

# Local Food Systems: Challenges and Threats



PHOTO: Pam Roth

**When food is locally controlled,** communities and their elected officials are empowered to make decisions about their food supply. Local control of our food is being systematically undermined through changing policy and market structure. As a result, food systems are seldom shaped in the public interest and instead act to maximize profits for a handful of powerful corporations. This shift is threatening community food security, local economies, and food quality, along with human and environmental health.

## How is the local control of food being threatened?

- **Consolidated corporate power.** A few large corporations are gaining immense wealth and control in the food economy, acquiring disproportionate political power and leverage. For example, by 2004, the top ten food retailers controlled 25% of the worldwide industry. The top ten seed companies controlled half of all seeds worldwide.<sup>a</sup> Local independent food and agriculture businesses have either been bought out or forced to close because they cannot compete with their large multinational competitors.

- **Economic subsidies and incentives that favor big business.** In 2004, the largest and wealthiest one percent of farms received one fifth of all federal farm aid.<sup>b</sup> Lobbyists representing large food companies pressure policymakers to structure farm subsidies and other public funding programs in their favor. In addition, there are many indirect subsidies that favor large agribusiness at the expense of local food economies. Publicly funded research programs, physical infrastructure such as roads and ports, tax breaks, and grants support global food systems, with little assistance for local, sustainable alternatives.<sup>c</sup>

- **Preemption.** Federal and state governments, pressed by the agribusiness industry, are actively removing local authority over food. The intent of the introduced legislation is to weaken protective health, safety, and environmental measures. These laws prevent local governments from passing policies, ordinances, or initiatives that regulate seeds and plants – including those that are genetically modified.

- **Free trade.** Free trade treaties are another form of preemption. Legally binding international trade agreements can remove a country's ability to restrict food imports for health, safety, or environmental

reasons. Most trade treaties, including World Trade Organization agreements and the North American Free Trade Agreement, allow one country to sue another if its trade restrictions “unnecessarily” impact corporate profits. Trade agreements have the potential to take precedence over local, and even national, control of food, agriculture, and other areas of the economy.



PHOTO: Lisa M. Hamilton

### **Health, safety, and environmental standards.**

Regulations concerning health, safety, and environmental standards are intended to make sure that food production and handling practices do not harm human health or the environment. However, they are also being used by big business to shape policy in its favor and burden smaller businesses. For example, standards designed for industrial-scale food processing and handling are applied at all scales, including small community-based operations that in many cases cannot afford to – nor need to – meet industrial standards.

**Disinformation.** Large corporate food interests spend millions to defeat local ordinances that limit corporate control. Advertising campaigns promoting large retailers and agribusinesses as good community “citizens” mask the detrimental economic and social effects of their presence in local communities. For example, leading food retailer Wal-Mart says: “We believe that being a member of the community is a privilege and that we are accountable to help sustain the communities that rely on us.”<sup>d</sup> Yet the company has gained notoriety for siphoning tax dollars and having poor labor practices and business practices that undermine the local economy. Marketing campaigns portray the global scale food system as the key to economic prosperity. In fact, strong local economies bring much bigger economic returns to local communities by keeping more money circulating locally.<sup>e</sup>

## **As a Matter of Fact:**

- As of 2006, legislators in nineteen U.S. states have introduced legislation preventing local control of plants and seeds. Fifteen of these states have passed the provisions into law.
- The World Trade Organization (WTO) recently found the European Union guilty of illegally banning the importation of genetically modified foods. The EU had temporarily banned imports in order to first carry out studies to determine the safety of these foods but was forced to lift the ban in early 2006.<sup>f</sup>
- Communities across the U.S. have pursued ways to limit superstores like Wal-Mart in an attempt to maintain healthy competition and strong local economies. In response, Wal-Mart has undertaken strong defensive campaigns, spending disproportionate amounts of money to defeat the bans. For example, Wal-Mart paid over \$1 million in an attempt to defeat a local ballot initiative in Inglewood, California, where the vote included fewer than 12,000 people. Wal-Mart was able to outspend its opponents 10 to 1.<sup>g</sup>
- Codex Alimentarius is a set of international food standards that has been integrated with the WTO and is being used to institute globally uniform food safety standards. Codex is a key set of rules that favors powerful global entities at the expense of small, family businesses. The only non-governmental U.S. attendees to the last meeting of the Codex Alimentarius Committee on Food Hygiene were from leading multinational food companies.<sup>h</sup>

\*References and contact information may be found at [EnvironmentalCommons.org/LocalFood](http://EnvironmentalCommons.org/LocalFood)



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