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## Sustainable food purchasing and the Georgia economy

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Buying local food can contribute to local economies and Emory's investment in Georgia-grown and –raised foods has positive implications for job growth across the state.

### Georgia's agricultural economy

Between 1945-2007, the number of farms decreased by almost 80%. The average farm size in Georgia doubled from 105 to 212 acres, though many commercial farms top 500 acres. Georgia farmers earned \$546 million less from food production in 2006 than they did in 1969 (dollars adjusted for inflation).<sup>1</sup> Currently, Georgia consumers purchase \$19.9 billion of food each year, of which \$16 billion is purchased from out of state<sup>2</sup>, reflecting global changes and an increasingly centralized food production and distribution. The number of egg and poultry farms has increased in Georgia<sup>3</sup>, while the number of farms selling fresh vegetables has decreased.<sup>3</sup> Georgia farm income has declined approximately 6.4% since 2002.<sup>4</sup>

In summary, the decrease in the number of farms and the ability to purchase food more cheaply from outside the state or from overseas has had a negative impact on Georgia's agricultural economy. Continued reliance on conventional agriculture does not present an optimistic scenario for state economic health.

### Trends and consequences to communities

The trend for many decades has been to replace human labor with machinery, to reduce labor costs, and allow farm families to operate more acreage. Interest rates for land and equipment make farmers vulnerable in price downturns, and economic challenges have led many viable large-scale family farms to be unable to continue in farming in the next generation.<sup>5</sup> At present, the average age of Georgia farmers is 58. The loss of commercial farms has consequences for the Georgia economy. For example, when Georgia dairy farmers quit farming, Georgians begin to import milk from other states.<sup>6</sup> Furniture stores, local banks, and car dealerships all suffer when the farm economy contracts.

Small-scale farms are more likely to employ human labor and rely less on machinery. Small, independent farms, shops and restaurants are more likely to sell locally-made products to the community.<sup>7</sup> Investing in local agriculture can be good news for rural development. A study by Ohio State University of one county near Columbus, Ohio, found that with a 10% increase in purchases of local foods in grocery stores and restaurants, the county could expect to see 243 new jobs, increased tax revenues of over \$300,000 and almost \$4,000,000 added income to local residents.<sup>8</sup> Wages paid at every stage, from production, to processing, to retail, benefit the workers and their local economy.

### Economic barriers

The primary challenge Georgia's smaller-scale farmers and food producers report facing is distribution. Farmers are able to grow the food, but demand still outweighs supply due to logistical problems and insufficient information among producers. Marketing and transportation are costly and difficult, small-scale producers are rarely able to assume the cost of required

liability insurance, and farmers are not confident that they can sell what they grow when consumers can buy produce from Mexico more cheaply.<sup>9</sup>

Georgia's fishing industry also faces challenges in distributing product to buyers in the north and west parts of the state. Many of Georgia's small, independent, family-owned fishing businesses cannot afford the cost of moving their product inland, when interstate commercial truckers are willing to come directly to the docks.<sup>10</sup> If Emory, a major food service provider in Atlanta, demands local and fresh seafood and other products from the rural counties, we can encourage specialized food distributors to supplement the cost of liability and transportation.

### **How Emory can impact Georgia's economy**

Local food systems support small farmers, especially in rural communities where farmers have difficulty connecting to customers. Emory understands the physical and economic barriers to moving Georgia produce from rural farms and fisheries to our urban campus. Our commitment to purchasing Georgia-grown and –raised foods 1) assures farmers, especially of small- and medium-scale farms, that their produce has a market, and 2) encourages investment in processing, distribution, and retail of Georgia-grown and –raised foods. The largest employer in Dekalb County, Emory served 1.1 million meals in 2009. As Emory partners with state and local entities to tackle and solve supply and distribution problems, the entire state can benefit. As the number of small farms and farmers markets continues to expand in metro Atlanta, access to fresher, local produce expands as well.

*Stacy Bell for the Sustainable Food Committee at Emory University*

<sup>1</sup> Georgia Statistics System: Time Series Analysis <http://www.georgiastats.uga.edu/timeseries1.html>

<sup>2</sup> Bureau of Labor Statistics; Food Consumption Estimates; <http://www.bls.gov/cex/home.htm>

<sup>3</sup> US Census of Agriculture, GA, for 2007:

(source: US Census of Ag, 2009. Georgia State and County Data. Vol. 1 Part 10. US govt printing office.)

<sup>4</sup> GA Ag Forecast: Financial Outlook for Georgia Farms, Cesar L. Escalante, UGA;

<http://www.caes.uga.edu/events/agforecast/support/GeorgiaFarms.pdf>

<sup>5</sup> Barlett. "Industrial Agriculture." *Economic Anthropology*. Ed. Stuart Plattner. Stanford: Stanford Univ. Press, 1989.

<sup>6</sup> Flanders, Archie et al. "Economic Importance of the Georgia Dairy Industry." Center for Agribusiness and Economic Development. The University of Georgia College of Agricultural and Environmental Sciences. July 2006.

<sup>7</sup> Norberg-Hidge et al. *Bringing the Food Economy Home*. London: Zed Books, 2002.

<sup>8</sup> Filipic, Martha. 2009. "Economic Analysis of Knox County Local Food System Offers Blueprint for Nation," based on Jeff Sharp, Howard Sacks, and Amalie Lipstreu, 2009, "Planting the Seeds of Sustainable Economic Development: Knox County's Local Food System." [http://sri.osu.edu/pdf/Knox\\_County\\_Assessment\\_Summary-200908.pdf](http://sri.osu.edu/pdf/Knox_County_Assessment_Summary-200908.pdf). Accessed 3-4-10.)

<sup>9</sup> Christine McCauley, Morgan County Conservancy.

<sup>10</sup> Welander, Suzanne. The Turbulent Waters of Georgia's Sustainable Seafood. <http://www.restaurantinformer.com>. October 2008.