

Local Economy

Objectives:

- Understanding and facilitate discussion of our food systems' choices
 - Why we pick conventional produce and products over organic or over local and vice versa
 - Applying theoretical situations that may affect this decision
- Identifying how our food system choices affect our local economy

Spaghetti Dinner

- You need to make a spaghetti dinner for your family this evening
 - Pasta
 - Sauce
 - Pre-made
 - Tomatoes, Onions, Peppers
 - 3 stores to choose from
 - Supermarket (Kroger, Meijer, etc.)
 - Local Co-Op
 - CUE Farm Stand

Supermarket (Kroger, Meijer, etc.)

Items	Pricing	Source
Sauce	\$4.00	Made in Italy
Pasta	\$2.00	Made in Tacoma, WA
Tomatoes	\$2.00	Grown in FL
Onions	\$1.00	Grown in FL
Peppers	\$1.50	Grown in Holland

- Get all your products from one convenient location!
- Low prices all day, everyday!

Local Co-Op

Items	Price	Source
Sauce	\$8.00	Made in Indianapolis, from CA-grown organic ingredients
Pasta	\$5.50	Made in Indianapolis
Tomatoes	\$3.50	Grown in Indianapolis, organic
Onions	\$2.50	Grown in Indianapolis, organic
Peppers	\$3.50	Grown in CA, organic

- Come get your time convenient products here!
- Promote your local economy!

CUE Farm Stand

Items	Price	Source
Tomatoes	\$2.00	Grown in Indianapolis, organic
Onions	\$2.00	Grown in Indianapolis, organic
Peppers	\$2.00	Grown in Indianapolis, organic

- Support your local food economy!
- Buy fresh, organic produce grown here in Indianapolis
– no extra chemicals used for transportation purposes!

Reflection 1: Ideal Grocery List

Reflection piece:

- Having heard what the stores' items, prices, and sources are write down which store(s) you intend to visit.
- Which products will you purchase to make dinner?
- Why?
 - Price, Convenience, Health, Economic and/or Environmental Impact?
- Total up what your ideal grocery list cost would be

Supermarket (Kroger, Meijer, etc.)

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Reflection piece:

- Which store(s) do you intend to visit?
- Which products will you purchase to make dinner?
- Why?
Price, Convenience, Health, Economic and/or Environmental Impact?

Tally up your grocery list cost!

Reflection 2: C'est la vie! Grocery List

- Everyone has a baseline of \$10 to spend
- Situation cards:
 - Receive money due to your situation
 - Pay out money due to your situation
 - Have more of a time crunch
- **Please see Banker if applicable!!!**

Reflection 2: C'est la vie! Grocery List

- Now, working with what you had currently planned upon doing how has your situation changed your plan?
 - How, if at all, has your situation changed your purchasing power?
 - Will you visit different stores and/or buy different products?
 - Write down where you will go and what you will buy given your current situation
 - What factors are driving your decisions now?
 - Price, Convenience, Health, Economic and/or Environmental Impact?

Supermarket (Kroger, Meijer, etc.)

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Reflection piece II:

- Has your situation changed your purchasing power?
- Will you visit different stores and/or buy different products?
- What factors are driving your decisions now?

Grocery Shopping Time!

As a class...

- Discuss your first list and reasoning
- Discuss your situation and second list's potential changes along with reasoning

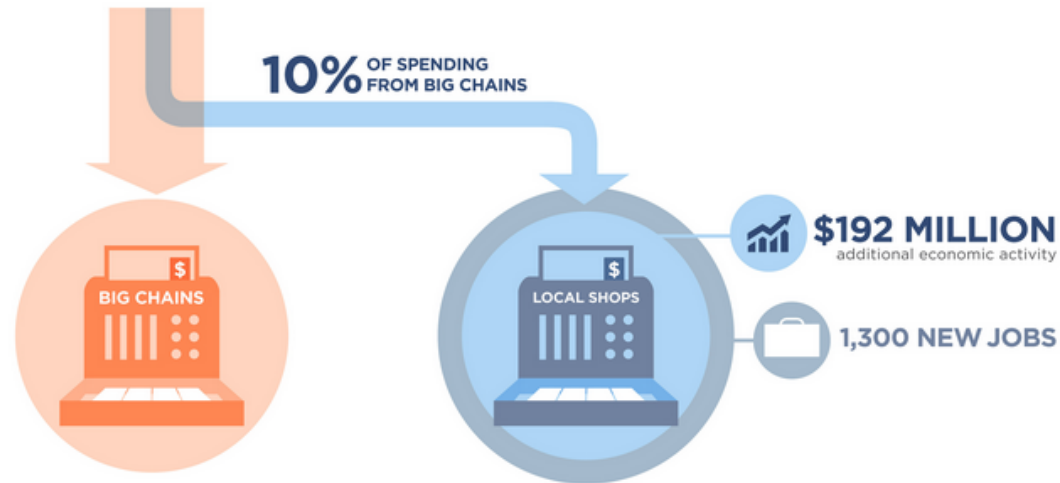
Gross Sales & Local Economy Pay Back

Supermarket	Pay Back	Local Co-Op	Pay Back	CUE Farm Stand	Pay Back
Bought produce from FL	-25%	Pasta made locally	+25%	Produce organically grown locally	+75%
Spaghetti sauce made in Italy	-25%	Sauce made locally	+25%	Hired employees locally	+25%
Pasta made in Tacoma, WA	-25%	Ingredients organically grown in CA	-25%		
Hired employees locally	+25%	Hired employees locally	+25%		
Totals:	25%		75%		100%

Realistic Application on Local Economy

LITTLE CHANGES = BIG PAYOFFS

By redirecting just 10 percent of spending in San Francisco from chains to local businesses, residents would generate \$192 million in additional economic activity and almost 1,300 new jobs.



WHERE YOU SPEND YOUR MONEY MATTERS

Spending locally keeps more money and jobs in your area and has a positive economic impact that can outweigh the lower cost and convenience of chain stores. Shop the way small business owners do—support your local businesses.

Sources:

<http://bealocalist.org/sites/default/files/file/GR Local Works Complete.pdf>

<http://www.ilsr.org/wp-content/uploads/2013/02/2013-Survey.pdf>

http://civiceconomics.com/app/download/5841704804/SFRDS_May07.pdf

<https://c401345.ssi.cf1.rackcdn.com/wp-content/uploads/2013/04/Spring-2013-Monitor-News-Release-FINAL-OF-Format.pdf>



Davis, K. (2013). The Case for Shopping Local (Infographic). Retrieved from <https://www.entrepreneur.com/article/227551>

Why care about purchasing food produced locally?

- Locally grown food tastes and looks better
 - Crops are picked at their peak
 - Livestock farmers typically have direct relationships with processors overseeing quality
- Local food may be better for you
 - Shorter the time between farm to table, less likely nutrients will be lost
 - You can see it where it's produced
- Local food preserves genetic diversity
 - In conventional ag systems, plant varieties are chosen based on abilities to ripen uniformly and survive harvesting, packaging, and shelf-life (limited genetic diversity in large-scale production)
 - Smaller local farms typically choose a variety of crops and do not monoculture

Importance of buying local cont'd

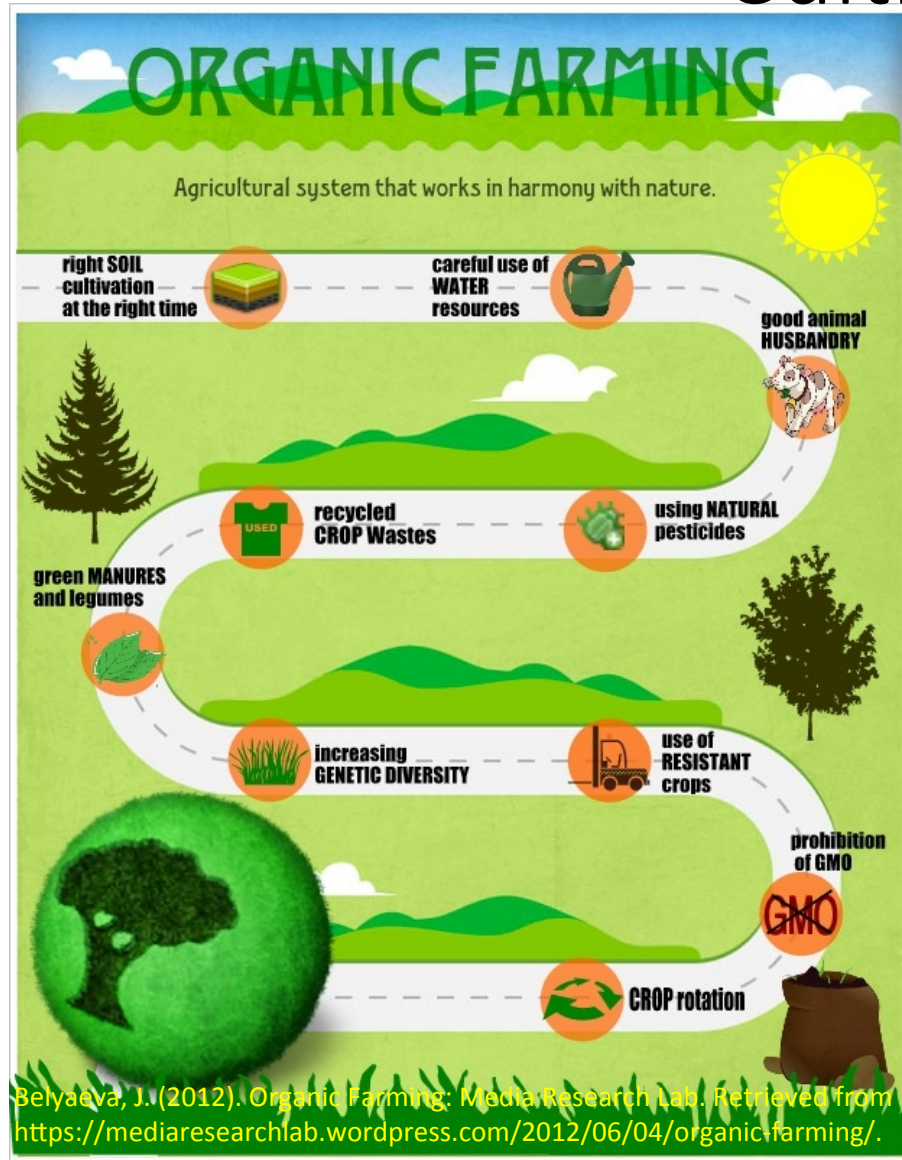
- Local food supports local families
- Local food builds communities
 - Depending on market location, can help address food deserts
- Local food preserves open space
 - When farmers get paid for their products, they are less likely to sell their farmland to developers
- Local food keeps taxes down
 - American Farmland Trust has produced studies that show farms contribute more in taxes than they require in services

Importance of buying local cont'd

- Local and sustainable food benefits the environment and wildlife
 - Conserve fertile soil, protect water resources, and sequester carbon from atmosphere
- Local food is an investment in the future
 - Supporting local farmers today, ensuring farms in your community tomorrow

Grubinger, V. (2010). Ten Reasons to Buy Local Food. *Cultivating Healthy Communities Extension*. Retrieved from www.uvm.edu/vtvegandberry/factsheets/buylocal.html

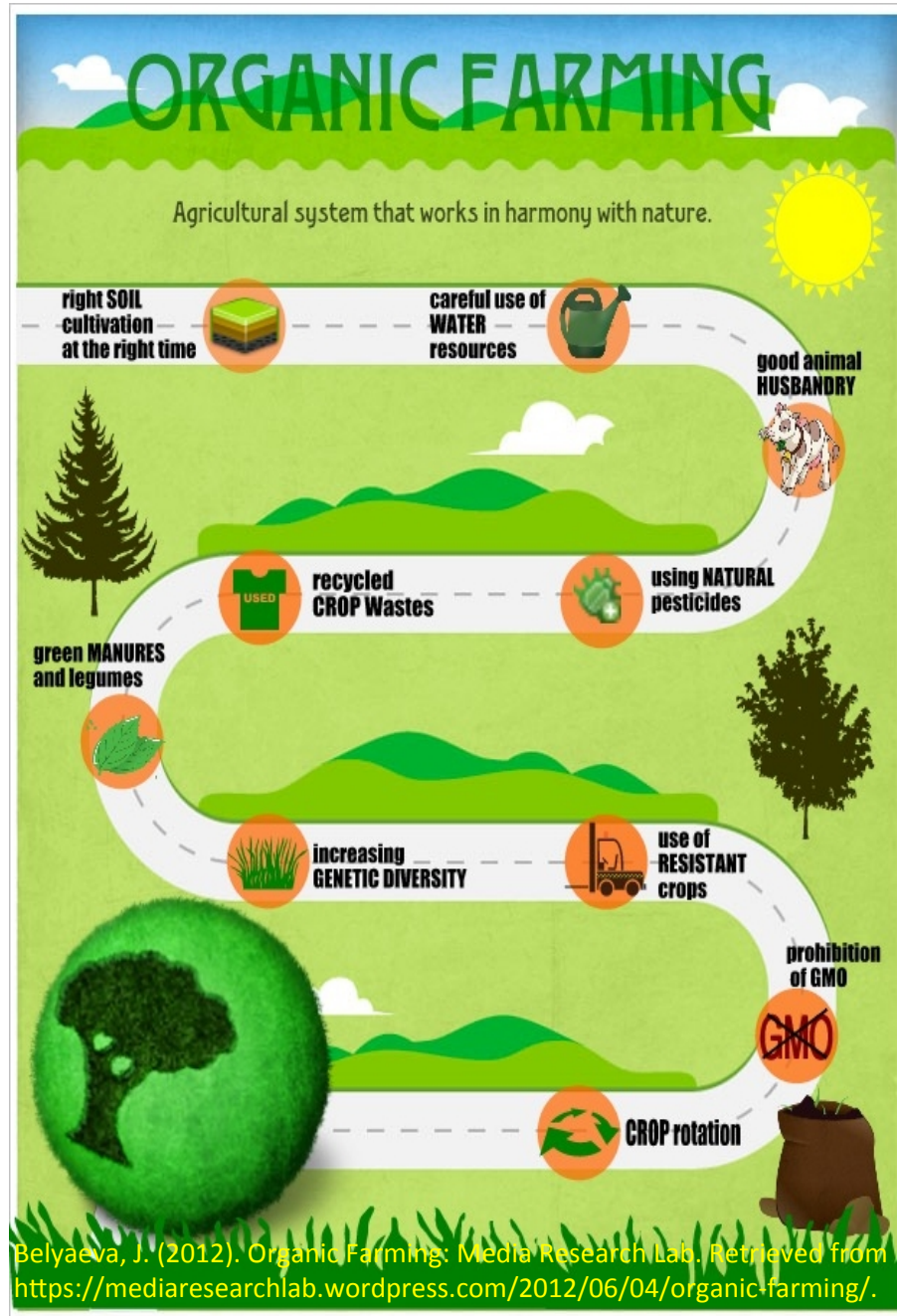
Ecological Factors for Local, Sustainable Food Cultivation System



- CUE Farm as an example of local, sustainable, and organic cultivation system
- Techniques used in one area can affect another area

Soil Cultivation

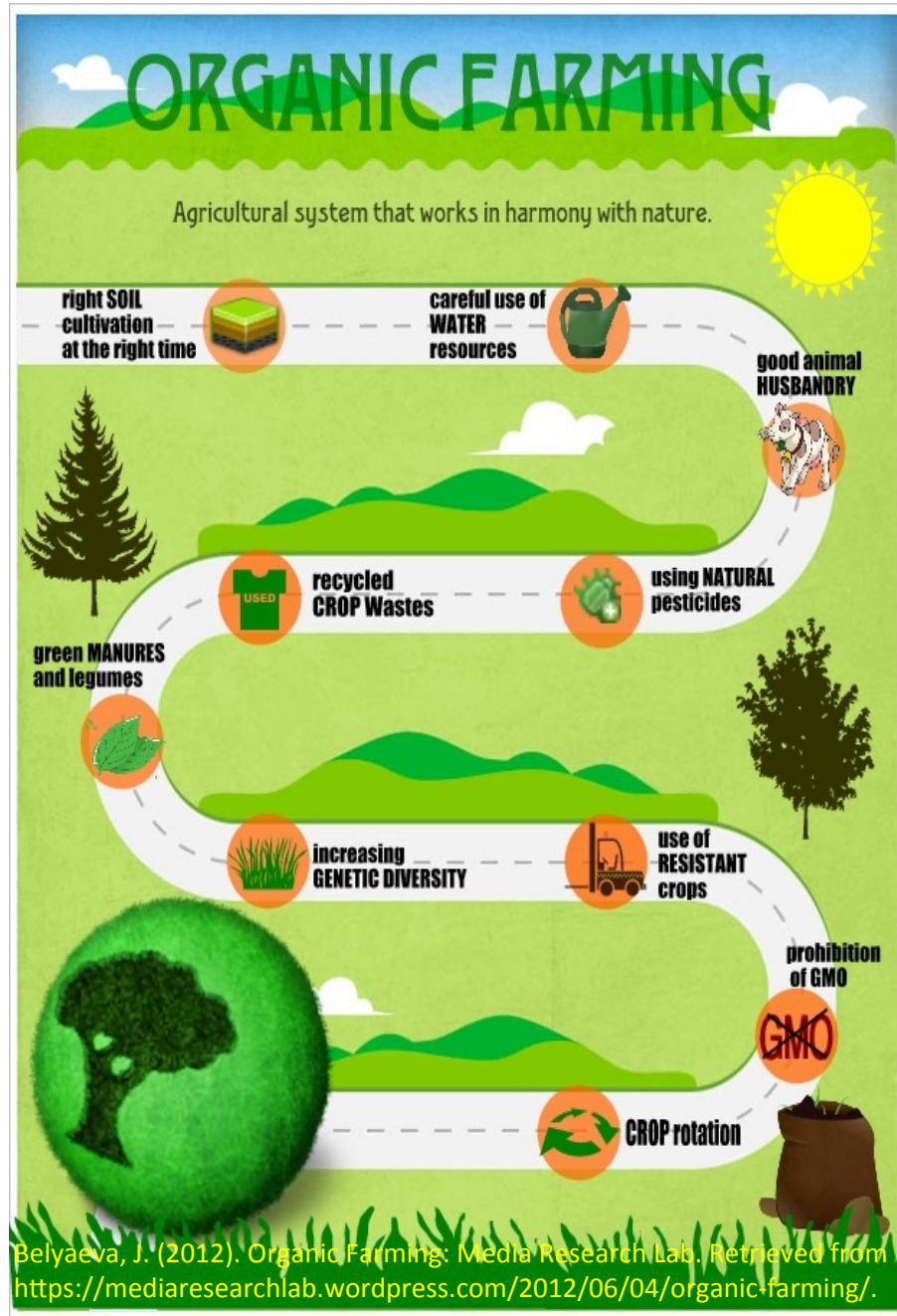
- Cover crops
 - Sometimes use nitrogen fixing cover crops
- Low to no till



Water Resources

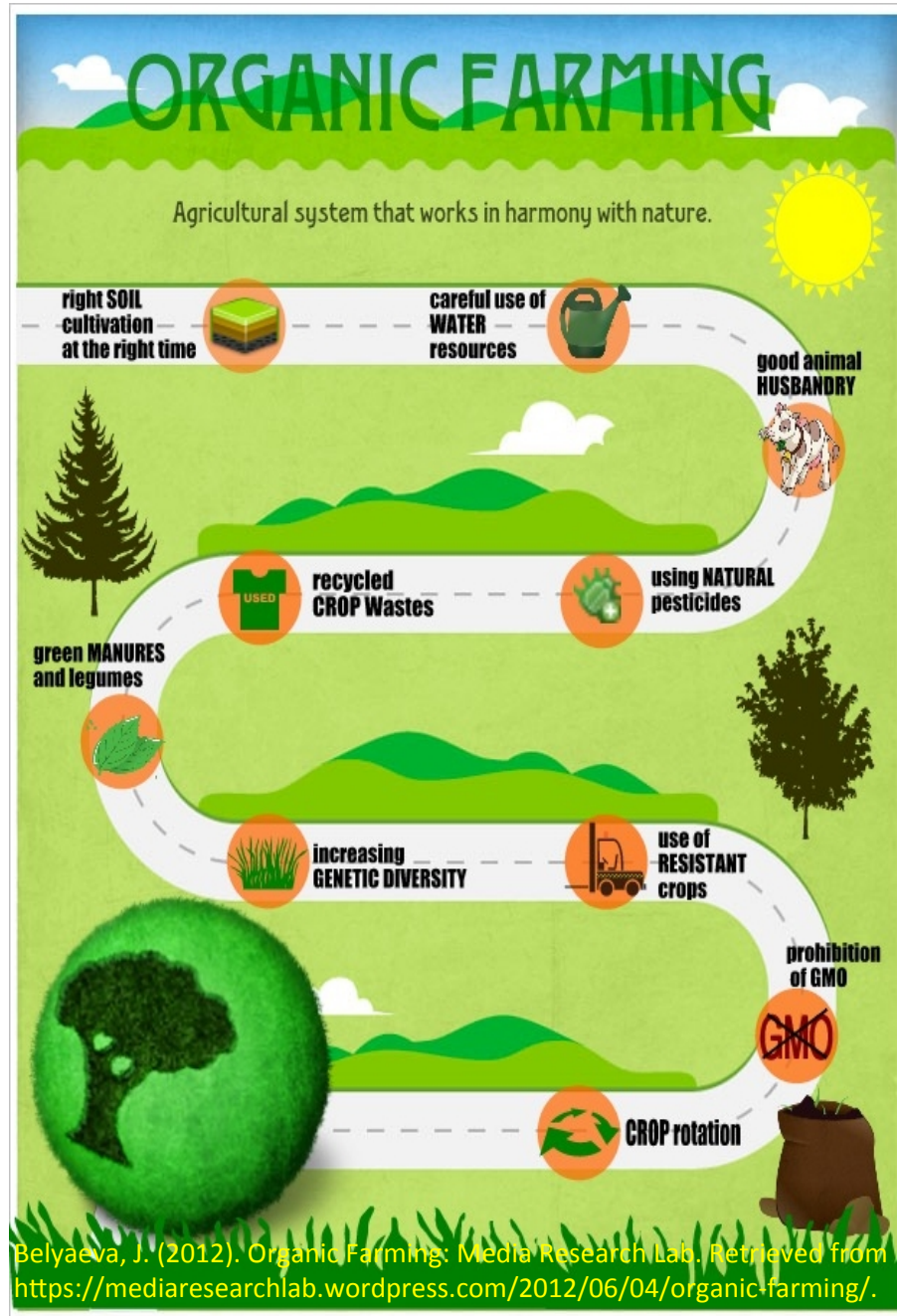
- Timed irrigation
 - Programming capacity
 - Rains day before, will not go off
 - Timed for specific time of day
- Drip Irrigation
 - Will not flush the soil quickly
 - Minimal if any amount of runoff

No animal husbandry on CUE Farm



Natural Pesticides

- Some organic farmers use natural pesticides
- Sustainable farming methods (CUE) use:
 - Crop rotation
 - Beneficial/Predatory insects to minimize pests
 - Planting with appropriate spacing
 - Affects airflow
 - Guards against fungal issues

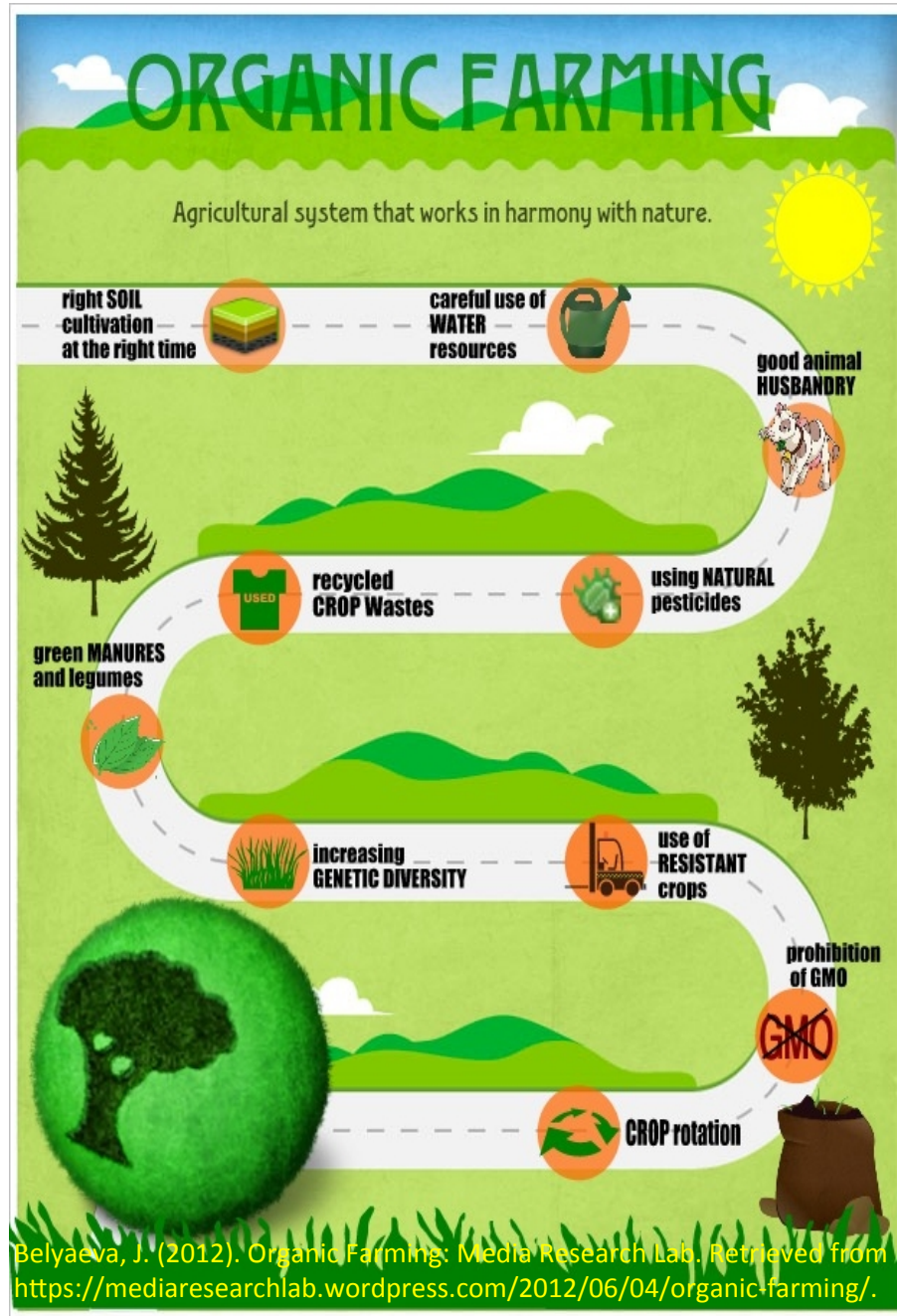


Recycled Crop Wastes

- Composting

Green Manures & Legumes

- CUE Farm uses legumes
- Manure works, but there are issues:
 - Needs to sit for months to ensure pathogens are gone
 - High in phosphorus
 - Rain events = runoff = high phosphorus in water = eutrophication
- FDA requirements regarding manure makes harvesting difficult



Biodiversity

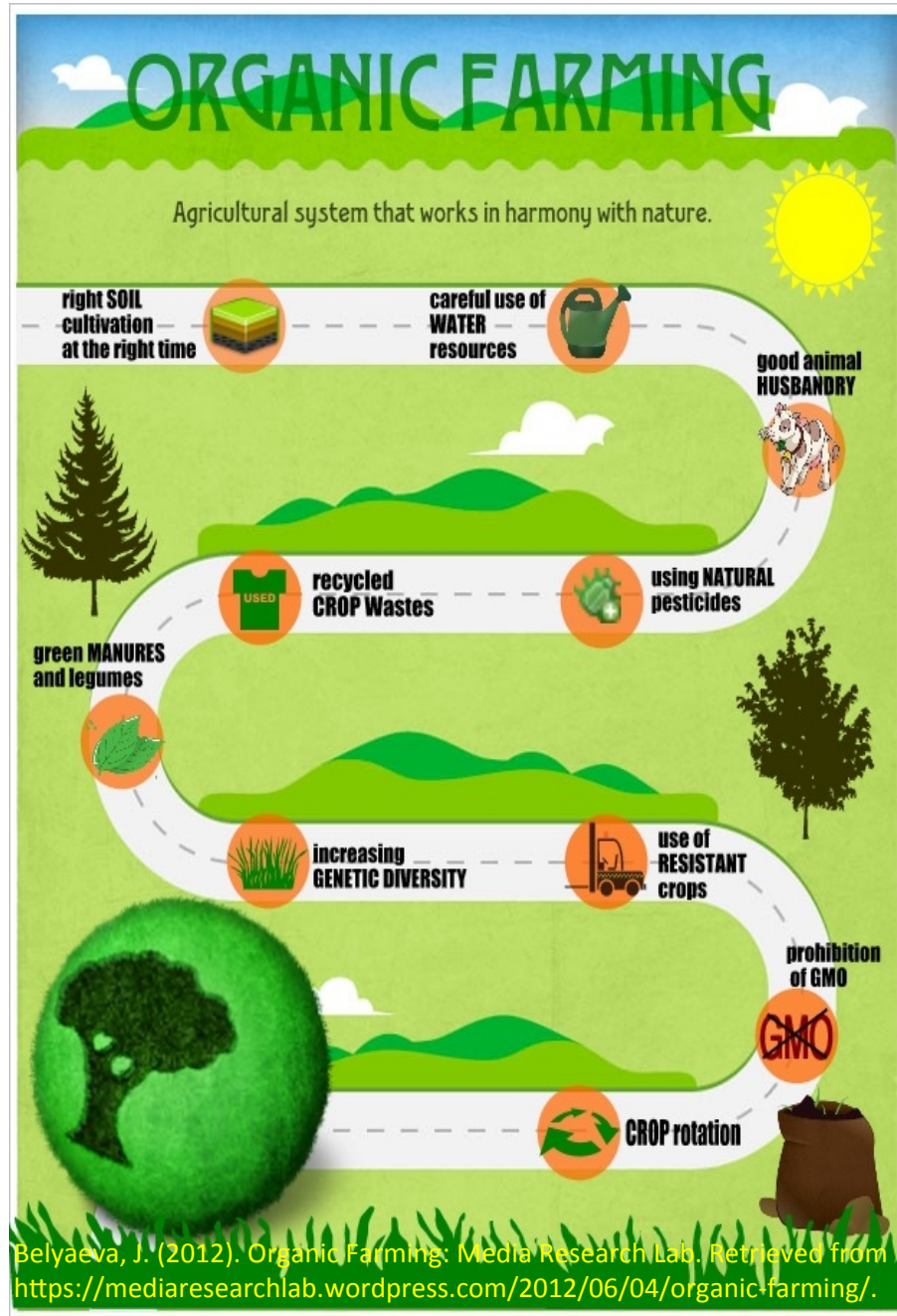
- CUE Farmer uses 75 types/varieties of plants
 - Genetic diversity
 - Better resiliency
 - Drought resistant
 - Pest resistant

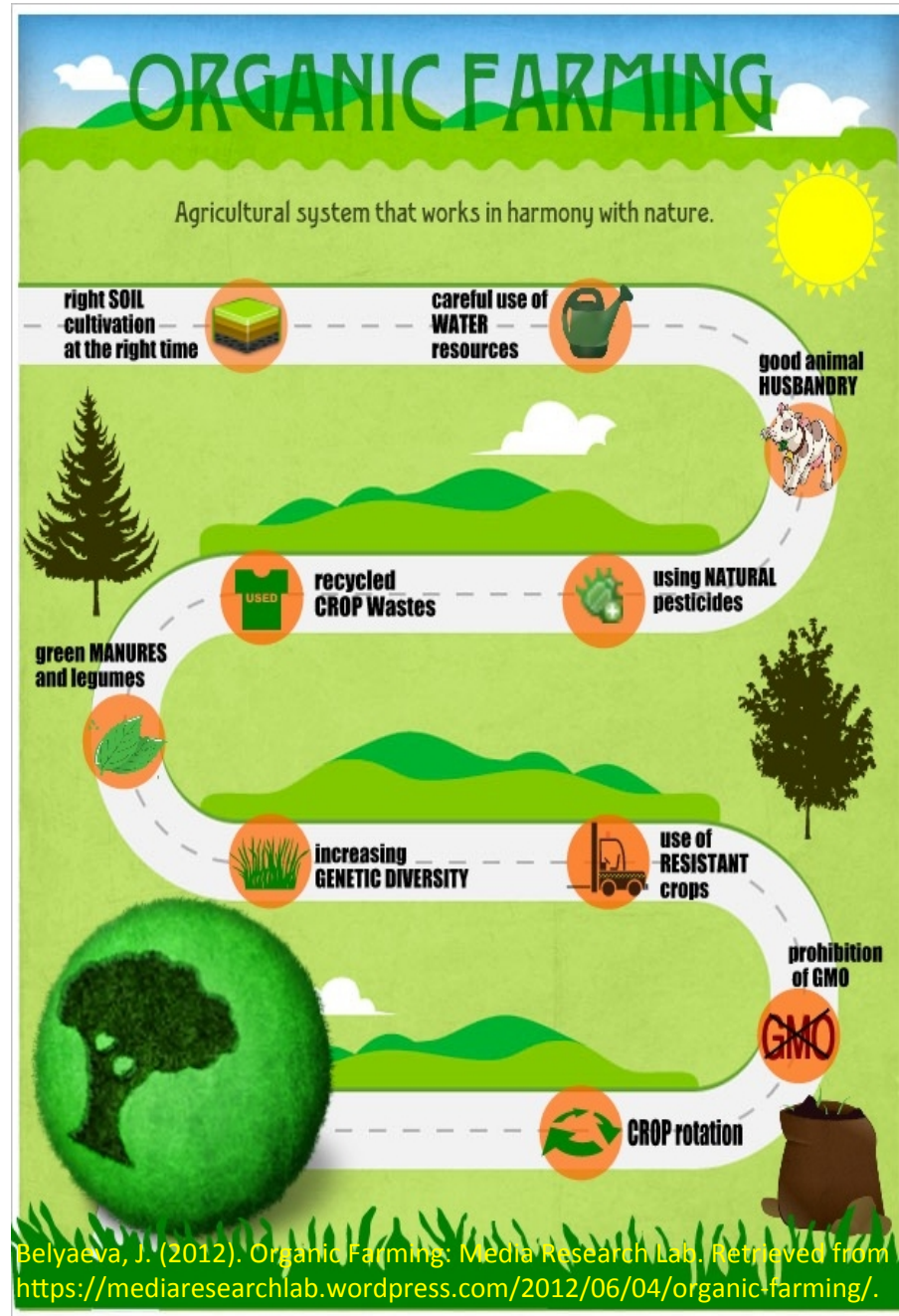
Resistant Crops

- CUE Farmer chooses resistant varieties of crops
 - Crops that grow well in the environment
 - Have resistant DNA

No GMOs

- These are not GMOs, rather selective breeding has occurred
 - GMO: Genetically modified organism
 - Crop that contains multiple species' genes/ DNA



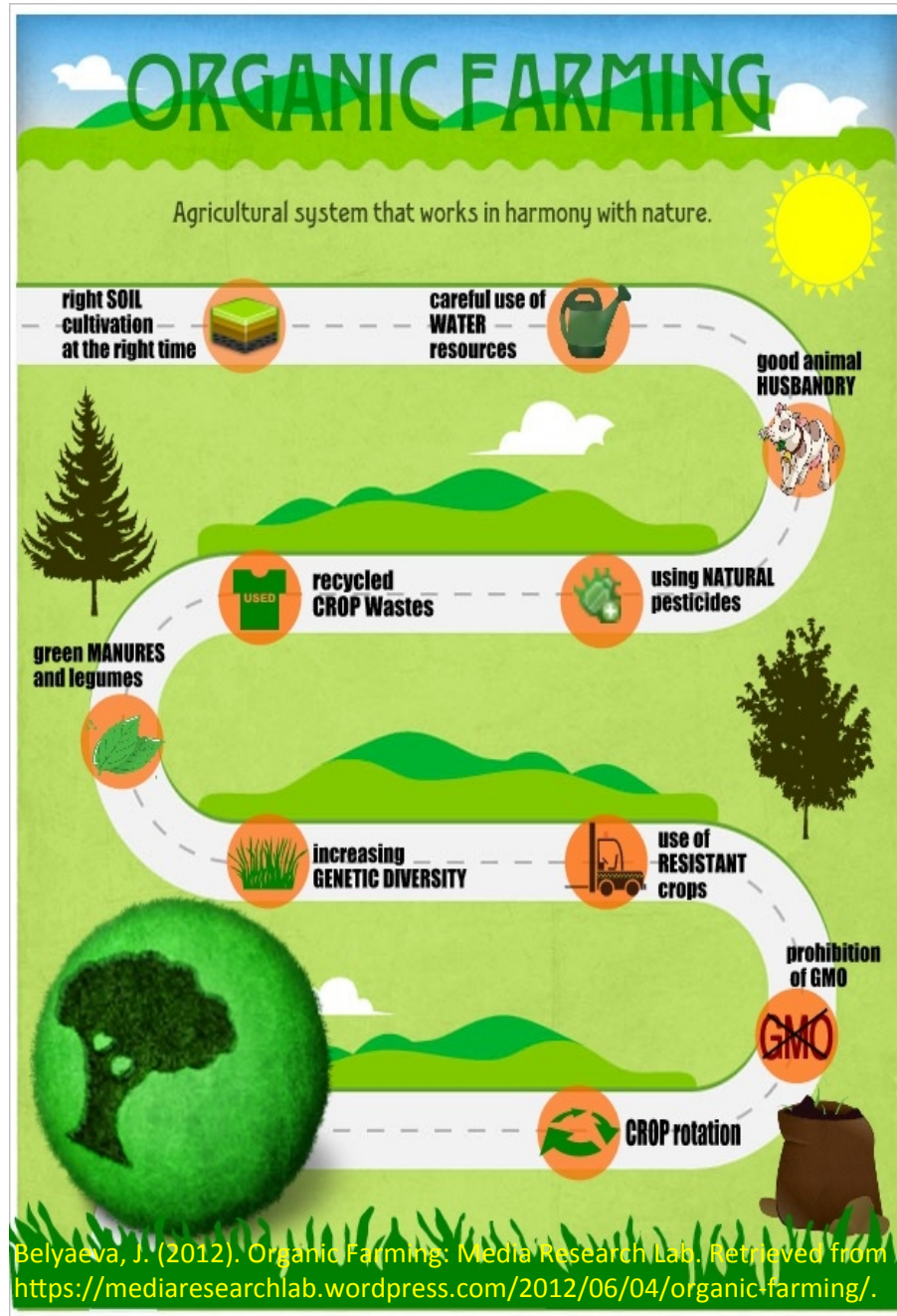


Crop Rotation

- Use nitrogen fixers (legumes) one year followed by a crop that takes up a lot of nitrogen following year
 - Can help with pest control
- Crop that does not grow densely followed by a crop that does grow densely

Big Picture

- Cue Farm is trying to mimic natural ecosystem
- Everything that is done on the CUE Farm is meant to enhance the SOIL, not always the plant



Part II: Dollars & Sense

- You have just bought a can of tomato sauce from the supermarket for \$1.00
- This \$1.00 paid for the costs of growing and selling the tomatoes for the sauce
- Name a few places or people who you think received a portion of this \$1.00

Where did your \$1.00 go?

- **Farm**
- **Agribusiness** – establishments producing farm inputs (seeds, fertilizer, etc.)
- **Food Processing** – manufacturing industries
- **Packaging**
- **Transportation**
- **Wholesale trade** – non-retail establishments that resell products to other establishments for the purpose of contributing to the U.S. food supply (SYSCO Corp.)
- **Retail trade** – all food retailing and related establishments
- **Energy**
- **Finance & Insurance**
- **Other (Foodservices, Advertising, Legal & Accounting)**

Where did your \$1.00 go?

- Using your worksheet, work as a group to guesstimate how much of your \$1.00 goes into each according category
- Cannot exceed \$1.00
- Put according amount of coins into jars
- Speak as a class to how much you delegated where and why

Food at Home Food Dollar



Canning, P. (2017). Industry Group Dollar. *Food Dollar Series*. Retrieved from <https://data.ers.usda.gov/reports.aspx?ID=9468>

- Food that comes from grocery stores – more at home assembly
- Vast majority goes into non-food components

Food Away From Home Food Dollar



Canning, P. (2017). Industry Group Dollar. *Food Dollar Series*. Retrieved from <https://data.ers.usda.gov/reports.aspx?ID=9468>

- This is a comparison to when you eat out versus when you eat at home
- Look at the Farm Production and Foodservices difference!

How can you help?

- As you can see, non-food components are what constitute the vast majority of where your \$1.00 goes
- If you were to buy local food, you cut out quite a few of these 'middlemen' and more money goes to those who grew the tomatoes
- Power of each person's choice and how you spend your dollar as a consumer has large consequences!
- Reflect on ways you could help to support local businesses