

McHale's Pennsylvania Plan

High food prices have spawned an alternative food system of consumers cooperatives, farmers' markets, and increased home food production and processing. In most cases, this new system has grown up in spite of governmental and economic roadblocks such as tax laws, lending policies and even health and zoning regulations. But in at least four states, governmental activities are supporting and encouraging this new food system. West Virginia and Pennsylvania have developed innovative food marketing programs while Massachusetts and Vermont have established food policy commissions.

Pennsylvania Governor Milton Shapp and his innovative Secretary of Agriculture James McHale offer a much needed contrast to the pro-agribusiness, anti-consumer stereotype in which most government officials are cast. McHale, himself a successful dairy farmer, has set up a controversial program to revamp and revitalize Pennsylvania agriculture, develop new food marketing networks and reorder state agricultural research priorities.

The state has begun extensive efforts to encourage small scale agriculture and reduce food prices via the direct marketing of farm products to individual consumers. The Department of Agriculture has helped set up about one dozen "tailgate" farmers' markets across the state. One, located directly across the road from the state agriculture building in Harrisburg, is open twice a week; farmers marketing their products report total net earnings of from \$8000 to \$9000 on each market day. Other markets report similar success stories.

The department is organizing a marketing program with even greater potential from both the consumer and producer ends. Department representatives are locating all the food buying clubs and consumer cooperatives in the state and organizing buying federations from these smaller groups. These federations, with their sizeable combined buying power, will then be put in touch with individual farmers so that they can buy or contract directly from producers.

Where no buying clubs exist, the department is trying to organize them. It has let out three research grants aimed at facilitating this effort. Much of this research money is being used to set up inner city buying clubs and inner city tailgate markets. "Our goal for direct marketing is 20 percent of the

total Pennsylvania food market," state marketing director Donald Cunnion says. "At that level, it will be a competitive portion of the market and might result in lower food prices all around."

McHale's program also includes state-supported "anti-inflation" gardens — the first such program in the nation, McHale says. The department, working with county commissioners,

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Jim McHale

mayors and civic groups, distributed at minimal cost 175,000 packets of vegetable seeds and 104,000 vegetable sets. McHale says his department has ploughed up over 125 acres of land for use as community gardens, including a couple of acres adjacent to the department parking lot.

West Virginia has also developed a network of state supervised direct marketing facilities. The state Department of Agriculture operates four regional farmers' markets and one smaller area market. Established to develop wholesale markets for West Virginia farmers who have long been undercut by agribusiness-produced farm products, the department has encouraged individual consumers to use the markets so that locally-produced food could be made available to West Virginia consumers at low prices. Sales in the state-supervised markets reached almost \$1.7 million in 1974, an increase of \$500,000 over the year before.

Massachusetts and Vermont have

taken a more studied approach to their food problems with the establishment of statewide commissions on food policy. Convened in October 1973, the Massachusetts Commission was the first state-level investigation of the reasons behind high food prices and declining agricultural production. Established at the request of former governor Francis Sargeant, the commission completed its work in June 1974. According to Chairman Ray Goldberg of the Harvard Business School, Governor Dukakis enthusiastically supports the commission's recommendations and will work for their implementation.

The Commission found that Massachusetts imports 84 percent of its food. Between 1945 and 1968, farm acreage decreased from more than 2,000,000 acres to about 755,000 acres. Projections developed by the USDA's Economic Research Service indicated that, if past trends continued, production of most crops would drop substantially by 1985. Even Massachusetts' important fishing industry has been declining over the past decade; between 1961 and 1972, fresh fish landings in the state fell by 50 percent.

In order to halt this decline, the report recommends the establishment of an agricultural support system which would make farming more profitable and would reduce food prices. This system would include a grain and food storage facility, which the state presently does not have; a revitalized rail freight network to reduce food transportation costs which now account for nine percent of the state's food budget; the introduction of new types of agricultural production, especially meat production, into the state; and the development of a state food processing industry. The commission estimates that if Massachusetts imported wheat and milled it, rather than importing finished flour, consumers would save \$3 million every year. The commission urges the stringent enforcement of recent state land use law which alters property tax assessment methods so that development potential as translated into excessively high property taxes will no longer force farmers off prime agricultural land.

Goldberg claims that the food commission's work has changed governmental and citizen attitudes toward food supply. Governor Dukakis, he says, is interested in state encouragement of direct marketing and local cooperative ownership of retail food stores in inner city areas.

From the Reader of the Conference on Alternative State & Local Public Policies held June 10-13, 1976 in Austin, Texas. The reader was edited and compiled by Derek Shearer, California Public Policy Center Los Angeles, California and Lee Webb, Professor of Public Policy, Goddard College Plainfield, Vermont.

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