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Captured: How Agribusiness Controls Regulatory Agencies and Harms Producers and Consumers

Introduction

When Georgia Governor Sonny Perdue was nominated to be U.S. secretary of agriculture, American family farmers who had believed in President Trump's promises to "drain the swamp" and protect domestic agriculture felt a surge of disappointment. Secretary Perdue had spent his career in government advocating for and benefiting from the interests of Big Ag. With Perdue at the helm of the U.S. Department of Agriculture (USDA), what checks and balances would exist in the federal government to counteract the consolidation, collusion, and corruption that have become customary in the U.S. agriculture economy?

Thomas Jefferson had foreseen America as a democratic republic of small farmers. Sadly, "we the farmers" now have little or no say in a government that was constituted to represent us. The America that existed as an agrarian utopia of regulated fair-market capitalism in the mind of Jefferson has become a very different America: one where the federal government is neither limited nor limiting, but instead allows corporations to influence policy, aided and abetted by despotic regulators and enforcers motivated by self-interest.

How did the federal government come to support international conglomerates instead of hardworking American farmers? In Congress, the clearest way government supports the interests of the powerful is with the money spent by lobbyists and given to politicians through campaign contributions. In the executive branch, where policy makers are

appointed rather than elected, the interests of Big Ag predominate when governmental appointees are “captured” by the industry. Executive branch regulatory capture is the topic of this report.

“In America, the big get bigger and the small go out.”

*“What do you call two farmers in a basement?
A whine cellar.”*

--United States Secretary of Agriculture Sonny Perdue

Secretary Perdue is just one example of regulatory capture, whereby government officials tasked with enforcing laws for all choose to support the private interests of a few. From top to bottom, USDA is rife with petty and personal corruption. An April 2019 investigation described a conversation with a USDA official about the Food Safety and Inspection Service (FSIS). The official noted rather straightforwardly that “large meat producers like Cargill, Tyson, Smithfield, Swift (JBS) and Sanderson Farms are often given a ‘pass’ thanks to their high-paid lobbyists.”¹ The anonymous whistleblower further characterized USDA as an old boys club with a revolving door “between the USDA and FSIS, and the captains of the meat industry.” Through repeated gifts of pro-corporate policy making, nonenforcement, and deregulation, the refrain is indisputable: the USDA advocates for special interests and ignores ordinary people for financial reasons.

Free-market capitalism relies on government to create a level playing field that encourages entrepreneurship. However, free-market capitalism and what President Reagan called “the magic of the market” cannot function as intended when government enforcers are captured and special interests tilt the playing field away from working people.

¹ Rosenberg, Martha. “Corruption, Mismanagement at USDA’s Food Safety and Inspection Services Puts Consumers at Risk, Whistleblower Says.” Organic Consumers Association, 11 April 2019. Available: <https://www.organicconsumers.org/blog/corruption-mismanagement-usdas-food-safety-and-inspection-services-put-consumers-risk?fbclid=IwAR3oXpJaUbGtITNGnZsGgj2lNoZ3AZ8gkn5lpElGqa8GepF9hww-TlgiaDM>

The Organization for Competitive Markets (OCM) advocates for the rights of family farmers, and we support fighters like Connie and Jonathan Buttram who want to make a living free from government and industry coercion. Their stories and those of people like them compel action and inspire hope.

The people at the top of the federal government are not an anonymous mass of bureaucrats; they are individuals like Sonny Perdue, who make decisions that have pernicious consequences for people like Connie and Jonathan Buttram. When OCM, and thousands of other groups and individuals, reach out to our representatives so family farmers like the Buttrams can have a fighting chance, we are merely ignored, time and again.

This report describes how the executive branch of the federal government supports policies contrary to the interests of American family farmers by installing “captured” bureaucrats in positions of power.

Section I – Passing Through the Revolving Door

Brink Lindsey and Steven Teles define regulatory capture as “private industries co-opt[ing] governmental power for their own competitive benefit.”² A quintessential example is “the revolving door,” wherein decision makers cycle from government positions to the industries they regulate and back again. Along the way, these individuals adopt attitudes and beliefs that benefit their position in that particular private business, which, of course, they will soon rejoin upon completion of their putatively “public” service. This cycle is all the more insidious for the omnipresent promise of higher pay in the private sector. Hence, there is continuing economic pressure through which personal self-interest morphs through a wink and a nod into the self-interest of the private company. In the wake of such lucrative paydays, family farmers cannot compete for the attention of public officials who favor personal wealth over public service.

The USDA is more prone to regulatory capture than many other agencies because “the USDA provides grading, certification and verification services intended to improve

² Brink, Lindsey and Steven M. Teles, [The Captured Economy: How the powerful enrich themselves, slow down growth, and increase inequality](#). Oxford University Press, 10 November 2017, p. 5.

agricultural companies' marketing of a variety of farm products."³ This makes the agency, and especially certain oversight mechanisms within it, dependent on the industry they work with through user fees and a broader mission to promote the agricultural industry.⁴ Similarly, there are a limited number of people with the requisite technical skills necessary to hold high-level regulatory jobs, and one way to get such experience is through private industry. The intertwining of USDA with private industry is to some degree inevitable; nevertheless, this does not excuse the brazen self-dealing we explore in the following sections.

Governor Biotech Goes to Washington: Sonny Perdue

To guard against conflicts of interest, politicians who make policy that could affect their own wealth frequently put their assets in a blind trust. Not Sonny Perdue. During his first gubernatorial campaign, in response to a question about whether he would put his businesses in a blind trust, he said: "I am a small business owner; I'm in the agri-business. That's about as blind a trust as you can get. We trust in the Lord for rain and many other things ... [A] blind trust is not functional for a small businessperson."⁵ Governor Perdue's actions while in office demonstrated that he was often working for his own rather than the public's interest.⁶ Before he left office, he was already cashing in on his government service by starting businesses including Perdue Consulting Group, which offered public policy advice,⁷ and Perdue Partners LLC, which helped private corporations lobby government.⁸

His frequent use of the revolving door involved placing business associates in state government and giving his gubernatorial staffers jobs in his businesses. In a particularly

³ Perkowski, Mateusz. "USDA: A captive agency?" *Capital Press*, 18 December 2014. Available: https://www.capitalpress.com/nation_world/nation/usda-a-captive-agency/article_da1abcd7-fdd3-5dec-86ca-8b87944ee8b0.html

⁴ Ibid.

⁵ O'Neill, Colin. "EWG Investigates: Trumps Agriculture Nominee Brings the Swamp to Washington." *Planet Trump*. 8 March 2017. Available: <https://www.ewg.org/planet-trump/2017/02/ewg-investigates-trump-s-agriculture-nominee-brings-swamp-washington>

⁶ Ibid.

⁷ Schouten, Fredreka. "Many ex-governors work as lobbyists, consultants." *USA Today*, 11 August 2013. Available: <https://www.usatoday.com/story/news/politics/2013/08/11/former-governors-lobbying-consulting-revolving-door/2639355/>

⁸ "Governor Sonny Perdue Launches Perdue Partners, LLC." *Business Wire*, 18 April 2011. Available: <https://www.businesswire.com/news/home/20110418006352/en/Governor-Sonny-Perdue-Launches-Perdue-Partners-LLC>

egregious display of nepotism, Governor Perdue appointed his cousin, David Perdue, to the Georgia Ports Authority in 2010.⁹ Then, in 2011, David Perdue became a cofounder of the Perdue Partners consultancy, and later won election to the U.S. Senate.¹⁰

Sonny Perdue also brought on key Georgia administration officials such as Heidi Green and Trey Childress to work at Perdue Partners and aid domestic and foreign corporate clients in navigating Georgia politics and government. Another abuse of power came in his final year in office, when he used his position to question a Georgia Ports Authority official about what services would be of use to lay the groundwork for some of his businesses dependent on shipping exports.¹¹

Two contrasting events illustrate Sonny Perdue's governing philosophy. In 2009, the Biotechnology Industry Organization (BIO), whose membership includes agribusiness behemoths like Bayer, Monsanto, Syngenta, and Cargill, named Perdue "BIO Governor of the Year" for his support of the industry.¹² He also faced 13 complaints at the state ethics commission during his years as governor, two of which resulted in findings that Perdue broke state ethics laws.¹³

Perdue followed the same modus operandi after he was nominated to be secretary of agriculture. Before he even had a Senate confirmation hearing, Perdue installed Heidi Green, the former Georgia state official and partner at Perdue Partners, as a senior advisor at USDA. She subsequently became Secretary Perdue's first chief of staff after his confirmation.

Some of the questionable decisions USDA has made under Secretary Perdue's leadership will be discussed further in Section II.

From Public Health Enforcer to a Captain of the Meat Industry: Al Almanza

⁹ David Perdue is now a U.S. Senator from Georgia

¹⁰ Kullgren, Ian. "How Perdue's power benefits his friends." *Politico*, 13 March 2017. Available: <https://www.politico.com/story/2017/03/donald-trump-sonny-perdue-agriculture-235982>

¹¹ O'Neill, Colin. "Sonny Perdue's Revolving Door Policy Already in Action." *Planet Trump*, 13 March 2017. Available: <https://www.ewg.org/planet-trump/2017/03/sonny-perdue-s-revolving-door-policy-already-action>

¹² State of Georgia Governor Sonny Perdue. Press Release, 23 April 2009. Available: https://sonnyperdue.georgia.gov/00/press/detail/0,2668,78006749_136688711_139078727,00.html

¹³ Kullgren, "How Perdue's power," see footnote 10.

Public power also lines private pockets when industry lures career officials away with lucrative employment offers. Take for example, Al Almanza.

Almanza served as the head of FSIS, which is supposed to ensure the safety of meat, poultry, and eggs. After 39 years at FSIS, he left in July 2017 to become the global head of food safety and quality assurance at JBS, the largest meat company in the world.¹⁴ The timing and circumstances of this move were deeply troubling and provide a revealing window into the corrupting influence of the revolving door.

Almanza seemed to be different from Sonny Perdue: by all accounts, he was a competent and ethical public servant during his tenure at FSIS. Nevertheless, taking his decades of government experience and training into the private sector certainly appeared to indicate that he came to favor industry over the public interest by the end of his career. The truth of this would be borne out in a breathtaking scandal.

In early 2017, USDA lifted a 13-year ban on the importation of Brazilian beef.¹⁵ That year, JBS faced disaster as multiple corruption probes culminated in raids at Brazilian meatpackers that uncovered serious food safety issues as well as suspected bribery. Incidentally, JBS was so successful in capturing the Brazilian government that a state-owned Brazilian bank gave JBS “favorable loan terms starting in June 2007 to acquire other meat companies around the world,” facilitating its entrance into the U.S. market through the purchase of Swift later that year.¹⁶

Almanza had the power to immediately stop the importation of JBS’s rotten beef, but he took 90 painstaking days to do so.¹⁷ In contrast, China and other countries immediately

¹⁴ “JBS Taps Almanza to lead its food safety program worldwide.” *Food Safety News*, 4 August 2017. Available: <https://www.foodsafetynews.com/2017/08/jbs-taps-almanza-to-lead-its-food-safety-program-worldwide/>

¹⁵ Tomson, Bill. “First US beef shipment arrives in Brazil after 13-year ban.” *Agri-Pulse*, 4 May 2017. Available: <https://www.agri-pulse.com/articles/9217-first-us-beef-shipment-arrives-in-brazil-after-13-year-ban>

¹⁶ Runyon, Luke. “JBS, World’s Largest Meat Company, Mired in Multiple Corruption Scandals In Brazil.” *Harvest Public Media*, 3 August 2017. Available: <https://www.harvestpublicmedia.org/post/jbs-worlds-largest-meat-company-mired-multiple-corruption-scandals-brazil>

¹⁷ Kieler, Ashley. “U.S. Halts Import of Brazilian Beef Following Tainted Meat Scandal.” *Consumer Reports*, 23 June 2017. Available: <https://www.consumerreports.org/consumerist/u-s-halts-import-of-brazilian-beef-following-tainted-meat-scandal/>

banned Brazilian imports.¹⁸ Just as Almanza was transitioning out of the USDA, the agency moved to suspend all importation of Brazilian meat in June 2017.¹⁹ By all appearances, Almanza's delay favored JBS to the point of allowing rotten meat to enter the U.S. food supply, and this favoritism landed him a sweetheart job with JBS.

In a *Politico* interview, Almanza defended his actions by stating he had recused himself from any discussions about the Brazilian rotten meat scandal and the suspension of Brazilian beef into the U.S.²⁰ It was his opinion that no rotten beef had gotten into the U.S., His statements seem disingenuous, to say the least.

Furthermore, as head of FSIS, Almanza should not have *recused* himself. He should have actively protected public health by *banning* the importation of potentially dangerous food. His actions suggest he was already in discussions with JBS about employment, and he felt he had a financial conflict even during his continued employment by USDA.

From Steward to Spender: Craig Morris

Yet another extraordinary, if all too common case involves AMS Deputy Administrator Craig Morris. Morris started his career working for The American Meat Institute (TAMI), a trade organization of large meat and poultry companies.

In his role with TAMI, Morris led an industry-coordinated effort to weaken FSIS-proposed rules on pathogen reduction. He also spearheaded an industry project concerning U.S. ground beef consumption, which was funded by the Cattlemen's Beef Board through beef checkoff tax dollars that flowed through AMS.

Morris then moved on to a combined 20-year career with AMS overseeing cattle and pork checkoff dollars, split with an interim position working for private industry, and capped by a high-level job at the National Pork Board (NPB), an entity he had previously

¹⁸ "Brazil Meat Scandal Deepens as China, EU, Chile Bar Imports." *VOA News*, 21 March 2017. Available: <https://www.voanews.com/americas/brazil-meat-scandal-deepens-china-eu-chile-bar-imports>

¹⁹ "Perdue: USDA Halting Import of Fresh Brazilian Beef." United States Department of Agriculture Press Release, 22 June 2017. Available: <https://www.usda.gov/media/press-releases/2017/06/22/perdue-usda-halting-import-fresh-brazilian-beef>

²⁰ Evich, Helena Bottemiller. "Almanza hails modernization in exit interview." *Politico*, 2 August 2017. Available: <https://www.politico.com/tipsheets/morning-agriculture/2017/08/02/almanza-hails-modernization-in-exit-interview-221659>

regulated.²¹ The entire cycle is a head-spinning circuit of conflicts and shady deals. In 2015, TAMI merged with another industry trade group to create the North American Meat Institute (NAMI). Ironically, this merger was consummated under the guidance of Barry Carpenter, himself a USDA veteran who, like Morris, was a deputy administrator at AMS before becoming CEO of NAMI.²²

Morris's two decades at AMS were interrupted for just 10 months when he went to work for Future Beef Operations, LLC, which soon went bankrupt. During his tenure at AMS, Morris worked within livestock, poultry, and seed programs. Eventually he rose to be the deputy administrator, where he consolidated oversight of both the Livestock & Seed and Poultry Programs until his departure in October 2017 to become vice president for international marketing at the NPB. Morris's insider knowledge of AMS was welcomed, of course, by Bill Even, CEO of NPB, who said Morris's "extensive knowledge of the pork industry, export markets and consumer preferences will elevate the [marketing and global promotion]²³ role during this crucial time for our industry."²⁴ The web is further entwined by the fact that the National Pork Board is in reality a public-private entity, responsible for collecting and spending pork checkoff tax dollars under a dubious legal scheme.²⁵

Master Communicator: Alisa Harrison

Helping to sell Big Ag's unpopular agenda to a skeptical public are public relations marketers like Alisa Harrison, who had a highly conflicted revolving door career that cycled through private industry, government, and the consulting world. Harrison started her career at the National Cattlemen's Beef Association (NCBA), eventually becoming its executive director for public relations. NCBA is the primary contractor of the beef checkoff, a \$1.00 tax on each head of cattle sold in America. NCBA uses these government funds to build their brand identity, and then uses this identity to maintain

²¹ National Pork Board. "USDA's Craig Morris to Join National Pork Board." *AgProfessional*, 17 October 2017. Available: <https://www.agprofessional.com/article/usdas-craig-morris-join-national-pork-board>

²² Flynn, Dan. "Merger of Two Meat Industry Associations Takes Effect Jan. 1." *Food Safety News*, 18 December 2014. Available: <https://www.foodsafetynews.com/2014/12/birth-being-given-thru-merger-of-new-powerful-meat-group/>

²³ Note: Author added for context on what role was being referenced.

²⁴ "USDA Official to Join National Pork Board." *Meat & Poultry*, 18 October 2017. Available: <https://www.meatpoultry.com/articles/17292-usda-official-to-join-national-pork-board>

²⁵ Note: Morris left the National Pork Board in January of 2019 to take a job in the seafood industry as the CEO of Genuine Alaska Pollock Producers.

control over the funds, to influence policy makers at both state and national levels, and to advocate for policies that work against family farmers. Up to 80% of NCBA's budget consists of checkoff taxes. All the while, NCBA claims it is the voice of U.S. cattle producers, even though its membership represents only 4% of U.S. cattle producers.

After 15 years, Harrison left NCBA to become director of communications and press secretary at USDA. Upon leaving government three-and-a-half years later, Harrison spent more than two years at the global public affairs and communications firm APCO Worldwide and another eight and a half years as senior vice president at a major food retail association. Finally, in 2016, Harrison came full circle, rejoining NCBA as the senior vice president of global marketing.²⁶

The examples cited above reveal just how serious USDA's revolving-door problem has become. USDA Secretary Sonny Perdue's well-documented disregard of family farmers; FSIS's Al Almanza taking a lucrative payday at the private company he failed to regulate properly; AMS marketing guru Craig Morris, who was charged with being a good steward of pork checkoff taxes and then went on to spend them; or communicator and marketer Alisa Harrison, who boomeranged from government back to the NCBA after multiple stops that benefited the NCBA. These are but some of the most egregious examples of how international conglomerates such as JBS and organizations like NCBA and NPB end up controlling policy and tax dollars that serve Big Ag's whims over the public interest.

Section II –Concentration of Corporate Power in Agriculture

If government is for sale to the highest bidder, then those with the deepest pockets and most corrupt intents will shape the people's policies to their personal advantage. Therefore, the larger agribusiness companies get, the more policy and political resources they will have to hinder competition and prevent markets from working properly.

The level of consolidation in agribusiness has led to a rise in market concentration not seen since the Gilded Age. In August 2017, OCM released a national policy brief titled "Consolidation, Globalization, and the American Family Farm," which focused on market

²⁶ "Alisa Harrison." LinkedIn profile. Available: <https://www.linkedin.com/in/alisaharrison>

concentration and globalization of U.S. agriculture. Here we consider how concentration magnifies regulatory capture that harms family farmers.

The meatpacking industry is actually more concentrated today than it was during the days of the Beef Trust in the early 1900s, when the “big packers accounted for 45%” of the total slaughter nationwide.²⁷ The Packers and Stockyards Act (1921) was designed to check monopolization of the meatpacking industry. Antitrust laws notwithstanding, the top four firms today “together slaughter more than 80 percent of feedlot cattle in the U.S.”²⁸

The consequences are evident. A 2019 report showed an 83% increase in meat and poultry recalls in the U.S. since 2013, including 12 million pounds of beef sold by JBS under the eyes of Al Almanza.²⁹ Despite this, USDA is moving forward with proposals to speed up pork and poultry inspection lines.³⁰

As concentration has increased, so has exploitation of small producers through usurious contract farming practices. In the poultry industry, companies like Tyson own the chicks and feed, and farmers contract with them to grow chicks to market-weight broilers.³¹ Farmers take out large loans to meet the conglomerate’s specifications, but their paydays are dependent upon Tyson’s good faith to provide suitable chicks as well as on a byzantine “tournament system” that seems to be rigged to punish whistleblowers. With only a handful of large companies in the market, there is no competition, and farmers who do not like working for a company are faced with no choice but bankruptcy, or worse. One national exposé found that most farmers can eke out subsistence wages, at

²⁷ Azzam, Azzeddine M. “Competition in the US meatpacking industry: is it history?” *Agricultural Economics*, Volume 18 (1998) p. 117.

²⁸ Fassler, Joe. “A new lawsuit accuses the ‘Big Four’ beef packers of conspiring to fix cattle prices.” *The Counter*, 23 April 2019. Available: https://newfoodeconomy.org/meatpacker-price-fixing-class-action-lawsuit-cattlemen-tyson-jbs-cargill-national-beef/?fbclid=IwAR0NRgT-j0orLDJofNF1iwiLL6GJEQ3_hduuiW0Mt6ohUuMweB1fP_Bbc (5/3/19)

²⁹ “New Report: Hazardous Meat & Poultry Recalls Nearly Double. U.S. PIRG press release, 17 January 2019. Available: <https://uspirg.org/news/usf/new-report-hazardous-meat-poultry-recalls-nearly-double>

³⁰ Khimm, Suzy. “Another Obama Decision Reversed? Now It’s About Food Safety.” *NBC News*, 16 October 2017. Available: <https://www.nbcnews.com/politics/white-house/another-obama-decision-reversed-now-it-s-about-food-safety-n810296>

³¹ Taylor, C. Robert and David A. Domina. “Restoring Economic Health to Contract Poultry Production,” 13 May 2010. Available: <http://www.competitivemarkets.com/wp-content/uploads/2012/02/dominareportversion2.pdf>

best, so that contract growers are increasingly joined in their ranks by desperately poor immigrants from southeast Asia.³² The vision of the American heartland as a beacon of Jeffersonian freedom has instead come to resemble a rural ghetto akin to King George III's feudal system.

The Obama Administration promulgated regulations that sought to protect farmers trapped in this contract growing model and to level the playing field for small farmers and meatpacking companies through two GIPSA rules, collectively known as the Farmer Fair Practices Rules (FFPR). The FFPR would have made "it easier for poultry and livestock farmers to sue meat processing companies with which they have contracts and to protect these contract farmers from unfair practices" like forcing them to make costly and unnecessary upgrades.³³ However, when Sonny Perdue became secretary of agriculture, he rolled back the FFPR rules.

With increasing concentration, trade industry groups that purport to represent large sectors of industry instead come under the purview of a few large oligopolies. This is exactly the case with the North American Meat Institute. NAMI's former president and CEO Barry Carpenter praised the confirmation of Secretary Perdue and looked forward to working with him "to address the challenges facing our industry."³⁴ Only six months later, Carpenter, who had already cycled through the revolving door between the USDA and industry after a 37-year career with AMS, issued another press release praising the rollback of FFPR.³⁵

Secretary Perdue's decision was devastating to independent livestock and poultry producers but was clearly a handout to agribusiness interests and a boot on the backs of family farmers. More Big Ag victories were on the horizon.

³² Leonard, Christopher. *The Meat Racket: The Secret Takeover of America's Food Business*. Simon & Schuster. 2014.

³³ Union of Concerned Scientists. "Betrayal at the USDA: How the Trump Administration is Sidelining Science and Favoring Industry over Farmers and the Public." 30 March 2018. Available: <https://www.ucsusa.org/sites/default/files/attach/2018/04/betrayal-at-the-usda-report-ucs-2018.pdf>

³⁴ North American Meat Institute. "Meat Institute Welcomes Senate Confirmation of Sonny Perdue." 25 April 2017. Available: <https://www.meatinstitute.org/ht/display/ReleaseDetails/i/135041>

³⁵ North American Meat Institute. "Meat Institute Welcomes USDA Rescission of GIPSA Rule." 17 October 2017. Available: <https://www.meatinstitute.org/ht/display/ReleaseDetails/i/139766>

Even the largely unenforced safeguards set up after the Beef Trust era are being dismantled. Secretary Perdue recently reorganized USDA to put GIPSA t under the AMS. This is a coup for meatpackers because AMS works in concert with meatpackers, and GIPSA is supposed to regulate meatpackers.³⁶

Section III – Impact on Family Farmers

Family Farming Meets the Machine: Sarah Lloyd and the Dairy Industry

Sarah Lloyd brought special insight into her service on the National Dairy Board. She earned a Ph.D. in sociology from the University of Wisconsin-Madison and runs the 400-cow Nelson dairy farm with her husband, Nels, whose family has been dairy farming in Wisconsin for more than a century.³⁷ But even a business with as much longevity and a family with as much talent as theirs faces fierce headwinds. With losses mounting year after year, “we’re really just digging deep into the asset base that the generations have built.”³⁸ “We’re just going to have to go further and further in debt,” she laments.³⁹

More than 600 dairy farms left the industry in Wisconsin in 2018 alone. Thousands of U.S. herds were lost in every month of 2019, victims of a rigged market that keeps prices low and encourages expansion rather than raising prices to make up for lost income.⁴⁰ The business cycle that used to wax and wane has been stubbornly stuck at levels below even the cost of production since 2015. At the state level, one of the macabre signs of the desperation among Wisconsin farmers is the substantial increase in funding for

³⁶ Kelloway, Claire. “Trump Administration Guts Office Designed to Protect Farmers from Ag Monopolies.” *Food and Power*. 6 December 2018. Available: <http://www.foodandpower.net/2018/12/06/trump-administration-guts-office-designed-to-protect-farmers-from-ag-monopolies/>

³⁷ “Crisis in the Dairy Industry with Sarah Lloyd.” *Bytable* podcast episode #38. Available: <https://soundcloud.com/user-58959289/ep-38-crisis-in-the-dairy-industry-with-sarah-lloyd>

³⁸ Ho, Justin. “The trade war’s only the latest problem facing America’s dairy industry.” *Marketplace*. 8 August 2019. Available: <https://www.marketplace.org/2019/08/08/dairy-farms-more-problems-than-trade-war/>

³⁹ Riviera, Gloria, Marjorie McAfee, Zoe Lake and Allie Yang. “Wisconsin’s failing dairy industry means farmers may play vital role in midterms.” *ABC News*. 1 November 2018. Available: <https://abcnews.go.com/Politics/wisconsins-failing-dairy-industry-means-farmers-play-vital/story?id=58886981>

⁴⁰ Dynes, Erica. “Farmer solutions complex—beef one idea.” *Ag Update*. 4 January 2020. Available: https://www.agupdate.com/agriview/news/business/farmer-solutions-complex---beef-one-idea/article_f8d1a8ed-27e4-5a8c-880b-3ebfbc33bb07.html

farmer depression and suicide prevention. At the federal level, President Trump's trade wars are "the crappy icing on the crappy cake."⁴¹

The National Dairy Board, funded by checkoff taxes on small and large farmers alike, illustrates the conflicting prerogatives of farmers and national bureaucrats. Even as a Board member, Lloyd found she couldn't do much to change the system. She quickly discovered that the checkoff was co-opted by industry and a "good old boy system" that did not have the interests of farmers at heart.⁴² "I would often leave the meetings and weep on my way home," she remembers.

Lloyd's farm pays about \$16,000 per year in checkoff taxes, and this government program paid out millions of dollars to some of the world's largest food corporations, such as McDonald's and Pizza Hut. It paid a staggering \$25 million to the National Football League for a "partnership" from 2013 to 2017. "These high-priced marketing people sitting in fancy offices in suburban Chicago were driving up to the meetings in luxury foreign SUVs," Lloyd continues. "They were using my money and (other) farmers' money when farmers' kids are on free and reduced lunch."⁴³ Dairy farmers are paying to put themselves out of business.

"To cover this gaping wound we have been offered Band-aids," Lloyd writes of the Trump administration's response. What's the real solution? "We want a fair price in the market."⁴⁴ But at the National Dairy Board, "you're not allowed to talk about price," she states flatly. "They will honestly just say: 'We can't talk about price.' It's ridiculous."⁴⁵

It does not have to be this way. The U.S. dairy industry could develop a system that actually matches supply with demand to allow for a viable price paid to dairy farmers,

⁴¹ Lloyd, Sarah. "Don't Be Distracted by that Burning Pile of Soybeans." *The Progressive*. 4 September 2019. Available: <https://progressive.org/dispatches/dont-be-distracted-by-that-burning-pile-of-soybeans-lloyd-190904/>

⁴² Interview with Sarah Lloyd. December 4, 2019.

⁴³ Spivak, Cary. "A nonprofit that's supposed to promote dairy pays its leaders millions—while the farmers who fund it are going out of business." *Milwaukee Journal Sentinel*. 18 February 2020. Available: <https://www.jsonline.com/in-depth/news/special-reports/dairy-crisis/2019/09/04/dairy-management-inc-pays-execs-salaries-millions-farmer-checkoff-program-got-milk-prices-fall/1884361001/>

⁴⁴ Lloyd, Sarah. "Milk: Too Much of a Good Thing." *Wisconsin Examiner*. 29 July 2019. Available: <https://wisconsinexaminer.com/2019/07/29/milk-too-much-of-a-good-thing/>

⁴⁵ Interview with Sarah Lloyd. December 4, 2019.

instead of widespread overproduction. According to Lloyd, “the Canadian system is protecting its family farmers. It would be nice to have a U.S. system that did the same.”⁴⁶ Lloyd and other dairy advocates encourage farmers to get involved in the Dairy Together movement, which works to protect family farmers.⁴⁷

Perseverance over Discrimination: John Boyd and The National Black Farmers Association

Of all the indignities heaped upon farmers in America, the added burden of discrimination based on skin color is hardest to stomach. There is no place in a just America for racism. Through his impressive public speaking, force of personality, and sheer grit, John Boyd, fourth-generation farmer and founder of the National Black Farmers Association, has led the way to a more just farm economy for all Americans.

The obstacles farmers of color face in America are daunting. “My dad is a farmer,” Dr. Boyd writes. “My dad’s father was a farmer, his father was a farmer, and his father was a slave.” The 45,000 African American farmers today are disproportionately represented in the ranks of smaller farmers, with an average farm size of just 50 acres. In a study of the federal government’s role in perpetuating such economic problems, the Government Accountability Office concluded that “USDA has been addressing allegations of discrimination for decades and receiving recommendations for improving its civil rights functions without achieving fundamental improvements.”⁴⁸

Boyd has felt this sting personally. “I had a great winter wheat crop,” he recalls. “When I got to the mill to sell it, I saw some of my neighbors receiving the going price, but then I got there with good grain, and they found a way to dock it . . . It’s getting harder and harder to get an operating loan from banks, too. I think some of that is race-related.”⁴⁹

⁴⁶ Lloyd, “Don’t Be Distracted”

⁴⁷ “Resources.” *Dairy Together*. Available: <https://www.dairytogether.com/resources>

⁴⁸ United States Government Accountability Office. “United States Department of Agriculture: Recommendations and Options to Address Management Deficiencies in the Office of the Assistant Secretary of Civil Rights.” October 2008. Available: <https://www.gao.gov/assets/290/282840.html>

⁴⁹ McGinnis, Mike. “Q&A: John Boyd, Founder and President of National Black Farmers Association.” *Successful Farming*, 7 September 2018. Available: <https://www.agriculture.com/news/business/q-a-john-boyd-founder-and-president-of-national-black-farmers-association>

One time, “When [Boyd] went to his county office seeking a USDA loan to help save his farm . . . a white farmer spit on him.”⁵⁰

The inability to access capital and acquire savings leads to a cycle of intergenerational debt bondage. “The most troubling part of the whole story was my great-grandfather was able to obtain land after the Civil War, keep it, pass it on to a generation, and here I am, supposed to be a free man. Why can’t I live this life that my forefathers lived? Why can’t I obtain credit?”⁵¹

In a heroic and visionary effort, Boyd “hitched up two mules—40 Acres and Justice—and drove his wagon 280 miles to D.C., attracting news coverage and support along the way.”⁵² When President Obama signed the 2010 settlement to provide \$1.25 billion to farmers who were victims of discrimination, Boyd attended to represent all of American’s black farmers.⁵³ Just as individuals passing through the revolving door can harm the lives of millions of Americans, focused leadership in Washington can make a real difference. When one’s own situation is so precarious, why dedicate such enormous time and energy to help others? “I’m haunted by the faces,” Boyd concludes.⁵⁴

Integrity versus Retaliation: The Buttram Family and Contract Poultry Farming

What strikes one most about third-generation poultry farmers Jonathan and Connie Buttram is the kindness they exude for people, animals, and each other. True partners in love and in business, the Buttrams are people of exceptional integrity – which is exactly why they ran afoul of the oligopolies that dominate the American chicken industry.

Like virtually all contract poultry growers in America, the Buttrams are beholden to the tournament system, an opaque payment structure that pits farmers against each other

⁵⁰ “Black Farmer Wrests Billion-Dollar Settlement From U.S.” *News One*, 1 February 2012. Available: <https://newsone.com/1833215/john-boyd-black-farmer-settlement/>

⁵¹ Parker, Robin Rose. “First Person Singular: John Boyd Jr., 46, President, National Black Farmers Association, Baskerville, VA.” *The Washington Post*, 6 June 2012. Available: https://www.washingtonpost.com/lifestyle/magazine/first-person-singular-john-boyd-jr-46-president-national-black-farmers-association-baskerville-va/2012/06/14/gIQA7shiqV_story.html

⁵² Lamon, Leah. “40 Acres and Justice: The Story of John Boyd.” National Black Farmers Association, 8 February 2018. Available: <http://www.nationalblackfarmersassociation.org/single-post/2018/02/08/The-John-Boyd-Story>

⁵³ ⁵³ “Black Farmer Wrests Billion-Dollar Settlement From U.S.”

⁵⁴ Parker, Robin Rose. “First Person Singular.”

by rewarding those who produce the most chicken meat at the lowest cost and paying the lowest performers at rates that do not even cover their costs. The system is easily gamed by the chicken companies that run it, as they do not have to share information with farmers about payment calculations.

“When I became president of the Alabama Contract Poultry Growers Association, Koch Foods began a process of harassment that ultimately led to their terminating my contracts and putting my family in near bankruptcy,” Jonathan says. All chickens are not created equal. And the poultry integrator can punish growers by sending them sick or underweight chicks.⁵⁵

From birth to slaughter, the chickens are owned by the oligopolies, with ostensibly independent labor provided by growers like the Buttrams. Fully half of American contract poultry growers live in regions served by just one or two chicken companies.⁵⁶ “The company has 99-and-a-half percent control over the grower,” says Jonathan. “Then, they say we’re not an employee – we are employees, but they won’t let us have any kind of benefits or insurance.”⁵⁷ “We have no rights. We’re basically turned into sharecroppers.”⁵⁸

These are not the only problems with contract poultry growing in America. Larger farms with newer technology and higher up-front investments can produce chickens that out-compete farms with older technology and equipment. However, the initial costs effectively are a hidden subsidy. The economic imperative for small farmers to build larger, new barns and farming systems finds people with little or no collateral taking out

⁵⁵ DeShong, Travis. “With his new chicken documentary, is Morgan Spurlock part of the solution and the problem?” *The Washington Post*, 12 September 2019. Available:

https://www.washingtonpost.com/lifestyle/food/with-his-new-chicken-documentary-is-morgan-spurlock-part-of-the-solution-and-the-problem/2019/09/11/39b985d0-cb6e-11e9-a1fe-ca46e8d573c0_story.html

⁵⁶ United States Small Business Administration Office of Inspector General. “Evaluations of SBA 7(A) Loans Made to Poultry Farmers.” 6 March 2018. Available: <https://www.sba.gov/sites/default/files/oig/SBA-OIG-Report-18-13.pdf>

⁵⁷ Lowery, Annie. “The Rise of the Zombie Small Business.” *The Atlantic*, 4 September 2018. Available: <https://www.theatlantic.com/ideas/archive/2018/09/whose-farm-is-this-anyway/569227/>

⁵⁸ McLamb, Steven. “Marshall County chicken farmer plaintiff in federal lawsuit against USDA.” *WAFF 48*, 21 December 2017. Available: <https://www.waff.com/story/37122257/marshall-county-chicken-farmer-plaintiff-in-federal-lawsuit-against-usda/>

multimillion-dollar balloon loans subsidized by government-backed Small Business Administration (SBA) loans that subject farmers to a form of debt peonage.⁵⁹

The pain and suffering visited upon American farmers is so immense that Jonathan has become almost like a minister to some driven to unspeakable desperation by Big Chicken. "I have counseled numerous farmers who have considered suicide because of the poultry companies' continued harassment and abuses," Buttram says.⁶⁰ "A grower called me and said he was going to kill his broiler manager and kill himself. I never thought that I would have to be talking people out of committing suicide or committing murder."⁶¹

The retribution visited upon the Buttrams became especially severe when they appeared as the stars of Morgan Spurlock's hit documentary, *Super Size Me 2: Holy Chicken!*⁶² Jonathan was effectively blackballed, and all four major poultry companies in his area severed all ties with the Buttrams.⁶³ Even more galling, Big Chicken went after their children, denying them business "not because of anything they did but because their parents spoke out."⁶⁴

Despite the retribution visited upon the Buttrams, they are moving forward with their lives. Organizations like the Alabama Contract Poultry Growers Association are powerful tools to fight for change, and many of its members come together after experiencing firsthand the inequity of a broken system that commodifies humans and animals alike. The Buttrams joined with farmers from across the country, with legal help from OCM and Democracy Forward, to file a federal lawsuit against USDA for withdrawing the

⁵⁹ Brown, H. Claire. "Arkansas lawmakers oppose a rule that would hurt Big Poultry." *The Counter*, 29 November 2018. Available: <https://thecounter.org/arkansas-big-poultry-tyson-small-business-administration-political-spending-contract-chicken-growers/>

⁶⁰ DeCiccio, Emily. "Tainted Beef: How the meat you buy could be supporting Venezuela's socialist regime." *New York Post*, 31 October 2019. Available: <https://nypost.com/2019/10/31/tainted-beef-how-the-meat-you-buy-could-be-supporting-venezuelas-socialist-regime/>

⁶¹ Lowery, Annie. "The Rise of the Zombie Small Business."

⁶² Felperin, Leslie. "'Super Size Me 2: Holy Chicken!': Film Review." *Hollywood Reporter*. Available: <https://www.hollywoodreporter.com/review/super-size-me-2-holy-chicken-review-1037096>

⁶³ Maxwell, Joe. "The death of the American dream for family farmers." *The Hill*, 8 November 2017. Available: <https://thehill.com/opinion/energy-environment/359388-the-death-of-the-american-dream-for-family-farmers>

⁶⁴ Food Integrity Campaign. "Media Alert: Nationwide Group of Family Farmers to Expose Abuse in Meat Industry, Demand Action from USDA," 15 July 2019. Available: <https://www.foodwhistleblower.org/media-alert-nationwide-group-of-family-farmers-to-expose-abuse-in-meat-industry-demand-action-from-usda/>

GIPSA rule. They have also exited the chicken business after watching their “farm over the past decade shrink from 360,000 birds and 1,000 brood cows to simply 80 brood cows.”⁶⁵

“We care about the food supply,” Jonathan states. “These large packers and integrators do not care. The bottom line is the money, the dollar.”⁶⁶ For people of conscience like the Buttrams, the hope is that their whistleblowing and legal advocacy will lay the groundwork for a new generation of American farmers who are treated with dignity and respect that Big Chicken have denied so many.

Section IV – Policy Recommendations for Today’s Regulatory Landscape

The onset of the Reagan administration in 1980 is often considered the year when the federal government abandoned antitrust enforcement in favor of monopolies and deregulation. Corporate consolidation has not been meaningfully addressed since then. In 1984, the Department of Justice and the Federal Trade Commission published new guidelines for non-horizontal (vertical) mergers, which stood unrevised (and largely unenforced) for almost 40 years. In those 40 years consolidation grew exponentially, as did the loss of farmers and ranchers across the country.

On January 13, 2020, AMS released its proposed rule outlining the criteria that the secretary of agriculture should use to determine whether a practice violates the Packers and Stockyards Act (PSA).⁶⁷ The rules clearly reveal Sonny Perdue’s unwillingness to address meatpacker abuses. These criteria do almost nothing to protect producers from harm. OCM has argued that the criteria themselves, if used to interpret possible violations, would directly harm producers.⁶⁸ The stripped-down and weakened rules

⁶⁵ Bottemiller, Helena, et. al. “Suing USDA but fearing reprisals.” *Politico*, 15 December 2017. Available: <https://www.politico.com/newsletters/morning-agriculture/2017/12/15/suing-usda-but-fearing-reprisals-053627>

⁶⁶ McLamb, Steven. “Marshall County chicken farmer plaintiff.”

⁶⁷ Agricultural Marketing Service. “Undue and Unreasonable Preferences and Advantages Under the Packers and Stockyards Act.” 13 January 2020. Available: <https://www.federalregister.gov/documents/2020/01/13/2020-00152/undue-and-unreasonable-preferences-and-advantages-under-the-packers-and-stockyards-act>

⁶⁸ Organization for Competitive Markets. “Public Comments on the Proposed Rule: Undue and Unreasonable Preferences and Advantages Under the Packers and Stockyards Act.” 12 March 2020. Available: <https://competitivemarkets.com/public-comments-on-the-proposed-rule-undue-and-unreasonable-preferences-and-advantages-under-the-packers-and-stockyards-act/>

recommended by AMS clearly demonstrate that USDA has no intentions whatsoever to protect producers from the abuses of the meatpacking industry. The USDA has continued to perform like the captured agency that it is, allowing meatpacking companies to behave with virtually no threat of enforcement from those responsible for ensuring fair competition.

OCM and other organizations have suggested several policy measures to address the issue of agency capture. Reinstate GIPSA. Close the revolving door between government agencies and the entities they regulate. Create a fully independent agency with oversight and enforcement of Packers and Stockyards Act violations. These and other recommendations are detailed below.

Reinstatement of GIPSA

AMS is the most corrupt and compromised agency in Washington, D.C., and subordinating the Packers and Stockyards Division to AMS is the death knell for antitrust enforcement in the meatpacking industry. AMS has a long history of too-close association with meatpackers. It is the very agency that rubber stamped the National Cattlemen's Beef Association's abusive expenditures of checkoff funds, denied farmers and ranchers access to financial records detailing how their checkoff dollars are being spent,⁶⁹ and approved the fraudulent transfer of \$60,000,000 of National Pork Board checkoff funds to the National Pork Producers Council.⁷⁰

Checkoffs aside, AMS has been captured by the very industry it is now charged with regulating, with an incestuous revolving door between industry and government. Two examples are the departure of AMS Deputy Administrator Craig Morris, who became the vice president of international marketing for the National Pork Board, and Barry Carpenter, another former AMS deputy administrator, who became the (now retired) CEO of the North American Meat Institute, the multinational meatpackers' trade group. AMS appears to operate as a satellite office for the meatpackers and is, therefore, unfit to protect America's family farmers.

⁶⁹ Organization for Competitive Markets. "OCM v. OIG (Checkoff Transparency Lawsuit)." 4 March 2017. Available: <https://competitivemarkets.com/ocm-foia-claim-regarding-beef-checkoff-program/>

⁷⁰ Byrd, Emily. "Federal Court Stops Pork Checkoff Corruption." *Good Food Institute*, 6 February 2018. Available: <https://www.gfi.org/federal-court-stops-pork-checkoff-corruption>

Reinstatement of the Grain Inspection, Packers and Stockyards Administration (GIPSA) as a stand-alone agency with full enforcement authority should be a top priority for the next administration. Once reinstated, GIPSA should thoroughly review Packers and Stockyards investigations conducted during GIPSA's capture by AMS, and retroactively reopen any investigations deemed necessary to take action on possible violations of the Packers and Stockyards Act.

Creation of an Independent Oversight and Enforcement Agency

Since the Trump administration eliminated GIPSA as a stand-alone enforcement agency, the most cost-efficient and beneficial next step would be to put the regulatory and enforcement programs established pursuant to the Packers & Stockyards Act, the Perishable Agricultural Commodities Act, and the regulatory and enforcement part of the Animal & Plant Health Inspection Service (APHIS) under one new separate and distinct agency. This action was previously suggested by J. Dudley Butler, administrator of GIPSA during the Obama administration, but went unheeded by Secretary Vilsack.⁷¹ This could be easily accomplished by a new administration using the same method that Secretary Perdue used to neuter GIPSA, via a reorganization of USDA.

One month after leaving USDA, former Secretary Vilsack demonstrated how quickly top government officials pass through the revolving door to work for the interests they formerly purported to regulate when he became the highest paid executive at Dairy Management Inc. (DMI). Vilsack, who joined DMI on February 1, 2017, was paid \$999,421 in his first full year on the job. He is presently executive vice president of the group and serves as president and CEO of the U.S. Dairy Export Council, a DMI subsidiary.⁷² Vilsack is now a corporate lobbyist for agribusiness, benefiting from contacts and influence in government that he obtained as the secretary of agriculture.

Close the Revolving Door

Former Secretary of Agriculture Tom Vilsack's new position as a lobbyist one month after ending his tenure with the Obama administration is an example of just how smoothly and efficiently the revolving door swings between corporate agribusiness and

⁷¹ Butler, J. Dudley. Interview (email). 18 August 2020.

⁷² Spivak, Cary. "Ex-agriculture secretary Tom Vilsack is the top paid executive at Dairy Management." *Milwaukee Journal Sentinel*, 2 December 2019. Available: <https://www.jsonline.com/story/news/special-reports/dairy-crisis/2019/12/02/former-secretary-agriculture-tom-vilsack-top-paid-dairy-management-exec/4265818002/>

government agencies. Vilsack was a lobbyist prior to becoming Secretary of Agriculture, and after he served as governor of the state of Iowa.⁷³

OCM has joined 47 other groups focused on finance, civil rights, monopoly, environment, and national security to call for the winner of the next presidential election to keep his administration free of the sorts of corporate conflicts of interest that have for too long defined business-as-usual in Washington.⁷⁴ More specifically, the letter, sent by the Revolving Door Project, calls for the next administration:

not to appoint any individual to a senior policy role in an agency or department with authority over any industry in which that individual held a senior position or served in an advisory capacity within the last five years. We also urge that, if applicable, such individuals be excluded from positions with jurisdiction over personnel matters during the transition.⁷⁵

This five-year “cooling-off period” would slow down the rapid and seamless transition of government officials such as Vilsack into lobbying positions.

These recommendations echo those of other organizations such as Public Citizen, who look to examples provided by several states to argue that existing federal revolving-door laws should be strengthened by:

- Extending all cooling-off periods to a minimum of two years – at least a full congressional cycle – and preferably even longer, so as to allow the inside connections to sitting government officials and staff to fade.
- Banning compensation for “lobbying activity,” such as conducting research, preparation, planning and supervision of a lobbying campaign, as well as banning “lobbying contacts” during the cooling-off period.

⁷³ “Vilsack, Thomas.” Open Secrets. Available:

https://www.opensecrets.org/revolving/rev_summary.php?id=70903

⁷⁴ Revolving Door Project. “Dozens of Groups Urge Biden to Stand Against Corporate Conflicts of Interest.” 30 July 2020. Available: <https://therevolvingdoorproject.org/dozens-of-groups-urge-biden-to-stand-against-corporate-conflicts-of-interest/>

⁷⁵ Revolving Door Project. “To Rebuild Public Trust, Close the Revolving Door.” 29 July 2020. Available: <https://therevolvingdoorproject.org/to-rebuild-public-trust-close-the-revolving-door/>

- Applying the ban on lobbying by former elected officials and very senior staff across the board to all agencies and both the legislative and executive branches of government during the cooling-off period.⁷⁶

Recommendations such as these would establish an ethical framework capable of preventing former public officials from capitalizing on the contacts and influence obtained by their former positions in government to unfairly benefit their clients.

Increase Congressional oversight of the Office of Inspector General of the USDA

In a legal battle between family farmers and ranchers and the U.S. Department of Agriculture, USDA refuses to release public audit and financial documents related to Beef Checkoff Program spending. By law, farmers and ranchers are mandated to pay into the government checkoff fund for research, promotion, and development of markets for beef, but concerns arose after an audit found gross misuse of the program funds by the government's primary contractor, a beef-industry lobbying group.

In 2014, OCM filed a lawsuit against the USDA Office of Inspector General (OIG) to compel USDA to turn over documents related to the audit of the checkoff program. The lawsuit is now in the summary judgement phase, and OCM has been waiting six years for a court decision on whether the audit and financial records must be released to the public.⁷⁷

In the absence of congressional action, there is no recourse for farmers and ranchers in this matter. The OIG appears to be waiting indefinitely to release the audit records, and the judge in the case has not responded to a Notice of Supplemental Authority filed in June 2020. The OIG's inaction amounts to yet another form of harm to producers promulgated by USDA. Meanwhile, checkoff activities continue with little to no transparency or independent oversight, and a referendum on the checkoff has been launched by ranchers and producer groups.⁷⁸

⁷⁶ Holman, Craig, and Caralyn Esser. "Slowing the Federal Revolving Door." Public Citizen, 22 July 2019. Available: <https://www.citizen.org/article/slowing-the-federal-revolving-door/>

⁷⁷ Organization for Competitive Markets. "OCM v. OIG (Checkoff Transparency Lawsuit)."

⁷⁸ Bakken, Leif. "Petition Launched for Beef Checkoff Reform." Northern Ag Network, 8 July 2020. Available: <https://www.northernag.net/petition-launched-for-beef-checkoff-referendum/>

In the interest of accountability and transparency, Congress should issue an order compelling the OIG and USDA to release all previously withheld documents related to the beef checkoff. With the checkoff referendum underway, beef producers must have access to the records of how their money has been spent in the past to make an informed decision about whether to keep the beef checkoff operational in its current state.

Secretary Perdue has dismantled GIPSA and kicked the door wide open for the customary meatpacker abuses of producers to continue unchecked . . . Perdue's "get big or get out" statements are more than just poor-tase jokes about whining farmers. They are the mantra to his administration's attitude of enforcement of the law.

Conclusion

On April 28, 2020, during the initial surge of the Covid-19 pandemic's disruption of the American economy, after over 20 meatpacking plants had closed due to thousands of infected workers and dozens of worker deaths, President Trump invoked the Defense Production Act to order meatpacking plants to stay open.⁷⁹ A month later, using Trump's exact logic, the Superior Court in Brazil allowed the criminal Batista brothers to return to their leadership roles in the parent company of JBS.⁸⁰ In July 2020, Pilgrim's Pride, after being sued by the family of Maria Hernandez, one of its plant workers who died from Covid-19, argued that President Trump was the reason the plant had remained open despite the dangers to workers due to a lack of basic safety measures, such as informing employees that their co-workers were infected. Pilgrim's Pride pointed at Trump's April 28 executive order invoking the Defense Production Act to compel meatpacking plants

⁷⁹ Crampton, Liz and Gabby Orr. "Trump orders meat plants to stay open as worker deaths rise." *Politico*, 28 April 2020. Available: <https://www.politico.com/news/2020/04/28/trump-to-order-meat-plants-to-stay-open-215555>

⁸⁰ Shaffer, Erica. "Court clears Batista brothers' return to JBS parent company." *Meat & Poultry*, 28 May 2020. Available: <https://www.meatpoultry.com/articles/23206-court-clears-batista-brothers-return-to-jbs-parent-company?fbclid=IwAR1xhh9sqTUbYS8cWuBMUunPr7-HStlXoHL2AtmqFCI4kle48kHFFSicqy8>

across the country to remain open despite widespread infections from the coronavirus pandemic.⁸¹

Prior to Covid-19, there were varying degrees of separation in agriculture and food that kept diverse stakeholders from working together. Farmers and ranchers, wary of activist agendas and resistant to government intervention, were preyed upon by big agribusiness and giant meatpacking companies. The USDA, effectively a captured agency, worked with those companies through AMS on one hand, while on the other hand attempting to maintain the appearance of regulating them through the shell of what was once GIPSA. Consumers, largely focused on the convenience and price of food, mostly ignored the effects of their purchasing choices on farmers and agricultural workers. Farm organizations disagreed over policy details and worked to undermine each other's efforts to influence lawmakers and the public. Advocacy groups, in their decentralized and distributed manner, carried out their individual missions, protected their funding sources and strategies, and catered to their constituents.

Secretary Perdue has dismantled GIPSA and kicked the door wide open for the customary meatpacker abuses of producers to continue unchecked. By now it should be clear to all that the USDA is as ineffective at protecting farmers from domestic exploitation as it is at negotiating trade agreements. Perdue's "get big or get out" statements⁸² are more than just poor-taste jokes about whining farmers.⁸³ They are the mantra to his administration's attitude of enforcement of the law.

Now that Covid-19 has revealed the weak links in the food supply chain and unveiled the problems with food production and distribution in our country, farmers and consumers alike are calling for some of the same reforms that agriculture and advocacy groups have been promoting for decades. A heightened awareness of meatpacking worker safety, not just as a food quality issue but also as a combination of human rights, public safety, and national security concerns, is spreading throughout consumers and progressive-minded

⁸¹ Hussein, Fatima. "Sued Over Covid-19, Companies Scramble for Federal Court Shelter." *Bloomberg Law*. 20 July 2020. Available: <https://news.bloomberglaw.com/daily-labor-report/sued-over-covid-19-companies-scramble-for-federal-court-shelter>

⁸² Goodman, Jim. "Ag Secretary Perdue to small farmers: Stop whining, your demise is inevitable." *Pennsylvania Capital-Star*, 4 October 2019. Available: <https://www.penncapital-star.com/commentary/ag-secretary-perdue-to-small-farmers-stop-whining-your-demise-is-inevitable-opinion/>

⁸³ "Sonny Perdue's joke about whining farmers gets booed." *AgDaily*, 14 August 2019. Available: <https://www.agdaily.com/lifestyle/sonny-perdues-joke-whining-farmers-booed/>

farmers and the groups that represent them. New coalitions are forming among agriculture, consumer, and labor advocacy groups. Antitrust lawsuits have been filed. Investigations are in process, the results yet to be determined.

Convicted criminals with a history of food safety violations now sit at the head of the world's largest meatpacking company, JBS. The CEO of Pilgrim's Pride (the poultry processing company owned by JBS), who was indicted for price fixing, has had his trial postponed,⁸⁴ and the potential victims of their crimes are too numerous to functionally process.⁸⁵ USDA's investigation of meatpacker wrongdoing in the Finney County (Kansas) Tyson plant fire and the Covid-19 pandemic released no findings relative to Packers and Stockyards violations, opening the door for the North American Meat Institute to promote a false narrative that USDA found no wrongdoing on the part of the meatpackers.⁸⁶ USDA claims investigations of possible violations of the Packers and Stockyards Act are ongoing, on the heels of USDA recommending a watering down of the rules that would guide that investigation.

It remains to be seen what the outcome of these processes will be, but clearly the agencies responsible for enforcement of antitrust laws have not had the courage to take meaningful action or to follow through in sustaining effective repercussions for violations. Until these agencies are strengthened through administrative reorganization, the last remaining embers of hope for the future of America's independent family farmers and ranchers will be ground into the dust by the bootheel of Big Ag.

⁸⁴ Fatka, Jacqui. "Trial delayed involving Pilgrim's Pride CEO." Feedstuffs, 14 July 2020. Available: <https://www.feedstuffs.com/news/trial-delayed-involving-pilgrims-pride-ceo>

⁸⁵ Flynn, Dan. "Thousands of poultry price-fixing victims are a challenge for the court." Food Safety News, 17 July 2020. Available: <https://www.foodsafetynews.com/2020/07/thousands-of-poultry-price-fixing-victims-are-a-challenge-for-the-court/>

⁸⁶ Western Ag Reporter. "USDA Reports No Wrongdoing from The Packers Surrounding Holcomb Fire and Covid-19 Pandemic." July 22, 2020. <https://www.westernagreporter.com/articles/usda-reports-no-wrong-doing/>