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In the coming years, one of the most pressing concerns for the agricultural community will be whether livestock should be raised in a controlled, capital intensive environment or on sustainable, family-owned farms. Large-scale production farms, also known as factory farms, have been increasing efficiency of meat production for decades and are able to provide meat to domestic and international consumers at low explicit costs. Recent studies have shown that the total cost of producing meat is greater than we may realize. While the increase in efficiency for large meat producers increases, the efficiency for society decreases as the external costs of producing meat grow.

The focus of this paper is to weigh the efficiency of the production market and the efficiency of the consumption market. As the price of corn increases in the United States, more pressure is put on meat producers who use corn as livestock feed to maintain or increase profit. This means concentrating the animals and their waste in extensive quantities to increase economic control over the operations. Every business in the US has the right and responsibility to increase shareholder value and to manage their resources accordingly; however, this could also involve increasing and exporting implicit costs to the consumer market. Improving profit does not include improving waste management systems, animal welfare, or environmental impact in general, insinuating that we derive a much lower utility from meat consumption than we think.

Energy consumption and environmental waste reveal a clear material imbalance. Yet, through net purchasing, meat consumers have shown that they are either apathetic or ignorant of the consumption costs. This does not mean that they do not care for the environment or animals; it means that the priorities of a meat consumer place having a steak for dinner over the animal’s welfare. Put another way, his gained utility of having the steak is greater than the loss of that animal’s utility. This paper will address the validity of animal utility and the effects of its input on efficiency. It is possible that animals should have access to the natural rights that humans give to each other. These rights may or may not include the right to life or the right to not suffer and could involve some species and not others. An alternative perspective considers the rights of a human who loses general utility over the thought of animals being consumed by the market in what they perceive as an unjust manner. The foundation of human concern over animals will be analyzed to validate its impact on the market efficiency.

Recent studies have sparked interest in the full extent of the impact the meat industry has on the environment. The environment is a shared commodity of all plants and animals and therefore they share certain rights to the ecosystem to which they exist. Humans have an advantage in exploiting their rights to these resources to such an extent that it could seriously damage the utility and sustainability of the environment. Property rights in the US allow meat producers to increase the utility of their land and consume its resources to increase the value of their investments. Ethical obligation to the micro and macro environment will come into question in this essay in an effort to adjust the perceived efficiencies of meat production and consumption.

While addressing the environmental concerns of producing meat, this paper will entice the reader to critically analyze the quality and quantity of his meat consumption. Economic criticism will be placed on
the value of various common meats and meat production, and ethically evaluating the conclusions. Several common ethical philosophies regarding the rights of animals and the environment will be used in juxtaposition with scientific evidence and basic economic principles. In its conclusion, the paper will provide possible solutions to balance the costs generated in meat markets.

Current sources:
United States Department of Agriculture “2006 Animal Health Report” (R)
“Breeding for efficiency in livestock production: Defining economic objectives” by Dewey L. Harris of DECALB AgResearch Inc. (R)
“Broiler Production and the Environment: 2006” University of Maryland Department of Agriculture and Natural Resources
“The Land Ethic” by Aldo Leopold” ®