

The farmer in the corporation

For small-scale farmers and the environment, the stakes are high as Wal-Mart redefines the meaning of local agriculture



Laura Johnson/City Pulse

Henry DeBlouw, left, president of Mike Pirrone Produce, and Jack Sinclair, vice president of Wal-Mart's grocery division, lead a group into a pumpkin field.

By LAURA JOHNSON

Most people around here haven't heard of Capac. A village about an hour north of Detroit and 90 minutes from Lansing, Capac has a population of less than 2,000 and a rural landscape historically shaped by farming. Its name stands for "Cows And Pigs And Chickens," someone jokingly told me.

But while agriculture still colors the area, over the decades its farms have morphed, like so many across the country, from smaller family farms to large industrial ones that can't seem to stop growing. They are farms like Mike Pirrone Produce, which I drove out to tour early one August morning.

Certain images probably spring to mind when you picture a farm tour: pigs, chickens, fields of produce, bales of hay, an old-timey red tractor. What might not come to mind are suits, assembly lines, reporters and corporate executives of the world's biggest food retailer, Wal-Mart. Yet, increasingly, this is the reality of food and farming.

The tour was attended by Andrea Thomas, Wal-Mart's vice president for sustainability, and Jack Sinclair, vice president of Wal-Mart's grocery division — which makes him the single largest buyer of food in the country and probably the world. They were in town from Bentonville, Ark., home of Wal-Mart's headquarters.

For more than 10 years now, Wal-Mart has purchased some of its vegetables from Mike Pirrone Produce. The farm grows cucumbers, peppers, zucchinis and pumpkins, among others. And now that Wal-Mart is waving the local foods banner, like many large corporations across the country, the company promotes that hardcore.

"One of the key initiatives we're really working on is how we can be more relevant in each local store," Sinclair said with an endearing Scottish accent to a small crowd of invited reporters, bloggers and government staffers at the start of the tour. "We're looking to push our local sourcing as fast and as far as we can."

Local sourcing means a fresher product, reduced transportation costs and lower prices for customers, he said. "As we try and improve the freshness, improve the prices of products that we have, and the more local we source our produce, the better it's gonna be."

Thomas took the stage next to talk about Wal-Mart's sustainability efforts. "What we try to do is really listen to our customers and care about what they're looking for.

And one of the things they've wanted our help with is how to eat healthier food," she said.

In response, the multinational corporation has pledged to bring customers more fruits and vegetables while continuing to slash costs: "The big thing for us is price," Thomas explained. "Our customers tell us they just cannot afford to pay more for healthier choices."

In 2011, Wal-Mart pledged to save customers \$1 billion a year on produce, along with another pledge to get a Wal-Mart in every so-called food desert in the country. "Over the last two years we've already saved them \$2.3 billion,"

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Laura DeLind

co-founder of the Lansing Urban Farm Project and a Michigan State University anthropologist

Thomas said proudly. "And one of the ways we can do that is to work with folks like (Mike Pirrone Produce), where we source locally."

But the narrative is far deeper and more complex than that. Wal-Mart's sustainability campaign raises a number of issues, not the least of which hinges on social and environmental justice. Some argue that corporate buy-in to "local" and "sustainable" is co-opting the terms and rewriting their definitions. Others wonder whether partnerships with Wal-Mart are beneficial for farmers or communities at all, not to mention how the presence of a Walmart store impacts the development of truly alternative food systems. And if sustainability is made to fit within a business model of lower costs and more output, aren't we just continuing down the same road that created the socially and environmentally destructive agricultural state we're in now?

A BIG FAMILY

Mike Pirrone Produce is technically a family farm, but the imagery that term evokes doesn't quite mesh with

reality. This is a factory farm of about 14,000 acres, plus a few thousand more in other states, with a labor force of 400 to 500 workers, much of it migrant labor. According to the U.S. Department of Agriculture, family farms are defined by ownership and operation, not by size or labor commitments. About 96 percent of U.S. farms can be called family farms, but increasingly they rely on rented land, hired labor, contracted services, mechanization, chemicals and other "labor-saving innovations" deemed efficient by the market.

Henry DeBlouw, the 30-year-old president of Mike Pirrone Produce, is a fifth-generation farmer, but he said he spends most of his time in the office instead of the field. "I live on the phone," he laughed. After distributing hairnets and gloves, DeBlouw led the tour group into the farm's cooler and pack house.

The pack house was a whirl of activity — thousands of cucumbers floated down conveyor belts, sorted by lines of mostly women into piles of "good" and "bad." One of Wal-Mart's sustainability efforts, Sinclair explained later, is to label more of the produce "good" so as to cut down on food waste.

The group then piled onto a bus to see some fields. We rode through downtown Capac with its quiet and seemingly struggling Main Street and continued past large fields of squash, cucumbers and rhubarb. "There's a sprayer up here on the left, and we need to buy one just like it," said Joe Pirrone, whose father founded the farm in 1951. "So if anybody has an extra \$200,000, that'd be great," he laughed. Large-scale farms, under constant pressure to keep growing, rely heavily on such technologies.

The bus stopped at a 16-acre field of green peppers. A group of workers was off in the distance, picking and passing the peppers down the line in bins. "We have to pay our help here \$8 to \$9 (an hour) in the field," Pirrone told a few of us. "Mexico pays \$8 a day." That makes it hard to compete in a global marketplace, he lamented.

Pirrone wandered down a row and picked a bell pepper. They're grown in raised beds and on plastic, he explained, which keeps the ground warmer and pushes the nitrogen from the soil to the plant. Pirrone's a tough-looking guy, and he knows his stuff.

The seed is called Aristotle, Pirrone said. It's a non-GMO variety owned by Seminis, which in turn is owned by the

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controversial agribusiness giant Monsanto. When you look up the industrial food and farming chain these days, it almost always leads to the same place.

"How do you control for pests?" I asked Pirrone. "Spray," he answered. A farm of this size doesn't really have much other choice. It tries to spray more natural remedies, though, he said. He picked a pepper leaf and pointed to some blue remnants. "This is copper," he said. "Copper's a natural fungicide and keeps the disease out."

After another stop to wade through a pumpkin field, we set off to the Clinton Township Walmart to see the produce through its journey from farm to store. Traveling 30 miles south, we passed smaller farms with quiet farm stands and run-down markets, tiny next to the massive Mike Pirrone Produce.

But to Wal-Mart, Mike Pirrone Produce isn't massive. "That's on the small end of our farms," Sinclair told me as we admired the bins of locally grown produce in the Walmart store, the faces of the farmers we'd just met smiling up at us. "Some of the agribusinesses we work with are much, much bigger."

Looking around the store at the semi-creepy "rollback" prices smiley faces, I asked Sinclair and Thomas how they think such low prices, ever-growing corporate profits and sustainability can all co-exist if sustainability means internalizing costs that have been externalized on the environment, farm workers, animals, laborers or Wal-Mart employees — or all of the above. After all, the quest for the lowest price and the highest output is what sent jobs overseas and created a host of social and environmental problems in the first place, making the "local" and "sustainable" push seem somewhat ironic.

"Sustainability does not have to cost more, actually," Thomas answered, slightly defensive. "A lot of sustainability is about being more efficient with your resources, and as you become more efficient then it actually should lower costs."

"This isn't about PR, but how to make a better business," Sinclair added, before declaring: "But sustainability in the world has to fit in with our business model."

Ultimately, the corporation's goal is to give the customers what they want, they both agreed. "What we can't be is the decider" of consumer behavior, Sinclair said adamantly.

"It's kind of hard to change customer behaviors. You have to decide for yourself," Thomas said. "So we ultimately want to serve what our customers want to buy, and we know what they buy, so those are the things we can focus on to make more sustainable."

But do customers tell corporations what they want, or vice versa? Do such powerful companies have a responsibility to raise consumer awareness and fuel social change? When Wal-Mart goes local, who's really in charge? And are Wal-Mart's "local" and "sustainable" campaigns just another marketing



Laura Johnson/City Pulse

Left: Joe Pirrone, whose father founded Mike Pirrone Produce in 1951, talking bell peppers in one of the farm's many fields during an August farm tour. Right: Andrea Thomas (left) and Jack Sinclair, who both work at Wal-Mart's corporate headquarters in Bentonville, Ark., lead a farm-to-store tour near Capac.

ploy, or is there more to it? Lansing-area farmers and some regional experts wanted to chime in on these controversial and complex issues.

WAL-MART AND SUSTAINABILITY

The first thing that needs to be done is to define what Wal-Mart means by "sustainability."

"Consider who's defining these words and what we're trying to sustain here," said Laura DeLind, co-founder of the Lansing Urban Farm Project and a Michigan State University anthropologist. "For Wal-Mart, I'm sure it's sustaining their profits and increasing their customers and control over the market. And for me that's not an element of sustainability — environmentally or economically or in terms of social justice."

Wal-Mart's "everyday low price" business model is built on maximizing growth and profits. By some measures, it is the largest company in the world, with close to 11,000 retail stores in 27 countries globally. Its 2012 revenue of almost \$447 billion was 15 times larger than that of McDonald's.

According to a 2007 policy brief from The Oakland Institute, Wal-Mart's business philosophy "undermines labor, local economies, and the interests of producers and suppliers." At the same time, the report continued, "to some degree it is simply the most successful player in an economic system that has evolved to favor large, integrated companies over smaller-scale, independent businesses."

As stated on Wal-Mart's website, the company is "committed to using size and scale to help the world live better." Sinclair and Thomas stressed efficiency as the key. But efficiency, which essentially means cutting costs, is a loaded term.

"You have to be really 'efficient' to compete in this globalized marketplace," said Gary Schnakenberg, an MSU geographer who critically studies agriculture. But the quest for efficiency and growth has driven

smaller-scale farmers out of the marketplace, disconnected communities, perpetuated cycles of poverty and tied farmers to technologies, chemicals and practices that are increasingly recognized to be harmful and unsustainable, he said.

"Monoculture is efficient," DeLind gave as an example. "But you introduce one germ or one environmental problem, and the whole mega-system comes falling down. And so when you think in terms of environmental issues, it's diversity that protects us, it's the ability of many things to do the same job so that if one piece collapses it all doesn't fall apart."

"Wal-Mart is about growth and capturing wealth among a very small percentage of the global population," she said. "Real sustainability is the redistribution and the spread of resources in ways that make it possible for the vast majority of people to live in ways that are meaningful and maintain their welfare."

SO WHO'S IN CHARGE HERE?

Such control and power is the key to real sustainability, especially in terms of alternative food systems.

"The control's in Bentonville, Ark.," Schnakenberg said, referring to the birthplace of Wal-Mart. "Not the local community. Decisions are made far away that affect people over vast spaces without real input from those affected most. I think a great deal more power ought to be exercised by people in their local communities. And I don't mean in official power structures, I mean people getting together and deciding what they want things to be like."

People have to reclaim control of the food system, DeLind said. "We need to find ways to allow people to take responsibility for it, ownership of the processes and resources that they need to maintain their own welfare."

That's why some lament the idea of

Walmart stores plopping down in food deserts and small communities in general — while they may be devoid of corporate options that will be of help to some, many places are developing truly alternative systems, like Detroit and some parts of Lansing. "This type of resistance is threatened by the arrival of Wal-Mart, or any supermarket," Schnakenberg said.

"We have to have multiple kinds of options," DeLind admitted. "But I have never seen something, once it gets so large and consolidated, do good for the large majority of people, or even anything but a small minority."

WAL-MART AND COMMUNITY

But Wal-Mart insists on its dedication to building strong local communities. "We want to operate as a solid partner in each community," Sinclair said on the farm tour. "And agriculture plays such a key role in making sure that we play a part."

"That's just bullshit," said Mark Kastel, co-director of the Cornucopia Institute, headquartered in Wisconsin. "Wal-Mart's business model is to pillage communities. They are job destroyers — the net number of jobs in a community goes down and the wages go down. And in terms of community monetary contributions, they're cheapskates."

"Wal-Mart just moved in around here," said Paul Titus of Titus Farms, a 40-acre family farm in Leslie that employs ecologically conscious practices. "And the first thing you see is all the small places are gone, and then the larger farmers are definitely able to buy out the small farmers. We just can't compete."

"Eggs is a good example," he said. "It costs us \$2 a dozen to produce eggs, while some of the huge producers (that supply to Wal-Mart) do millions a day, and they can do it for less than \$1. So the minute these monster farms come in, we can't compete with them."

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Laura Johnson/City Pulse

Mike Pirrone Produce's pack house. Assembly-line workers, mostly women, sort through thousands of cucumbers.

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People say they can go to the store and buy them for \$1.30, and I say we can't even raise them for that! So nothing against Wal-Mart, but for the small guy, for the small business person, we just don't do well around them."

The Oakland Institute report states that when communities shift from local to national or multinational businesses, it has major impacts on the local economy. "Large chains have a more difficult time sourcing local food than independent retailers because they deal in huge quantities and their distribution chains are highly centralized."

So then, what of Wal-Mart's newly strengthened commitment to local sourcing?

WAL-MART AND THE LOCAL FOOD MOVEMENT

Wal-Mart defines local as anything within state borders. "So you could be down in Monroe County in the southeast corner of the state and be getting some crop from over in the lake regions in the north-west and be pretty darn far away," Kastel said. "They're using a very coarse definition."

The company will source locally when it's economically beneficial for them only, Kastel continued. "They're using the normal matrix they use for all their purchasing decisions, which is price. ... They think it's good marketing and it might save transportation costs, but it's not like they're willing to pay a big premium to these farmers because they're higher quality."

"I call this 'farming by press release.' It's a lot easier to support the local food movement on paper or a website or on tours than it is to do the heavy lifting," he said.

While Marjorie Johns of Stone Cloud Gardens in St. Johns thinks the different systems have to coexist, she pointed to major differences between Wal-Mart's definition of local food and her own. "Local used to mean something indigenous to a place," she said. "Local was measured by familiarity, not distance. The term 'food miles' is a corruption of this concept."

"We can think about local not as how far away it is but how specific it is to a place. It's the sense of community that we have," she said. "You might have a farm like Mike Pirrone Produce keeping some money in the community, but it doesn't add to the community."

She points to the risks of dependence undertaken by the farms that sell to Wal-Mart. "There's company after company that have put all their eggs in one basket when it comes to Wal-Mart and lost," she said. "So I think it's foolish, but I also understand that any large-scale company like Wal-Mart or Meijer or Kroger has to have a steady supply of something, but that's a mentality that can change."

For others, Wal-Mart's buy-in is good news for the local food movement. "People can be narrow-minded and not see the good in it," Titus said. "Wal-Mart's looking ahead to the future and sees there's something to this 'local.' ... At least they know we're out there."

"These people are smart, and I think they want to get on the bandwagon," he said. "Some of this is promotion, they've seen the farmers' markets jumping up everywhere. But I'm all for it because it's great advertising for the small farmer too."

Titus' theory is that with the increased use of the term, more people will think of farmers markets as a place to do some of their shopping. He hopes so, at least, because he worries about the long-term consequences of our industrialized and disconnected food system.

"They don't realize the impact there might be in 40 years," he said. "And it's really sad that this younger generation has no idea where our food comes from, or how to cook."

There's some good and some bad to Wal-Mart's local push, most everyone agreed. "The big issue here is if you're seeking a new alternative or working within the current, taken-for-granted system," Schnakenberg said.

"Is it a bad thing they're doing?" Kastel asked. "No. Is it worthy of lauding them as a leader in the local and sustainable food movement?"

"No."

On the bus

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An able-bodied writer with two cars and his internal conflict while riding Wal-Mart's shuttle

By ANDY MCGLASHEN

About 15 people are aboard the Saturday bus to the Walmart Supercenter in Delta Township. Two are in wheelchairs. Most are seniors, a few with their grandkids. There's a lot of laughter among the passengers, who all seem to know each other. It's an outing.

The driver, Kim Anderson — who is effortlessly friendly and knows most passengers by name — says today's group is typical.

"This is their way to get out and get to the store," she said. "I haul a lot of elderly and disabled people, and people without transportation, and they think this is a great thing. My people ride two days a week. That's what they count on."

Wal-Mart launched the free shuttle service in the spring to its stores in Delta Township, Okemos and Eastwood Towne Center. The retailer contracts with the Owosso-based bus company Indian Trails to pick up shoppers from retirement communities, mobile home parks, apartment complexes and other stops. Each store runs a shuttle two days a week, twice per day. There also are Indian Trails shuttles to Walmart stores in Benton Harbor, Kalamazoo and Muskegon.

I don't shop much at a Walmart, probably for the same reasons many City Pulse readers don't. Critics say the world's largest retailer pays its employees squat and caps their hours so they can't get benefits, discriminates against women, is staunchly anti-union and crushes local mom-and-pop stores.

So I was game when the Pulse asked me to ride the bus and — I'm paraphrasing here — see if it's just a way to shake the spare change out of Lansing's economy and place it in the soft pink hands of Sam Walton's hoggish offspring.

On one hand: Yes, of course it is. The shuttle cruises past local businesses and brings more wallets into Wal-Mart. Not by being sweethearts did the Walton family come to own more wealth than the bottom 40 percent of Americans. The shuttle creates a conflict not unlike Wal-Mart's latest push to redefine sustainable agriculture, which has the potential to drive small, local arms into the arms of dependency on the corporate giant (see accompanying story).

But if I were among the one in four Lansing residents who live below the poverty line, I'd care about price. Period. And whatever the external costs may be, Wal-Mart's prices are low. Plus, Lansing was not designed for the convenience of people without vehicles. If I didn't have a car — and none of the bus passengers I spoke with does — I'd appreciate a place where I could buy groceries, clothes and household goods all under one roof.

Whether it's ultimately good for Lansing is open for debate, but there's no doubt Valerie Treve-Reed sees the bus as a service to her.

She and her husband, Michael Reed, are on food stamps. Michael is in a wheelchair because he has spina bifida. The couple shares an apartment in Woodbridge Manor, just off South Cedar Street. Jean Reed, Michael's mother — also in a wheelchair — lives in a unit nearby.

"I like Wal-Mart because they've got better meats cheaper than over to Meijer," Treve-Reed says.

Like others I spoke with, she says she'd still shop at Wal-Mart either way, but the shuttle saves her the added cost and hassle of taking CATA.

I asked City Pulse sustainability columnist Terry Link, a harsh critic of Wal-Mart, what he thought. He said greater Lansing should work on fixing the underlying issues that make the shuttle feel like a service.

"If it's a transportation issue, let's look at transportation," Link said. "If it's access to food, let's look at access to food."

And if Wal-Mart really wants to help customers, Link said, it ought to stop building stores on Lansing's fringes and put one in the city.

When we get to the Walmart store, Anderson tells the shoppers she'll be back for them in two hours.

Shirley, who says I'd better not use her last name, asks if I'll be riding back with them. I just shake my head. I don't tell her I drove to the bus stop, or that my wife will pick me up in our other car.

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Jordan Bradley/City Pulse