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Livestock Production Enterprises: Transformation In Size Was A Gradual Process

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Between conversations with farmers and meetings on food and nutrition, we have noted a number of active concerns about the way we raise the bulk of our meat in the US. There was a time when most of the chickens roamed free on the farm or were kept in a chicken coop. Every farm had a few hogs – before and during the depression they were called "mortgage lifters." Likewise most cattle were raised on pasture and then fed corn a few weeks to fatten them up before they were taken to slaughter.

Today most chickens are raised in broiler houses and contracted to one of a couple of integrators. Likewise the bulk of the pork we eat today is produced in confinement barns and contracted to an integrator who then slaughters and markets the pork.

The beef industry has not gotten to the point where the integrator controls the animal from hatch (or birth) to dispatch, like we see in broilers and pork. Cow-calf operators still faces many of the same challenges they have for a long time – birthing and raising an animal that is in demand by the finishers and still turn a profit most of the time. In the end the animal is likely to end up in a feedlot to eat a corn-soybean ration as it puts on weight in preparation for slaughter.

For those opposed to concentrated animal feeding operations (CAFOs), it may seem that that the farm with a white house, red barn and a collection of chickens, hogs, and cows has been become part of the plot of the 1950s classic movie, *The Invasion of the Body Snatchers*.

While the large integrators and the packing houses have always sought to work the system to their advantage, the story of the transformation of animal agriculture since WWII is much more benign. Cheap fuel and the development of inexpensive refrigeration processes linked with a revolution in transportation have done more to change the nature of animal agriculture than "greedy corporations with nothing more in mind than the bottom line."

For a long time, the main purpose of having chickens on the farm was to meet the household needs for food, with the surplus eggs sold for grocery money. With the development of suburbs following WWII, the demand for meat in the supermarket cooler expanded greatly.

Family farmers seeking to capitalize on an income possibility increased their flocks from a few dozen to a couple of hundred or even thousand. Profits depended on matching production to the demand of the urban and suburban consumers – get the timing wrong and profits plummeted.

Over time integrators began to develop as a means of coordinating the production cycle to the demand cycle. With refrigerated transportation, the integrators began to move into distant markets, expanding the need for production. For farmers the contracts offered by the integrators were a means of reducing the risk associated with independent production. With a short life cycle, poultry production was the first meat to adopt an integrated production system.

For the farmer the transition from dozens chickens to a couple of hundred, to signing a contract was not one of developing an industrial production system, but just making the next step in attempt to keep the family farm on a profitable footing.

The same is true for many who are involved in producing pork for one of the nation's large integrators. Signing a contract was a way of developing a new source of income and reducing the inherent risk of independent production.

Taken one at a time, most of the farm level decisions revolved around issues of increasing farm income and reducing risk. But when a dozen farmers in the same township adopt the same strategy, suddenly odor and environmental issues begin to crop up. They may have been there before, but when the numbers increase, suddenly people sit up and take notice.

As with many things, the fallacy of composition rears its head when numbers begin to increase. A strategy that may make sense and create few problems when adopted by one farmer may look quite different when that strategy is adopted by a whole industry.

Next week we will look at some of the problems that small producers and some outside the industry see with the development of CAFOs. As this series continues we will begin to look at the public policy implications of concerns that have been raised by grower and critic alike. Δ