

By Ethan Goldblatt

My area of study at LC has always been centered around food. My interests were exceedingly broad in the beginning, but have been slowly whittled down to a razor's edge. I've gone from studying the political economy of industrial agriculture at home and abroad, to attempting to understand the ins and outs of opening and operating a bakery. As different as these two areas of study are, there are common threads that weave the two seemingly disparate ideas together. The questions essentially remain the same, but the scale changes significantly. Instead of looking at the broad strokes of the international food system, I've chosen to examine some of the intricacies of a regional food system by placing myself directly in that realm of thought. During the earlier stages of this project I kept a broad framing question in mind to provide direction and guide my research. I asked, to what extent, if any, is localization an effective means of creating positive change? My research tackles this question from a food systems perspective, specifically at a regional scale. Additionally, I ask a more focused research question that is ultimately informed by my business plan. The question is, to what extent does running a small bakery that sources locally effect positive change within the Portland regional food system?

The discourse of industrial agriculture and the global food system has praised the technological and scientific advances that have allowed for the provision of cheap food to millions of consumers around the world. But there is an alternative (and widely received) school of thought that recognizes the true cost of cheap food; the externalities are substantial, and the external costs of environmental degradation and health care are not being met (Kneafsey 2010; Lang et al. 2009). What can we do to both minimize and be held more accountable for these externalities? In recent years, food system localization as an answer to this question has received an immense amount of support. My research question asks if this support is warranted. To begin, it's important to define the terms and tease out some of the initial problems.

Hinrichs (2003) points out the problematic nature of the local – global dichotomy, specifically, that the spatial relations of “local” may not always coincide with the social or environmental values that it often intends to signify. Born and Purcell (2006) explain that instead of deeming local inherently *good*, they argue that there is nothing *inherent* about any scale: “Local-scale food systems are equally likely to be just or unjust, sustainable or unsustainable, secure or insecure” (Born and Purcell 2006, 195). In differing social, political, and/or economic climates, local food systems will have varying outcomes. Thus, it is problematic to pair scale of a food system with a specific outcome. A case-by-case analysis must be applied to optimize both scale and efficiency.

Kloppenburg et al. (1996) discuss the implications of the “foodshed.” Borrowing from the watershed, the foodshed imagines the flow of food into a particular place. The term connects the cultural (“food”) to the natural (“shed”), thus becoming a “unifying and organizing metaphor for conceptual development that starts from a premise of the unity of place and people, of nature and society” (Kloppenburg et al. 1996, 34). The recognition of one's place within a foodshed offers a sense of connection and responsibility to a particular area. Without this sense of place or connection to the land, the food system essentially operates as a commons, with producers overusing our collective resources and selling at too low a price. Re-localizing the food system, and operating within reasonable foodsheds essentially privatizes the market. This faux-privatization allows for more clearly defined “property rights” (i.e. boundaries of each foodshed), making each foodshed accountable for its citizens and for the external costs of the surrounding foodsheds.

There are positive ideas behind Kloppenburg's work, but the notion of the foodshed problematizes the broad question I asked in the first paragraph (to what extent, if any, is localization an effective means of creating positive change?). The idea of the foodshed presupposes that food systems operate as traditional watersheds do. In examining today's market for water and food, we may find that the comparison between the two does not work so well in many cases. The watersheds throughout the west extend far beyond their historically defined geographical bounds, exemplified by the Los Angeles Aqueduct running from the Owens Valley almost 300 miles south to Los Angeles. While localized food systems may be positive in many ways, we must take the idea of the foodshed with a grain of salt. Additionally, in many cases global food networks are far more efficient than local ones could ever be.

I have no delusions that a bakery is going to solve the problems pertaining to the global food system, nor do I think that regionalization of the food system en masse is a good solution. But just as I believe an entirely regionalized food system is impractical, I believe an entirely globalized one—in which all markets are essentially looked at as one—is equally impractical and filled with inefficiencies. There must be some way to maximize efficiency by drawing from both scales.

I'm writing a business plan for a bakery in Portland, Oregon. The Northwest is an interesting case because we have the opportunity to grow a huge variety of food, including the grains we need for bread. In this specific case, I can choose either to source relatively small-scale, locally grown grains at a premium, or I can take advantage of economies of scale and government subsidies, and source grains from across the country at a lower price point. As a business owner, if I can afford the former, I will buy it ten times out of ten even if it is more expensive, because the selling price reflects the true costs of growing the wheat, undiluted by government subsidy and economies of scale. In this case it is the most efficient option.

To be sure, my trajectory in crafting a business plan within the Portland regional food system will be distinct from the optimal outcome (optimal in terms of scale, sourcing practices, etc.) in a different setting. My aim is not to propose a single method that is applicable in all settings, or even most. In the business plan I introduce several unique elements that are suited to a specific region and market economy and should be interpreted as such. But, thinking more broadly, this research has implications that transcend this situated context and may be applicable in other markets and/or regions.

Broader Applications of the Business Plan

The discussion of optimized scale and the local vs. global debate most commonly applies to food. Why is this? I think that food is something that is easy for people to feel strongly about because—put simply—we eat it, and our kids eat it and our parents eat it. In my experience, having lived most of my life between Berkeley, California and Portland, Oregon, people care about food very much. And it is not just a small margin of people that care about their eating; at some point environmentally responsibly grown food became hip. Farm-to-table restaurants, organic grocers, and farmers markets have increasingly come to define neighborhoods of the upper middle class. These attributes only define certain areas. Other areas are defined by Safeways, Walmarts and other global distributors. One is not better than the other; they differ based on geography, socioeconomic conditions, cultural norms, and the market in question.

My business plan adheres to my ideals about good food, but it wouldn't exist if there weren't a market for it. People are willing to pay as much as \$10 for a loaf of bread in the Bay Area and Portland even though they can get a loaf of bread elsewhere for a third of the price. There are many different reasons people are willing to pay for expensive, local, organic food: the Berkeley and Portland "we," care about our bodies, about the environment, about our image and social status. We think that the global condition is dystopic and a local food system reinvents that dystopia. Conversely, there is also a "we" that prides itself on avoiding "yuppie chow," as Guthman calls it. Eating Wonder Bread is a source of pride for some. However, in many markets 'local' sells, be it local food, local clothing, local bicycles, etc. The market for local items certainly extends beyond food.

There has been a resurgence of interest in American-made items, specifically clothes, shoes, hats, etc. The interpretation of local is relative between markets, and even within them. For food, the USDA defines local as "less than 400 miles from its origin, or within the State in which it is produced" (Martinez 2010, iii). For many people, the definition of local in regards to food is even more constrained than that. But in the clothing market for example, since the status quo has been international production (from China, Mexico, Thailand, etc.), anything American-made has come to be local, and is something that people take pride in.

The need for local-scale vs. global-scale goods (or often a combination of the two) changes on a case-by-case basis. In some settings we deem local "good" and global "bad" and in others the opposite is true. I think there is a place for the Archer Daniels Midland and General Mills size companies, but not to source to regions that can grow their own wheat. Instead, to source to places where the climate is not suitable to grow wheat, or where the costs of growing outweigh the benefits. My choice to source locally and at a small scale in this case means that it is optimal for this case; it does not mean that it is ideal across the board. In Portland we have access to small farms, close by that are growing great wheat, and at an affordable price. For this market, and this product, local sourcing seems to satisfy optimized efficiency, but to be sure, further research is needed.

Because the appeal for local vs. global is so subjective and fluid, I propose that we need to reframe this debate in terms of something that we can more objectively call "good." And that is efficiency. Efficiency can be defined in terms of minimizing inputs into a system, while producing the socially optimal level of output (quantity and quality of a good) at the true social cost of producing those goods. In making efficiency our primary goal, we become neutral to the argument of local vs. global, and instead find the optimal combination of the two.

Try to understand efficiency of markets as a spectrum, with fully localized markets on one end, and fully globalized markets on the other (assuming *geography* and *scale* are embedded in the terms local/global). The most efficient point will be different for each market, and even within each market, for different goods. For example, California is in dire need of a solution to the current water shortages. Perhaps it is a more efficient allocation of resources to source our avocados from Mexico instead of California. In each market, we can identify the goods we need, the resources we have, where there is scarcity in the system, and then decide how and where to source those goods. The local vs. global debate is often focused on food, but optimizing efficiency applies to everything, across time and space, class and culture.

In creating this business plan, I was able to think through these issues on a scale much less grand than is often discussed in an academic setting. I was also for the first time able to think about food systems in terms of the triple bottom line: social, environmental, and financial needs. My definition of efficiency above is draws from all three pieces of the triple bottom line. The local vs. global debate often dismisses the financial, and in many cases get the other two wrong. It is easy to dismiss the financial bottom line in an environmental studies

classroom, but it is a crucial piece of the puzzle. To set aside the local vs. global debate and reframe the discussion in terms of efficiency (as defined by the triple bottom line), opens up the discussion to any and all markets. Instead of having two polarizing outcomes, the new discussion brings a common goal.

I had infinite possibilities for sourcing goods for the business plan. With infinite possibilities, it is impossible for there to be a 'right' choice that applies in every setting. In thinking about the triple bottom line for selling bread in Portland, I came to the conclusion that sourcing my raw ingredients locally was best. For a bakery in Bend, OR, those same conclusions might not make sense at all. The idea of localization has become so fetishized by the alternative food movement that there is rarely a discussion about whether or not it really is best. This paper is meant to open that discussion back up by reframing the debate.

Please find my annotated bibliography on my website linked below:

<https://ds.lclark.edu/ethang/working-bibliography-2/>