



Crossroads Resource Center

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Tools for Community Self-determination

Use Local Economic Analysis to strengthen "Buy Fresh Buy Local" food campaigns

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Increasingly, Buy Fresh Buy Local (BFBL) campaigns realize they need to know the workings of their local farm and food economy if their efforts are to succeed.

Foundations have taken strong interest in local economic analysis, since funders want to know their dollars will make a difference. When local groups show that they have analyzed consumer markets in their region, and know the economics of farming, their proposals are far more likely to be taken seriously. Then, as BFBL initiatives take root, new constituents can be brought to the effort by using solid data to make a persuasive case for local foods.

For example, in one Midwestern rural region, a cluster of farmers, value-added producers, and processors launched a marketing effort under a regional label. They spent years laying the groundwork for their effort. They held close conversations to define their collaborative mission, and agreed how they wanted to work together. Then they asked me to assess the strength of the local farm and food economy. This data showed some troubling signs. The region's farmers spent at least \$400 million each year buying farm inputs from outside the region. Consumers spent as much buying food from outside. This meant that at least \$800 million left the region each year, simply through the daily activities that surround food. Inserting this data into their marketing messages, the network was able to attract new consumers, and to recruit 15 new farmers to join their collaborative. These new partners realized they could help to strengthen their local economy by joining the effort.

Data can help bring people together

You may have seen a proposed action campaign flounder because early discussions broke down, due to internal disagreements about the nature of the issues to be faced. Solid data about local may make it easier for groups to form agreements about the nature of these issues, and the strategies they wish to pursue. Even if people continue to hold differing views, solid data at least provides a way to make these differences explicit so they can be examined over time.

Data helps you see the deeper picture

In one Iowa county, a local foods initiative sought to address hunger by encouraging farmers with underutilized land to raise food for low-income neighbors who lacked adequate food supplies. When we studied the local economy, we discovered that the county had distributed \$300,000 worth of food stamps to 400 people the previous year. While certainly some of this represented an interesting income stream for local farmers, our analysis also showed a more startling fact. There were 700 farms in the county, and these farms collected \$26 million in federal subsidies that year — to grow commodities that no one in the county could directly eat. With this data in hand, the local steering committee realized that the issues went deeper than asking low-income people to use their consumer power to assist farmers. The inequities produced by the economy itself had to be addressed.

Start by measuring assets

Many local foods efforts struggle because they are built upon a very penetrating critique of what is wrong, but don't attract support because the effort feels negative. Others have trouble down the road because some initial activity that made sense to everyone involved actually ended up undermining good local food firms. Both of these risks can be reduced by measuring what assets you already have, and by defining what is already working well, before asking what is missing. If you don't know what assets you have, it is hard to build new ones — and you risk losing what you already own.

Use economic data for strategic planning

If you want to know the most strategic ways to improve the local food economy, you have to know how things work already. What leverage points exist where you can apply pressure to make a difference? How will you know if your efforts have succeeded? What measures will tell you what you need to know? Solid data can help you address all of these issues.

Solid economic analysis helps set realistic goals

How much food do you need to trade through your BFBL effort to have a lasting impact? If you don't know the size of the local food market, this is a tough question to answer. If you don't know the capacity of local farms to raise foods for a local market, it is even tougher. BFBL leaders in one Iowa county thought perhaps they could increase the tens of thousands of local food trade they imagined was already being traded locally each year. Their first survey discovered that \$250,000 of farm products was already traded. Quickly, they realized their initial goals had been too modest.

Compelling numbers attract new participants

Are you thinking of asking a local investor to pony up a few dollars to help launch a new food distribution service? Would you like reporters to cover your food initiative? Are you hoping to convince thousands of your neighbors to buy local? All such efforts will be more effective if you have hard data to show. You may need to show the strength of local food markets, the impact your BFBL campaign is having, and the potential returns a new investor might expect.

Economics is part of evaluation

Measuring how your local food economy changes over time will help you evaluate whether your work has succeeded or not. If you have baseline data at the start of your journey, you can tell how things have changed since you started. If you don't, you will have big trouble showing that anything you did made a difference. (See related essay, "Evaluating your "Buy Fresh, Buy Local" Campaign").

Where do you turn?

There are several ways to get good analysis of local economies. Many of the basic data sets you need are freely available on the internet. A careful graduate student may be able to compile a useful data summary as an internship project. Academic economists who support your local foods efforts may be willing to assist, though not all academic approaches are well-suited to local foods initiatives. Two nonprofit vendors with considerable experience in local food system analysis are listed here.

Hank Herrera (FoodRoutes board member), Center for Popular Research, Education and Policy (C-PREP), in Rochester, New York has performed "gap analysis" showing the gap between consumer demand and local food production in New York, New Mexico, and other states. Hank can be found at (585) 271-0490 or hank@c-prep.org.

Ken Meter, president of Crossroads Resource Center, Minneapolis, Minnesota, created the "Finding Food in Farm Country" studies, applied in several regions in Minnesota, Iowa, California, and Hawaii. Ken can be contacted by calling (612) 869-8664 or writing kmeter@crcworks.org. The first such report, covering Southeast Minnesota, can be downloaded from www.crcworks.org/ff.pdf. A summary of results from subsequent studies can be downloaded from www.crcworks.org/ffffc.pdf.