change. Recent studies have revealed that



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over a third of the climate- and ocean-destroying greenhouse gases (GHGs) are by-products of the current, dominant, industrialized food system (Articles: [Unido](#), [Iopdcience](#), [forbes](#)). This large-scale, commodified form of farming and delivering food only persists because of the burning of propane, oil and natural gas extracted from the U.S. and other countries. These climate-destabilizing substances power the massive equipment, the fertilizer and pesticide plants, and the wasteful, brittle, global food chains that ultimately process, package, and bring such food to the public.

In exchange for cheap food on supermarket shelves, institutional settings, and restaurants, we've allowed ourselves to become dependent on both economic and political forces in far off countries and the interests of a small number of super wealthy people. When we participate in this unjust and monopolized food system, we become inadvertent contributors to the oppression and displacement of people from the United States' rural heartlands and the destruction of traditional farming cultures all around the world. We become entangled in a way of eating that, for the sake of money, is destroying the life-support systems of the planet (including our health) even as it removes opportunities for dignified, creative, life-stewarding, ways of working and obtaining nourishment. With so many weak links in increasingly complex supply chains (and less capacity for local regions to feed themselves), it's easy to imagine what happens when one link in this chain of dependency breaks and the failing system collapses. We saw it during COVID. Shortages, lack of local production, and scarcity ultimately drive food prices up and leave more and more people susceptible to hunger. The capacity for local food sovereignty disappears. Famine looms as soils, water, and climate degrades.

A more rational, life-centered model of farming is created when many small, diversified independent farms care for the soil, water, air, workforce, and eaters. These farms value and create supportive and dynamic ecosystems. Eco-agriculture and organic farm practices rely on a healthy scale of production and farm diversity. They deliberately reduce their



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reliance on extractive fossil fuel inputs including synthetic nitrogen. Farmers may sell directly to consumers and can responsibly control their growing practices, sales, and processing methods. Less money goes and decisions must go through third parties. That money and decision making stays with farmers. A lower production volume may result in slightly higher monetary prices for customers in the short term, but in the long term there is more security for all. The region's biological communities can be protected from toxic pesticides and herbicides; its soils can be regenerated by organic practices; a job-rich, convivial, local economy can flourish. On the macro-level, a healthy and just planet can emerge. Think farmer's markets, farmstands, CSAs, local foods for local schools, enlightened co-ops, and food hubs!

Check out this [graphic from The National Farmers Union](#), "Farmer's share derived from USDA, NASS "Agricultural (Prices based on November 2022 data based on retail prices of the Safeway (SE) brand except where noted. *[Figure according to U.S. Department of Agriculture Economic Research Service](#)

Since the retail prices of the graphic are taken from the Safeway brand, the majority of these products are from large scale factory farms or large family-owned farms since major supermarket chains don't typically purchase from small farms. Note how margins are very small with most profit going to processing, distribution and marketing.

How many tomatoes would a NH farmer (in either farm category) have to grow to make a profit or cover fossil fuel expenses? How much land would that require? What is left to pay farmers and workers? What land is left available to future organic farmers? How many of those tomatoes were wasted?

It is evident farmers are not making a huge profit. Small farms continue to disappear and are being replaced with large farms. Innovative young farmers cannot afford to farm. All this creates inequity - giving the wealthiest stakeholders control of our food system and its pricing.