

**BARRIERS TO PARTICIPATION IN FEDERAL
ASSISTANCE PROGRAMS**

HEARING
BEFORE THE
SELECT COMMITTEE ON HUNGER
HOUSE OF REPRESENTATIVES
ONE HUNDREDTH CONGRESS
FIRST SESSION

HEARING HELD IN BALTIMORE, MD, OCTOBER 2, 1987

Serial No. 100-16

Printed for the use of the Select Committee on Hunger



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1988

79-907

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

way, in Ohio. Each one of the regional departments of agriculture have their own rules and regulations. They need to be standardized.

There needs to be more listening to the idea that innovation is important. You cannot continue doing things the same old way. You have to be encouraged to try and find new ways to do things and new ways to reach people.

There is a lot more in this testimony, but I will stop there.

[The prepared statement of Ms. Miller appears at the conclusion of the hearing, see p. 126.]

Chairman LELAND. Thank you so much.

Let us go now to Ms. Kingslow.

STATEMENT OF MARCIA KINGSLOW, DIRECTOR, ECONOMIC DEVELOPMENT DIVISION, MARYLAND FOOD COMMITTEE

Ms. KINGSLOW. Thank you, Mr. Chairman, members.

Mr. Chairman, members of the committee, let me, for point of clarity, indicate that in addition to being director of economic development for the Maryland Food Committee, I am vice president of the board of Cooperative Extension Service here in Baltimore. Much of my experience comes from both of these directions.

I was asked by staff and committee members to share my experience and work with community-based organizations that are working toward food self-sufficiency. I do not work with Federal food programs nor emergency feeding programs, rather I am working to promote economic revitalization programs that will correct some of the deficiencies of the food and farm system, particularly as they affect limited resource communities, individuals of limited means, and small business development.

Now, from that, let me try and make a connection here. I am very concerned that there is some limit to the initiatives to reduce barriers that will only have partial impacts unless we find ways to link them with other projects that are promoting self-sufficiency and changes in the production and distribution of food in underserved communities.

Without these alternatives to the present structure, improved access to food subsidy alone will do little to promote the family independence and nutritional well-being.

My work has taken me to some of the most depressed communities in Baltimore. Communities where over 70 percent of the people are living below the poverty level. They are unable to maintain, few are able to get ahead, and most are caught in the wraps of dependency.

Now, when I talk to folks, one of the things that they tell me is that sure, more food stamps, more social programs would help them, but beyond that, there is a problem with what they would do with those dollars. They feel as though they are captive consumers in a community where the local retail food system is just out of reach for them.

The characteristics of the urban food system in low-income areas is that of high prices and poor quality and limited access, and it is my feeling that even after the barriers are reduced and people have access to the programs that the good folks here are trying to

promote, that this lack of access to affordably priced food will continue to perpetuate the hunger and malnutrition that we find in our communities.

I see that alternative food systems and purchasing opportunities are a direction to go once we move beyond the problems that we are trying to address here today. I have had the good fortune of working with a number of neighborhood organizations to create community and economic development programs that promote food self-sufficiency.

The Maryland Food Committee is working with eight community organizations that are setting up community-owned and operated food stores in under-served neighborhoods.

I do not want to go into a lot of details here about the specifics of the store since it is included in my written testimony. We do have minimal outreach programs to people who are receiving Federal food assistance. Because of limits of the volunteer nature of this project, and the staff limitations, we really cannot do adequate outreach to make sure that the people who are receiving subsidies are brought into this program.

What we also try and do through these stores is link them to other food self-sufficiency projects, be they community gardening, food preservation, or health and nutrition programs. As you all well know, the Cooperative Extension Service is very influential in promoting such alternative food projects as these and 4-H youth programs; gleaning, which is the harvesting of leftover field crops; farmers markets; and ultimately urban and rural agricultural exchanges. They promote alternatives to the way food is acquired and distributed in low-income communities.

These organizations are highly motivated and are working to promote independence. They recognize that the outreach efforts that they do are not enough. Linkages with the food assistance providers and people who work with Federal food programs are necessary to promote self-reliance and point families in the direction of nutritional and economic well-being.

I am not suggesting that these types of alternative self-sufficiency programs be a substitute, simply a supplement to the good work that is going on here today, in order to promote future food security for all of our citizens.

I thank you.

[The prepared statement of Ms. Kingslow appears at the conclusion of the hearing, see p. 136.]

Chairman LELAND. Thank you.

Let me assure all of you and the rest of our witnesses that the testimony that you submit is gone over thoroughly by both the staff and members of the committee. So, when you make your testimonies in summary, that does not mean that we do not want to hear what you are saying, in full, we do. Your testimony is invaluable to us.

I just wanted to let you know that and we appreciate your brevity.

Thank you so much.

Ms. KINGSLOW. Thank you.

Chairman LELAND. Mr. Houbolt. I presume I am pronouncing that correctly.

PREPARED STATEMENT OF MARCIA E. KINGSLOW, DIRECTOR, ECONOMIC DEVELOPMENT
DIVISION, MARYLAND FOOD COMMITTEE

Thank you for the opportunity to appear before the Select Committee on Hunger. My name is Marcia Kingslow and I am Director of Economic Development for the Maryland Food Committee. I also serve as Vice President of the advisory board of the University of Maryland Cooperative Extension Service's Baltimore office. I would like to share with you several examples of community-based efforts that can augment the benefits of the federal food and nutrition programs and promote food self-sufficiency.

I would like to preface my remarks by commending the many fine organizations that are working so hard to remove the obstacles to federal food programs. As we have heard before, however, these efforts are not enough. The number of people in need continues to increase as traditional resources dwindle. For many groups, the pressure of reacting to short-term emergency needs precludes the development of long-term initiatives to eliminate hunger and poor access to food. It is this reality that has brought forth other groups that have found the means to examine the broader picture. They have developed alternatives to those production, pricing, and distribution anomalies of the food and farm system that help to perpetuate hunger and poor nutrition.

In and of themselves alternative food self-sufficiency projects are not the panacea. Working in tandem with front line food providers and assistance programs, however, these initiatives can help families better

manage their food dollar and can help under-served neighborhoods stem the outflow of capital from their communities.

Before sharing a few examples of how food self-sufficiency can be promoted through community and economic development, I would like to provide background on the circumstances that confront consumers in many under-served, urban neighborhoods.

Over the past two decades, low-income, urban communities have experienced an exodus of supermarkets chains. Most of these stores left in search of more lucrative suburban markets and space to develop the preferred 50,000 square foot superstore. With the exception of chains located in those regions that have reached their growth capacity and a few less-conventional food distributors, new supermarkets are slow to reopen in under-served areas. When supermarkets have reentered urban markets it has generally been in, or on the fringe of, areas that are undergoing gentrification.

To fill this void, small, independent, grocery stores have proliferated in low-income communities. Because of the scale of these operations and the nature of the wholesale food industry, these stores are often unable to offer prices competitive with supermarkets. They generally offer a more limited product line, sell few fresh vegetables and meats, and have a slow product turnover time. These stores usually have few job prospects for neighborhood residents. Often the proprietors and workers live outside of the community and thus perpetuate the outflow of revenue from the neighborhood.

Unfortunately, for many families this is all there is. Without

private transportation or adequate public transit networks to travel to suburban supermarkets (an expense itself), many residents become captive consumers. The buying power of their food dollar, whether in food stamps or in cash, is significantly diminished. For example, in 1984, the Maryland Food Committee conducted a price survey of small food stores in seven low-income Baltimore neighborhoods that were without supermarkets. These results were compared with prices in two suburban supermarkets. The survey revealed food prices in the neighborhood stores to be over forty percent higher than prices in the suburban supermarkets.

These trends are substantiated by the many anecdotal accounts of families unable to satisfy a basic need because of the high price, poor quality, and limited access to food. Others tell of having to mortgage their future food stamps to neighborhood grocers in order to put food on the table today. This cycle of credit dependency is similar to that of the company store of yesterday. Such circumstances do not foster much of a sense of choice or optimism for the parent trying to provide for his or her children or the elderly person living on a fixed income.

To be clear, however, the small grocery stores are not the villains in this scenario. Although their prices are indeed higher than the norm, they are also victims of a food system that has been vertically integrated by major corporations that control the means of food production, processing, distribution, and marketing -- all under one roof. Despite the efficiencies that may exist under such a system, the small farmer, the small processing plant, independent grocers, and consumers of limited means shoulder the economic hardship of this bigger-is-better mentality.

Remedies for this are certainly beyond the scope of today's remarks. It is important, however, to keep these realities in mind as we strive to correct the problems of hunger and malnutrition through improved access to affordable, quality food.

Within reach are opportunities to promote self-sufficient food projects at the grassroots level. Many examples exist throughout the country. I would like to share a few examples of activities in Baltimore that employ community economic development techniques, outreach, and education to correct some of the deficiencies of the urban food system.

Responding to its study of food prices in under-served areas, the Maryland Food Committee, in 1985, began a project to help develop alternative retail food outlets in these neighborhoods. Called the Community-Managed Food Store Project, the Food Committee provides technical and financial assistance to eight community-based organizations that are working to develop or sustain these ventures. The immediate goal is to offer quality groceries at prices less than the neighborhood norm. The long-term objectives are to reduce, through competition, the abuses found within neighborhood food systems and to create an alternative wholesale purchasing vehicle that will further enhance the competitiveness of the community-managed food stores.

There are presently four community-managed food stores in operation and four more under development. Although they are small in scale -- most under 1,500 square feet -- they offer prices that average twenty-five percent below area competition. This is possible because of a development model that combines aspects of real estate development with

cooperative economics and traditional business principles.

Because the stores are sponsored by nonprofit, community-based organizations, they offer a sensitivity to the nutritional and economic needs of community residents. They make a special effort to serve food stamp recipients, but will offer a membership to any resident.

In addition to providing reasonably priced food, the community-managed food stores can become the focal point for a range of food-related community projects such as nutrition education, food preservation, and food preparation demonstrations. Some organizations have even combined the community-managed food stores with efforts to provide affordable rental housing in the space above the stores. Since the project is community-owned and -operated, proceeds are continuously recycled through the operation and thus maintained within the community. The Community-Managed Food Store Project provides a demonstration in self-reliant, grassroots development and an opportunity for enhanced food security.

Another means of promoting food security is through the development of community gardens. Far beyond just improving the physical character of a neighborhood, urban gardening provides fresh food for many who would have no access to these foods. In keeping with the House Appropriation Sub-Committee on Agriculture's charge that urban gardens be developed "for food production, worked by low-income families, including youth, to result in improved nutrition for these families," the Baltimore office of the Cooperative Extension Service has targeted economic development, health, and human development as urban gardening priorities.

Urban gardening in Baltimore has produced measurable economic

impacts. Between 1984 and 1987, over one million square feet, or 23.5 acres, of garden area have been logged. This includes community sites, public housing sites, and home gardens. The dollar value of food produced, according to the USDA calculations, was \$896,600. While an average savings per gardener of \$68.00 may seem insignificant at first glance, it offers tremendous benefits to a family that otherwise would have no access to fresh produce. When the alternative is the food distribution scenario described earlier, the benefits of grow-your-own become more attractive.

Between 1984 and 1987, over 9,500 adults and 2,700 youth received direct urban gardening instruction from the Baltimore Cooperative Extension Service. Thousands more were taught through printed material, soil tests, clinics, television, and radio. Extension also provides nutrition education to gardeners, placing emphasis on food preservation and preparation techniques that are low in fats, cholesterol, and salt. Through the Expanded Food and Nutrition Education Program (EFNEP), close to 600 limited income families received intensive health and nutrition education in 1986. When added to the more than 4,000 residents that participated in Extension's food, nutrition, and health workshops, these numbers suggest the viability of the community-based, food self-sufficiency network.

The Cooperative Extension Service has shown that limited income families and food stamp recipients are indeed interested in expanding their food purchasing power and learning good health and nutrition practices. It should serve as a source of encouragement to other agencies working to reduce the barriers to adequate food and nutrition resources.

Other opportunities exist to promote locally responsive food systems through community economic development. Although they also do not offer an immediate reduction of the barriers to federal food programs, they contribute to the long-term, systemic solutions to the problems of hunger and poor access to quality food.

Agencies that serve recipients of federal food programs can inform families of other community-based food activities that can help them better manage their food dollar for good nutrition and economic well being. Local food policy initiatives that recognize open space opportunities for edible landscaping can augment urban food production activities. Local planning and zoning agencies can further recognize these open spaces as protected uses from development. Likewise, surplus federal lands can be made available for regionally-based food production.

Federal, state, and local economic development agencies can foster community-based food projects by making grants and loans available to cottage style, small-, and medium-size food production, processing, and distribution projects. Federal and state agencies and legislators can encourage the growing alternative agriculture movement, a component of which calls for the development of new production and marketing strategies for small and limited resource farmers. Under-served urban communities are prime candidates for such urban/rural partnerships.

Through these and other creative initiatives, we can begin to move away from the pattern of dependency that engulfs so many of our families, communities, and institutions. Alliances built around the common theme of self-reliance can move us toward a system that is equitable and that promotes food security for all citizens.

REGIONAL FOOD SYSTEM OPPORTUNITIES AND
COMMUNITY ECONOMIC DEVELOPMENT

A Concept Paper

by

Marcia E. Kingslow

Despite the seemingly endless availability of food in our local supermarkets and the staggering food surpluses known to be kept in government stockpiles or destroyed each year, the American food and farm system is in trouble. The family-farm debt crisis and other factors are causing the demise of traditional agriculture and forecasting socio-economic doom for agricultural-based rural communities; increasing amounts of prime farmland are lost to development, soil erosion, monoculture production, and water mining each year; energy- and chemical-intensive food production techniques are promoting further environmental degradation while the cost of these techniques and long-distance transportation add to the ever rising price of food; hunger is evident as the demand for emergency food in some communities has increased by over 200 percent since 1982; and corporations have used vertical integration to take control of the components of the food system while their supermarkets have taken place in, and often led, the economic disinvestment and abandonment of low-income communities.

Agriculture has become agribusiness and market-capture is its raison d'etre. Like many other modern industries, it has sought a position in the international trade arena. But since 1981, agricultural exports have declined by more than 30 percent while imports have risen almost 25

percent. Developing countries are becoming more food self-sufficient while America imports broccoli and tomatoes from Mexico, beef from Australia and Argentina, apples from Chile, and orange juice from Brazil. Despite the U.S. policy of competitiveness, American farmers are being driven out of the international grain market and are finding it increasingly difficult to enter the domestic produce and meat markets. In addition, U.S. food corporations have moved many of their processing operations abroad. Not only does this have employment implications, but it raises nutritional, health and moral concerns since environmental and chemical regulations regarding food production, processing, and worker safety are less stringent in most developing countries than in the U.S.

What we have is a food system dependent on external forces. The cost of this dependency is swiftly spreading downward through all sectors of society. Moreover, the acceptance of dependency is a disturbing presence in the national food system as well. In many states food imports account for over 70 percent of their food needs. This food not only comes from abroad, but from other states. This structure promotes that outflow of local capital while the consumer ultimately bears the cost in higher food prices and in the loss of nutritional value from eating food picked prematurely so as to endure long-distance shipping. Most U.S. cities have a two to three day supply of food. Given the system's level of dependency, a labor dispute, transportation shutdown, environmental catastrophe, or energy shortage could seriously threaten this supply. In a crisis, panic buying could empty supermarket shelves in a day, despite price escalations caused by the exploited demand. Under this scenario, many poor people would go hungry.

Implicit in U.S. food policy and the food and farm system is the notion that self-reliance in general and local/regional self-reliance in particular is an inefficient economic concept for such a technologically advanced state. There is also little regard for understanding the food system as a component to be integrated with other components of the economic system. That this perspective is prevalent in other sectors is evident in the degree of external dependency found in the energy, transportation, finance, and manufacturing industries. But society continues to pay the cost while making only marginal progress toward building sustainable, self-reliant communities. For the laudable examples of self-reliant community development that do exist, much more can be done. In my view, the community economic development community can be a viable participant in this effort beyond what it has already accomplished.

Historically, community economic development was viewed as a solution to the problems of poverty and inequitable resource distribution through the creation of physical, social, and economic development projects. These projects provided resources for housing, jobs, and business development as well as promoted the human and social aims of the community. Over the years, however, a sophisticated network of community development corporations has developed that places more emphasis on the economic return from its physical and business developments than on the social benefit and community needs. While it is understandable that recent federal and private sector funding cuts force the CDC to work for its own survival, it comes at a time when the need to broaden the community improvement agenda is increasing to include a range of areas

that will determine the viability of the future and the sustainability of communities. The area of food production and distribution is but one of these areas.

The development of regional and local food and farm systems that replicate the components of the larger system, but at a scale that is compatible with other community development initiatives, lends itself nicely to the concept of community self-reliance. Not only would such a system address some of the production, pricing, and distributional inconsistencies of the larger system. These approaches would allow community development organizations to forge new alliances and reaffirm their commitment to the overall betterment of the community.

Regional food systems that emphasize import substitution can significantly alter the tide that has forced small farmers to abandon the trade as well as create new jobs in the food processing and distribution sectors. In addition to developing creative finance and production techniques, the key to the success of a regional food system is in its distribution strategy. This would include both marketing and transportation. And the markets exist -- in low-income communities that have poor access to reasonably prices, fresh food; in upscale urban communities that prefer nonirradiated, locally-grown products; and everywhere in between. Direct sales to consumers through farmers markets, alternative food stores, and coops; institutions that prepare food on site; the restaurant and food purveyors sector; and through the traditional markets could all be a part of a regional food distribution effort. These strategies could promote greater urban-rural linkages so needed in these time of competition and fragmentation.

Another approach might be to promote integrated urban-rural development by focusing on food and agriculture as a sectoral intervention target. Various components of the food system could be developed with a special focus on capturing traditional and alternative regional markets. In addition, the replication of the larger system could include the vertical integration of food system components under the control of community-oriented development groups. Such replication has been accomplished at the grassroots neighborhood level in a number of cities. Although the emphasis of these neighborhood food system models is to improve peoples access to affordable, quality food rather than on receiving a financial return, they offer strong encouragement to pursue such models on a grander scale.

Work in the area of food policy can do much to promote self-reliant food systems, particularly at the local, regional, and state levels. The food and agriculture sector should be accepted as viable planning and development targets along with housing, transportation, and downtown development. Efforts must move beyond emergency-oriented anti-hunger work to exhibit a sensitivity to how food issues are interrelated with other planning and development areas. Land use decisions can be made to promote local food production in both rural and urban areas. Business development strategies can be created to encourage responsive food delivery projects.

The benefits of a regionally-based food system will accrue throughout the community. Farmers can receive a higher price for locally-produced and -consumed food than they could for soybean and feed corn sold on the international market. Consumers can purchase food at

lower prices but with a higher nutritional value -- and those living in historically underserved communities will be less threaten in times of need. Supermarket and food wholesalers can reduce their operating budgets for cooling, storage, and transportation. The local and regional tax base could improve as the outflow of capital diminishes and dollars are recycled within the system. Through these and other initiatives, the community as a whole could benefit from the momentum developed and alliances built around self-reliant, regional and local food systems and begin the transformation toward the sustainable community.