Market Corner:

Native Americans control fully or partially over 49 million acres of land used for farming and livestock grazing. To make agricultural production sustainable into the future, the productivity of agricultural lands and changing consumption and land-use patterns need to more equitably benefit entire native communities, from farmers to consumers.

The United States counts more than 5.67 million Native Americans and Alaska Natives among its citizens, with another 2.44 million Native Hawaiian and other Pacific Islanders. About 51% of Native Americans are affiliated with at least one federally recognized tribe. This underserved population has been historically disadvantaged due to tribal sovereignty relationship conflicts with state and federal governments on land and resource expropriation. It’s resulted in some of the lowest per capita incomes in the country. Indian reservations particularly have the highest poverty rates in the U.S.

Several legislative acts have strengthened tribal sovereignty and administration, like the Indian Reorganization Act of 1934 and the Indian Self-Determination and Education Assistance Act of 1975. Both enhanced the ability of tribal governments to administer, legislate and enforce tribal governance. The American Indian Agricultural Resource Management Act of 1993 (ARMA) provides support for agricultural programs that take place under tribal control of sovereign land used for farming and livestock. Recently, the HEARTH Act of 2012 improved voluntary, alternative land-leasing processes for tribes.

As part of ARMA, a group of us at the University of Wyoming worked with the Eastern Shoshone and Northern Arapahoe to make a plan to build sustainable agriculture including specialty products, and to work with and train tribal entrepreneurs in conventional and specialty crop development and marketing. The plan still has to be accepted by the U.S. Secretary of the Interior. These tribes are waiting on that signature. But once that occurs, they will develop a joint tribal Office of Agricultural Economic Development that includes technical and marketing expertise trained by both university personnel and tribal member experts already part of the reservation communities.

More than ever before, agricultural and land grant universities have an opportunity to improve the livelihood of Native Americans on reservations across the nation. These programs aim to assist in that effort. We owe Native Americans this much, and more.

For consideration of this and more trends and topics, stay tuned! Share this newsletter with others. And to add your email, simply reply to this email. We want to hear from you!
Director Spotlight:

JANE KOLODINSKY (@janekolodinsky) is chair of the Department of Community Development (@CDAEatUVM) and directs the Center for Rural Studies at the University of Vermont (@CRS_UVM).

INTERESTS Food policy using a transdisciplinary lens: food labeling, nutrition, and short(er) value chains (e.g., farm-to-school and community-supported agriculture)

WHY UVM? I started my career here. I have had so many opportunities to lead strategic initiatives and engage in cross-disciplinary activities here. Family friendly and progressive, and the natural capital is almost unbeatable.

HOT STOCK I am working on a team that is developing economic, environmental and community impacts of hemp, and have been since 2016 — ahead of the curve. We expect not only big academic outputs but some real community economic development impacts.

WATCHWORD 2021 Local food systems offer resiliency. If the COVID-19 pandemic has shown us anything positive, it is that shorter and less concentrated value chains have resiliency.

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What happened?

Q3, 2020

In August the USDA opened a searchable online resource “hub” for local and regional food system participants affected by Covid-19 [click here]. The USDA and 16 partner organizations, from universities to direct-to-consumer and restaurant groups, to those representing tribal nations and underserved communities, contributed. The USDA Agricultural Marketing Service announced last month $40 million in grant awards in three important local food programs (Farmers Market, Local Foods and Regional Food Systems).

— USDA AMS

What happens next?

Winter 2020-2021

Meanwhile, economists will be watching local systems closely throughout the fall and winter for adaptations and resilience. Will winter indoor farmers markets open? Where will markets set up if schools are closed, and how will lost sales be redeemed? Will merchants connect with SNAP recipients? For some specialty crop producers, direct consumer sales comprise the overwhelming majority of commerce.
As a trend, the educated and highly skilled eschew small cities for metros. Towns that attract them show “atypically large levels of agglomeration,” says Peter Orum (Iowa State). He, along with the late Georgeanne Artz (ISU) and Younjun Kim (Southern Connecticut State) examined this in a 2015 paper. Last month, along with Peter Han (HUD), they published Which Small Towns Attract Start-Ups and Why? Twenty Years of Evidence from Iowa. Rural economic development assistance targeted at these towns is superior to policies that encourage firm entry in every town. — AAEA [Olivia Hucherson / UNSPLASH]

Local food systems are agricultural, but researchers Dawn Thilmany McFadden (AAEA president, Colo. State), Jeff O’Hara (USDA Agricultural Marketing Service), Sarah A. Low (Missouri), Marcelo Castillo (USDA Economic Research Service) and Becca Jablonski and Allison Bauman (Colo. State) consider their entrepreneurial and labor implications in published analyses on cottage food laws (and direct sales), food and beverage manufacturing startups, and local food systems and labor in AEPP.

We may eat more often “at home,” but we spend more “eating out.” At least, we did. In 2018, Americans spent roughly $628 billion on food (retail) and $680 billion at restaurants and other food-service vendors, according to the USDA’s ERS (a partner). A report in the Journal of Agriculture, Food Systems and Community Development charted the devastating impact of Covid-19 on the food service industry. These supply chains are specialized and time sensitive, and adaptations have not come quickly enough to accommodate seismic shifts. [Jonathan Borba / UNSPLASH]

Kyle Myers (Harvard) examines how funding opportunities (NIH grants) change the direction of research — namely, how resources may incentivize small changes in exploratory science. OK, it’s not #AgEcon, but board member Chyi Lyi “Kathleen” Liang (NC A&T State) was impressed with this economic analysis of “pure” research. Myers writes, “Given that scientists are a key source of ideas that drive economic growth (Stephan 1996), it is important to know how costly it is to incentivize changes in the direction of their work — the elasticity of science.” — in the American Journal of Economics: Applied Economics.