



THINKING ABOUT THE FOOD WE EAT

THE MENU

SERVING UP FRESH FACTS *and* PRESERVED HISTORY

" GOT MILK? "

Meyer Parodneck and the Consumer-Farmer Milk Cooperative

1930s – The Great Depression is in full swing, and economic and social issues are layering on top of each other like so many pancakes.

• **Farmers can't make ends meet because milk prices are so low.**

Depression Era farmers across the country faced high distribution costs and low food prices and tried to recover from crop failures while government tried to manage crop surpluses from previous years. In 1933, the New York State Legislature formed The Pitcher Committee to study the collapse in milk prices which had fallen well below the farmers' cost of production: the average price paid for 100 pounds of milk had dropped from \$2.25 in 1931 to \$0.99 in 1933. Farmers lost all their savings and could not make mortgage payments or buy necessities. Nationwide, farmers were organizing sometimes violent strikes in frustration and desperation. Eastern farmers shouldered yet another burden. Before the depression, in an effort to maximize control in price wars, the leading milk distribution companies, United States Dairy Products Company, Borden's Condensed Milk Company, and Sheffield Farms Milk Company, formed exclusive and "non-compete" contracts with large milk cooperatives, controlling the price of wholesale milk, and monopolizing trade for huge profits in New York City's enormous market. When prices fell in the 1930s, independent and coop contracted farmers suffered greatly.

Many farmers left the big coops and organized their own, striking at processing plants for fair prices. When prices fell to a 15-year low, farmers formed a new organization, the Dairy Farmers Union, led by Archie Wright, a radical who had cut his teeth in the radical Wobblies labor union before returning to the family farm. (Wright's feats of peaceful, powerful organizing are covered in the amazing website: <http://www.albany.edu/jmmh/vol1no1/dairy1.html> The 1939 Dairy Farmers Union Milk Strike in Heuvelton and Canton, New York: The Story in Words and Pictures. Don't miss it – it's fascinating stuff.)

• **Settlement Houses grow in strength, focus on poverty and hunger**

Helen Hall, one of the authors of the Social Security Act and then-director of Henry Street Settlement, commissioned Carolyn Whitney, a woman(!) economist, to write about the nutritional impact the price of milk had on the poor. In spite of record production on farms, hunger and malnutrition in New York were rampant, and affordable milk scarce, in spite of donations from striking farmers to orphanages and charities.

• **Free market capitalism and socialism bump together in coops**

Enter Meyer Parodneck, who, in 1915 at the age of 10, had emigrated with his family from Poland. Discouraged by anti-Semitism from entering engineering school, Parodneck became a lawyer, and an advocate for the poor. Parodneck began his political work during the depression in response to evictions and foreclosures. As part of his work with the Consumer Federation of America, and hired a young Fiorello LaGuardia to lobby congress for a moratorium on foreclosures.

Meyer took a pre-war tour of Europe, and saw appalling pre-war conditions and politics in Germany and Italy, along with exciting economic arrangements for food and housing – cooperatives. Through the Consumer Federation, and his housing work with Helen Hall, Parodneck was introduced to the problems of milk prices in the City, and saw a way to cut through some economic strangleholds and support both farmer and consumer in one fell swoop. Parodneck took it upon himself to go organize and negotiate with independent upstate farmers, a very different social group from his own, to form the Consumer-Farmer Milk Cooperative in 1937. The first task: The New York Milk Control Act required distributors to demonstrate need in order to

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THE BIG UDDER

Here is a snapshot – from different angles – on milk and dairy in New York today. Milk is New York State's leading agricultural product at \$1.91 billion in 2007, half of total agricultural receipts. New York is third in milk production and Wyoming County leads the pack instate. As of January 2008, the State Ag Department says "The average dairy farm in New York State is family owned and consists of 95 cows, producing an average of 18,639 pounds of milk per cow per year."

Federal numbers for 2006: The total number of dairy farms decreased from 6,700 to 6,400, nearly 5%, and the greatest decrease since 2000. The total number of cows decreased 2% from 2005, totaling 638,000. Total cash receipts were down 16%, largely due to falling prices.

In 2006, we were cheesier, up 5%, and ranking fourth in the nation in cheese overall, first in cottage cheese, producing 7% of US cheese. Nearly half of the NY's cheese out put is categorized as "Italian" – Mozzarella, Ricotta, Provolone, Romano and others.

According to Jessica Chittendon of the NYS Department of Agriculture and Markets, New York State has an enviable position in dairy states, lots of producers and lots of consumers. As fluid milk (what you drink) provides the highest mark up for farmers (with least processing costs for consumers, and as it is the most perishable form of dairy, this means big markets are nearby for the most profitable product, and one reason our ranking slips from overall third to fourth in cheese.

Trends and Dynamics

As you could have guesses, farm production costs are going up – there is a shortage of feed corn and crop fertilizer (petroleum derivative and other chemicals) and a shortage of labor, both with immigration changes and the fact that no one wants to do the hard work required on a farm (increasing costs, and just making life difficult).

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