

Is Your Pension Fund Making Money Off the Backs of Family Farmers?

Tell TIAA-CREF to Get Out of the Land Grabbing Business!

Ask any family farmer and they will tell you that land is an increasingly valuable, scarce, and critical resource for their survival. Many people would also agree with our nation's founders that widespread and equitable access to land not only provides economic security and food sovereignty, but also makes political democracy possible.

If this is true, then why are fewer and fewer entities being allowed to control more and more of our land in the U.S.? A century ago over 90% of farm land was actually owned by those who tilled it, but today that amount is under 50%. In the next decade over 400 million acres of U.S. land is expected to change hands – but who will inherit this amazing wealth? Sadly the major buyers of farmland today are not family farmers, but hedge fund managers and foreign holding companies.



This modern day unsettling of America, to invoke the famous rural author/activist Wendell Berry, is driven by an insidious phenomena called land grabbing.

And among the largest land grabbers is TIAA-CREF, a giant investment firm that manages pension funds for public employees of many respected institutions – municipalities, universities, museums, hospitals, even National Public Radio. Following the global financial crisis of 2007-2008, pension fund managers realized that farm land was a limited resource and actually had a higher return rate than many other conventional investments such as stocks and bonds. In fact, the average price of U.S. farmland has doubled since 2000. The upshot is that TIAA-CREF now owns over 233,000 acres of farmland in the U.S. worth an estimated \$4 billion. These investments are spread across 12 states including CA, WA, FL, IL, and WI.

Land grabbing is nothing new – think of the medieval enclosure movement in Europe where wealthy elites moved into rural areas to privatize the commons, violently evicted peasants, and prompted resistance from grassroots groups like the Diggers and legendary heroes like Robin Hood. Modern day land grabbing is now escalating this earlier process of turning land into a market commodity, enabling absentee owners to speculate on its future value no matter how the farm land is currently being used or who depends upon agriculture for their livelihood.

History has shown time and again that rampant speculation drives up market prices – and this land boom is now driving family farmers off land they can no longer afford to own or rent. In Nov. 2012 Swiss-based UBS Agrinvest quietly bought 9,800 acres in Grant County, WI for \$67.5 million – that is a whopping \$7,000 per acre, well above the average WI price of about \$5,000 acre. On the short list to buy the same Grant County land was TIAA-CREF which instead spent \$21.2 million on 3,562 acres in Adams, Portage, and Price Counties. Another land grab back in 2002 when Finnish timber giant, Stora Enso, sold 309,000 acres of forest land in WI and the UP of MI to Plum Creek for \$142 million, triggered a follow-up wave of speculation and consolidation in the Midwest pulp & paper industry that ultimately cost thousands of Wisconsin workers their jobs and impoverished many rural communities.

Family farmers go bankrupt when they can no longer afford to pay rising rent, and for many beginning farmers being able to scrape together enough money to actually buy a property is now a distant dream. The cruel irony of land grabbing perpetrated by distant entities like TIAA-CREF is that the retirement of a rural public school teacher may now depend upon the bankruptcy of their own family farm neighbors whose children are now in their classroom!

Of course, turning our most important productive asset into a casino is a highly reckless and dangerous activity, especially when those who gamble with land often have no interest in agriculture and may not even dwell in the United States itself. This is why many states – including Wisconsin - have laws limiting corporate and/or foreign ownership of farmland. Chapter 710 of the WI State Statutes currently bars foreign corporations from owning more than 640 acres of land. Yet, these laws are now under attack by Gov. Walker and powerful real estate and hedge fund lobbyists who would prefer no restrictions so they can make as much profit as possible. Potential land grabbing by TIAA-CREF is limited by such U.S. laws since so much of their speculative capital actually comes from pension funds overseas in Canada, Sweden, and elsewhere.

Sadly, TIAA-CREF's land grabbing is not limited to the U.S. In Brazil, TIAA-CREF has doubled its holdings since 2012 to over 600,000 acres mostly in the northeastern Cerrado savanna region, after evading Brazil's law against foreign land ownership through a confusing array of domestic subsidiaries. The abuses stemming from this land grab were exposed by the non-profit GRAIN in 2015 and further substantiated by a major story in the New York Times (11/16/15) TIAA-CREF also has a \$400 million stake in palm oil schemes in Malaysia and Indonesia that have displaced indigenous peoples and threaten endangered species such as the orangutan. TIAA-CREF is a major bankroller behind the IOI Corporation, as well - another palm oil developer - which has been implicated in a massive fish kill in the Pasion River of Guatemala in June 2015, as well as human rights abuses in Nigeria and Uganda. For more information on global land grabbing, visit: www.farmlandgrab.org

You Can Help Hold TIAA-CREF Responsible for its Land Grabbing Pension Fund Investments!

By signing an online petition to TIAA-CREF, getting your labor union or professional association to pass a resolution against land grabbing by your pension fund, and spreading the word to others!

To get involved, please visit: www.foe.org/TIAA-CREF-clients



Family Farm Defenders
PO BOX 1772
Madison, WI 53701
phone/fax: (608) 260-0900
www.familyfarmdefenders.org