



Tapeworm Economy Threatens Food Supply

BY MIKE CALLICRATE

SUCKING THE LIFE BLOOD FROM FAMILY FARM AGRICULTURE

"Our ground beef comes from Stampede Meat Company in Chicago, it's delivered by Sysco, and we need enough volume for 2,000 locations." This was the response from a Smash-burger representative when I asked if

Chavez, in describing the negative economic impact on our community when, every day, the Sysco truck delivers things from somewhere else, while taking the money away.

As explained in the book *Fast Food*



"Agriculture is a business, not a way

- Teaching of land-grant institutions from around 40 years

Abandoned farmstead South of St. Francis, Kansas

the company would be interested in buying high quality, locally produced beef for their Colorado restaurants. His response was a painful reminder of the words of our Ranch Foods Direct delivery driver, Francisco

This ravenous corporate tapeworm has sucked the life out of Rural America; it must die for us to live. Let's stop feeding it.

Nation, McDonald's growth was dependent on the rapid growth of their suppliers - who, due to a lack of anti-trust law enforcement, have become part of a massive international wealth extraction machine - an economic parasite - a giant industrial-sized-tape-worm.

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by Mike Callicrate & Fred Stokes

Disclaimer: The opinions of the authors presented in our newsletter are their own and are not intended to imply the organizations position. OCM has membership with diverse viewpoints on all issues. OCM is committed to one and only one principal; competition.





BOARD MEMBERS AND STAFF

BOARD MEMBERS:

Mike Callicrate, President
St. Francis, KS - mike@nobull.net

John Hansen, Vice-President
john@nebraskafarmersunion.org
Lincoln, NE

Brother David Andrews, Secretary
Washington, DC

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Richard Oswald
Langdon, Missouri

Chris Petersen
Clear Lake, IA

Fred Stokes, Past President
Porterville, MS

STAFF:

Pat Craycraft, Office Manager
Lincoln, NE • 402-817-4443
ocmlincoln@msn.com

PROJECT ASSISTANTS

Jessie McKenzie, MS
David Tomasin, MS
Jody Holland, Starkville, MS
Eric Lister, Brentwood, TN
Austin Vitale, Intern

TAPEWORM ECONOMY (continued
from page 1)

Consumers are getting it

Thanks to the many well written books, and revealing films like Food Inc., consumers are learning how broken and sick the food system is. They are looking for alternatives to the industrial food-like substances in their diet and trying to avoid a system that profits from exploiting refugee workers, abusing animals, degrading the environment and making people sick. So how do the chain and chain-like food companies adapt to meet this new consumer awareness?

First – Deceive the shareholder and the eater

While selling investors on the rosy prospect of big profits and growth, Wall Street based food companies disguise their real intentions to mine profits from the food system by creating a wholesome image that appeals to growing numbers of discriminating eaters. Squeezed between the growing awareness and demands of consumers and intense Wall Street/Investor pressure, companies often hype a marketing image far different from their actual practices.

Sensing what the consumer wants after the last film or news cycle, they

carefully frame the message, “We serve only USDA inspected meat.” Really, don’t all restaurants serve USDA inspected meat? “Our meat comes from family farms.” Smithfield, the world’s largest pork producer and processor, owns Murphy Family [Factory] Farms. Since the Federal Trade Commission is still on vacation, they get even more aggressive. “No hormones or steroids are administered the last 100 or 120 days.” The long-acting growth enhancing implants are normally administered more than 100 to 120 days before the cattle go to market. No labels reveal the use of the inhumane and aggressive body building beta agonists, Ractopamine and Zilmax, that aren’t classified as antibiotics, hormones or steroids. False country of origin labeling, the misleading use of the many zombie brands, making false claims of “never-ever” antibiotic and hormone use, and promises of improved animal welfare - in the future, are standard deceptions. Marketing the highly profitable Pink Slime in a way that makes someone want to eat it appears to be the greatest challenge to date. Perhaps our taste buds would be happier with less technology, and fewer lies.

Please see TAPEWORM ECONOMY on page 6

TIME TO RENEW YOUR 2013 MEMBERSHIP

Renewal letters and invoices were sent out the first of the year. We are at a critical moment in determining the future for the family farm and ranch agriculture and for a livable rural America. You can count on OCM to work hard to confront abusive market power and unfairness in the marketplace. We need your help. Please be as generous as you can in your support.

PLEASE RENEW TODAY.



"Somebodies misfortune is also somebodies benefit."

BY RICHARD OSWALD

That's the way Travis Dunekacke of Elk Creek Nebraska sums up his business—TD Niche Pork—of selling heirloom pork directly to consumers. He's talking about the fact that diversified family farms have lost the ability to sell hogs into fair and transparent livestock markets. Consequently CAFO hog production has become the rule instead of an exception. But into that controlled market atmosphere a new consumer, and a new type of hog producer has been born.

That's the benefit Travis is referring to, because he's found discerning consumers in the meat and potatoes bread basket of America. He's been able to build his business in a pretty unlikely spot, right square on the buckle of the Midwestern corn belt where commodity pork is supposed to be king.

"Other operators around me are trying to mimic the industrialized food system. They want to sell pork to Japan or Korea. I ship my pork within 80 miles of where the hogs are raised (to local markets)" Travis said.

One of the things that makes his business so good is the fact it's small. Undeveloped markets with small consumer bases don't attract attention from hog conglomerates because they lack a big market share. That makes them perfect incubators for specialized producers like Travis.

No one can say Travis doesn't have opinions. Take this one for instance; "My feeling is we are the

wealthiest people in the world. Why don't we produce the products our people want and consume them here?" Travis says that leaders in the US pork industry—expansion minded agriculture likes to equate itself with extraction and construction types of businesses by calling themselves an industry—say we need to make food more convenient. That ignores consumer preference and markets that beg to be sold into. For those markets, the mantra is less about cheap product and more about quality consumers want to buy.

Southeastern Nebraska seems an unlikely spot to find upscale buyers. While Travis' farm is in a very rural area, there are 12 small meat processing plants within 75 miles of it. Even more crucial to his farm plan is that 3 of those are USDA inspected. Most importantly they have the capacity it takes to meet market demand.

That's good because lack of inspected processing facilities is one of the greatest hurdles farm to consumer direct marketed food must overcome.

Also within that roughly 75 mile radius are several restaurants as well as the 2 largest Nebraska cities, Lincoln and Omaha. Upscale restaurants in places like that boast chefs who relish having an entire hog for head to tail unique and flavorful culinary creations."Local restaurants here are independently owned. They aren't corporate. 1/2 of them are upscale. I love high end restaurants but there's

only so many of those. Even though only certain restaurants will take a whole pig, I'm fortunate enough to have several" Travis explained.

Travis' ultimate goal (he's not that big yet) is producing \$250,000 worth of flavorful pork off a measly 5 acres of wasteland on the family farm. That land once belonged to his grandparents. Helping him meet his goal is Ryan Coswert, a part time Berkshire breeder from Braymer Missouri. Ryan raises certified Berkshire feeder pigs from 55 head of sows. All his hogs are farrowed in A-huts, outside, on dirt. That's a big divergence from the industrial model where sows move from cage to cage, first tiny gestation stalls then into farrowing crates and back again.

Ryan's was the largest certified herd of Berkshires last year in the entire state of Missouri.

Ryan doesn't want to feed his pigs to slaughter weight, and Travis doesn't want to be bogged down with a breeding herd and farrowing his own pigs. So Travis buys all the pigs Ryan can produce.

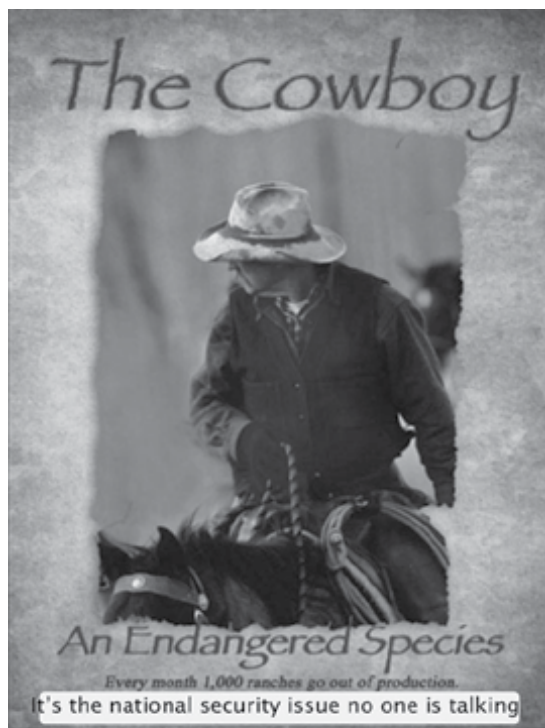
For guys like Travis and Ryan, being competitive isn't the big deal it is for Big Pig where fast cheap gains and a quick turnaround rule the business plan. That's because the product they produce is something unique, something people truly want to buy rather than simply being the cheapest thing on the shelf.^{RO}



From Berkeley to Boston: Coming Together Around Freedom, Fairness and Food

BY MIKE CALLICRATE & FRED STOKES

Eating is one thing we all have in common.
And, to millions of us, what we eat, how it's produced, and
where it comes from is important.



Photography from Great Ranches of the West
©2007 Jim Keen

OCM has worked for the last fourteen years to restore competition in the agricultural marketplace. We believe family farmers and ranchers make the best stewards of our land and livestock, and are the most reliable and trustworthy sources of high quality, healthy and safe food. OCM's fundamental unifying belief is that fair, open and **competitive markets** are critical to our nation's

food supply. A growing number of people believe that family farmers and ranchers will soon be a thing of the past unless something is done quickly about the abusive **power of big food companies**.

Since inception, OCM has believed litigation to be the most direct and effective way to correct the injustices of an unfair marketplace. Unfortunately, so far, the higher courts

have taken the side of the big packers when juries have found market unfairness. Legislative solutions have failed, either at the point of law-making or later in rule-making when the big packers and their lobbyists help write the rules, reversing the intent of lawmakers.

Last year during our annual conference we announced the filing of a **lawsuit against USDA** in response to their failure to act following a 2010 performance review, which found the **National Cattlemen's Beef Association** (NCBA) had knowingly misappropriated (stolen) funds from the beef checkoff. Cattlemen's fears were confirmed – NCBA was in fact using cattlemen's money intended for promotion and research, against them, in advocating for big meat packer and retailer control of the cattle industry.

Polsinelli Shughart, a large law firm based in Kansas City, agreed to represent me (Mike Callicrate), pro bono, as the sole plaintiff in the case. The suit asked the court for a permanent injunction, blocking future checkoff funds from going to NCBA. As soon as the announcement of the suit was made public, all hell broke loose. The furor centered on the involvement of the Humane Society of the United States (HSUS), rather than the merits of the case. HSUS had offered the assistance of their legal department in reviewing a large volume of FOIA material received from USDA, providing Polsinelli attorneys with valuable help on strategy and in drafting the complaint. Polsinelli, under pressure, and in breach of contract, has since withdrawn from the case, leaving me without counsel.

Also, following the announcement, the Mississippi Farm Bureau board expelled former OCM president, **Fred Stokes**, for his role in the litigation and association with HSUS. Fred was a forty-year member of Farm Bureau, served ten years as president of his county Farm Bureau, and was in his second term as a state board member. The contention was that he was in conflict with Farm Bureau policy supporting commodity checkoffs, when in fact the litigation sought improvement of the program, intending to stop the misuse of checkoff funds. The obvious reason for the reaction was that this litigation might jeopardize a vital **revenue stream to NCBA**, one of Farm Bureau's partners in the **U. S. Farmers and Ranchers Alliance (USFRA)**. USFRA, a coalition of the world's largest agribusiness firms, and other organizations promoting industrial agriculture, is financed with corporate and commodity checkoff dollars, including hundreds of thousands of dollars from the beef checkoff. Industrial agriculture is an extraction model of food production and distribution that exploits and abuses producers, workers, animals, the environment and the consumer. **USFRA** recognizes the word "industrial" as opposed to "family farm" has become highly offensive to consumers. Their deceptive PR and marketing campaign is an effort to hide their offensive image behind the respected and trusted face of family farmers and ranchers.

"When we lose our markets, we lose our freedom!"

Mike Callicrate, Spring 1994 – The live cattle market dropped \$17/cwt. in six weeks when IBP withdrew from the market, killing their own captive cattle – a practice NCBA promotes.

NCBA, since its formation in 1996, has put the interests of big packers, distributors and retailers over the interests of the cattlemen they claim to represent. While packers and retailers have been **reporting huge profits** selling to consumers at record prices, ranchers and cattle feeders have been plundered. Essentially, cattlemen are **buying their own hanging rope** when forced by law to pay the operating expenses of the NCBA. USDA is mandated by law to provide oversight for this mandatory tax, assuring money is used in accordance with the act and order. The law prohibits funds from being used to promote political agendas, precisely what was already well known and now confirmed in the review. The USDA, known to be in the pocket of NCBA and the big meat packers, continues to show indifference to clear proof of illegal behavior.

Convinced that family farmers and ranchers provide far better husbandry than factory farms, **HSUS supporters** (Eleven million – over 90% eat meat), have worried that options for humanely produced meats are quickly disappearing. HSUS asked OCM how they could help support family farm agriculture. Their legal assistance was critical in filing the

case against **USDA**.

The Beef Checkoff Reform Taskforce, formed by OCM and other concerned cattlemen in 2010, asked for and obtained an Office of Inspector General (OIG) audit which began in February of 2011. The investigation was finished in December of that year with the expectation of a public report by March 2012. The report is yet to be released and there is good evidence the long overdue report will be a whitewash. The lawsuit against USDA has been stayed pending the report.



"If you have men who will exclude any of God's creatures from the shelter of compassion and pity, you will have men who will deal likewise with their fellow men."

- St. Francis of Assisi

Industry has spent enormous resources dividing producers, trying to convince them that HSUS and other consumer groups are the enemy and are anti-animal agriculture. At the same time, NCBA

Please see **CALLICRATE** on page 6)



CALLICRATE (continued from page 5)

has been a strong and effective advocate for industrial agriculture and the chickenization of the cattle industry, which has driven over 40% of our cattle producers off the land in the last 30 years.

So perhaps the real enemy is not HSUS but, instead, NCBA. We don't agree with HSUS on everything, but on the issues important to OCM we do agree. HSUS has supported **Country of Origin Labeling**, Mandatory Price Reporting, and the GIPSA rules.

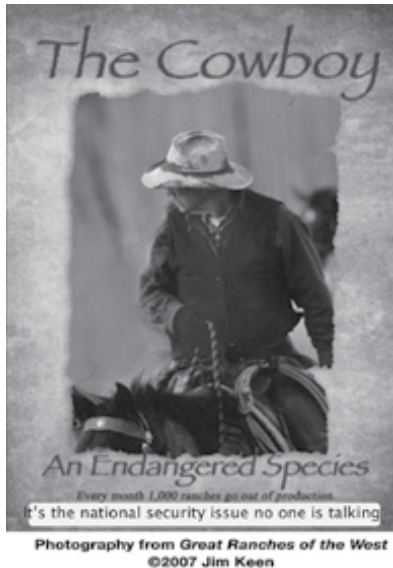
Over the years, our voice has become much weaker as more and more farmers and ranchers are forced off the land. OCM believes strongly that aligning with other groups is critical to saving family farm and ranch agriculture. We are reminded daily of how powerful and abusive this industrial, profit-at-all-costs, lawless corporate food system has become.

OCM has a successful history of collaboration. In 2006, Nebraska corn farmer, John Dittrich, acting in his role as an OCM board member, led an historical effort to bring diverse, sometimes disagreeable groups, together on some critical issues. After three days of meetings, representatives from manufacturing, organized labor, agriculture, and faith, found consensus on common issues concerning trade. The **Coalition for a Prosperous America** was formed. The group is now over 3 million strong and guiding much needed changes in global trade policy.

Anyone, from Berkeley to Boston, who understands the value of producing, growing and making things, anyone who values neighbor, community, and freedom over prejudices and serfdom, who place people over profit, is welcome to join us in our important work.^{MC/FS}

TAPEWORM ECONOMY (continued from page 2)

Second – Put a fake family farmer face on big agribusiness



Expecting companies like Cargill and Tyson to actually be nice to producers, workers, and animals, while caring about the environment, is like expecting a Grizzly bear to become vegan. They demand profits and growth – at all costs. Cargill, the largest privately owned corporation in the world, is hiding behind the Colorado Proud label in Colorado. Tyson's Farm Check supposedly has Tyson inspectors monitoring the animal handling practices of their contract growers. These suppliers are held captive, and unlike real family farmers, no longer own the livestock. They are treated like serfs, forced to exploit their family members and refugee workers, whose anger is often expressed in the mistreatment of animals

- a direct transfer of the abuse they are receiving from companies like Tyson. Phony certification programs and deceptive marketing are providing false cover for some very dark behavior.

One of the most serious affronts to family farmers and ranchers is the U.S. Farmers and Ranchers Alliance (USFRA). The biggest food companies on the planet, with their cheerleader organizations, like Farm Bureau, National Cattlemen's Beef Association, National Pork Producers, American Meat Institute, Farm Credit, National Corn Growers and others pushing industrial agriculture, have literally stolen the identity of the iconic family farmer to cloak their ugly version of industrial agriculture. Adding insult to injury, USFRA is robbing government regulated commodity check-off coffers (intended for promotion and research), which all farmers and ranchers are forced by law to pay into, to promote their model of agriculture which is driving these same producers off the land.

What we support prospers

With all their highly touted technology and so-called economies of scale and efficiencies, the industrial food system is collapsing. The predator has



consumed the prey. The bones are being picked clean. Slaughter houses, like the Cargill beef plant in Plainview, Texas, are shutting down for lack of livestock. They blame the drought, but abusive market power and monopoly control is the real reason 90 percent of our hog farmers are out of business. Over 40% of our ranchers are gone, and over 85% of our dairy farmers are no longer caring for our milk cows due to a no-rules highly predatory marketplace.

Good food, humane treatment of livestock, and a healthy environment will never come from a factory. All that is needed for good stewardship and husbandry to return is a fair, open and competitive marketplace, free of market predators like Tyson, Cargill, Smithfield, and the giant Brazilian meat packer, JBS. Trying to change this broken food system is a waste of time. We should put our money and energy into supporting the rebuilding of our local and regional food systems, providing local, healthy alternatives that make the industrial food system less relevant.

Farms and ranches should be operated by people living on the land, making a living income caring for THEIR livestock, not a Smithfield's Joe Luter, ruling from his New York City penthouse, demanding bigger profits from his tired and abused slaves.

This ravenous corporate tapeworm has sucked the life out of Rural America; it must die for us to live. Let's stop feeding it.^{MC}



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