

1998 green paper published by marketumbrella.org



## greenpaper [grēn-pā-per] -noun

1. a document that shares with those interested in the field of public markets marketumbrella.org's findings and learnings as practitioners
2. statements by marketumbrella.org, not of policy or practices already determined, but of propositions for discussion
3. produced for the policymaking process, they hope to inform interested parties on specific topics in a brief, easy-to-digest format

## Barriers to Growth I

### Problems Facing Small-scale Agriculture in the Greater New Orleans Region

#### Executive summary

Our mission is to grow the field of public markets for public good. Committed to increasing the body of knowledge available on regional agriculture, this report represents the first major effort in that direction. Although part-time farmers are numerous, they are not included in state statistics, causing small-scale farming to be under-recorded. Many of these part-time farmers would like to produce full-time, but are unable to make it a viable occupation capable of supporting their families. Unlike their predecessors who made family farming a successful phenomenon in this region in the early part of the century, they find it nearly impossible to earn a living wage from farming. In order to learn what these growers identify as the key barriers to their efforts to maintain or expand their businesses, the institute hired a consultant to speak with them and report on her results.

This report points to two important problems that relate directly to the work of marketumbrella.org: the lack of information on sustainable growing practices readily available to growers, and the poor prices farmers typically receive for their products, which in turn make technology and equipment harder to purchase. Moreover, the author identified the following rural issues

as significant: shortages of labor, limited access to insurance and credit, a lack of appropriate technical information, and the perception that farming is low-income, risky work. From this report, marketumbrella.org derives that there is both a need for technical support in sustainable agricultural practices that is adapted to local conditions, and a need to educate consumers about the value of fresh food grown and sold locally using sustainable production methods. In response, we will continue to create mechanisms for direct sales, as well as promote the growing Louisiana Farmers Market system. These issues will help set the agenda for action in the coming year.

**S**mall-scale growers across the region find it hard to earn a sustainable living from farming. Furthermore the perception of farming as low-income, risky, hard work is an enormous impediment to the next generation's entering the profession. As several growers asked, "What's going to happen when we're gone? Young people don't want to farm anymore. The people who are going into family farms now are retired. In the future, there won't be any small farmers."

Yet the region's small-scale growers themselves tend not to identify lack of income



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itself as a problem. They name more specific challenges, such as the difficulty they experience finding labor, obtaining product liability or health insurance, securing credit or locating the technical information they need about growing, processing or marketing.

Most of these problems could be solved—or at least attenuated—if farmers were able to make more money at their chosen profession. Improving price or productivity—or both—is critical. In this regard, direct sales are a bright spot on local growers' balance sheets. At farmers' markets, for example, growers receive "\$22 a box for bell peppers, versus \$4 a box when I sell wholesale." This doesn't necessarily translate into higher prices for consumers (usually it means wholesalers and distributors don't have to be paid) but even when it does, consumers appear willing to pay higher prices because they value the experience of buying direct from the grower, and because they know they are getting higher-quality, fresher produce. Growers would be thrilled if there were more markets and more diverse opportunities for direct sales.

### Labor

The difficulty of finding people to do farmwork is by far the most frequently identified problem among the growers interviewed, regardless of the size and type of their farms. Even those growers who did not volunteer it as a problem

admitted the reason was that they had "given up on labor 10 years ago." Most have "solved" the problem by cutting back production to what they can handle themselves. Although historically farm work hasn't paid well, most growers are convinced that pay is not the only issue. Even those who pay by the flat, bushel or on some such production basis, which can translate into \$10-\$15/hour for a motivated worker, said that workers are hard to find primarily because the work is hot, dirty, and physically demanding and people (especially teenagers) can find other, easier employment. Even migrant laborers, whom small growers sometimes hire on their time off from large producers, are finding other, more lucrative, employment such as construction. Growers also cited the counter-incentive provided by public benefit programs. "If I hire someone to work for a few weeks and pay them legally, the government will reduce their benefits by that amount," one grower summarized. "Why would they want to do that?"

The need to save labor is frequently behind a drive to purchase costly equipment, use costly synthetic chemicals (such as pesticides and herbicides), switch to a less labor-intensive crop regardless of price or demand, or scale back or abandon a farming operation. Growers have tackled the labor challenge in a number of ways. If they continue to operate with high labor requirements, they often:

- Convert a portion of their operations to "U-pick-em";
- Have friends or family members help out in an emergency;
- Have enough work that they can afford to hire someone on a permanent basis and pay them fairly well;
- Band together to help each other out, as in co-oping; or
- Offer workers a share of the production. "Picking on halves," for example, means that a worker can keep half of what he or she harvests—and often does a better job as a result.

Other growers have modified their practices to reduce their labor needs. They may grow specialized, high-value items over small acreages in raised beds or prune and train growth in such a way as to maximize picking and harvesting efficiency. Some put down mulch and cover crops to reduce weeding requirements and use or create affordable equipment adapted to their specific purposes. Some work with horses together with the multi-purpose equipment designed in an earlier time; others use small-size tractors and machinery, row covers and drip irrigation. Some have adopted organic production, both out of personal commitment to environmental issues and out of a need to produce a crop that has a sufficiently high value to compensate for its relatively small size. All of these are

tactics aimed at maximizing production and minimizing labor and environmental costs, and creating a sustainable living for a small farm family. They demonstrate that access to technology and information resources can translate into workable, cost-effective solutions to highly individual needs and situations.

### Resources

The principal resource needs discussed by farmers are for credit and, more importantly, information and technology. Several long-time Mississippi growers interviewed have received loans from the Bank of Mississippi, and some regional producers have farm loans from the federal government. Most, however, take it for granted that credit will not be extended to small-scale farmers (at least not for some of their particular needs such as the purchase of second-hand equipment) and many don't even think about farming on borrowed money. Investment in capital-intensive items is therefore low and the competitive consequences are sometimes severe.

Growers expressed much deeper concern over their lack of access to timely and appropriate information. Even long-time farmers may suffer from a lack of information if they want to change their crops or growing methods, while new growers can find even the simplest questions daunting: What are the requirements for calling a tomato "Creole?" What does it mean to

be certified "organic?" Where can I find low-cost bags and boxes? What's wrong with my crop? And how do I find out? Can I sell my product directly to consumers and how do I learn how?

The problems seem to exist at several levels. One is the limited resources of extension services to respond to an urgent problem. "When I call the Agricultural Extension and ask for help diagnosing a problem with my hothouse tomatoes, I don't have a week for the agent to get here. If he doesn't come today or tomorrow, I'm dead," one grower noted. Another is lack of access to information geared to the production and marketing needs of small farms; much of the research carried out and extension services provided in Louisiana are responding to corporate production needs which are for a different scale of operation and usually concern different crops. Growers in Mississippi for the most part do not share those feelings as they have direct experience with governmental assistance targeted at boosting production, developing processing facilities and providing marketing services. Finally, there is a genuine lack of information on sustainable agriculture practices suited to the region's climate. Organic and "sustainable" methods are largely viewed as experimental by agricultural extension in Louisiana; Mississippi has no state certification program at all for organic production. Very little work has been done to

document sustainable practices in the South in general and in the delta region in particular. Of this, only a small fraction is available through extension services.

As with labor concerns, everyone complains about the weather, and a number of growers DO something about it. To deal with drought they install drip-irrigation systems; to keep their plants from washing away in a downpour they mulch; to protect against freeze they insulate their crops with row covers or a sprayed-on shield of ice (depending on the crop). Such cost-effective solutions to weather-related problems are very often an individual creative response by farmers who remember their grandparents' practices, who invent processes on their own or who research what people in other regions are doing and adapt the ideas to their particular farm circumstances.

On a longer-term basis growers find that they themselves are the most knowledgeable resource regarding what works and what doesn't work in the region's climate and soils, particularly if they are growing a non-traditional crop or are attempting sustainable growing methods. Such methods are favored by a number of second- or third-generation farmers who have tried modern agricultural methods and are returning to more old-fashioned strategies because they believe the chemicals are "tearing up the

soil” and having other undesired consequences. To respond to the information vacuum, producers most often “get on the phone to other growers,” attend meetings of groups like the Southern Greenhouse Growers Association, the Louisiana Organic Association or the Southern Sustainable Agricultural Network, or talk with other growers at farmers’ markets. In time, small farmers are developing their own support network, but it is a slow and imperfect process.

### Conclusion

Small-scale farmers in the delta region face a multitude of problems which reinforce each other to make farming a difficult way to earn a living. Prices and market opportunities would likely improve if local consumers and their governments recognized more

fully the potential resource that small-scale growers represent. Louisianians – both consumers and producers–would benefit from the dissemination of information about the value of thriving local agriculture and the changes that would result from that in terms of local buying habits and private and public infrastructure investments.

A shortage of reliable, ready information frequently stops growers from taking the next step in their development such as diversifying their production, improving their efficiency, becoming certified organic, moving into food processing or expanding their marketing network. Growers could make good use of a regular forum for information exchange among a wide variety of farmers; this could be written, verbal, broadcast, or face-to-face. Most definitely, they need access to a

responsive, unified but flexible information resource aimed at small farms and at the needs, resources and ambitions of small farmers, “where I could learn everything I need to know, from planting to processing.”

With greater access to markets and resources such as information, technology and, to a lesser extent, capital, farmers will be in a better position to earn a living wage. In turn, and with attention to the stewardship of our region’s natural resources, that possibility will then be passed on to future generations.■

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