

Opinion/Editorial

Nebraska LB 176 is a bill that will harm competition in Nebraska by weakening our state's Competitive Livestock Markets Act.

I am a fourth generation Nebraska cattle producer with young children. I am convinced that Nebraska's Competitive Livestock Markets Act helped ensure my opportunity to begin taking over my parents' cattle operation. I am also convinced that if we do not defend our Competitive Livestock Markets Act, my children will not have the same opportunity that I have to farm or ranch.

It may surprise folks not familiar with livestock production that raising cattle is structurally similar to manufacturing steel. Both cattle producers and steel manufacturers represent raw-material supply chains for downstream industries. I supply raw material – cattle, to multinational meatpackers like Tyson, Cargill, and JBS. Steel manufacturers supply raw-material – steel, to Ford, Chevrolet or Chrysler.

It is the buy-sell competition between the supply chain and the multinational meatpackers that the Competitive Livestock Markets Act preserves. It does this by preventing multinational meatpackers from capturing the supply chain away from me and my neighbors. In other words, by prohibiting multinational meatpackers from owning and feeding their own cattle to supply their own meatpacking plants so they don't have to buy from me, I still have a competitive market that gives me the opportunity to stay in business.

But, if LB 176 is passed, then multinational meatpackers will no longer need independent livestock producers like me or my children. Consequently, the economic contributions we now make as family farmers and ranchers to our local communities and to our state will disappear.

The supporters of LB 176 want to weaken the Competitive Livestock Markets Act to allow Chinese-owned Smithfield Farms to capture the supply chain away from independent farmers and ranchers like me. The only difference is that the Chinese firm is currently focused on capturing the hog supply chain rather than the cattle supply chain.

But, once the camel's nose is under the tent, multinational meatpackers like Brazilian-owned JBS may soon say it is unfair to allow the Chinese to own Nebraska's hog supply chain while preventing the Brazilians from owning Nebraska's cattle supply chain.

We must defeat LB 176 so Nebraska can continue preserving competition for our states' family farmers and ranchers

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