

Costco's New Poultry Farms Are a Bad Deal for Iowa

Iowa is home to some of the worst factory farming practices on Earth, primarily from raising hogs. However, Costco's new poultry slaughterhouse in Fremont, Nebraska is driving the construction of new factory farms in western Iowa.¹ Costco's business model involves exploitative contracts that shift all of the risk onto farmers who raise company-owned chickens. Industrial poultry production would also bring even more manure to the region, resulting in air and water pollution.

Iowa Already Has Too Many Factory Farms

Iowa is already home to millions of factory-farmed animals, responsible for as much as 380 billion pounds of manure annually.² Pollution from industrial agriculture has damaged more than 1,000 miles of rivers and streams as well as 59,000 acres of lakes, ponds and wetlands.³ The new \$400 million poultry plant will require over 500 poultry barns, each housing up to 50,000 chickens in northeast Nebraska and western Iowa.⁴ All told, this could entail 125 factory farms producing 100 million chickens annually.⁵ Costco's presence may be the canary in an industrial poultry boom as Nebraska's governor is already vying for a second slaughterhouse.⁶

Exploitative Contracts for Farmers

Poultry production contracts have long been criticized for their unfair impact on farmers.⁷ Costco highlights minor improvements, claiming that its contracts are different, but the basic formula remains the same.⁸ To grow chickens for Costco, farmers will need to raise roughly \$500,000 per barn, sometimes borrowing against the farm.⁹ While Costco promises to pay well, farmers may still bear substantial costs for expensive barn upgrades and waste management.¹⁰

Contracts may not guarantee farmers enough income to pay off their barn debt, and Costco could cancel con-



tracts with farmers.¹¹ If Costco cuts production, farmers will be left with debt on a building that is only useful for growing chickens.¹² It is unlikely that farmers could use their barns to raise chickens for another buyer. This puts farmers at a distinct disadvantage when negotiating with Costco.¹³ Under heavy debt burden and dependent on Costco for their livelihoods, it would be difficult for farmers to stand up to Costco if issues arise.¹⁴

Dangerous Conditions

Conditions inside factory farms are appalling. Airborne particulate matter from feces, feed debris and feathers attached to pathogenic bacteria increase the risk of chronic bronchitis, cardiovascular disease and lung cancer when inhaled. Ammonia (NH₃) emissions from the barns can cause eye and skin irritation as well as respiratory health problems.¹⁵ A 2016 investigation found gruesome fighting and chickens with festering wounds at a cage-free egg operation that produced for Costco's private-label brand.¹⁶

Water Pollution

Concentrated manure production in Iowa already outstrips local demand for fertilizer, leaving 60 to 70 percent of nitrogen and phosphorous produced as surplus.¹⁷ Nitrogen and phosphorous from chicken manure used as fertilizer leaches into groundwater,¹⁸ potentially contaminating rural residents' drinking water.¹⁹ Poultry manure

can also introduce dangerous heavy metals to soil²⁰ and antibiotic-resistant strains of bacteria to the food chain.²¹

Air Pollution

The air pollution from chicken barns spreads for miles.²² Local air pollutants vented from poultry operations are long lasting and noxious.²³ One common and pungent pollutant, ammonia, contributes to acid rain.²⁴ Smells infiltrate nearby homes even when windows are shut, reducing property values.²⁵ Particulate matter emissions from broiler barns can carry other dangerous gases and microorganisms.²⁶ Inhaling this particulate matter is linked to a litany of cardiovascular health impacts.²⁷

Factory farms are a hotbed of antibiotic-resistant strains of bacteria, which can spread for miles by

wind.²⁸ High concentrations of antibiotic-resistant bacteria are present in the dust from poultry transport trucks, exposing nearby drivers.²⁹ These vectors likely explain the higher rates of *Campylobacter*, a form of bacterial food poisoning, in zip codes with broiler operations.³⁰

We Need a Moratorium

The new poultry boom is a problem on its own, but it makes the burden of factory farming in Iowa even worse. This buildout would compound existing water and air pollution. It would entrench factory farming at a time when 25 percent of Iowa's counties are calling for better rules or a moratorium on factory farming. Instead of a new wave of industrial agriculture, Iowa needs a moratorium on factory farms.

Endnotes

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