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Contacts: Marlene Halverson, 10346 South Dennison Boulevard, Northfield, MN 55057; Marvin Freiborg, Farmer, Route 2 Box 63, Sauk Centre, MN 56378; Nolan Jungclaus, Farmer, 12540 210th Avenue, SE, Lake Lillian, MN 56253; Mark Honeyman, Outlying Research Systems, Iowa State University, 20 Curtiss Hall, Ames, IA 50011.

General, 5

SUMMARY: PANEL PRESENTATION ON IMPORTING A PIG-FRIENDLY AND SUSTAINABLE FEEDER PIG PRODUCTION MODEL FROM SWEDEN: JOINING FARMS AND COMMUNITIES

The panelists have been involved in a project to bring from Sweden a sustainable, pig-friendly model of feeder pig production developed by Swedish farmers and incorporate it into farming systems here. The model is called Västgötmodellen. A key feature of the model is that it achieves efficiency by fitting all in-all out management and facility design to the biological and behavioral characteristics of pigs. Because it meets the strict Swedish environmental, food quality, and animal welfare standards it is a highly suitable method for increasing sustainability of hog farming operations in the U.S.

The Relationship Between Communities and Farms in Sweden

Taken as a whole, Sweden's laws regarding food safety and quality, environmental protection, and farm animal welfare are the strictest and most comprehensive in the world. In general, Swedish consumers are closer to agriculture than are American consumers. Many living in town maintain close connections to the country through ancestral farm homes and vacation there in summer. Consequently, urban as well as rural Swedes are in positions to observe and form opinions about how actual farming practices compare to their expectations for high quality production. They also are in a position to observe agriculture's environmental effects. Community boards decide on the characteristics of farms within community boundaries. For example, one Swedish hog farmer, at a high cost which was not subsidized by the community, was required by his community board to design his hog building to conform to the outside of a nearby twelfth-century church. Swedish consumer regulations place the burden on producers to provide safe and high quality food rather than placing the burden on consumers. The prevailing market philosophy is "Caveat venditor" -- "Seller beware." Finally, in 1993, in order to improve Swedish farmers' competitiveness prior to entering the European Community, Sweden removed government supports from agriculture.

Operating within this demanding legal and socio-economic framework, innovative Swedish hog farmers have made their production methods highly efficient while still meeting public expectations. Swedish production systems effectively internalize costs of production that, in other countries, are frequently displaced onto consumers, taxpayers, communities, animals and the environment. With few exceptions, Sweden's institutions (e.g., the market, governments, lenders, research institutions, the media, farmer cooperatives, environmental, animal protection and consumer organizations, etc.) have fostered adoption of sustainable production practices. Farmers, in turn, are responsive to consumer It was the Swedish farmers organization that convinced the government to ban concerns. subtherapeutic use of antibiotics in farm animal feeds, for example. So far, Swedish consumers have rewarded farmers' efforts by favoring Swedish pork products over imports from the EC despite the higher price of Swedish pork.

Adopting a Swedish Swine Production Model in the U.S.

In contrast, American farmers who want to adopt more environment- and animal friendly models of livestock production face considerable institutional obstacles. Investment capital for alternative systems is hard to come by. Sustainable grant and loan programs often provide grant or loan amounts for changeover or technology adoption that are too small for mid-size producers. Banks appear to

have only the industrial model of swine production in mind when they consider which loan applications to approve. Experts disagree as to whether or not markets will close to independent producers in the future as feed and slaughter companies assume ownership of hogs and production facilities and hire labor to operate them. Moreover, in these vertically coordinated or integrated systems, the production stage needs to be highly intensive and management is generally not under the control of the operator. Those who do believe markets will close to independent hog farmers disagree about how soon — one, two, five, ten, or twenty years ahead. The uncertainty makes investment decisions of independent producers very difficult and lenders wary.

Beyond markets and lenders, land grant institutions that appear to have turned a corner toward more research and development in sustainable crop production have lagged behind in sustainable animal production. For the most part, land grant institutions have not taken very seriously public concerns over farm animal welfare and animal stewardship. Animals enter sustainable agriculture research and literature primarily as nutrient cyclers. Calls for respect for the "living" earth rarely cross over to calls for respect for live animals used in livestock production. Land grant institutions tend to serve the latest in industrial hog production. Consequently, university expertise is scarce for farmers who want to start or convert to non-industrial models and for sustainable farmers who want to improve the efficiency of their non-intensive production systems. Federal priorities tend to favor research that furthers efficiency of industrial production methods. Producer incentives are geared toward increasing production volume rather than improving output quality or safety of production practices. The burden of food safety falls primarily on the user rather than the producer. The prevailing market philosophy is "Caveat emptor" — "Consumer beware."

Within this generally unsupportive institutional environment, opportunities for pig-friendly, sustainable hog production in the U.S. are unlikely to evolve on their own. They must be created by farmers working together. Individual sustainable hog farmers may need to join together and form their own buying and selling cooperatives, ensuring stable supplies and consistent schedules to the slaughter-processors who will work with them. They will need to work with the environmental, consumer, and animal welfare organizations that can provide endorsements for their products and help them develop alternative markets and offer certified alternative products to interested consumers. They may need to invest in promotions to pique interest and develop product loyalty on the parts of consumers who would be willing to pay a higher price to bring their products to market. Both in seeking alternative financing and in trying to develop alternative markets, sustained, cooperative efforts will be required to overcome the obstacles that stand in the way. Illuminating the interdependence of farm family, the extended family of neighborhood and community, and strengthening the linkages between them are ways to create these opportunities. And, as the Swedish experience shows, for sustainable farms to thrive in a competitive market,, sustainable farmers need consumers, environmentalists, animal welfarists and each other, and vice versa.