Labor in Values-Based Agrifood Supply Chains

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Ag in the Middle Framework

Business & Marketing Options

**Value-Added**

1. Direct Sellers
   - Farmers’ Markets
   - CSA’s
   - Internet Sales

2. Cooperative Sellers
   - Strategic Alliances
   - Food Value Chains

3. Low Margin/High Volume
   - Mid-scale Commodity Producers

4. Troubled Zone
   - Large-scale commodity Producers

Source: Stevenson et al., UW-CIAS
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Commodity

Source: Stevenson et al., UW-CIAS
Agriculture of the Middle

AOTM is comprised of many small and mid-size farms and ranches in the US

Produce ¼ of all farm sales and manage half of the agricultural land in the US

Most are family operated, and the farm provides household income

Many are in-between marketing channels

Annually, many of these farms go out of business

AOTM farmers can succeed when they connect with “values-based food supply chains”

http://www.agofthemiddle.org
Understanding Domestic Fair Trade for AOTM

Return on labor is insufficient for both owners and hired labor

Ag labor markets shaped by urban labor markets

Midscale businesses are positioned to form coalitions with hired labor

Fair trade strategies to be explored
- Certification
- Negotiation
- Coalition building
- Public policy

Best practice examples

Participatory
## Community-based Project Team

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<thead>
<tr>
<th>Team Member</th>
<th>Affiliation / Role</th>
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<tbody>
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Understanding Domestic Fair Trade for AOTM

COMPONENTS

Farm and Supply Chain Case studies

Farmer and farmworker focus groups

Quantitative economic analysis with national data sets
  - USDA Farm Labor Survey, US Dept. of Labor National Agricultural Workers Survey (NAWS), US Census Bureau American Community Survey (ACS)
Domestic Fair Trade Case Studies

Organic Valley and supply chain partners

$15 hour campaigns in California and New York

CSA vegetable farms in the Upper Midwest

Milk with Dignity campaign in the Northeast

Dairy Grazing Apprenticeship

Good Food Procurement policies
The CSA Case

In-depth interviews with three CSA farms in Wisconsin
Two focus groups with CSA farmers in Wisconsin
One focus group with CSA farmworkers in Wisconsin
A critique of CSA has been that labor relationships – both the farmer self-exploitation and the farmer-hired labor relationships have not been fully considered. And the model is often idealized and romanticized.

Some examples of this literature:

Allen 2008, 2010
Guthman 2008
Galt 2013
Sbicca 2015
CSA seen as strategy for farmers to be in direct relationship with consumers and avoid the troubles and vulnerabilities of the commodity markets.

Our case shows that in CSAs that are working explicitly to deepen relationships and involvement and risk sharing with consumers (or members) the issue of self-exploitation is moderated or mitigated.

Use of the Core Groups to negotiate in the supply chain has been beneficial for farm business stability.
“You get to know the farmer that you are working with. Sometimes they have a really small crew. You feel guilty because you are asking them for money. That is underlying the labor dynamic. There are not clear conversations. Is it an 8 hour day or 13 hour day?”

I know of people that don’t report all their hours on their time card because they know how much the farmer is struggling to pay.”

“Feelings get in the way in the small-scale.”
“It seems like a lot of people that are just getting in to it. They are younger. And they go traveling in the winter months. And that’s fun for a couple years. But if you are wanting to keep doing it then it is hard. Piecing together winter work is hard. I worked for UPS this season. But it only lasted for a month. Finding little bits of work to do.”

“It’s a headache. It’s stressful.”

“I worked as a tutor for 3 winters and I made more money doing that.”

Did you make more money at UPS? Yes. 2x as much hourly.

“You usually end in October and start in April. So you have to piece things together. The biggest issue is often finding housing and paying for rent if you are going to return to the same place.”
Spring Hill Community Farm

“We have a member-based delivery system – everyone who is a member comes to the farm at least once a year – so they know the farm, farmers and workers. We recognized it was important for workers and members to meet each other – conversations happen – then when we say we need to pay these people more, it’s an easy sell, done in the context of relationships.”

“What allows us to raise wages and create better working conditions is we have put a lot of time and energy into developing relationships and sense of shared mission.”

“People are joining ‘CSA’, they aren’t joining a farm as much any more.”
Blue Moon Community Farm

Mix of CSA and farmers market

On-farm pick-up by all CSA members

Two tiers of farm employment

Runs the business solo, partner has other work

High starting salary, annual raises, profit-sharing, paid personal days, equipment stipend, health insurance stipend
Tipi Produce

Relatively large scale for diversified vegetables – CSA and wholesale

Have relied on labor since the farm started

Incredibly high employee retention

High starting salaries, annual raises, profit-sharing/bonus, shared meals, free produce, subsidized transport and carpooling

Several tiers of employees, levels of responsibility
Creating Stability

Ability to match scale of production with expected sales

Accurate budgeting

Worker retention!
  ◦ Opportunity
  ◦ Risk
Does the CSA model provide unique ways of negotiating up and down the supply chain, for workers and farmers to eaters?

Farmers express need for farms to be running well and reaching financial stability to be able to reduce self-exploitation and also develop worker relationships that they feel good about and are bending towards fair. The support of a Core Group or similar set of intense consumer/“member” relationships was seen as making fair possible.

How much connection does the worker have with the eater in the CSA model? This varies by farm. And how much power does the worker have in farmer-worker labor relationship?
“I don’t think I’ve ever worked on a farm were someone sat down and said – this is what it means to be an intern and this is how we are going to follow through with that. And that would have been nice.”

“And back then I was working really hard and I wasn’t even making minimum wage. I was being exploited. And the farmer didn’t know that. Maybe clarification isn’t the word, maybe it is education” - former CSA farm worker who is now a CSA farmer