


# Returning Food to the Commons



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# What is the Commons?

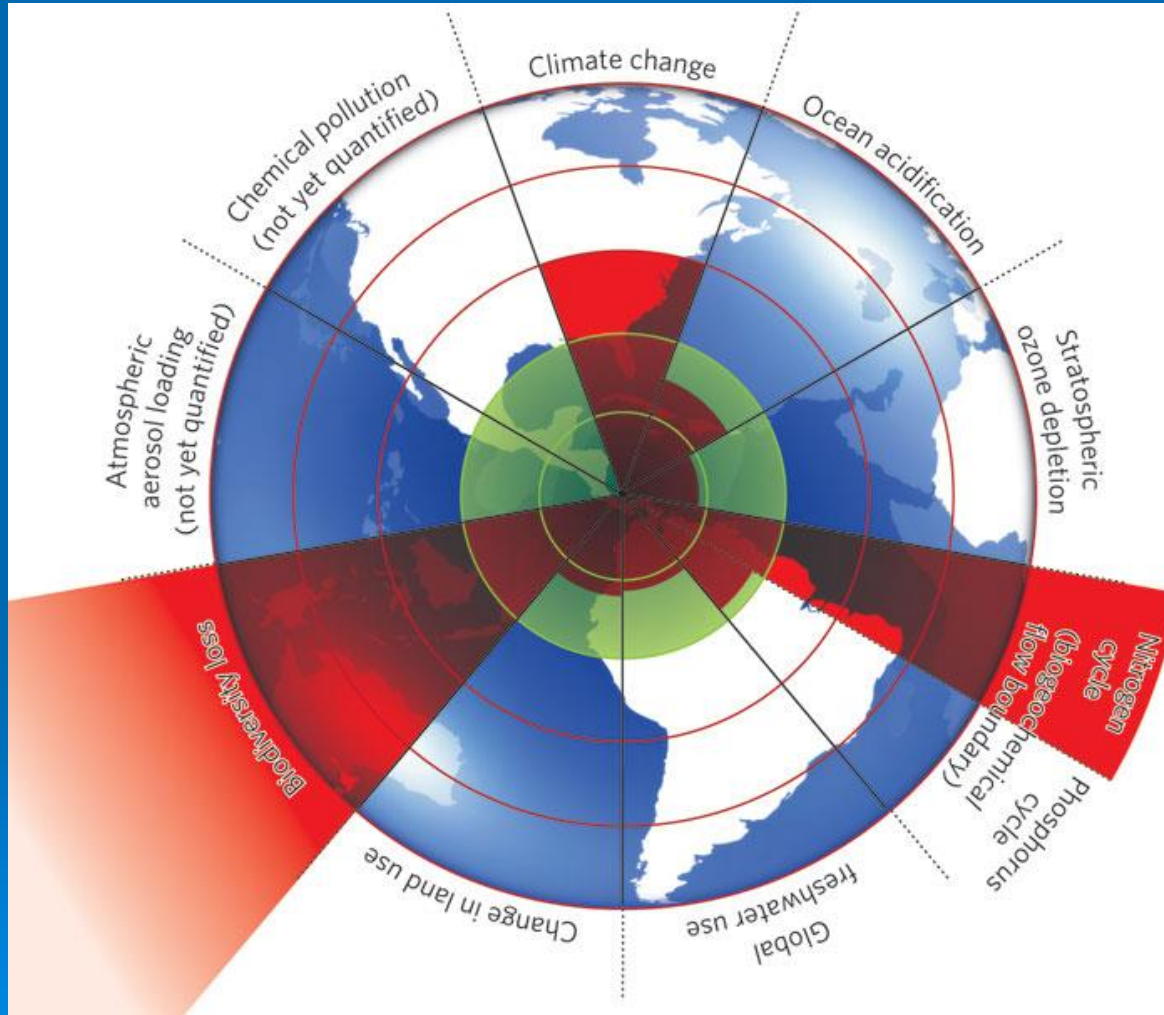
- Resources that are (or should be!) commonly owned for reasons of justice, sustainability or efficiency
    - E.g. resources created by nature or society as a whole (culture, knowledge, etc.); a habitable planet; resources that improve through use
  - Tragedy of the commons?
- 



## Agricultural knowledge commons

- How many people were required to produce your breakfast?
- (Agri)cultural knowledge was produced by billions of people over thousands of years
  - No individual makes meaningful individual contribution
- Raw materials produced by nature
- Private property rights inherently unjust

# Food Production and the Global Commons



# Essential resources

- Required for human survival, no substitutes
- Economics must get it right

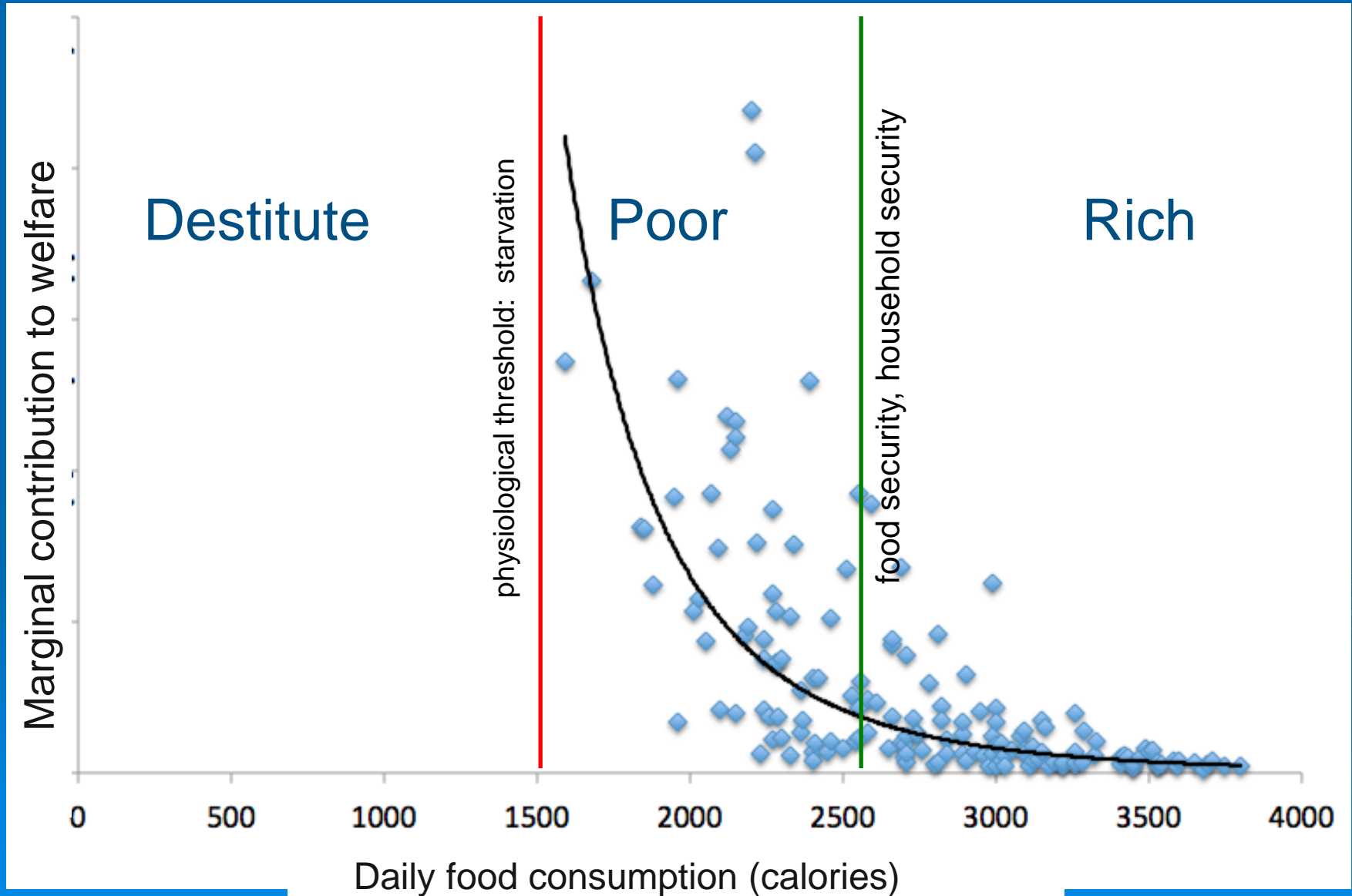


# Characteristics of essential resources

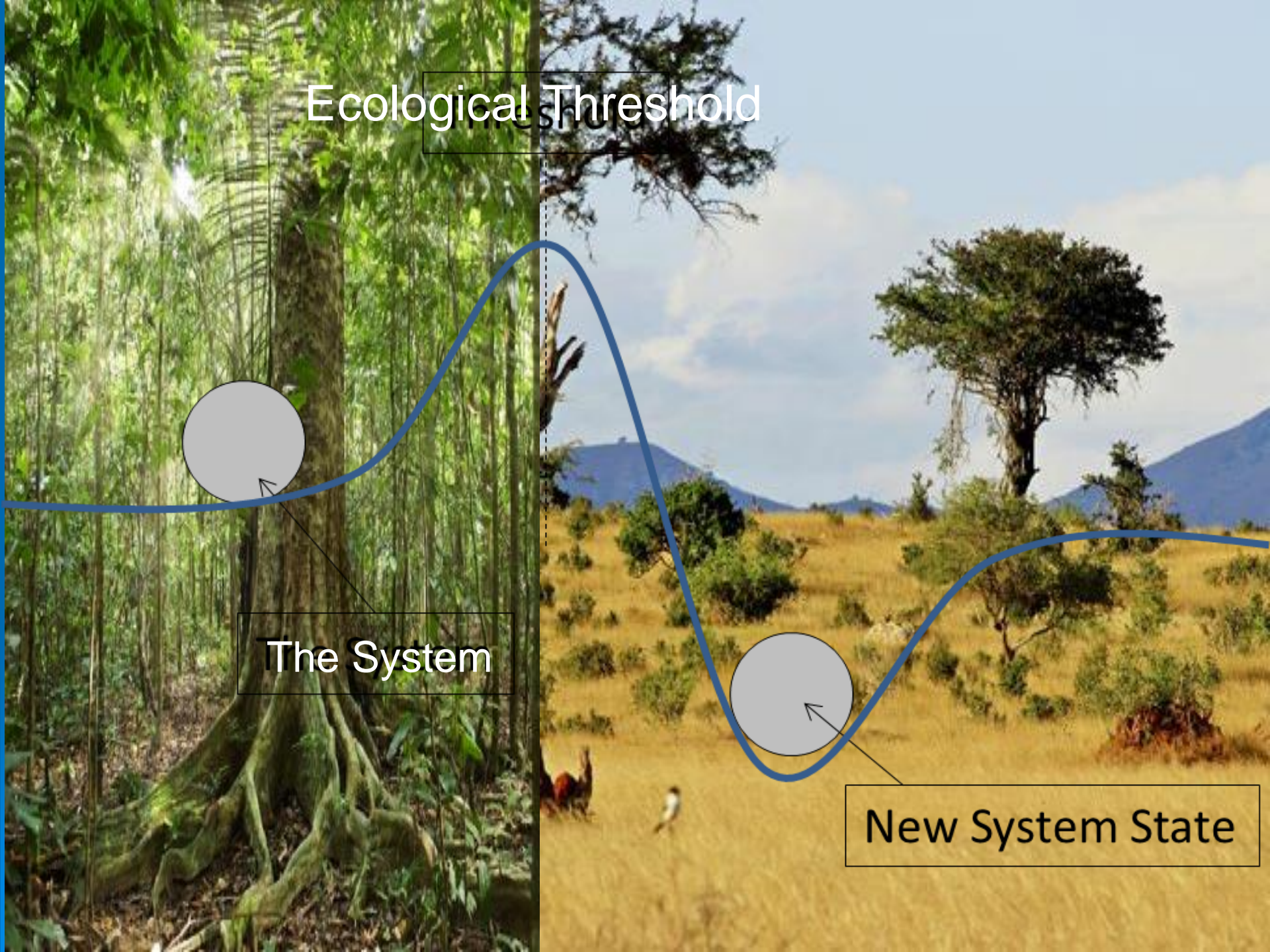
- Use value > exchange value
- Physiological and ecological thresholds



# Physiological thresholds and the demand curve



Ecological Threshold



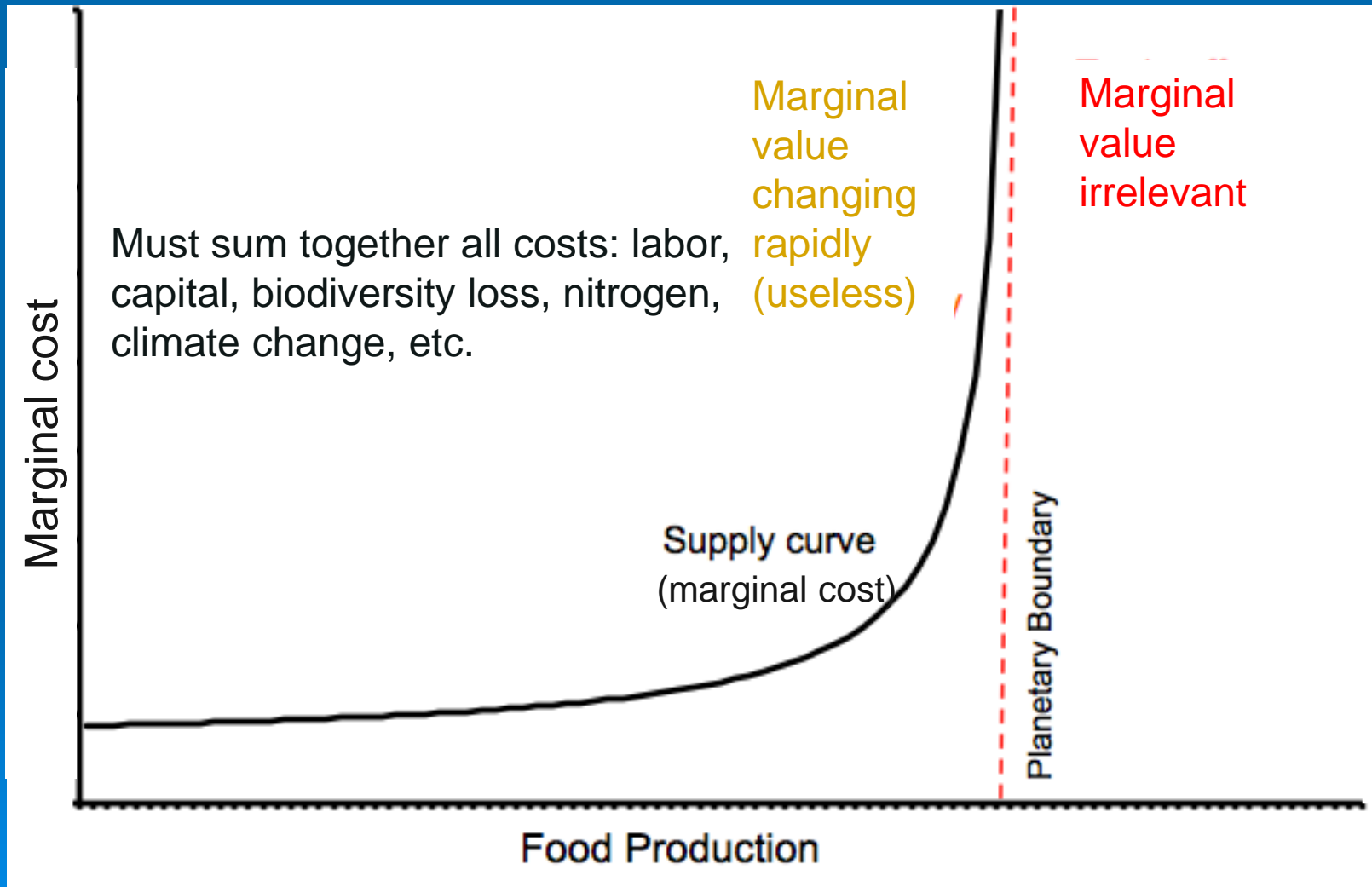
The System



New System State



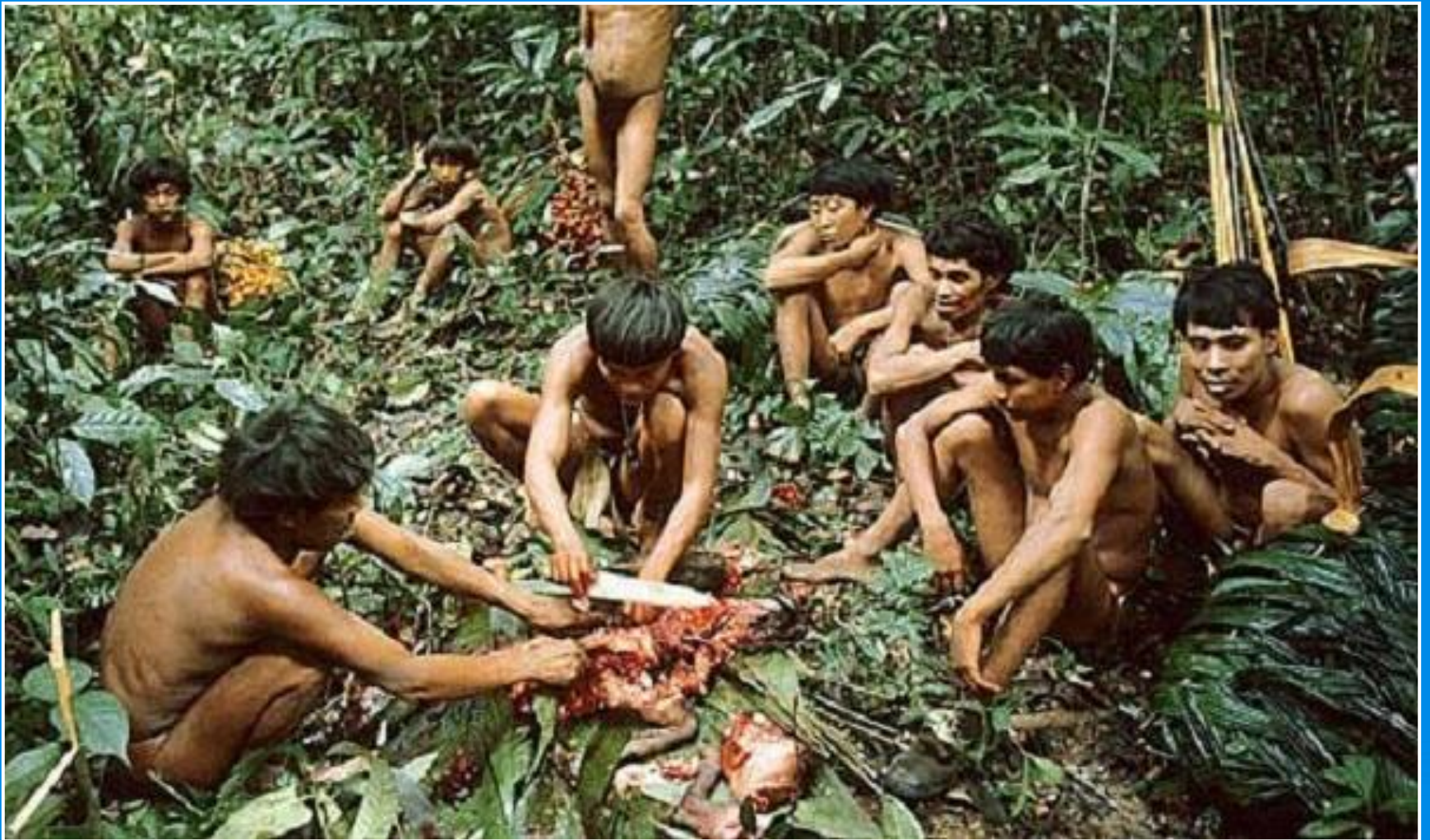
# Ecological thresholds and the supply curve





## Efficient Food Systems

- Efficiency: achieving a goal at the lowest cost
- Goal: food security for all
- Cost:
  - Monetary: 0.6% of US GDP, <4% of global
  - Ecological: Planetary boundaries, ecological catastrophe




## Historical Food Commons

# Reciprocity and Gift Economies

- No one starves unless everyone starves
- Eating alone as sociopathic
  - Ostracism = death
- Food gifted from those with surplus to those with deficit
  - Value to those with surplus negligible
  - Value to those with deficit immense
- Each economic transaction maximizes social welfare, strengthens social ties





# Efficient Market System

- Goal: maximize utility
- Price mechanism allocates resources to those who value them most
- Scarcity → price increase → lower consumption and greater supply → efficient/optimal equilibrium
- GDP is scorecard
- Food markets fail on all accounts

# The price mechanism in action: supply

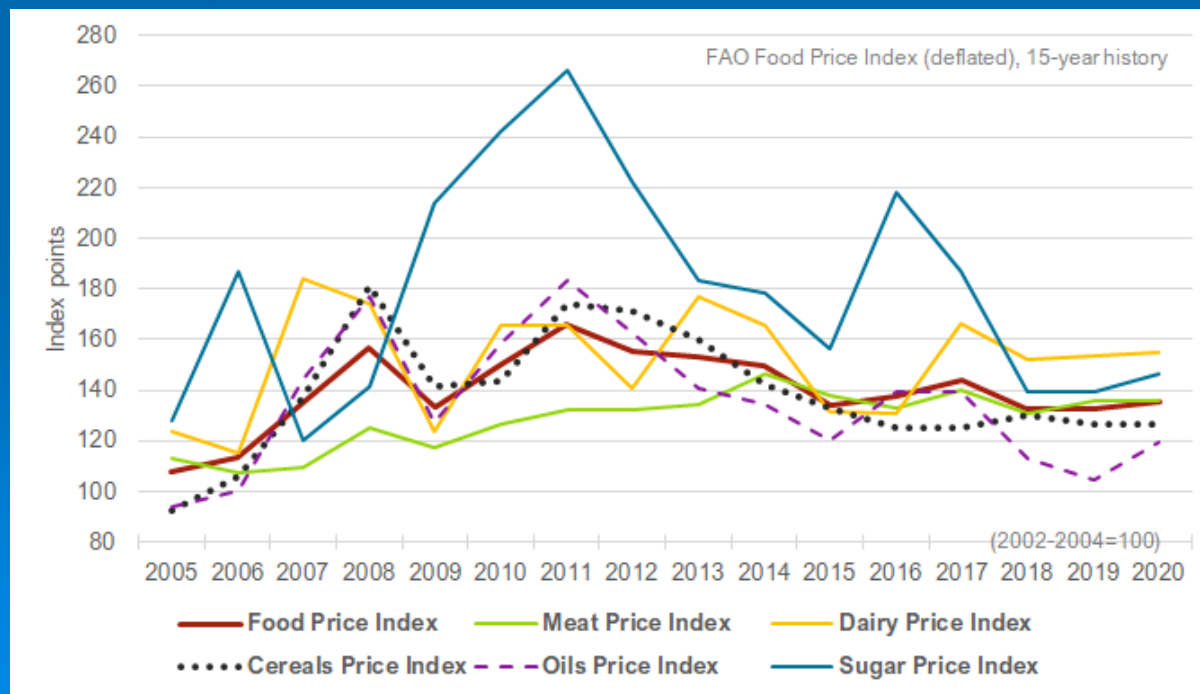
- Price super sensitive to supply
- Higher prices → greater supply?
  - Time lag—supply reflects last season's price
- Ecological costs ignored
  - Markets fail with public goods
- Price mechanism broken



# Price mechanism in action: demand

## ➤ Inelastic demand

- Demand insensitive to price
- Price highly sensitive to supply
- Instability for producer and consumer



# Markets weight preferences by purchasing power



X \$

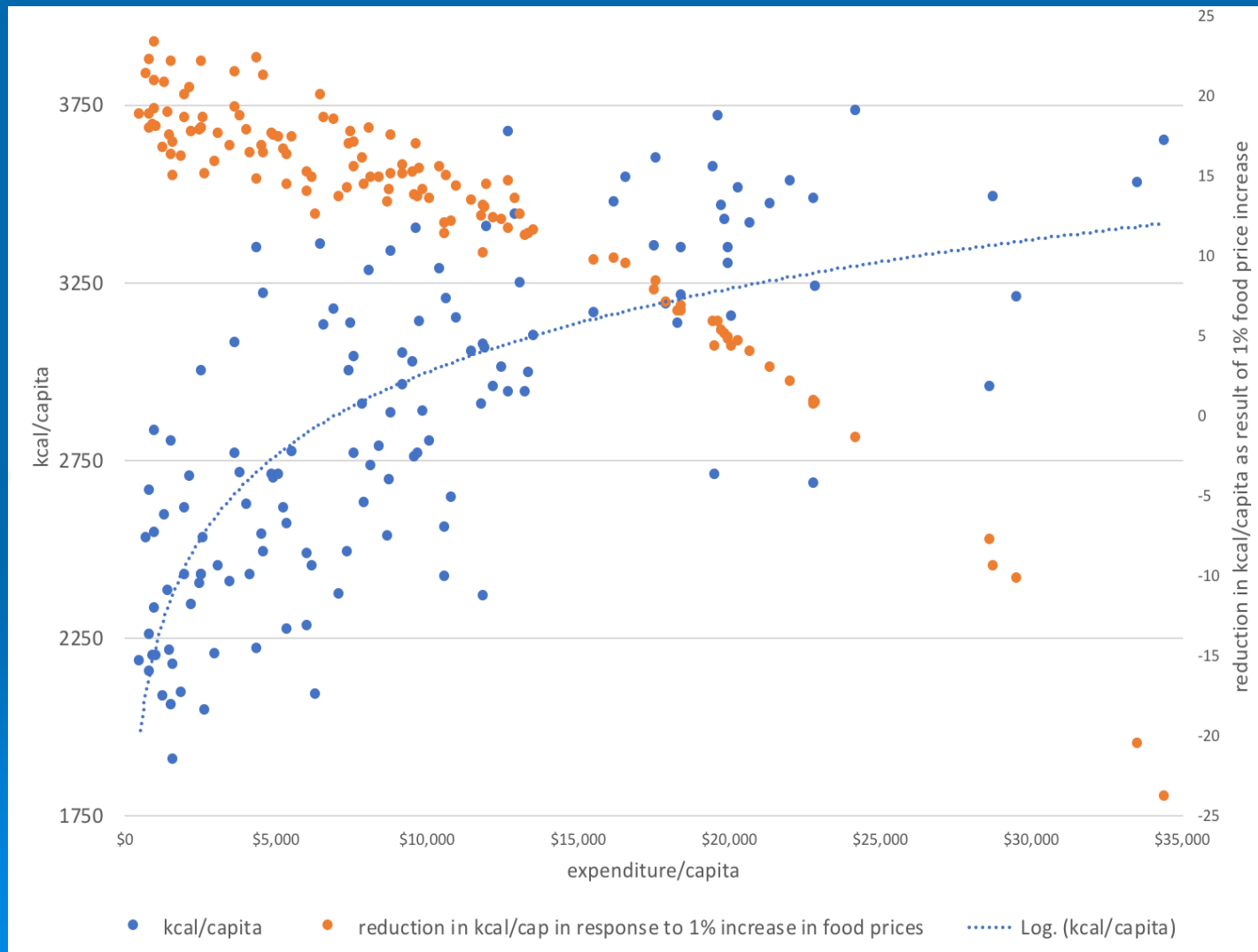
Demand=



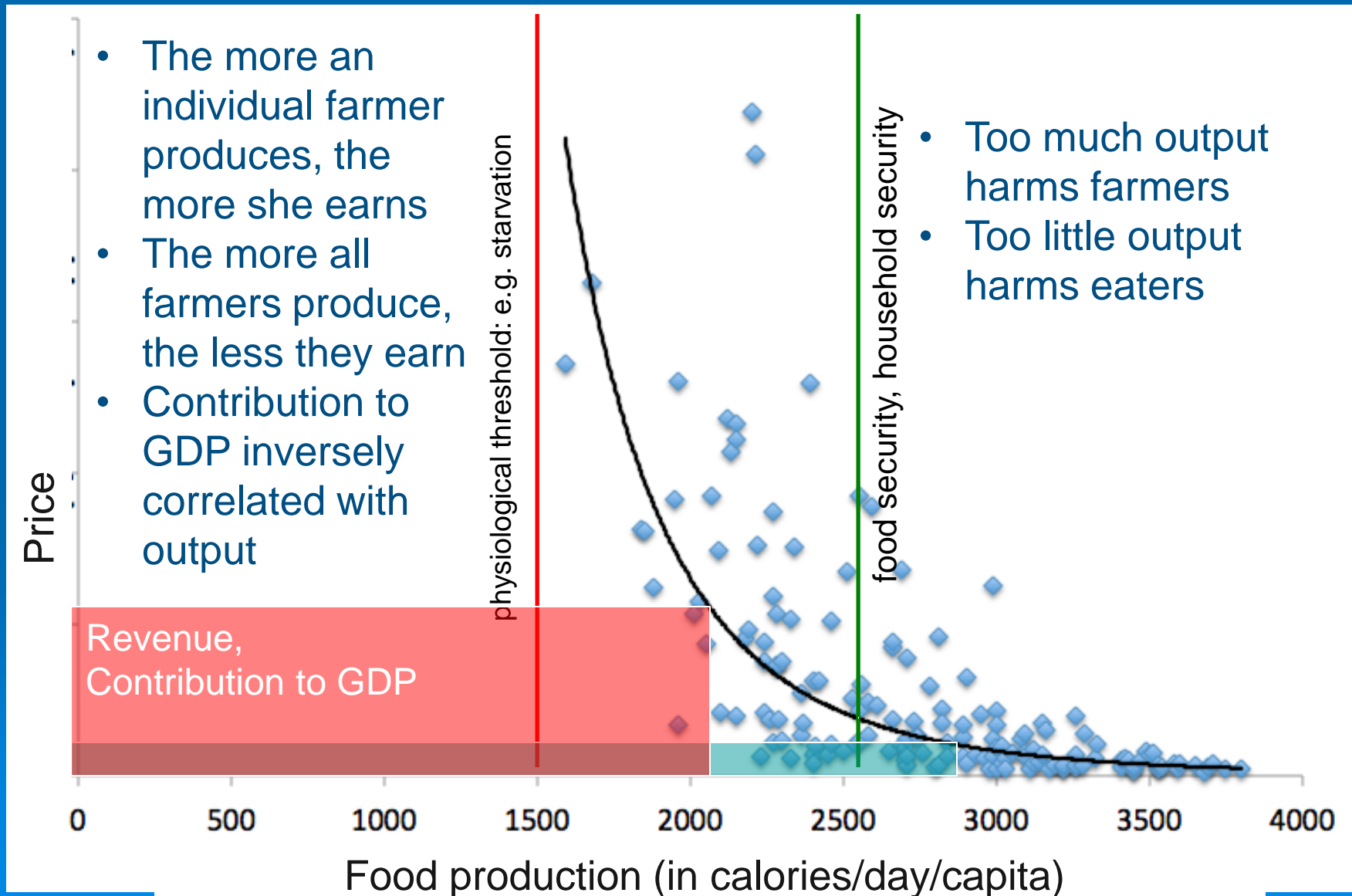
x \$\$\$

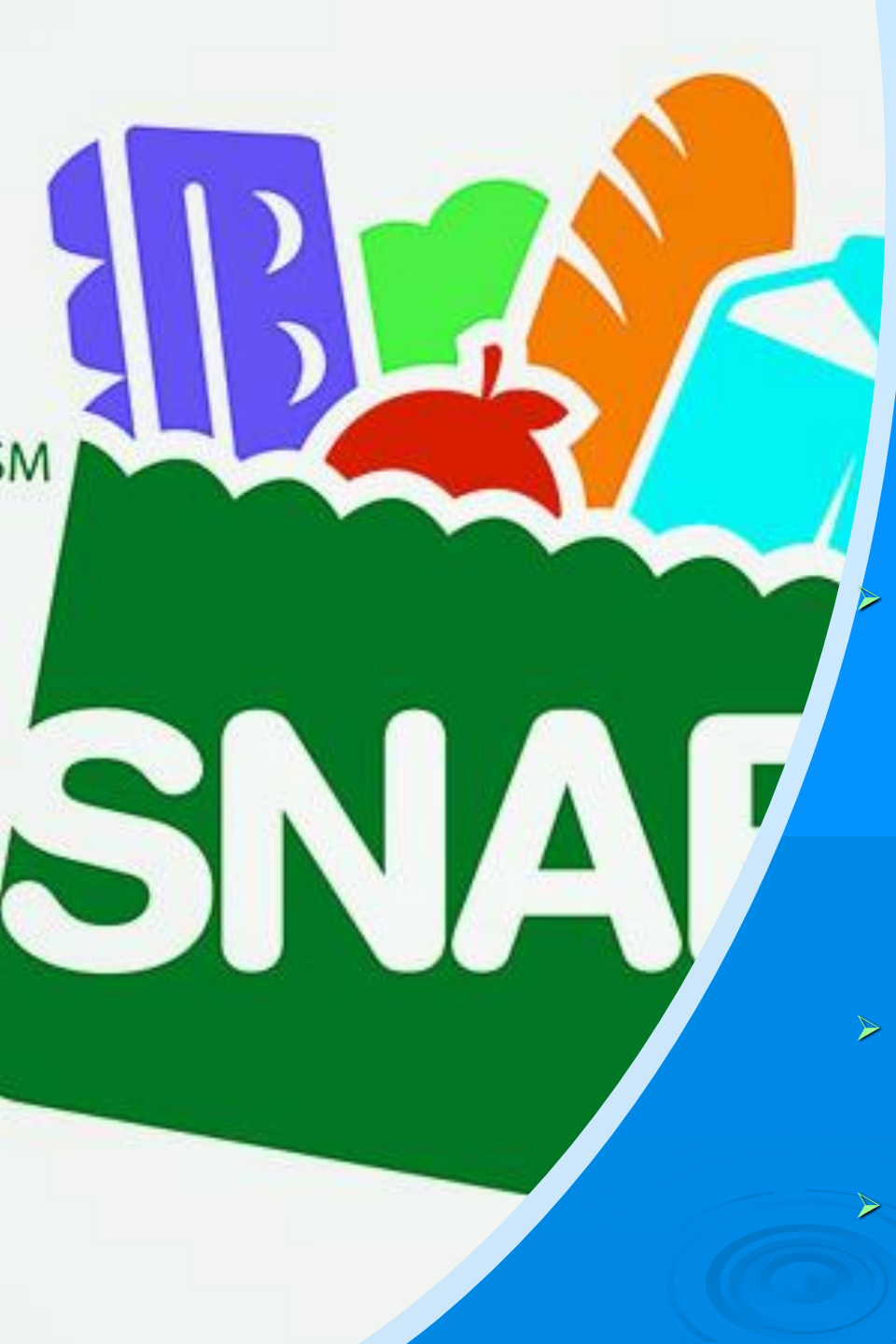


# Markets allocate food to those who need it least



# Paradox of production, revenue and GDP





## What Would a Food Commons Look Like Today? Consumption

- Agriculture, food and related industries account for 5.2% of US GDP
  - Food for home consumption about 3%
  - Healthy and ecologically friendly (plant based, unprocessed) diet perhaps 1-2% of GDP
  - Vs. healthcare approaching 20%
- SNAP for all
  - Only healthy/eco-friendly foods
  - Free choice over specific diet
- Markets for luxury foods
  - Prices reflecting ecological costs



## What Would a Food Commons Look Like Today? Production

- All agricultural knowledge open access (no patents)
- Green New Deal for Ag
  - Civil service corp for sustainable Ag
  - Revitalizes hollowed out mid-West
  - Reduces national polarization