



Obama's Game of Chicken

THE UNTOLD STORY OF HOW THE ADMINISTRATION TRIED TO STAND UP TO BIG AGRICULTURAL COMPANIES ON BEHALF OF INDEPENDENT FARMERS, AND LOST.

By Lina Khan

In May 2010, Garry Staples left his chicken farm in Steele, Alabama, to take part in a historic hearing in Normal, an hour and a half away.

The decision to go wasn't easy. The big processing companies that farmers rely on for their livelihood had made it known that even attending one of these hearings, much less speaking out at one, could mean trouble. For a chicken farmer, that's no trivial thing. Getting on a processing company's bad side can deal a serious blow to a farmer's income—and even lose him the farm entirely. Still, Staples, a former Special Forces commander, and a number of other farmers decided to risk it. Many felt it was their only chance to talk directly to some of the highest-ranking officials in the country, including Attorney General Eric Holder and Agriculture Secretary Tom Vilsack, about the abu-

sive practices now common in their industry. It was a chance, finally, to get some relief.

Staples and other farmers described a system that is worse in certain respects than sharecropping. It works like this: to do business nowadays, most chicken farmers need to contract with a processing company. The company delivers them feed and chicks, which farmers raise into full-size birds. The same company then buys those same birds back when they are full grown. The problem is that the big processing company is usually the only game in town. So it can—and usually does—call all the shots, dictating everything from what facilities a farmer builds on his farm to the price he receives for his full-size chickens.

As Staples explained, a processing company can require a farmer to assume substantial debt to pay for new chicken hous-

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es, tailored to the company's exact specifications. Staples said he himself had borrowed \$1.5 million. Then the company will offer that same farmer a sixty-day contract that can be changed or terminated by the company for any reason at any time. If a farmer gets fed up with the chronic uncertainty and tries to negotiate better terms, the company can punish him by sending lousy feed or sickly chicks, thereby depressing his earnings. Or the company can simply undercount the full-grown chickens' weight. Whatever the particular abuse, because there are now so few processing companies—often only one or two in a farmer's geographic area—there's little way out of the cycle. For many chicken farmers in America, the only real option is to accept the terms, even if those terms are slowly driving them out of business. And even if those terms keep them from publicly speaking their minds.

Staples told the crowd at the hearing that he feared that Pilgrim's Pride, the processing company with which he contracts, might punish him for voicing his troubles. Later, Christine Varney, the government's chief antitrust regulator at the time, who was sitting in front of an American flag, spoke up. "Mr. Staples, let me say, I fully expect you will *not* experience retaliation by virtue of your presence here today," she said, handing him a piece of paper with her phone number on it. "But if you do, you call me." The hearing erupted into applause.

The message seemed to be clear: the highest brass in the Obama administration was listening closely to how America's independent farmers are pushed around by big companies, and they were no longer going to tolerate it.

For the next seven months, Holder, Vilsack, Varney, and other officials from the Departments of Justice and Agriculture toured the country, hearing from more farmers and rural advocates. Along the way, they learned about concentration in the seed, pig, cattle, and dairy industries, as well as in poultry. During this same period, the USDA also worked on revising and updating the main law that regulates the livestock industries to prevent many of the unfair and deceptive practices that now threaten the dignity and survival of farmers and ranchers. From dairy farms in Wisconsin to cattle ranches in Montana, hopes soared.

But today, two years on, almost nothing has changed. Big processing companies remain free to treat independent poultry, cattle, and dairy producers largely as they please. "You had farmer after farmer after farmer telling the same story, basically pleading for help, and absolutely nothing has come of it," said Craig Watts, a poultry farmer from Fairmont, North Carolina, who drove 512 miles to attend the hearing in Alabama. Staples agreed. "We had really thought something might change."

A generation ago, it seemed that Americans had solved the problem of monopoly in agriculture. Following the election of President Woodrow Wilson in 1912, the government gradually weakened the plutocrats' stranglehold over most of America's agricultural business.

The government's primary tools were two pieces of law. One was antitrust law, which included the Sherman Antitrust Act of 1890 and the Clayton Act of 1914. In 1919, for instance,

the Federal Trade Commission wielded the Clayton Act to reduce the power of the "Big Five" meatpacking companies. These companies, the FTC noted, "had attained such a dominant position that they control at will the market in which they buy their supplies, the market in which they sell their products, and hold the fortunes of their competitors in their hands."

The other main piece of law was the 1921 Packers and Stockyards Act, signed by President Warren Harding. It broadly prohibited unfair and discriminatory conduct in the marketplace and established standards by which to hold meatpacking companies and stockyards accountable. Often called the "Farmer and Rancher Bill of Rights," the act made it illegal for big meatpackers to pay farmers less than market value for their livestock or to arbitrarily advantage some farmers at the expense of others. As one congressman noted at the time, the Packers and Stockyards Act was "a most comprehensive measure," possibly extending "farther than any previous law into the regulation of private business."

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Over the next few decades, independent ranchers and farmers thrived under the protection of these two bodies of law. For the most part, farmers were able to sell their products relatively freely on the open market, and prices were established transparently through open bidding, in public auctions attended by many buyers and many sellers. The effect on the structure of the market was dramatic. In 1918, the five largest meatpacking companies in the country controlled 55 percent of the meat market. By 1976, the four largest controlled only roughly 25 percent of it.

Over the last quarter century, this progress has been reversed. Today, the top four meatpacking companies control 82 percent of the beef market—an unprecedented share of the pie.

The worst abuses in today's livestock industries can be traced back to two fundamental changes in the structure of the market, acting in combination.

Until the 1950s, most chicken farmers did business the same way their grandfathers had. They bought their chicks, feed,

and assorted supplies from various dealers, raised the birds, and then hauled them to a marketplace, where they would sell to whichever butcher offered the best price. This system worked until World War II, when the government's decision to ration red meat, but not chicken, catalyzed a boom in Americans' poultry consumption. By 1945, Americans were eating three times the poultry they had been eating just five years earlier. This new appetite for chicken continued after the war. Farmers, though, had a hard time managing production given the short life cycle of chickens, and the result was drastic price fluctuations and volatility in the poultry market.

In the midst of this rapid change, many of the companies that supplied farmers with chicks and feed introduced a new way of doing business: the contracting model. Under this arrangement, farmers would buy all their chicks and feed from a single supplier, raise the birds, and then sell them back to the same company, which had already agreed, according to a contract,

The Reagan administration's Justice Department ushered in a wave of mergers that transformed agriculture markets. In 1980, the four biggest meatpacking companies in the country controlled 36 percent of the market. Ten years later, their share had doubled, to 72 percent.

to buy the birds at market price. The contracting model, which promised to stabilize prices, hence income, for both farmers and processing companies, took off like wildfire. In 1950, 95 percent of broiler producers were selling into the traditional open market; by 1958, 90 percent were selling on contract. Gradually, the hog and cattle industries adopted the contracting model too.

Some farmers and ranchers mistrusted this new system. At a 1958 meeting in Des Moines, one hog farmer voiced the central worry: "Will we be able to control our own farming?" But through the 1960s and '70s, such worries seemed largely unfounded. If a farmer didn't like the terms offered by one company, he could, at the end of the contract period, simply switch to another. The basic balance of power between the farmers and the companies remained in place.

The change that finally upended this balance came in 1981. A group of Chicago School economists and lawyers working in the Reagan administration introduced a new interpretation of

antitrust laws. Traditionally, the goal of antitrust legislation had been to promote competition by weighing various political, social, and economic factors. But under Reagan, the Department of Justice narrowed the scope of those laws to promote primarily "consumer welfare," based on "efficiency considerations." In other words, the point of antitrust law would no longer be to promote competition by maintaining open markets; it was, at least in theory, to increase our access to cheap goods. Though disguised as an arcane legal revision, this shift was radical. It ushered in a wave of mergers that, throughout the course of the following decades, would transform agriculture markets.

Although the change was strongly opposed by centrists in both parties, a number of left-wing academics and consumer activists in the Democratic Party embraced the new goal of promoting efficiency. The courts also soon began to reflect this political shift. In 1983, after Cargill, the nation's second-largest meatpacker, moved to purchase Spencer Beef, the third largest, a rival meatpacker named Montfort filed a lawsuit claiming that the acquisition would harm competition in the industry. In a 6–2 decision three years later, the Supreme Court ruled in favor of Cargill. The decision set a precedent limiting competitors' ability to challenge mergers, and helped catalyze a rapid series of buy-ups across the agriculture industry. In 1980, the four biggest meatpacking companies in the country controlled 36 percent of the market. Ten years later, their share had doubled, to 72 percent.

As mentioned above, today the share of the market controlled by the four biggest meatpackers has swelled to 82 percent. In pork, the four biggest packers control 63 percent. In poultry, the four largest broiler companies—Tyson, Pilgrim's Pride, Perdue, and Sanderson—control 53 percent of the market. In all these sectors—but especially poultry—these numbers greatly understate the political effects of concentration. At the local level, which is what matters to the individual farmer, there is increasingly only one buyer in any region.

The practical result of all this consolidation is that while there are still many independent farmers, there are fewer and fewer processing companies to which farmers can sell. If a farmer doesn't like the terms or price given by one company, he increasingly has nowhere else to go—and the companies know it. With the balance of power upended, the companies are now free to dictate increasingly outrageous terms to the farmers.

At the hearing in Alabama in 2010, poultry farmers laid out how the arrangement now works. Staples, for example, described how processing companies routinely demand equipment upgrades that push independent farmers into heavy debt. In order to keep up with the companies' facility requirements, farmers often must mortgage their farms and homes. With contracts often lasting only sixty days, and no real option to switch processing companies at the end of the contract period, farmers must either accept the terms they're given—and stay on the company's good side—or risk bankruptcy. "[W]ith the contracts that we're offered now it's either a take-it or leave-it situation," Staples said.

Tom Green, another Alabama farmer at the hearing, recounted what happened when he contested a contract that in-

cluded a mandatory arbitration clause that would take away his right to a jury trial if a dispute arose. When he took issue with the clause, the processing company refused to work with him. Absent other options, Green and his wife, Ruth, lost their farm. “Ruth and I chose to stand up for our principles,” Green, a former infantryman and pilot in Vietnam, said at the hearing. “We did not give up a fundamental right to access the public court ... which is guaranteed by our Constitution, regardless of price. I had flown too many combat missions defending that Constitution to forfeit it. It was truly ironic that protecting one right, we lost another. We lost the right to property.”

Of all the abuses farmers described to officials in Alabama, the one they kept returning to was the “tournament system,” a payment scheme designed, according to the processing compa-

ny punish whichever farmers they, or their local foremen, choose. Any farmer who complains about the system, or about the specific provisions of a contract, or who even signs some sort of petition that a processing company doesn’t like, risks seeing his “earnings” arbitrarily cut.

Farmers are still expected to own their own land and to bear all the risks of investing in facilities, like chicken houses, just as they did when they sold into fully open and competitive markets. But almost all the authority over how they run their farm and what they earn now belongs to the companies. “A modern plantation system is what it is,” said Robert Taylor, a professor of agriculture economics at Auburn University who has worked with poultry farmers for close to three decades. “Except this is worse, because the grower provides not just the labor, but the capital, too.”



Top brass: Chief antitrust regulator Christine Varney (left), Attorney General Eric Holder (middle), and Agricultural Secretary Tom Vilsack (right) attended a series of nationwide hearings in 2010 in which farmers and rural advocates were invited to share the challenges they face in the agricultural industry.

nies, to promote efficiency among farmers. Unlike a traditional market, where every pound of chicken of the same grade fetches the same price, the tournament system allows companies to pit one farmer against another by ranking each farmer based on how he performs in “competition” against his fellow farmers. The idea is that the healthier and heavier the chickens a farmer produces with a set amount of feed, the higher he’s ranked in relation to the entire set of farmers who deliver their birds to the same processing plant on that same day. The higher he’s ranked, the more a processing company pays him per pound.

One problem with the tournament system is that no standards regulate the quality of feed and chicks that processing companies deliver to farmers, which means there’s no way for a farmer to know if he’s getting the same inputs as the other farmers against whom the company makes him compete. Another problem is that the processing companies often weigh the full-grown chickens behind closed doors, out of the sight of the farmer who raised them. This enables the companies to favor or

In most other industries, labor law protects workers from such forms of manipulation and exploitation. Farmers, though, aren’t protected under labor law because—at least until recently—it was assumed that open market competition enabled them to take their business to another buyer. Today, however, even as they become more like employees, laboring for a single company, the law still treats farmers as if they were their own masters. “The shift to vertical integration means that farmers no longer own what they are producing,” explains Mark Lauritsen, director of the food processing, packing, and manufacturing division at United Food and Commercial Workers, the union that represents workers across many industries, including agriculture and food processing. “They are selling their labor—but they don’t have the rights that usually come with that arrangement.”

The specific type of contract and the payment scheme offered by companies vary by sector, and the hearings indicated that the worst practices are generally found in the poultry industry. What applies across the board—in cattle ranching and dairy

and hog farming—is the stark and growing imbalance of power between the farmers who grow our food and the companies who process it for us, and how this imbalance enables practices unimaginable in any competitive market.

Watts, the farmer who drove from North Carolina to attend the Alabama hearing, says he and his fellow poultry farmers are independent only in name. “What I can make through my work is entirely dictated by many hands before it ever gets to me,” he said in an interview. “My destiny is no longer controlled by me.”

Farmers and activists have been fighting to restore fair agriculture markets since the 1980s with little to show for it. Both Democratic and Republican senators have periodically introduced legislation to level the playing field for independent farmers and ranchers, but those measures have repeatedly collapsed under the weight of corporate lobbies.

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Most consequentially for farmers, the once-groundbreaking Packers and Stockyards Act has been weakened over the decades by both the courts' and the executive branch's narrow interpretation of its broad, sometimes ambiguous language. As a result, the act is no longer sufficiently powerful to protect their rights. The administration of George W. Bush essentially halted enforcement of the act entirely. In 2006 the USDA's own inspector general reported that the agency responsible for enforcing the act, the Grain Inspection, Packers and Stockyards Administration (GIPSA), had been deliberately suppressing investigations and blocking penalties on companies violating the law. The inspector general found that Deputy Administrator JoAnn Waterfield was hiding at least fifty enforcement actions in her desk drawer.

In 2008, independent farmers seemed at last to have caught two big breaks. First, in the 2008 Farm Bill, Congress instructed the USDA to revise and update specific issues that the eighty-year-old act either had never addressed or had left overly

vague. As the agency regulating the Packers and Stockyards Act, the USDA, and, more specifically, its subsidiary body GIPSA, already had the power to revise and supplement its laws. Now it had a political mandate to do so, too.

The second big break came during the 2008 campaign, when Senator Barack Obama spoke directly about the need to address such abuse of independent farmers. Four days before the Iowa caucus, he even organized a conference call with independent farmers to discuss their concerns. In the primary, the farmers' votes swung toward Obama, helping him beat Hillary Clinton and making him a serious contender for the nomination. In the general election, the appeal may have helped Obama win some rural, traditionally Republican counties in Colorado and North Carolina.

Some farmers and activists criticized Obama's choice of Vilsack, a former governor of Iowa, to lead the Agriculture Department, mainly because of his close ties to biotech companies, including Monsanto. But the administration soon balanced this out by appointing Mississippi rancher and trial attorney Dudley Butler to head GIPSA. Farmers and ranchers trusted Butler, who had been a private lawyer for thirty years and had long been on the front lines representing chicken farmers against processing companies.

In August 2009, eight months into Obama's first term, the administration announced plans for a series of hearings the following year—the most high-level examination of agriculture in decades, overseen by the new antitrust chief, Christine Varney. At the opening event in Ankeny, Iowa, in March 2010, Attorney General Holder spoke boldly, assuring the crowd that reform was now a Cabinet-level priority. “Big is not necessarily bad, but big can be bad if the power that comes from being big is misused,” he said. “That is simply not something that this Department of Justice is going to stand for. We will use every tool we have to ensure fairness in the marketplace.”

Over the next nine months, officials held another four full-day hearings, in Alabama, Wisconsin, Colorado, and Washington, D.C., to investigate the poultry, dairy, cattle, and seed industries, as well as to look at the discrepancy between the price consumers pay for food and the price farmers receive for producing it. Each hearing featured several panels with a range of perspectives, and each included time for comments from many of the thousands of farmers, ranchers, industry representatives, activists, and academics who attended. In addition to the hours of testimony collected publicly, the administration provided computers in adjacent rooms where those reluctant to speak out could privately register their concerns and fears.

The administration also consulted experts like Taylor, the professor at Auburn University. At one point, the USDA sent an entire team of economists and lawyers to Alabama with a full day's worth of questions. “It was clear these were conscientious, committed officials who had spent a lot of care investigating the issues,” Taylor said.

During the course of the hearings, the USDA also began to address Congress's 2008 Farm Bill instruction that the department revise and update elements of the Packers and Stockyards

Act. By midsummer, the USDA had rolled out a series of far-reaching revisions, addressing many of the farmers' concerns. One of the proposed changes would have specifically banned company retaliation against farmers who tried to negotiate the terms of a contract. Another would have required any company that forced farmers to make capital investments to offer contracts long enough for the farmers to recoup some minimum amount of that investment. This series of proposed updates and revisions to the Packers and Stockyards Act later came to be known collectively as the "GIPSA rules."

While updating an old law might not sound like a big deal, farmers widely regarded the proposed GIPSA rules as serious game changers. "Before, they would throw us a little bone once in a while," Watts said. "But with these rules we knew they meant business."

Because the USDA has the legal authority to revise the rules under the Packers and Stockyards Act, Congress didn't actually have to formally vote on the new rules. Congress has the right to discuss them and request additional information, but it has no direct authority over them. In the Senate, Tom Harkin, Chuck Grassley, and Tim Johnson, longtime advocates of reform in the agriculture industry, voiced their support for the proposed updates. Many House members, however, began to attack the rules, especially once the processing companies came out strongly against them.

In July 2010, less than a month after the USDA published its proposed rules, the House Agriculture Committee, which was led by Michigan Democrat Collin Peterson, called a hearing to question USDA officials on the revisions. At the hearing a group of mostly Republican lawmakers, joined by Jim Costa of California and a few other Democrats, assailed the proposed rules for their wide-reaching impact. They accused the USDA of ignoring the concerns of industry groups like the National Cattlemen's Beef Association and the National Chicken Council, which represent processing companies like Cargill and Tyson. After the House hearing, the USDA agreed to extend the period for public comments on the proposed rules from the regular sixty days to a total of 150.

Then, in October, House members—led by Peterson, Agriculture Committee Ranking Member Frank Lucas (Republican from Oklahoma) and Livestock, Dairy, and Poultry Subcommittee Chairman David Scott (Democrat from Georgia) and Ranking Member Randy Neugebauer (Republican from Texas)—delivered a letter to Vilsack. The letter argued that the USDA, despite nationwide hearings and dozens of investigations, interviews, and fact-finding missions, had not sufficiently justified the need for some of the new farmer protections, and urged the agency to subject the rules to more thorough economic analysis. The letter was signed by sixty-eight Republicans and forty-seven Democrats.

In the November 2010 midterm elections, a surge of successful Tea Party candidates handed Republicans control of the House. In the aftermath of the election, the administration continued its reform efforts. If anything, by the last of the five hearings in December the tone of the reformers had become more

radical, centering on the political and moral nature of what many American farmers now suffer. "We've got to be looking at power," explained Bert Foer, head of the American Antitrust Institute, at the hearing. "We've got to be looking at the negotiating realities that occur in the marketplace and not simply what the effect on the consumer price is going to be."

But in the new year, a new political reality set in. In January 2011, Obama appointed Bill Daley, former commerce secretary and top executive at JPMorgan Chase, as his chief of staff. Part of a wider post-election shake-up at the White House, Daley's appointment signaled that the administration was now intent on compromising with Republicans, especially on economic issues. Many Republicans, though, viewed the election as a mandate for even more radical obstruction.

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In February 2011, the House Agriculture Committee again pushed Vilsack on the economic analysis of the proposed Packers and Stockyards rules, and over the next few months various subcommittees orchestrated hearings for trade groups to voice their objections. According to one industry report, paid for by the National Meat Association, the proposed USDA rules would levy a \$1.64 billion blow to the meat industry and lead to 22,800 job losses. The report also claimed that the rules would, over time, decrease beef, pork, and poultry production across the board.

In May 2011, Costa, the Californian Democrat, Reid Ribble, a House Republican from Wisconsin, and Lucas, now the chairman of the Agriculture Committee, circulated a letter asking Vilsack to withdraw all proposed rule changes entirely. "[W]e are confident that any such rule will not be looked upon favorably by Congress," the congressmen wrote. Though their letter was signed by 147 members—more than a third of the House, including twenty-five Democrats and thirty Tea Party

Republicans—the USDA didn't accede to the request. But officials did begin to water down the proposed rules.

The next month, in June 2011, the House Appropriations Committee included a crucial rider in its funding bill. The rider was designed to strip the USDA of the funds it needed to finalize and implement the strongest of the proposed rules. Farmers and activists tried to fight the rider, which was backed by corporate livestock and poultry lobbies. Advocacy groups flew in farmers from around the country to meet with members of Congress, and 6,000 people called in to the White House to express their support. During a debate over the rider, Ohio Democrat Marcy Kaptur, the only representative to come out strongly in favor of the rules, slammed the House for “standing with the few big meatpackers and against the many thousands and thousands of producers.” Even the American Farm Bureau, a group that often champions policies favorable to agribusiness, wrote an open letter to Congress opposing the rider.

But the farmers and activists found that they were now largely alone. By late 2011, the administration was in full retreat. “The White House and USDA became very timid and really didn't do much to disabuse the critics spreading untruths about the reforms,” said Patrick Woodall, research director with Food & Water Watch, which organized some of the efforts in support of the proposed rules. “They all fell silent.”

The Senate supported the Packers and Stockyards revisions in its appropriations bill in September 2011. But the House, as Woodall put it, “went on a full-out offensive,” holding hostage everything from food stamps to food-safety measures. “Nobody wants to have to defend a policy position where the victims are low-income kids, and that's where the balance ultimately was,” Woodall said. Even Senators Harkin and Johnson, who only a month earlier had strongly voiced their support for the GIPSA rules, backed down.

By November 2011, it was clear that the reformers had lost. The rider had passed. The rules as they had been intended were dead. The most ambitious, far-reaching campaign to reform the agricultural industry in forty years was over, less than two years after it had begun.

In early December, the USDA published four watered-down revisions and updates to the Packers and Stockyards Act. The only full-fledged rule to come into effect prohibits mandatory arbitration clauses in poultry farmers' contracts—vindication for many, including Tom Green and his wife, Ruth, but hardly a sweeping victory. The other three revisions are vague “guidelines” for the USDA. None of them explicitly prohibit arbitrary and exploitative conduct by the processing companies under the notorious tournament system.

In January 2012, Butler resigned from the USDA. Then in May, the DOJ quietly published a report summarizing the five nationwide hearings conducted in 2010. The report detailed both a lack of competition in the industry and abusive behavior. It went on to claim that the DOJ couldn't act to address these wrongs because, no matter how outrageous the conduct of the processing companies, their actions did not amount to “harm to competition” as defined by the current antitrust framework.

Administration officials who took part in the hearings say two factors thwarted their attempts to protect farmers from exploitation by processing companies. One was a deliberately obstructionist Republican-controlled House set on derailing countless reforms, not only in agriculture, and on protecting big industry from any tightening of regulation.

The other factor the administration blames is the weakened state of America's antitrust laws. In the past, antitrust law was used to promote competition and to protect citizens from concentrated economic power. But today, enforcers say they are handicapped even when confronting markets that are no longer competitive. “However desirable, today's antitrust laws do not permit courts or enforcers to engineer an optimal market structure,” the DOJ wrote in its recent report on the 2010 agriculture hearings. Far-reaching actions—like the Wilson administration's challenge of the meatpacking industry ninety years ago—are, they say, simply unimaginable under today's narrow antitrust framework.

Varney, who has since left the DOJ for private practice, says that the Justice Department pushed the law as much as it could under her tenure. “If you overreach in the courts you will lose, and the very behaviors you are calling illegal will be validated by the court,” she said. “This is not about a fear of taking risks or a fear of losing. It's a fear of setting the producers back.”

One wonders, though, whether the administration's actions—taken as a whole—did not set the farmers back as much as would a loss in court. By documenting the big processing companies' exploitation of independent farmers, then failing to stop that exploitation and retreating in almost complete silence before entirely predictable resistance from the industry, the administration, for all intents, ended up implicitly condoning these injustices. The message to the processing companies is, after all, absolutely clear: you are free to continue to act as you will.

It is no stretch to assume that, from the perspective of the White House, the choice to abandon an apparently failed effort to protect independent farmers from such abuses may have seemed politically pragmatic. But over the longer term, it may prove to have been a strategic political failure. By raising the hopes and championing the interests of independent farmers against agribusiness, the administration effectively reached out to the millions of rural voters who don't normally vote Democratic but whose ardent desire to reestablish open and fair markets for their products and labor often trumps any traditional party allegiance. Instead of translating that newfound trust into political capital, the administration squandered whatever goodwill it had begun to earn. Worse, the administration's silent retreat amounts to a form of moral failure. Having amply documented the outrageous abuse of fellow citizens, it decided it was not worth expending more political capital to right this wrong.

The message to the farmers, it seems, is also clear. “A lot of farmers have gone pretty quiet around here,” Staples said, “from being scared.” ^{WM}

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