



## Episode 1,476: Government, Food, Farmers, and You

Guest: John Moody

**WOODS:** I've been meaning to catch up with you on what you're up to, because you were, I don't know, maybe in a bit of transition the last time we spoke. What exactly is your primary work these days, and what institution are you with? Like, what exactly are you up to right now?

**MOODY:** Oh, so I've spent most of the past two years spending time with my wife and kids, writing a couple different books, and kind of catching my breath after spending a number of years fighting the belly of the beast, as they say. So I just have my own small business. We started an elderberry syrup business as part of our farm that's been really, really successful, that we're hoping to really scale up this year. Wrote a few different books, enjoyed some time with my young kids, as you understand. It's always like the challenge of a dad, where like the time you most need to be working the most to provide for your family is also those critical years when your kids are small and stuff. So that's really the big things I've been into the past few years.

**WOODS:** Well, I thought in addition to this important conference you're putting on, which we'll talk about in a little while, you might update us on just the general topic, a topic that you follow very, very closely, of government regulation of and intervention into food and farming and the sorts of things going on that a casual observer like me wouldn't know about.

**MOODY:** Yeah, so obviously there's the big-picture issues going on right now involving the trade war with China and how that impacts. It's made out to be a very big deal in terms of its impact on American farmers. And it is a big deal, but it's only a big deal because the government already so messed up the food and farming economy in the United States. So if we hadn't turned everything from Ohio to Colorado into an endless sea of soy and corn, then we wouldn't then have to be bailing out farmers whenever we get into geopolitical kerfuffles with other nations. So obviously, there's some of that big stuff that people are aware of

On kind of like the small, day-to-day level, the FSMA, Food Safety Modernization Act, is finally being implemented, and that's had some really interesting stuff pop up so far. For instance, they've been targeting, from what I've been told by a number of different people in different states, feed mills. So places that have a lot of farmers, especially smaller farmers who aren't vertically integrated or part of Tyson and Purdue and other vertically integrated operations, you have these local feed mills where you go to buy feed for your animals. And a lot of the feed mills now are both increasing pricing, increasing minimum order sizes, and passing things on to their local farmers, because FSMA is ensnaring and entangling a lot of businesses that no one really imagined or knew were going to get caught up in this new regulatory schema. And

so that's going to be really, really interesting as they continue to roll out FSMA and to see how that trickles through especially the alternative food economy, since, generally speaking when regulations hit, they say it's about keeping the big guy in check, but it's the little guy who always pays the price.

**WOODS:** Talk to me about — you were telling me about the cottage food folks, and apparently, the rise of this phenomenon seems to be irritating the regulators. Why should that be?

**MOODY:** Yeah, so just a few weeks ago in Louisville, there was, I guess it's considered the nation's premier biggest food safety conference. And a couple of people I know went and attended, and they were sharing how it came up in a number of different sessions that these people in basically the corporate food system, the regulatory food system, really, really don't like the increasing growth and diversity of the cottage food alternative that some different states have adopted in different ways.

And, basically, so listeners understand what we're talking about, usually cottage food is food that's produced right in someone's home, so it doesn't have to be done in a certified kitchen. It's not generally subject to state or federal inspection, so it's a regulator's worst nightmare, because it's something that they don't get to regulate. And different states have different things you're allowed to do under cottage food. And because of the work of the Institute for Justice, quite a few states have adopted much improved, greatly expanded cottage food laws over the past five to six years. So it's starting to become a really viable way to start a small business in a lot of these states.

But a lot of the regulatory people really don't like these laws. To them, it's going to cause a mass outbreak. Everybody's going to die if they can buy a loaf of bread out of somebody else's kitchen instead of buying it from Kroger, type rationale. So it's a very, very interesting area, because I know in the states that have adopted more expansive cottage food bills, they have seen an explosion in small businesses that can operate under those exemptions, which is exactly what you and I would expect, because the biggest reason we don't have more small businesses in America is the barrier to entry. If you have to go through a certified kitchen and all these other hoops and regulations, it basically makes it impossible for somebody who's wanting to pursue their dreams and their ideas.

**WOODS:** Let's talk about this further, because I'm not sure this quite qualifies, but nevertheless, it does call to mind something from my past. About ten years ago, I was living in Auburn, Alabama, and there was a woman on my street who made the most delicious chicken salad you've ever eaten. I mean, I didn't even like chicken salad, or so I thought. Then I had hers, and I just couldn't stop eating it. And pretty soon, we were all addicted to it. And then one day, it stopped being produced. And the reason was she got a threatening letter explaining to her that she did not qualify to be a vendor of chicken salad, because she didn't have a kitchen that could be inspected, all this sort of thing. She was making it out of her home. So we're all having withdrawal from having no chicken salad. It was unbelievable.

So what that wound up doing was causing her to decide to go into business, have an industrial sort of oven and kitchen. And so she started a chain that is now very successful throughout the southeastern United States called Chicken Salad Chick. And that came out of her efforts in Auburn, Alabama being shut down and stymied, because she was just operating out of her own kitchen. Now there's no way anybody other than a competing chicken salad seller was

responsible for having that letter sent to her. I mean, there's no way. It was that she made much better chicken salad than anybody else. But she did wind up having the last laugh, as I say, because now she has a crazily successful chain franchise operation. But is that kind of like what you're talking about?

**MOODY:** Yeah, well, that's what, in a number of states, because there was so many people operating in gray to black areas, one reason cottage food laws have been adopted is to allow people to do what that lady was doing, so they can grow to the point where, even though it's not pleasant and even though I don't think they really shouldn't have to, they can then transition into the full regulatory system once they reach a certain size and scale. Because there's just so many people going rogue and saying, well, I'm going to do this anyway, and hopefully, by the time I finally get the letter, I'll be big enough at that point to make the jump into this other system and not have it squash my dreams and destroy my business.

**WOODS:** Let's talk about how farmers are doing these days, and let's start first of all with what do you think about the claim that the Trump tariffs have had this kind of boomerang effect on farmers that a lot of people predicted they would have, that farmers are selling less abroad? Is that really having noticeable effect on their bottom line? What factors overall are contributing to the state of American farmers? And what is the state of American farmers, for that matter?

**MOODY:** Well, the first thing is the state of American farmers has been bad for decades. So we basically had like, three, four bad decades with occasional good years. Like, American farmers, as a few people have put it, are the ultimate welfare queens. You look at the amount of money that the federal government funnels especially to corn and soy growers through insurance programs and other stuff, and it is just a flabbergasting amount of money to prop up a foreign policy adopted 50-some years ago.

And so when we come to today, to this issue with the tariffs, to how that impacts farmers, I just kind of sit here and go, like, if we hadn't turned everything from Ohio to Colorado into an endless sea of corn and soy, we wouldn't have all of these problems every time we get into a geopolitical kerfuffle with another nation. And if we weren't using food as a foreign policy tool and as a way to influence and do other stuff, and if we didn't have this mistaken idea that we have to feed the world, and we have to do it at US taxpayer expense – so that's the problem with like the farming issue, is it kind of ropes in geopolitics, economics, and foreign policy and so much else.

And it's just ugly. It's just sad. The state of rural America is a nightmare. I think it might have been *The New York Times*, they even ran an article basically arguing that large portions of rural America are basically like the new ghetto, that they're just so economically crippled, so riddled with drugs, alcohol, poverty, unemployment. And that's just the end result of 30, 40 years of not just foreign policy, but really just a regulatory environment that has strangled all sorts of jobs out of America and forced them overseas to where they could be done competitively.

**WOODS:** What do you think the US government's food and farming policy ought to be?

**MOODY:** Oh, I like what New Zealand did, where New Zealand basically – I think it might have been in the early 2000s, where they just realized that freedom is the way to go for their farmers, and they need to quit trying to subsidize and pick winners and losers and try and

balance supply and demand. There's an article circulating on Facebook recently about how in Michigan, the government forced farmers to let hundreds of thousands of pounds of cherries rot in the orchards rather than allow them to sell them because of production quotas and price controls and things. And it just doesn't work. We should let farmers and consumers build a food economy that will actually work and that isn't dependent on tens of billions of dollars of annual bailouts to make it happen.

And the New Zealand model was great, because basically it was very Ron-Paul-like, where they realized the government had totally fudged up the food and farming sector in New Zealand. And so they realized they couldn't just go cold turkey, so they provided a number of years of transitional services to farmers. They said, hey, like in three years, the welfare ends. All this kind of stuff ends. All this nonsense is going away. So you have three years of some supports and programs to help you transition into a model where our government isn't going to be doing this stuff anymore. And now New Zealand has a really robust, very successful, very resilient farm economy, and it's great. And it would be amazing if America would do something like that, but the special interests definitely do not want to see something like that happened here.

**WOODS:** Do you talk to a lot of ordinary farmers in the course of what you do?

**MOODY:** Yeah, well because we live in farmland in Kentucky. And we raise animals, so I buy feed directly from a neighbor, and tons of my neighbors are farmers. And on occasion, I'll go to the cattle stock yard auction sale, and then basically get to like take a long, deep drink of despair at the auction that happens down the road all the time. Yeah, so I get to talk to farmers, both in my area and then I still get phone calls from farmers all over the nation when they're being harassed by government people. And then one of the few things Facebook is really great for is a lot of the groups I'm a part of on Facebook let me connect with farmers and homesteaders all over the country. Yeah, so I get talk with a wide swath of different kinds of farmers and growers.

**WOODS:** Okay, and probably the typical farmer is not rigidly ideological, so doesn't look at the world through that kind of lens. But what do they want? Can you generalize?

**MOODY:** I don't think you can. I don't know if farmers know what they want anymore. Like farmer bankruptcies, farmer suicide — I think the age of the average farmer in America now might be in the high 60s. It might have even broken into the low 70s, because very few kids want to go into farming when their parents retire. And so I think it's hard to say, because farmers are not a monolithic block culturally at all anymore. And there's a very big divide in terms of the farming community, in terms of those who are commodity growers, who are caught up in the corn, soy, and other commodity grain growing system, versus farmers who are vegetable growers or farmers who are in dairy. Dairy has just been an absolute catastrophe in the United States over the past couple years. I know the dairy prices have just plummeted. The organic dairy industry became a disaster very quickly. I think the biggest thing is the farmers are just so beaten up from, again, just decade after a decade of debt and negative net farm income and just hoping that the government checks at the end of the year will be enough to push them back into profitability. I think most of them haven't really stepped back enough to think about what would they want if they could get something different, because they've lived so long in survival mode.

**WOODS:** John, I want to talk about your conference, because it's full of interesting stuff and interesting people doing things that are going to inspire us, because they're acting really boldly against a regulatory apparatus that's very difficult to crack through. They're operating against a lot of entrenched ways of thinking, and it's very inspiring. So we'll get to that in just a minute.

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Let's move on for a minute now and talk about your conference that's coming up in January 2020. January 25, 2020, which by the way, is a guarantee I can't be there because that's my daughter's tenth birthday. But I wish you the best. I've always said that I will never miss a birthday for travel reasons or for any reason.

**MOODY:** You could bring her to the conference.

**WOODS:** That's true. If she were older than ten, maybe I would. Maybe I would. But the website is [RogueFoodConference.com](http://RogueFoodConference.com). So "rogue" meaning, in what way are you folks rogue?

**MOODY:** So this conference was Joel Salatin's idea, and about three years ago he approached me about it. And at that time, he was just too booked up to really pursue it. But basically, it's a conference — you can go to hundreds of websites and hundreds of conferences that will teach you to try and comply, to jump through all the hoops, to cross all the Ts and dot all the Is and try to reply with the ever-growing regulatory state. But where can you go if you want to learn how to circumvent rather than comply? And that is what this conference is all about.

It is a bunch of really, really interesting people, who I cannot wait to meet some of them in person, who basically were just like, I'm going to find a way to do this anyway, and I'm going to do it by circumventing the regulatory system. So one of the people who's speaking is a lady by the name of Niti Bali, and she's in North Carolina. And from what I understand, North Carolina is just a disaster when it comes to free speech about health and nutrition. So my understanding is like there's a guy who had a really successful blog because he had treated his diabetes through like a keto-paleo type diet. And the RD lobby, the registered dietitians and stuff in North Carolina, they had the licensing board basically go after this guy brutally for giving nutritional advice without a license.

And so she is also in North Carolina, and she wanted to be able to speak freely about her thoughts on the health benefits of certain foods and certain diets. And she also wanted to be able to distribute food to people, especially foods that the regulatory state often frowns upon, foods like raw milk and unwashed eggs and all kinds of other stuff. So she started a 501(c)(3) food church. So she took the constitutional legal protections of a church and the legal format of a 501(c)(3) and like mashed them together to create an entity that thus far has completely stymied the regulators in her state. So she's gone rogue.

**WOODS:** Wow, okay, that's an example.

**MOODY:** Yeah, and then another great one is Camas Davis, who's out of Portland, I believe. She wanted to do local meat. And to do meat in America, if I wanted to sell you a pork chop from one of my pigs, it has to go through a multimillion-dollar USDA-inspected butchering facility. And Camas realized she didn't have multiple millions of dollars laying around to build

a butchering facility. So she founded what's known as I believe the Portland Meat Cooperative, and it's an educational cooperative, that lets them do local meats without falling under regulatory purview. And it's just amazing, what they've done and what they're doing.

So the conference is going to be both practical and inspirational, and really we're hoping conversational in the sense of, we want people to come, we want people to see some of these really innovative models so that they will continue to innovate around the regulatory state, and adopt some of these options in their own areas or innovate new ideas that allow them to pursue their dreams in food and farming, basically as a way to push back. So I'm very excited about some of the speakers and what they're going to be able to talk about in different ways they're playing ball in the insanely over-regulated food and farming sphere.

**WOODS:** Congressman Thomas Massie apparently is one of your speakers, and he's a tremendous guy to listen to, so it definitely sounds like something that people with an interest in this — and by the way, that's a big chunk of my audience — will want to attend. So where exactly is it taking place?

**MOODY:** So it's taking place at the Cincinnati airport here in Kentucky, because the airport is actually on the Kentucky side of the Ohio River. And so it's January 25th. We've tried to make it a super affordable event, because we want a lot of — you know, people who have dreams of starting a small business in this area usually don't have gobs of money. And, the great thing is like Joel, who dreamed up the event, Polyface is donating food for the event. A bunch of other farmers are. So right down to the menu, it's all going to reflect the type of food and farming economy and dreams we have. So it's going to be a real good time, January 25th.

**WOODS:** The website once again is [RogueFoodConference.com](http://RogueFoodConference.com). I'm linking to it at [TomWoods.com/1476](http://TomWoods.com/1476), so if you're driving around, just think 1476. You'll get back and we'll have the link up there. Well, I hope it's a big success for you. I just love examples of people just fighting back or just doing things without asking permission, just carrying on as if they live in a free society. And it's tremendous, and I'm glad you're at the forefront of it, keeping an eye on what's going on so that the rest of us can be informed. Thanks so much, John. Best of luck.

**MOODY:** Great, thanks, Tom.