

Executive Summary

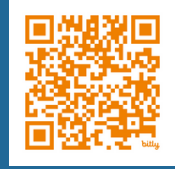
Greater Good

The Economic Case for More Local, Resilient, and Equitable Food Systems



Center for Good Food Purchasing

Full report:
bit.ly/4a5fDgI



This report highlights the critical role of regionalized food systems in fostering economic growth, creating good quality jobs, and generating revenues while advancing goals of resilience, equity, and sustainability.



"Local food systems can be rebuilt through appropriate investments in infrastructure, packaging and processing facilities, and distribution channels, and by allowing smallholders to organize themselves in ways that yield economies of scale and allow them to move towards higher-value activities in the food supply chain... The strengthening of local food systems would also improve the resilience of cities."

– Olivier DeSchutter, UN Special Rapporteur on the Right to Food
[2014 report to the UN General Assembly](#).

Introduction

The Center for Good Food Purchasing advances an analytical model that helps direct large-scale food service purchasing towards a more equitable food system that prioritizes the health and well-being of people, animals, and the environment. Since this replicable model -- the Good Food Purchasing Program -- was first developed and tested beginning in 2012, the Center has guided its national expansion, amassing a knowledge database capturing the impact of dozens of participating institutions across the U.S. over the past decade.

In the Greater Good report, the Center and its advisors characterize and quantify the jobs potential in a resilient, equitable, and local food system by applying a hypothesis of an aspirational but achievable target level for greater local sourcing within regions reflecting a diversity of economic contexts and geographic profiles.

Overview

Econsult Solutions, Inc, (ESI) quantified the economic footprint of six diverse study regions – Austin, Chicago, Denver, Gainesville, New York City, and San Francisco – selected by a team of advisors. They then projected their ability to generate local jobs through an increase in localization of the agriculture and food sector in those regions. The current local use of local supply, commodity production, and intermediate inputs were used to estimate the current and aspirational economic value. This revealed that strategic investments in localized food systems can unlock significant economic and social potential while fostering a more sustainable and prosperous future.

Greater localization of food system activity would yield economic gain and increased job opportunities.

By employing industry-standard economic modeling techniques, this report explores how greater localization can significantly expand the economic impact of regional food systems. The economic gains, employment opportunities, and tax revenues that result from achieving more localized food systems are essential components of the return on investment.

Projected Total Impact of Greater Local Sourcing Levels, by Region

How increasing local food sourcing would impact annual food systems economic output and related jobs*

*Figures show current annual economic impact of food systems and projected impact of increased local food sourcing levels, based on potential expansion of local fulfillment of locally demanded items through existing production capacity.

AUSTIN, TX

Population: 25.2M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$252.5B	+12.24%	\$283.4B
1.69M Jobs	+172,000 Jobs	1.86M Jobs

CHICAGO, IL

Population: 34.6M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$388.6B	+22.62%	\$476.5B
2.24M Jobs	+417,000 Jobs	2.65M Jobs

DENVER, CO

Population: 6.05M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$78.1B	+13.44%	\$88.6B
455K Jobs	+50,000 Jobs	505K Jobs

GAINESVILLE, FL

Population: 17.4M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$127.9B	+11.42%	\$142.5B
887K Jobs	+91,000 Jobs	978K Jobs

NEW YORK CITY, NY

Population: 60.9M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$583.2B	+12.00%	\$653.2B
3.34M Jobs	+341,000 Jobs	3.68M Jobs

SAN FRANCISCO, CA

Population: 15.1M

CURRENT	ACHIEVABLE INCREASE	PROJECTED IMPACT
\$154.1B	+18.82%	\$183.1B
1.82M Jobs	+128,000 Jobs	1.95M Jobs

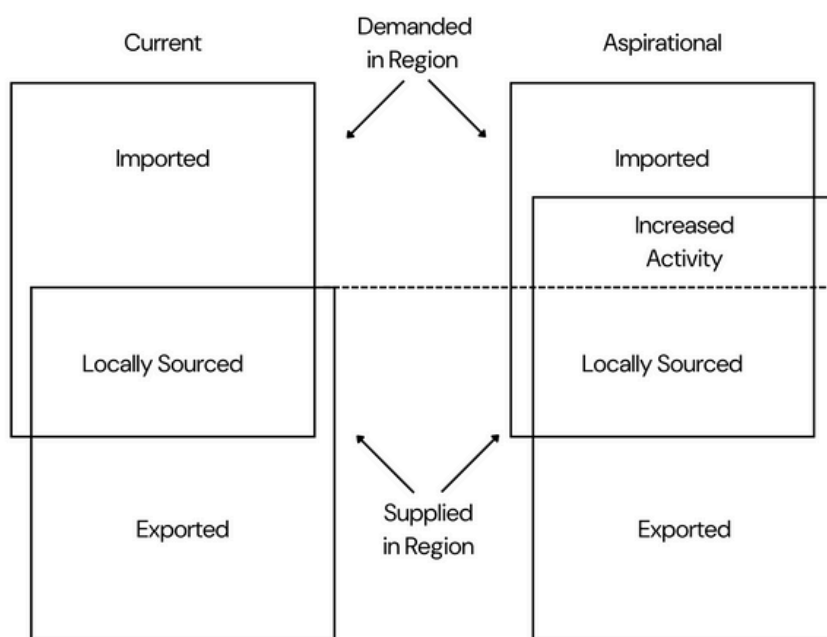
Source: Econsult Solutions (2023), IMPLAN (2023)

Methodology

ESI utilized the IMPLAN software and database's input-output economic modeling techniques to assess the total economic impact of regional food systems and to project potential impact achievable through increased localization.

For each of the six selected regions, ESI analyzed the inputs and output of 64 food system industries related to food production, processing, and consumption, including in agriculture, manufacturing, wholesale, retail, and food service. Using IMPLAN data for these industries, ESI estimated the size and value of each region's food system and compiled the regional purchasing coefficient, or the share of demand for the locally produced products. ESI then calculated potential increases in regional purchasing coefficients based on local capacity using localization ratios.

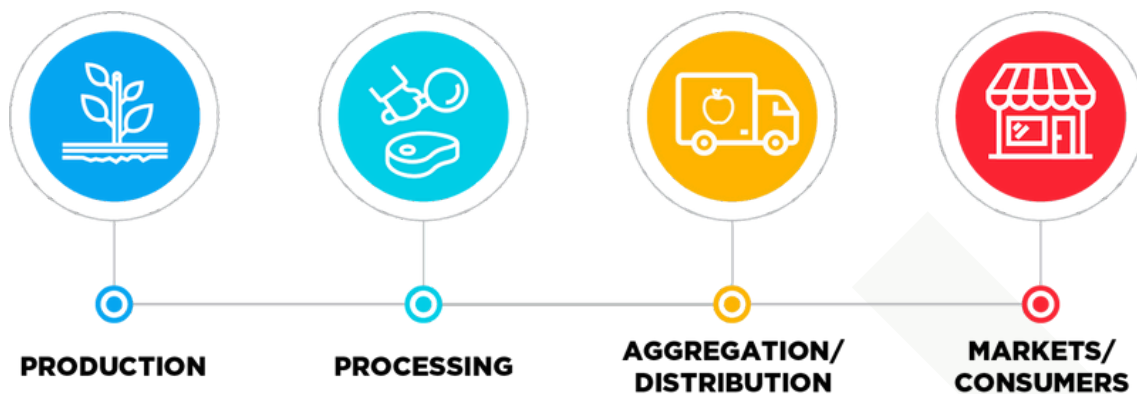
By scaling localization opportunity to current production, this analysis hews to conservative growth opportunities, with an assumption that, at appropriate scale, a regional food system would contribute more locally while still meeting or exceeding past export opportunity levels, thus increasing economic activity within a region, and yielding significant spillover benefits throughout that region in terms of jobs supported and tax revenues generated. As detailed in this report, the application of input-output modeling estimates the economic activity generated under these aspirational yet achievable projections.



For more detail, please see Section 3.2 of the full report, available at bit.ly/4a5fDgT

Illustrative Jobs by Region

Across the country, organizations and innovative initiatives are fostering "good jobs" that promote local preferences, racial equity, sustainability, and economic resilience, benefiting local economies and public services. The report highlights case studies showcasing a variety of jobs or initiatives that advance these priorities and make greater food system localization possible. These jobs span representative characteristics of different sectors across the six study regions, aligned with the USDA's priority areas for high-quality job creation, with positive outcomes in specified supply chain sectors:



The ROI in a Resilient and Equitable Food System

The six study regions represent billions of dollars in economic output and hundreds of thousands of jobs, both directly and indirectly. Greater localization of these food systems, achieved through increased local production and improved linkages within a region's supply chain infrastructure, can yield positive social benefits such as resiliency, sustainability, and equity. Increased localization results in more economic output and jobs, as well as substantial tax revenues for local, state, and federal governments. The major role food systems play in regional economies presents an opportunity for a high return on investment through more localization.

Public investments in achieving this localization not only advance social objectives but also sustain economic activity and generate tax revenue for essential public services. Regional food systems are significant contributors to the economy and can provide even greater economic benefits, jobs, and tax revenues while addressing sustainability concerns through greater localization.



Source: Econsult Solutions (2023)

Thanks to the From Now On Fund for making this report possible.