CHAPTER TWO

Plumping for Factory Hog Farms

"I don't know these people who are saying Farm Bureau is anti-small farmer or anti-family farmer, or that Farm Bureau is only for the big guys. I don't know what they're talking about."

— Dean Kleckner, AFBF president, 1986-2000.

"The Farm Bureau basically represents a very small minority of their membership and then claims to be a friend of the farmers. All we want is on any given day to be able to step outside our door and take a deep breath regardless of which direction the wind is blowing."

— Donna Buss, Illinois Farm Bureau member.

Donna Buss lives just down the road from the Durkee Swine Farm, a confined animal-feeding operation with a record of pollution problems so serious that Illinois's attorney general at the request of the Illinois Environmental Protection Agency last year sued the owner for water quality and odor violations. A state inspector had found concentrated runoff from a waste lagoon flowing directly into a creek where fish kills had been reported.

Buss and her husband have lived in this Henderson County farming community for more than 20 years. "We'd never had problems with any of our neighbors' farming practices before," she says, until the hog operation started up in 1995. "The stench from this place is unbelievable," she says. "You'd think the Farm Bureau would be a little concerned about maintaining the quality of rural life." But the Illinois Farm Bureau gave exactly the opposite response. In March, 1998, its board voted to offer Durkee Swine Farm legal assistance. And when Buss and other neighbors, including several Farm Bureau members, filed complaints and wrote letters to local newspapers, she claims a delegation from the county farm bureau paid them a visit to pressure them to back off. "I don't know if this was scare tactics or what," Buss says.

If Buss is angry about the Farm Bureau's failure to take a stand against agricultural polluters, she is not alone. With the exponential growth of huge hog farms in recent years, rural residents in hundreds of communities across the nation have watched their quality of life deteriorate. Yet in nearly every state that has tried to curb the size of these mostly corporate farms or to control the pollution from them, the Farm Bureau has actively worked to defeat new laws or regulations.

Farm Bureau leaders insist they do not side with the interests of corporate agribusiness over family farmers. “We're taking the side of growth in the livestock industry,” says Illinois Farm Bureau communications director Dennis Vercler. “We have to have a good political climate, a favorable public climate, a positive regulatory climate to allow this industry to grow. We've said we need to concentrate on making sure we have the ability to expand the size of the industry regardless of the size of individual operations.”

That policy may not deliberately oppose the interests of small farmers, but one result has been a precipitous decline in the number of family hog farms and an unprecedented concentration of hog production in facilities controlled by a handful of huge corporations. Some of those megahog farms are run by agricultural cooperatives with direct ties to state farm bureaus.

PIG POLLUTION

Traditionally, the techniques used by small hog farmers for manure disposal are simple and sustainable. These farmers usually grow crops in addition to raising livestock, and manure from several hundred hogs can be plowed into the soil for fertilizer as needed. That option does not apply, however, when animal-feeding operations involve tens of thousands of hogs in one confined location. Hog waste from these huge facilities is piped into enormous lagoons that too often leak and nearly always stink.

According to EPA, livestock operations are now producing a staggering 1.4 billion tons of manure annually. Leaking lagoons can contaminate water supplies with nitrogen, phosphorus, sediment, pathogens, heavy metals, hormones, antibiotics and ammonia. And as production becomes more concentrated, the pollution threat escalates. Examples:

• In 1994, manure that spilled from a hog operation in western Illinois killed 160,000 fish, according to the U.S. EPA.

• In 1995, 22 million gallons of hog waste burst through a lagoon dike at a North Carolina confined animal-feeding operation and spilled into the New River. The spill was twice the size of the *Exxon Valdez* oil spill.

• In 1996, 40 manure spills — double the number reported in 1992 — killed 670,000 fish in Iowa, Minnesota and Missouri, according to a report prepared for U.S. Senator Tom Harkin (D-Iowa).

• In 1997, Illinois EPA inspectors found hog waste in 68 percent of the streams they surveyed.

• On the east coast, where the microorganism *Pfiesteria piscicida* was blamed for killing more than a billion fish and for sickening fishermen, scientists suggested that *Pfiesteria* overgrowth could be linked to runoff from livestock operations. In 1998, medical researchers published studies showing that watermen exposed to *Pfiesteria* were suffering from long-term visual disorders and memory loss. According to the

Centers for Disease Control, *Pfiesteria* also can cause muscle cramps, nausea, vomiting, diarrhea and abdominal cramps.

Pfiesteria is not the only dangerous pathogen associated with livestock waste. According to the National Institute for Environmental Health Sciences, people can be exposed to *Salmonella*, *Shigella*, *E. Coli*, *Cryptosporidium*, *Giardia* and other disease-causing organisms just by fishing or swimming in contaminated waters. Three years ago, the Centers for Disease Control confirmed that six miscarriages among women in LaGrange County, Indiana, were caused by nitrate contamination from a leaking hog-manure pit.

People living downwind of hog operations become tense, angry and depressed. A 1995 study published in the *Brain Research Bulletin* by Duke University Medical Center psychiatrists also found that these people are more tired and confused than normal. Such medical effects are not surprising, given that manure lagoons emit a variety of airborne toxic compounds, including ammonia and hydrogen sulfide, that can contribute to respiratory problems.

Contamination problems caused by confined animal-feeding operations also have begun affecting farm animals. In California's Central Valley, dairy cows have aborted calves after they drank water from wells contaminated with nitrates. Farmers now are forced to dig deeper wells to find safe water.

In October, 1998, in a news release responding to EPA efforts to impose new water-quality regulations on hog producers, then AFBF president Dean Kleckner announced a "call to arms" to fight the proposed rules. "If unchecked, regulations on agricultural land use and day-to-day management will blanket the nation, targeting farms that are alleged, without scientific basis, to be water quality threats," Kleckner said. His stance put the Farm Bureau directly at odds with rural residents fighting for stricter pollution controls on factory farms. A sampling of recent news coverage illustrates the nature of the problems:

• "Peosta, Iowa. One hundred thirty years ago, the Irish monks at New Melleray Monastery began raising the graceful Gothic-style limestone church . . . . Now, [the] monks find themselves reluctant soldiers in a holy war that they and fellow Catholics have begun waging against a rapidly growing trend in American agriculture — the "hog factory". . . . Last December, the National Catholic Rural Life Conference called for a moratorium on new and expanded confined animal-feeding operations (CAFOs), calling them an urgent environmental and social threat . . . ." — *Chicago Tribune*, September 20, 1998.

• "Sioux Falls, South Dakota. Ralph Duxbury can barely contain himself as he talks about the changes in hog farming in South Dakota, where his family has lived for 120 years. The 71-year-old retired farmer. . . heaps scorn on corporations coming into the state, building huge "pig factories" in environmentally sensitive areas and signing on farmers as contract workers. "They're trying to take us over, and farmers are becoming modern-day serfs," he said. "It's what our forefathers came here to escape. It's against everything we stand for." — *Chicago Tribune*, November 23, 1998.

• Milford, Utah. Milford will end up with something like 1.2 million pigs. Five years ago, this high desert outpost, eager for some 400 promised jobs, invited Circle Four Farms to set up what will be the world's largest hog operation. Now Milford is chock full of pigs and awash with problems. A hog manure spill has raised fears of contaminated ground water. . . . And Milford, once renowned for its pristine, sage-scented desert air, is in fact becoming famous for something else. . . ." — *The Wall Street Journal*, November 28, 1997.

• Guymon, Oklahoma. Imagine that you are sitting on the front porch of your farmhouse on the prairie, surrounded by four Washington Monuments, each filled to the top with pig manure. And then there are all the dead pigs lying about. . . . Sometimes dead hogs are piled up beside barns, sometimes at the side of the road. And sometimes they lie about so long that the flesh rots away. . . . In all, the Seaboard [Corporation's hog plant] death toll reached 48 hogs an hour in 1997 — 420,000 for the year. And the carcasses are picked up only once a day — assuming the dead-pig truck is on schedule. Sometimes it isn't. . . ." — *Time* magazine, November 30, 1998.

THE PROPERTY RIGHTS EXCEPTION

For years, the Farm Bureau has championed the cause of private property rights, even endorsing the notion that government should pay property owners to comply with environmental regulations whenever those regulations interfere with how property can be used. However, the Farm Bureau does not always consider private property rights deserving of protection, at least not when the rights in question are those of neighbors to hog farms. Until recently, a 1982 "right-to-farm" law in Iowa had protected farmers from public-nuisance lawsuits. As long as the farmers abided by state regulations, neighbors could not sue them over odors, contaminated runoff or other problems. In September, 1998, the Iowa Supreme Court struck down that law as unconstitutional. The court found that a bad stench from hog manure can be the equivalent of a physical invasion and therefore a violation of property rights. In essence, the court said, the government had been allowing hog farms to take odor easements across their neighbors' property without compensation or due process.

The Iowa Farm Bureau joined the hog operator in appealing the decision to the U.S. Supreme Court. In January, 1999, the Supreme Court declined to hear the case. The Farm Bureau saw this preservation of the small farmer's right to protect the quality of his or her property as a potential evil. "This has opened a Pandora's box, and it does not bode well for Iowa's farmers," commented Iowa Farm Bureau president Ed Wiederstein.

In Illinois, neighbors of hog farms in several counties have petitioned for and in some cases won reduced property tax assessments. The petitioners claimed that their proximity to confined animal-feeding operations substantially lowered their property values. County farm bureaus have objected to this trend and in one case took extraordinary measures to counter neighbors' claims.

Deanna Belz had won a 37 percent property tax reduction because of a poorly run confined animal-feeding operation near her home in McLean County. She had told the assessor that the stink was so bad her family frequently could not even go outdoors. Belz says she was not thinking about the tax case when she caught a stranger videotaping her two young daughters at play in her front yard. "He was standing across the street, behind his car, but it was obvious he was taping my girls," Belz said in an interview. Belz called the sheriff. When officers caught up with the man, they discovered he was a well-known Illinois Farm Bureau lobbyist who had been active on hog regulation issues. Belz figured the man was trying to gather evidence that the hog farm stench wasn't bad enough to keep her children indoors. "That's ridiculous," she says. "The stink gets better or worse depending on which way the wind is blowing."

In an interview during the January, 1999, American Farm Bureau Federation annual convention in Albuquerque, New Mexico, Farm Bureau president Kleckner maintained that AFBF supports reasonable regulations. "We're all for clean water," he said. "My own view is that farmers that pollute, particularly if they pollute on purpose, should be made to stop, and prosecution is warranted in some cases." AFBF policy calls for local control rather than "one size fits all" regulations mandated by Washington, he added. Yet in nearly every instance when states, counties or municipalities have attempted to tighten restrictions, the Farm Bureau has worked against those efforts. In many cases it has helped bankroll opposition campaigns.

On the opposite side in these battles, other farming groups, including the National Farmers Union and the National Family Farm Coalition, have joined forces with environmentalists in sometimes successful efforts to curb the worst abuses of factory farms. For example:

• In the fall of 1998, South Dakota voters approved a ballot initiative prohibiting corporate agribusiness from setting up operations in the state. Tyson Foods and other out-of-state corporations had planned high-volume hog factories there. Although the South Dakota Farmers Union joined the South Dakota Wildlife Federation in promoting the ballot initiative, the South Dakota Farm Bureau allied itself with a consortium of banks and chambers of commerce to fight the measure. The South Dakota Farm Bureau also took a shot at eliminating local control over hog farms, suing Hyde County over an ordinance establishing setback distances between new hog operations and existing homes. A state court, ruling against the farm bureau, affirmed the right of counties to regulate the siting of South Dakota agricultural operations.

• In the fall of 1998, the Colorado Farm Bureau teamed up with corporate hog farmers who spent nearly $500,000 trying to defeat a ballot initiative to regulate hog farms. The initiative included measures to minimize odor and water pollution from manure. Ray Christensen, director of legislative and governmental services for the Colorado Farm Bureau, argued that the initiative threatened agriculture and rural jobs and "would impose costly mandates on hog farms such as animal fees, lagoon covers, financial assurances, citizen lawsuits, monitoring and other requirements." The Farm Bureau's stance did not seem to sway the opinions of small farmers who live near the giant operations. The *Denver Post* reported on October 18, 1998, that "more than 100 ranchers and farmers testified before lawmakers that they were worried hog farms would pollute groundwater, upon which they depend for survival." Rocky Mountain Farmers Union president Dave Carter told the *Post*, "There are some who are trying to cast this whole movement as an effort to destroy economic development. This is an issue about being good neighbors, and that's what we're all about in eastern Colorado." Nearly two thirds of the voters approved the initiative.

• More than 160 new Illinois factory farms have started up in only the last two years. The Illinois Farm Bureau brags of "maintaining a positive environment for growth in the state's livestock industry through the defeat of a moratorium on new facility construction or expansion." The bureau also opposed legislation to require annual state inspections of waste lagoons on big farms, odor control and a quarter-mile setback between dead animal compost and homes. The legislature approved the legislation anyway, along with a measure allowing county boards to hold public hearings on new hog farms.

Farm Week Journal reported in February, 1998, that the Farm Bureau and others "emphasized the entire agriculture industry is threatened by proposed legislation that would give local governments authority on siting of livestock operations." These efforts to interfere with local control run counter to longstanding AFBF policy. AFBF usually insists that county governments deserve final authority over local land-use decisions. For instance, the AFBF policy manual calls for giving county governments the right to veto proposed wilderness areas on federal land. But apparently state farm bureaus feel county governments cannot be trusted to make wise decisions about hog farms. "A decision about either siting or not siting a new or expanded facility should not be made by local government," Illinois Farm Bureau communications director Dennis Vercler declared in an interview. "The state is the political entity that has the expertise to deal with the final decision." County involvement would be "a duplication of regulatory authority that already exists at the state level," he said.

• The Idaho Farm Bureau opposed a bill in the state legislature that would give counties more control over CAFOs. According to a Farm Bureau alert, "Such things as setbacks, expansion, odor control, nutrient management and animal units are defined in the bill and will have a profound effect in Idaho."

> The Illinois Farm Bureau also opposed legislation to require annual state inspections of waste lagoons on big farms, odor control and a quarter-mile setback between dead animal compost and homes.

• The Maryland Farm Bureau helped push through the Water Quality Improvement Act of 1998. The act eliminated provisions for odor control, water-quality permits, local control and public hearings and reduces penalties for violations of manure-management plans.

• EPA has found groundwater contamination from animal factories in Oklahoma as well as 16 other states. One Oklahoma lagoon covers 11 acres and holds more than 42 million gallons of hog manure. Nevertheless, in 1998 the Oklahoma Farm Bureau went on record strongly opposing more regulations on animal-feeding operations. In fact, the bureau opposes "any government regulation of agriculture." The bureau says it opposes all regulations "that limit a person's right to use their property as they see fit."

SCARE TACTICS AND DIRTY SECRETS

When EPA in March, 1998, announced a new Clean Water Act enforcement strategy for the largest confined animal-feeding operations, it pointed out that excessive nutrient levels from livestock waste have been responsible for lower oxygen levels in surface waters throughout the nation, including the "Dead Zone" in the Gulf of Mexico, an oxygen-starved area off the Louisiana coast that develops each summer and at times has been as large as the state of New Jersey. When oxygen levels drop, fish and other aquatic species cannot survive.

AFBF immediately responded to EPA's proposal with a strategy apparently intended to scare already hard-pressed small farmers into believing that the new regulations would force them out of business. The new regulations, however, apply only to farms with more than 1,000 "animal units." That means 1,000 cattle, 2,500 hogs or 100,000 chickens. Only farms with more than 10,000 animal units must comply by 2003. Other large farms can wait until 2005. Nevertheless, AFBF president Kleckner declared in a news release, "Of all the ways government regulations impact the lives of family farmers, arbitrary water quality regulations will likely turn out to be the most harmful. Smaller farmers in particular will find it difficult to meet new requirements."

The Nebraska Farm Bureau suggested that if the government wants clean water, the government should pay for it. "Improvements for water quality protection must be supported with federal and state financial assistance, as the financial burden of unfunded mandates ultimately comes back to the producer," said a Nebraska Farm Bureau release.

The Farm Bureau's strong opposition to the proposed regulations persisted even as EPA moved to compromise. At the behest of AFBF, EPA worked out a deal with the National Pork Producers Council allowing "independent" inspectors to check hog farms for violations. Any problems "that are promptly disclosed and corrected under this program" will be eligible for greatly reduced penalties. More than 10,000 of the largest pork production facilities are expected to participate. The Sierra Club, an outspoken critic of factory hog farms, says the deal would allow pork producers to pick their own inspectors, arrange the inspection date, and let the operator of the facility conduct the inspection tour. To top it off, inspection reports will not be made public, a "dirty secrets" concept of regulation, the Sierra Club complains.

Even with EPA's generous compromise, however, speakers at the 1999 AFBF convention blasted the new regulations, claiming that the rules pose a serious threat to small farmers. AFBF president Kleckner called for an immediate moratorium on all regulations, not just those directed at CAFOs. Referring to the "added urgency of a crumbling agricultural economy," he blamed American farm woes on "regulations that are cutting deeply into the pocketbooks of the nation's farm and ranch families."

The 4,000 or more Farm Bureau members attending the convention applauded Kleckner's remarks, but a good many of the nation's family farmers are no longer fooled by such rhetoric. Record numbers of independent hog producers have gone out of business in recent years, but not because of excessive regulations. Factory farms are turning out so many pigs that hog prices received by independent farmers have plummeted to Depression-era lows.

THE HOG CRISIS

In November, 1998, the Nebraska Farm Bureau radio service reported that hog prices had

VERTICAL INTEGRATION AND THE FARM BUREAU

Vertical integration is a business term that refers to the practice of companies merging with or purchasing other companies in the same supply chain. For example, an auto manufacturer that buys a car radio or tire company has vertically integrated. While this practice may seem to increase economic efficiency, the value of that efficiency to society diminishes greatly when companies become so highly integrated that consumers and small producers are affected through monopolistic pricing, elimination of competition, insulation of significant portions of the supply chain from market forces or alteration of the market structure to force integration on small and midsize operators.

In agriculture, when market prices are down, putting family farmers in dire straits, a vertically integrated company can do well. Just how well was described in an August 30, 1999, *Washington Post* article on Smithfield Foods, largest of the integrated pork producers: "Surprisingly, packers make more money when prices are low — because raw material prices fall more than supermarket prices — so with hog prices at their lowest in five decades, Smithfield has had three record years in a row," the article stated. In the latest fiscal year, revenue was down nine percent, but tonnage was up more than ten percent. Profit grew almost 40 percent to $94.9 million."Ordinarily, the odds would be against another strong year," the article continued. "The corn-hog cycle is a classic example of how the interplay of supply and demand for inputs and outputs creates equilibrium in markets. Low hog prices sooner or later lead to production cuts that push prices up. But by vertically integrating, Smithfield makes more money on the growing side when hog prices are high, and wins on the packing side when prices are low."

Keeping hog prices low through overproduction is in the best interests of the big conglomerates. Just the opposite is true of small producers and the environment. Moreover, as these "dirt to shelf" systems become more integrated, consumers' interests are jeopardized because the ability of markets to impact shelf prices by competition diminishes as more supply chain elements become part of the vertically integrated company. In other words, without exposure to market forces, downswings are more likely to result in windfall profits for the integrator rather than price cuts at the supermarket.

Agricultural cooperatives are perhaps the best example of the Farm Bureau's active participation in vertical integration. Owned wholly or partly by the Farm Bureau, multibillion-dollar agricultural co-ops such as dropped to a 30-year low while grocery pork prices had stayed the same or increased. The service said that in May farmers were getting about 42 cents a pound for hogs but in November only 17 cents. Compare that with the price of a pound of bacon, selling for $1.69 in May, 1998, and $2.69 in November. Nebraska Farm Bureau president Bryce Neidig suggested that "somebody is making megabucks" and blamed the crisis on factory farms. "Right now there's no way for a family farmer or an average producer to compete with megahog operations," he said in a radio broadcast. "They've got deep enough pockets they can survive even with losses; smaller producers can't."

Neidig's comments strike an odd note con-

Countrymark and Growmark increasingly are integrating the process of farming. Purportedly farmer-owned and operated, these super co-ops are marketing multinationally and have usurped a large portion of the nation's agricultural supply chain.

Selling raw materials and equipment such as seeds, fertilizer, pesticides, fuel and tractors as well as services such as consulting, marketing, communication and insurance, the co-ops have eliminated much choice and opportunity for farmers. The co-ops benefit from overproduction and low prices in much the same way as the pork processors and producers. Established to protect individual producers from large corporations, co-ops have evolved into a system that does just the opposite.

Professor William Heffernan of the University of Missouri has documented market concentration and integration for the National Farmers Union. He examined large-scale/global integration and identified three food chain clusters or loose alliances among grain trading and processing, meat production and processing and biotechnology. In the first two — Cargill/Monsanto and ConAgra — all necessary parts are contained within the global corporations and their innumerable subsidiaries, partnerships, side agreements and contracts.

The third food chain cluster, in which the Farm Bureau co-ops are involved more prominently, consists of Novartis, a Swiss biotech conglomerate that has been gobbling up other biotech firms, and Archer Daniels Midland (ADM), the self-proclaimed "supermarket to the world."

These key players lacked the constituent parts to form a fully integrated food chain cluster but have solved that problem by aggressively pursuing arrangements with farmer co-ops. "First, ADM, with its vast network of processing facilities, lacked access to farmers, a problem the firm remedied through a longstanding joint venture with Growmark and the more recent ones with Countrymark, Riceland and United Grain Growers," Heffernan asserts. "The Growmark and Countrymark joint ventures, for instance, give ADM access to 50 percent of the corn and soybean market region and 75 percent of Canada's corn and soybean market region."

The Farm Bureau and its co-ops and other affiliates are part of a system that favors big agribusiness over small and midsize operations. As Samuel Berger so aptly pointed out in his 1971 book *Dollar Harvest*, "With the vertically integrated meat industries, co-ops and food clusters flourishing and family farmers suffering, it is clear which master the Farm Bureau has chosen to serve."

sidering the extent to which the Farm Bureau has gone to protect the special advantages of corporate farms. He is one of the few Farm Bureau leaders to acknowledge the harm that mega-operations have done to small farmers.

Dennis Vercler, the Illinois Farm Bureau spokesman pushing for continued expansion of the livestock industry, admits the current crisis resulted from too much growth. "We've faced a tremendous economic squeeze because of overproduction in hogs," he says. "Part of that was overenthusiasm for markets in Asia. A lot of things came together to punish the whole industry."

However, according to University of Missouri livestock economist Glenn Grimes, pork exports rose by 18 percent in 1998. "Our exports are doing fine," says Grimes. "We're just being overwhelmed with hogs." During the last decade investors pumped more than $1 billion into new hog operations in North Carolina alone. By last fall, the number of hogs on farms soared to a record 62.9 million, according to the Knight Ridder/Tribune Business News Service. Megafarms accounted for nearly all of this growth.

U.S. Department of Agriculture statistics show that 86,520 hog producers went out of business between 1993 and 1997. Most of these were small, independent farmers who raised fewer than 500 hogs a year. Over the last decade North Carolina lost nearly three fourths of its independent hog producers. In the same period, North Carolina hog factories tripled production. Other states show similar trends, with bigger and bigger factory farms producing more and more hogs while small farmers called it quits.

The problem is not that family farmers are inefficient, says University of Missouri rural sociologist William Heffernan. Independent producers simply lack the resources to hang on when prices for hogs drop below the cost of production. Heffernan and several colleagues recently completed a study of concentration in agribusiness for the National Farmers Union, a 300,000-member organization frequently at odds with the Farm Bureau. The study concluded that farmers are no longer earning reasonable returns because competition has all but disappeared from much of the food production industry.

According to Heffernan's analysis, four companies control more than half of the hog market. Three out of every five hogs slaughtered in the nation go to those firms. Factory farms get special deals from slaughter and packing houses as well as discounts on feed. This arrangement occurs partly because many factory farms are vertically integrated. The same company that raises pigs also sells feed-grain, slaughters the hogs, packages the meat and delivers the finished products to stores. These agribusinesses can afford to take lower prices for live hogs, says Missouri farmer and activist Scott Dye, because they make up the difference at the grocery store. "They're not selling hogs," he says, "they're selling pork chops, so what do they care?"

As economist Grimes sees it, consolidation of slaughterhouses is one of the reasons prices dropped so dramatically when too many hogs hit the market. Concentrated slaughtering operations lack the flexibility to handle excess production. In the past, slaughterhouses were smaller and routinely ran one shift a day. "It used to be they could add two hours or a Saturday shift and increase capacity by 50 percent to handle big bulges in numbers," Grimes explains.

Today, bigger slaughterhouses that already run double shifts cannot adapt so easily, so live hogs end up bottlenecked at the gates. And when the same company owns the slaughterhouse and the hog farms, that company's hogs usually get priority over those from independent producers.

In Washington hearings in February, 1999, on the impacts of agricultural concentration, Leland Swenson, president of the National Farmers Union, accused corporate agribusiness of predatory practices. "Industries can afford to operate at a loss in one area in order to eliminate the competition," he told the House Agriculture Committee. "Once the competition is gone, the company is able to earn higher returns." Few independent hog farmers will remain in business by the end of 2000 if prices remain low, he predicted.

When hog prices crashed in 1998, big producers saw another opportunity for expansion. The trade magazine *Successful Farming* reported that "the best producers are holding tight and eyeing acquisitions. The industry has too many pigs and no structure for quick liquidation. One thing's for sure: only the strong will survive." An analysis by the Federal Reserve Bank of Chicago found that if today's rate of growth of large operations continues, only 50 producers will be needed to provide all the nation's pork.

Such extreme consolidation of food production could have profound consequences in higher consumer prices, damage to rural communities and elimination of family farms. Yet as the next chapter will detail, the Farm Bureau continues to promote policies promoting agricultural monopoly.