

Anarchy of capitalist food production exposed as dairy farmers ordered to dump milk

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In scenes reminiscent of the Great Depression, dairy farmers across the US have been ordered to dump perfectly good milk into their fields and lagoons where it will seep into the earth. The inability of the capitalist system to scientifically plan and coordinate production has left producers no choice but to dump millions of gallons of milk, with no end in sight.

Images of farmers dumping their milk has provoked outrage among workers, as grocery stores across the country are still limiting purchases of essential dairy products. While being told to shelter in place, millions of people are obliged to make return trips to the grocery store in order to purchase perishables such as milk, putting their families and essential workers at risk.

This comes at a time of mass layoffs, with millions of families being thrown into food insecurity and compelled to rely on food banks for sustenance. In an interview with the *Guardian*, Jerry Brown, media spokesman for St. Mary's Food Bank Alliance, a coalition of 700 food banks, reflected on the unprecedented demand for their services in the US, "The 2008 recession doesn't touch this. It's a different ballgame."

The implementation of social distancing guidelines has collapsed several traditional milk markets such as schools and restaurants. US public schools were the number one consumer of liquid milk according to Pam Jahnke, editor of the *Midwest Farm Report*. Unable or willing to make the societally beneficial investments to freeze and store the milk for later use or distribution, the market demands it be discarded in order to keep prices artificially inflated.

The capitalist system has no answer for the crisis of "overproduction." In her editorial Jahnke advised readers who wanted to help farmers to "Pray that COVID-19 dissipates. Pray that life begins to return to

somewhat normal patterns. Pray that this milk dumping situation is just a temporary story. Pray for all the farm families that are trying to make their way through this."

While the almighty hasn't yet intervened, travel restrictions and tariffs have crippled supply chains and slowed trade, especially between China and the US. Before the restrictions were implemented, China was the number one importer of dairy products in the world. Even though this pandemic was foreseen for months, food and dairy processors took no steps to prepare for possible disruptions.

Instead of preparing their facilities to switch from wholesale to retail production by ordering the necessary equipment and packaging materials, processors have been scrambling to shift workers from wholesale plants towards retail plants, laying off workers in the process.

These shifts have ensured the continued spread of COVID-19 among the workforce. In Greeley, Colorado an estimated 900 workers called off work on Monday after several COVID-19 cases were confirmed at the JBS USA meat processing plant.

The plant, deemed an essential facility, operates 24 hours a day and has three shifts employing some 4,500 workers, members of the United Food and Commercial Workers union. The UFCW has worked with company management to keep the line moving during the pandemic and done nothing to make sure workers are protected on the job.

Kim Cordova, president of UFCW Local 7, speaking to the *Denver Post*, grudgingly conceded "maybe folks are sick," adding she didn't, "want to speculate until we get the information."

Unwilling to provide a safe work environment, processors have meanwhile had a difficult time keeping up with the increased demand from farmers looking to dispose of their products as restaurants and schools turn

away deliveries.

In addition to workers falling ill at plants, causing slowdowns, the increased retail demand has resulted in shipping delays. Long-haul truck drivers who transport the bulk of consumer goods in the US have either been unable to pick them up or forced to wait hours for their deliveries due to increased traffic congestion at the plants. Because of this and a shortage of drivers, agriculture groups have been lobbying states to raise truck weight limits on highways, increasing the danger of accidents or rollovers.

Speaking in a radio interview with *Farm Report*, Ryan Elbe, a dairy farmer in West Bend, Wisconsin, confirmed that his family farm had already dumped 250 million pounds of milk by April 1 and would continue dumping for at least another week. Elbe told reporters he expected his family would be compensated for their milk, however he did not know by whom or when.

Elbe confirmed that his family received a phone call from the Dairy Farmers Alliance (DFA) on March 31, instructing Golden E Dairy that due to an “oversupply” of milk in the market they would have to begin the dumping process. The DFA is a dairy cooperative in which concentrated animal feeding operations, that is farms that have a minimum of 1,000 animal units as defined by the US Department of Agriculture, are organized under one umbrella group.

While these organizations are billed as “grassroots cooperatives,” farmers have no input or say in how their milk is produced or where they can sell it. Instead the DFA operates as a cartel in which “farmer-leaders” are elected and overseen by a 49-member board of directors. The DFA has been the defendant in several class action lawsuits brought by farmers alleging everything from price-fixing to monopolization of the market.

In 2013 and 2014 the DFA settled two lawsuits out of court, while admitting no fault. The settlements required the DFA to pay farmers \$140 million in one case and \$50 million in the other.

The DFA claims it serves more than 14,500 dairy farmer-members representing 8,500 dairy farms in 48 states. It is unclear if all of its farmers are going to dump milk. However, Elbe was able to confirm that every farmer-member in the co-op that he spoke to had received the same call his father had. The same day, March 31, that the DFA ordered its membership to

begin dumping milk, a federal bankruptcy court in Kansas City, Kansas, where the DFA is headquartered, signaled its approval for a DFA bid to buy out Dean Food Company assets for \$433 million.

Dean Food had declared Chapter 11 bankruptcy in November 2019. Shortly thereafter DFA submitted several bids to purchase a majority of the assets of the company, the largest dairy processor in the US. The purchase would include the “assets and properties” related to 44 fluid and frozen dairy facilities. For the bid to be approved it will need to be signed off on by the US Department of Justice, as it would mean the largest dairy cooperative in the US would also become the largest milk processor in the country.

It is not just the US dairy industry that is facing a crisis of overproduction, an absurd situation given the chronic hunger suffered by millions in the United States and globally. This crying contradiction is a product of the capitalist profit system, which subordinates any consideration of human need to the drive for profit.

This same absurd situation is being replicated globally. After the shuttering of restaurants in the Netherlands, the potato crop is at risk of going to rot as storage tanks remain full from last year's harvest. Speaking to Reuters, Dutch potato farmer Dirk De Heer said he had hoped he would be able to sell his crop at 18 euro cents per kilogram. After finding no other buyers De Heer has been left with no choice but to sell his crop to a dairy farmer at one cent per kilogram.



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