Do We Really Need to Think About the Farm Bill?

by Jack Kittredge

I can hear you now: “We are right in the middle of a busy season, picking and packing and trucking. Do we really have to understand that complicated thing called the ‘Farm Bill’? How does it affect me?”

It is true that many organic farmers in the Northeast are largely unaffected by the provisions of the farm bill. But there are several reasons, nevertheless, that it makes sense to have more than a passing familiarity with it. For one, as local food, sustainable agriculture, and organic farming become more popular, the provisions in the farm bill that deal with them will become more significant. Just as the 1985 farm bill started including conservation measures to reflect the growing importance of the then 15-year-old environmental movement, provisions affecting organic and sustainable agriculture were beefed up in the 2008 farm bill (the last one) with new conservation and organic support programs. As we become a more important part of US agriculture, the farm bill will give us a more prominent role.

Then too, many of us have become opinion leaders for our customers on subjects agricultural. They seek out our thoughts and it would be wise for us to be informed about the legislation that forms the basis of our country’s farm policy. For yet a third, the effects of the farm bill on the world we live in are huge – everything from whether good nutrition is encouraged in our homes, communities and schools to whether farmers in the Third World can stay on their land or will be forced off and migrate to urban areas in search of work. In other words, the farm bill matters to the world we live in.

The Farm Bill is the principal federal mechanism for influencing US agriculture policy. It is a statute that is reauthorized roughly every five years. Since the first farm bill, in 1933, the statute has evolved through omnibus legislation beyond the original farm and rural programs. It now includes most federal nutrition assistance programs, as well as sections dealing with conservation, energy, global trade, and other miscellaneous programs.

Through the farm bill the federal government provides a “safety net” to agricultural producers. This helps them ride out the fluctuations in agricultural production and profitability from year to year - due to variations in weather, market prices, and other factors - while ensuring a stable food supply. This support is highly skewed toward the five major “program” commodities of corn, soybeans, wheat, cotton, and rice. A few other commodities also qualify for government support, including peanuts, sorghum, and mohair, though subsidies for these products are far smaller. Dairy and sugar producers have separate price and market controls that are highly regulated and can be costly to the government.

Despite the rhetoric of “preserving the family farm,” the vast majority of farmers do not benefit from federal farm subsidy programs. Small farmers raising the favored few commodity crops qualify for a small amount of help, while producers of meat, fruits, and vegetables are almost completely left out of the subsidy game (they can, however, sign up for subsidized crop insurance and often receive federal disaster payments).

The subsidized crops benefit from an increasingly complex layering of subsidy programs (direct payments, counter-cyclical payments, disaster payments, marketing loans and disaster payments) and from considerable annual variations in the levels of federal support. The way these programs work is both complicated and confusing, and there are often unintended consequences. The farm bill creates a complex web of federal programs that can have both beneficial and negative impacts on the environment, public health, and the economy.

The Farm Bill: Unintended Consequences

The Natural Farmer Special Supplement on The 2012 Farm Bill

Fall, 2011

Image: Urban Design Lab and MIT Collaborative Initiatives
The 2008 farm bill will have cost us, according to the Congressional Budget Office’s conference agreement estimate, about $284 billion over the 5 years 2008-2012. The vast majority of these costs (67% or $189 bil- lion) involve the nutrition title. Programs in this title make food more available to Americans in a number of ways. The largest of these nutrition programs is SNAP, or food stamps. It also includes programs promoting emergency food assistance, helping farm- ers markets, ensuring community food security, and promoting healthy school meals including purchas- es of local fruits and vegetables.

The next most expensive section of the 2008 bill is the commodity programs. They represent 14% of the total, or $42 billion. After that come the con- servation programs, at $92 or $24 billion. This only slightly supersedes the crop insurance programs at $82 billion. The second most costly cost of the bill – nutrition, commodities, conservation, and crop insurance – represent over 97% of the costs.

Changes in American Agriculture and the Role of Federal Subsidies

In the century between 1900 and 2002 the percent- age of the American workforce employed in the agriculture sector dropped from 41% to 1.9%. From small, more diversified, and often family-run farms, production has shifted to larger, more specialized, mechanized production enterprises.

Smaller farms are forced to either grow to be com- petitive or leave the market, the latter being the result for many small farms. Technology played a large role in this shift, as more advanced tractors and equipment and less expensive fertilizer and pesticides made large monocultures more produc- tive and cost efficient. But federal policy, subsidiz- ing, commodity crop production, has also played a significant role.

Industrialization of the food and livestock indus- tries, which exhibit a high demand for the commod- ity crops used extensively in processed food and animal feed, has been encouraged by the large scale production of low-priced commodity crops. The corporate broiler chicken industry, for example, ben- efited significantly from agriculture policies result- ing in low commodity crop prices – an example that can be extended to other industrial livestock operations. Federal agriculture policy is thus driving industrialization of the livestock industry by pushing feed prices below the actual production cost, making operations appear more economically efficient than they otherwise would be.

The result of these agricultural policies has been the increased availability and low market price of certain foods, chiefly manufactured foods and grain-fed meat. More centralized industrial produc- tion, processing, and manufacturing coupled with relatively low petroleum prices have led to long distance, complex networks of production in which food is shipped great distances between each stage in production and ultimately to the consumer, while maintaining a low retail price and a large profit margin for manufacturers. In addition, commodity crop programs prevent participating farmers from growing non-commodity crops or limit land used for these purposes to a small amount, that limitation prevents farm diversification and drives up the cost of fresh produce.

This complex, long-distance structure of food pro- duction, as well as the drastically decreased propor- tion of the population involved in agriculture, gener- ally makes any connection or firsthand experience with one’s food source impossible. A Worldwatch Institute study recently found that basically travels 1,500 miles from farm to plate in the United States, which is 25% further than in 1980. Despite the huge volume of crops and food consumed by these food markets, further grain surpluses have additionally fed a growing agri-fuels industry as well as the global commodity crop market.

Framing the Policy Issues

The local and regional food market arose in re- sponse to the local and regional food market, the production and consumption of agricultural goods. Significant attention in the U.S. was first focused on the issue in the context of the broader counter culture movement of the late 1960s, which emphasized cooperative living and self-sufficiency through direct working of the land. (NOFA, born in 1971, was a direct re- sult of this movement.) The organic and local food movements are linked by the fundamental concept of breaking away from industrial forms of food pro- duction seen as harmful to human and environmen- tal health and to local communities.

These movements see the industrial scale of produc- tion and resulting disconnect between producers and consumers of food as the root of several problems. First, the market prices of these goods exclude the myriad environmental costs of such input-heavy production (fossil fuels and chemical and nutrient pollution) and long-distance transportation (fossil fuels). Second, while some argue that consolidation of the agriculture sector has freed up many rural residents for other employment, many others con- tend that the decline in small farms and decreased overall employment in farming has led to decreased economic and social vitality in rural areas, as jobs and social connections once supplied by farming were often never replaced. Third, the increasing abundance and affordability of processed foods and grain-fed meats is contrasted with the high cost of fresh, nutritious produce. This problem is especially acute in low-income areas where residents have little access to healthy food sources.

Small farms that do grow some commodities are fundamentally disadvantaged by crop subsidies be- cause they receive the same payment per bushel as much larger farms that have lower production costs proportional to volume of output. Furthermore, payments to larger farms often are not absorbed as increased income for producers, but instead are bid into higher land prices, making the land and rental market more inaccessible to smaller farms. Mid-sized farms are arguably most affected by this market environment, as they are unable to appeal to local niche markets in the way that small farms can and lack the regional market as well as the ability to compete with large-scale industrial farms on the national or global markets.

While many agree with the above framing of the current food system as problematic, interest groups that support production agriculture and a continu- ation of the current subsidy payment system frame the issue as one of food supply and affordability. These interests continue the mantra of Earl Butz that industrial, commodity agriculture “feeds the world”, in addition to allowing Americans to spend a sig- nificantly smaller portion of their personal income on food (although paying an additional price for it through their taxes).

These advocates contend that local and organic pro- duction have no benefit over conventional farming, dismissing claims regarding better health and environmen- tal hazards of their production methods. They also argue that these alternative methods cannot compete with respect to efficiency and would be unable to feed the world’s population.

Other interest groups strive to play a more neutral role, taking a pragmatic approach to reform of com- modity payments. They see payments as a mecha- nism to help farmers cope with market fluctuations, while maintaining that some reform of commodity payments is justifiable, for example payments based on revenue instead of production. They believe that, although commodity programs historically consid- ered production levels only, increasingly the wealth disparity is the relevant factor, worthy of consideration in federal policy.

In this issue we will analyze more closely the his- tory of US farming and the Farm Bill, and criticisms of past farm bills from the perspective of:

• Are they designed to benefit the family farmer? If not, what can be done?
• What impact do these policies have on American nutrition?
• How are they impacting farmers in the rest of the world?
• How should farm policy change as a result of cur- rent high grain prices? Because of current budget deficits?
• What are the environmental impacts of the farm bill?

We will also look at some proposals concerning the future of the farm bill and the politics involved.

• Reduce commodity payments
• Separate out the various programs and let them stand or fall on their own
• Design it to encourage family farming
• Design it for community health, rural justice, resil- ience and environmental benefits
• Cut nutrition programs, or at least make them sup- port healthier food
• Design it to really feed the world by supporting agro-ecology in the Third World

Resources

The Institute for Agriculture and Trade Policy (IATP), originally in partnership with Simple, Good, and Tasty, created a Facebook page for understanding the Farm Bill. The goal of the page is to demystify our food and food policy in time to make a dif- ference in the 2012 Farm Bill, an enormous piece of legislation that many Americans know little about, but which has a tremendous impact on our communities, economic development, and domestic and global poverty: http://www.facebook.com/Un- derstandingTheFarmBill

Want to follow the money and see for yourself where your tax dollars are going? Thanks to Envi- ronmental Working Group’s pioneering research, now updated with the newest data from 2010, you can. It will surprise you to see who collects farm subsidies – everyone from former basketball star Scottie Pippen to U.S. Rep. Michele Bachmann. You can use our widget to enter your own zip code and see who has received these subsidies. Want to learn more? http://farm.ewg.org/

A significant part of the above analysis is based on work by Kristen Loria, Cornell University, and the Environmental Working Group.
A Brief History of the Farm Bill

by Jack Kittredge

The Agricultural Adjustment Act of 1933 is considered the earliest version of the Farm Bill. It was drafted by Henry Wallace, Franklin Roosevelt’s Secretary of Agriculture at the time. Wallace was convinced that the farm crisis of the 1930s was the result of overproduction and low prices, and that the answer was to somehow depress prices during harvest season. Finally, soil store grains so they wouldn’t flood the market and bring about the Dust Bowl.

Recognizing that an unregulated market was destroying the rural sector of the economy, Wallace proposed several safety nets to be funded under the Agricultural Adjustment Act. The act paid farmers not to grow crops, produce dairy products, or raise livestock. Production was scaled back about 30%, and less supply led to increased value of the crops that were available. It set a price floor for agricultural goods so that farmers were guaranteed fair prices for their goods. It set a price floor for American food, and as market prices in the agricultural sector skyrocketed, conservation programs were abandoned. The government’s main role, however, was still to limit production and champion farming interests over big business.

In 1939, late in the Depression, the first food stamp program was implemented by the federal government. It was designed to help address hunger and rural poverty. People on “relief” could buy “orange stamps” to purchase any food items they chose. And for each dollar spent on orange stamps, each participant received supplemental “blue stamps,” worth $0.50, that could be used to purchase surplus food items designated by the government. The program ended in 1943 with the nation’s return to relative prosperity as a result of World War II. But it set a precedent for the Food Stamp Program that would follow almost a quarter century later.

World War II brought enormous international demand for American food, and as market prices in the agricultural sector skyrocketed, conservation programs were abandoned. The government’s main role, however, was still to limit production and champion farming interests over big business.

The major tenets of the Agricultural Act of 1949 still form the majority of our current Farm Bill legislation. Most importantly, it allowed for surplus food to be donated to developing countries, and designated mandatory support for the following non-basic commodities: wool and mohair, tung nuts, honey, Irish potatoes, and milk, butterfat, and their products.

After the Great Depression and World War II, according to a USDA report, American farming changed in a number of ways:

• from 1950 to 2000, the number of Americans engaged in agriculture decreased from about ten percent of the workforce to less than two percent, and more farmers maintained off-farm jobs to supplement farm income;
• between 1950 and 2000, the number of non-metropolitan counties in which agriculture was an important economic factor decreased from being significant in most states to being significant in just a few states;
• between 1950 and 2002, the number of farms in the United States decreased by more than 50 percent while the average size of those farms increased by more that 50 percent;
• between 1945 and 2002, the average number of crop types produced on those fewer, larger farms decreased, on average, from about five to just about one;
• between 1948 and 1999, mono-cropping, mechanization, and the increased use of chemical fertilizers and pesticides resulted in gains in American farm productivity by about 1.9 percent annually.

American agriculture was becoming increasingly industrial in scale. With the new scale came new problems: environmental, health, economic, and social. And, they were not the same problems addressed by the Agricultural Adjustment Act of 1933.

During the 1950s, spurred by the high farm productivity associated with conventional monocropping and the cost of the Commodity Programs, the national farm policy debate focused on the need to continue price supports and supply controls. The Food and Agriculture Act of 1965 retained elements of supply control while relying on a combination of reduced price supports and newly devised income supports. The 1970, 1973, and 1977 Farm Bills continued this mix.

In 1961, a federal pilot Food Stamp Program was initiated in targeted counties and cities by the Executive Order of President John F. Kennedy, pursuant to previous legislation. With President Lyndon B. Johnson’s Great Society came the Food Stamp Act of 1964. This Act made the Food Stamp Program permanent and expanded it to 40 counties and three cities in 22 states.

Then, in the 1970s, came the true industrialization of agriculture under the “get-big-or-get-out” mantra of Secretary of Agriculture Earl Butz. Deeming conservation policies anti-business, Butz...
ordered all arable land into production. Skeptics remembered the Depression’s disastrous experience with overproduction, but Butz calmed fears through free trade agreements that opened foreign markets for the vast surpluses that American farmers were now generating. The food stamp program provided another avenue for the Department of Agriculture to unload the extras onto the plates of hungry Americans. Crop yields of the 70s truly dwarfed those of earlier eras thanks to chemical cocktails engineered by companies like Dow and Monsanto, who rerouted the chemicals they had produced for the Vietnam War onto American farmland. Industrial methods of cultivation devastated land and water systems, but subsidy programs grew certain calories - namely corn and soy - cheaper than ever before. Meanwhile, funding for so-called “specialty crops” like fruits and vegetables remained minimal.

Commodity subsidies continued to provide the low cost animal feed to keep meat and dairy cheap, and spawned an era of foods largely processed from derivations of corn. In 1974, the Food Stamp Program was extended to every jurisdiction in the United States and it joined the commodity and other programs in the 1977 Farm Bill, the Food and Agriculture Act. This codified for subsequent omnibus Farm Bills the political relationship between food commodity supports and food distribution supports. It was at this time, in 1977, that the population of potentially eligible individuals was expanded, the Food Stamp purchase requirement was ended, and significant barriers to participation were removed. During the early 1980s, the reach of the Food Stamp Program was cut back effectively by the implementation of new eligibility requirements. By the late 1980s, however, the requirements were modified again to enlarge the potentially eligible population.

The 1985 Food Security Act was informally known as the “Swampbuster” Act, as it was primarily conservation based. Many of its provisions protected wetlands situated on agricultural lands, wildlife and their habitats, and water quality. Farmers who converted wetlands into non-wetland areas were denied Federal farm program benefits. Additionally, it extended and revised agricultural price support programs, continued food assistance to those with low income, and provided milk production termination programs.

The ‘85 farm bill reflected 15 years of a building environmental movement, and was the first time that movement had real clout in the farm bill process. There were questions about whether crop subsidies would continue and there was essentially a bargain struck to include Wetlands Conservation (a.k.a. Swampbuster) and Highly Erodible Land Conservation (a.k.a. Sodbuster). The Food, Agriculture and Trade Act of 1990 superseded the previous Food Security Act and established further provisions to aid in the economic welfare of farmers. It froze target prices, allowed more planting flexibility, and provided more resources to socially disadvantaged farmers, enabling them to participate in agricultural programs. The law established the Rural Development Administration to have jurisdiction over issues relating to rural and small community development. New titles detailed laws regarding rural development, forestry, organic certification, and commodity promotion. It also strengthened the “Swampbuster” provisions from the Food Security Act, but allowed a way for farmers to regain their lost benefits if they restored converted wetlands.

Federal policy at the time was becoming increasingly market oriented, and global markets became attractive. The 1985 Food Security Act and the 1990 Food, Agriculture, Conservation, and Trade Act, encouraged marketing commodities rather than adding non-tariff barriers to trade. The Act also strengthened the “Swampbuster” provisions from the Food Security Act, but allowed a way for farmers to regain their lost benefits if they restored converted wetlands. The 1996 Federal Agricultural Improvement and Reform Act was in place for six years instead of five like the majority of farm bills before it. It provided subsidy payments to producers of cotton, rice, feed grains, and wheat that were independent of market prices. In the same vein, it eliminated milk price supports with direct government purchases, and expanded planting flexibility opportunities.

The Environmental Quality Incentive Program (EQIP) was also established in the 1996 Farm Bill, and replaced the previous Agricultural Conservation Program (ACP), Water Quality Incentive Program (WQP), Great Plains Conservation Program (GPCP), and the Colorado River Basin Salinity Control Program (CRBSCP). Farmers who agreed to abide by the tenets of conservation plans through EQIP with a five- or ten-year contract would receive up to 75% cost-sharing assistance for structural conservation practices. Half of the funding for EQIP was allocated for those issues relating to livestock as a pollution problem, and the other half for other conservation problems. Supply controls ended in the 1996 Federal Agriculture Improvement and Reform Act. (With the 1996 bill, farmers were no longer required to idle land to qualify for subsidies.)

In 1996, the Personal Responsibility and Work Opportunities Reconciliation Act (aka “welfare reform”), signed by President Bill Clinton, restricted Food Stamp eligibility. As a result of the new eligibility provisions and a strong economy, Food Stamp participation decreased significantly. It was in this 1996 Act that Electronic Benefits Transfer was mandated to replace traditional Food Stamps.

According to the USDA, about 500,000 individuals participated in the Food Stamp Program in 1965. This number increased to 14,000,000 in 1974, when the program became national in scope. By 1994, the Food Stamp participation rate reached 28 million, 75 percent of the eligible population. Presently, about 40 million individuals participate in the Food Stamp Program, which serves 65 percent of the potentially eligible population.

The 2002 Farm Security and Rural Investment Act reauthorized existing programs for six years, through 2007, and introduced a myriad of new conservation-based legislation. It significantly increased proposed spending for the old conservation programs, and introduced new ones such as the Conservation Security Program and the Grasslands Reserve Program. Moreover, it encouraged farmers to become more energy efficient with the Renewable Energy Systems and Energy Efficiency Improvement Programs, which funded grants and loans to agricultural producers and rural small businesses for assistance with adopting renewable energy systems. The 2002 Farm Security and Rural Development Act also introduced counter-cyclical payments triggered when commodity crop prices fall below target levels.

The 2008 Farm Bill, the Food, Conservation, and Energy Act, was notable in its response to the increased awareness of Americans about the provenance of their food as well as the environmental costs, inequities, and health impacts of our food system. It included such programs as Local Preference in School Food Purchases, Organic Conversion, Technical, and Education Assistance, Farm and Ranch Protection Program for purchasing development rights, Value-added Agricultural Market Development programs to support local food value-chains, Local Food Enterprise Financing, Rural Micro-enterprise Assistance Program, a Food Desert Study, and a Farmers’ Market Promotion Program.

Sources for this article include “History of the Farm Bill” by Kristin Oliva, Mt. Holyoke College, “Detangling the Farm Bill” at lettuclink.blogspot.com, “Farm Bill 2012: Thinking Ahead” by Twilight Greenaway, and “Farm Bill 1.01” by Ed Towell and Fern Gale Estrow.
The Farm Bill: Who Benefits?

by Jack Kittredge

Several years ago Washington Post reporters Dan Morgan, Gilbert M. Gaul and Sarah Cohen criss-crossed the country analyzing who gets farm bill subsidies and identifying more than $15 billion in 2006 farm bill payments that were wasteful, unness-essary or redundant. These patterns did not substan-tially change with the 2008 farm bill and continue to define who benefits from much of this money. Here is what they found.

Federal Subsidies Turn Farms Into Big Businesses, Drive Up Price of Land

The political strength of the multibillion-dollar system of federal farm subsidies is its iconic image of the struggling family farmer: small, powerless against Mother Nature, tied to the land by gener-a-tional loyalty. Without government help, the argu-ment goes, thousands of these hardworking families would fail, threatening the nation’s abundant food supply and an independent way of life.

This imagery secures billions annually in what might be called “empathy payments” for farmers. But it is misleading.

Today, most of our food is produced by family farms that are large, modern operations using state-of-the-art computers, marketing consultants and technologies that cut labor, time and costs. The own-ers are as comfortable with a spreadsheet as with a tractor. They cover more acres and produce more crops with fewer workers than ever before.

The very policies pointed out by Congress as a way to save small family farms are in fact helping to accelerate their demise. That’s because owners of very, very small hobby farms in its overall count, the USDA is masking the tremendous consolidation that has occurred in American farming.

The shift in subsidies to wealthier farmers is helping to fuel this farmland consolidation. In Iowa, as in many states, farmland is being gathered up into ever-larger parcels. In many cases, the new owners are neighbors buying up adjacent tracts. But increas-ingly, outside investors are also buying Iowa farm-land. One in five acres of farmland in Iowa is now owned by someone from out-of-state.

Large family farms (those with gross revenue of more than $250,000) account for almost 60 percent of all agricultural production but are only 7 percent of all farms. Nevertheless, they receive a growing share of federal income support or price guarantees. They currently get more than 54 percent of govern-ment subsidies, and their share of federal payments is growing. These are not poor or even middle class families. In 2003, the owners of the biggest famil-ly farms reported an average household income of $214,200, more than three times that of U.S. house-holds on average.

To be sure, there are still many small and medium-size family farms. In fact, they account for nine of every 10 farms nationwide — 1.9 million farms in all, according to the Agriculture Department’s defi-nition. But a million of those farms are “hobby” or “residential” farms that produce little or no income from crops or livestock (the government’s definition of a farm includes any operation that has or could have $1,000 annually in sales). By including these very, small hobby farms in its overall count, the USDA is masking the tremendous consolidation that occurred in American farming.

The checks to Matthews and other landowners were not new engines of economic growth,” concluded the study’s author.

Federal Reserve Bank of Kansas City found that the study’s author.

Contrary to farm bill goals, the billions in subsi-dies have failed to slow the exodus. A study by the Federal Reserve Bank of Kansas City found that hundreds of counties most dependent on subsidies had suffered the biggest population losses and had posted the weakest job growth. “Farm payments ap-peared to create dependency on even more payments, not new engines of economic growth,” concluded the study’s author.

One wonders if the days of Earl Butz and “get big or get out” ever ended.

Paying $1.3 Billion to People Who Don’t Farm

Donald R. Matthews put his sprawling new resi-dence in the heart of rice country, but he is no farm-er. He is a 67-year-old asphalt contractor who built a dream house for his wife of 40 years. Yet under the farm bill, his 18-acre suburban lot receives about $1,300 in annual “direct payments,” because years ago the land was used to grow rice.

And Matthews is not unique. Nationwide, the farm bill has paid at least $1.3 billion in subsidies for rice and other crops since 2000 to individuals who do no farming at all, according to an analysis of government records by The Washington Post. Some collect hundreds of thousands of dollars without planting a seed. An 87 year old woman in Houston has received $191,000 over the past decade. For Houston surgeon Jimmy Frank Howell, the total was $490,709.

Matthews said he wanted to give the money back but was told it would just go to other landowners. He says: “They give all of this money to landowners who don’t even farm, while real farmers can’t afford to get started. It’s wrong.”

The checks to Matthews and other landowners were intended as a first step toward eventually eliminat-ing costly, decades-old farm subsidies. Instead, they

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have grown into an even larger subsidy that benefits millionaire landowners, foreign speculators and absentee landlords, as well as farmers.

Most of the money goes to real farmers growing crops on their land. But they are under no obligation to grow the crop being subsidized. They can switch to a different crop, raise cattle or even grow a stand of timber -- and still get farm bill payments. The cash comes with so few restrictions that developers who buy farmland for subdivisions advertise that homeowners can collect farm subsidies on their new back yards.

The Post’s investigation found that farm subsidy programs have become so generous that they take much of the risk out of farming, and enable increasingly wealthy individuals to dominate it. The farm payments have also altered the landscape and culture of the Farm Belt, pushing up land prices.

The system pays farmers a subsidy to protect against low prices -- even if they sell their crops at higher prices. It makes “emergency disaster payments” for crops that fail -- even as it provides subsidized insurance to protect against those failures.

And it pays people like Matthews for merely owning land that was once farmed. Nine of Matthews’s acres are classified as agricultural land, for which he has received more than $5,000, records show.

Matthews says he was told that if he refused the payments they would just go to other landowners. “I thought, heck, why should I do that? I wasn’t going to give it to somebody else to put in their pocket.” Instead, he uses the proceeds to pay for scholarships at the county fair and at two local high schools, he says.

“Still, I get money I don’t think I’m entitled to,” he says.

In some Texas counties, such farm bill payments open the door to another benefit: property tax reductions.

“When a property owner receives a federal payment, the land is considered agricultural use and is assessed at that lower rate,” according to the chief appraiser for Wharton County, Texas. The discount can be dramatic. For example a parcel might be assessed at $55 an acre for agricultural use but the assessment rises to $3,000 for residential use. Local rules require landowners to actually farm to qualify for the lower tax rate. But enforcement is hampered by the federal government’s definition of farming, which does not require you to actually farm.

The landowners who control vast sections of what were once sprawling rice fields outside Houston have become some of the biggest beneficiaries of the farm bill, USDA records show.

A Houston heart surgeon has received $490,709 in payments tied to old rice tracts on a vast ranch near Raywood in Liberty County where he raises cattle. The last time rice was produced on the 10,000-acre property was “probably over 10 years ago,” according to the surgeon’s business manager. “We’re not rice producers anymore.”

Among the most fervent critics of these annual payments are hundreds of Texas farmers who rent the land on which they grow rice. Under the USDA rules, tenants receive the payment if they operate the farms. But landlords can simply increase rents
to capture that money, the Post investigation found. Some landlords have evicted their tenants from the land they had farmed for years in order to collect the checks themselves, even if they do not farm. Rents were often in the $40 an acre range, while the government payments were more like $125 per acre.

One owner turned some of his rice land into pasture for cattle. He can sell the calves and still stick the rice payment in his pocket.

**Paying Growers Even in Good Years**

Roger L. Richardson, a 72-year-old man who grows corn on 1,500 acres of Maryland’s prime Eastern Shore farmland, had a good year in 2005, grossing a healthy $500,000 for his crop. But the federal government apparently figured he needed help and paid him $75,000.

The money came from a USDA program that was intended to boost farmers’ incomes when prices are low. It is intended to enable farmers to not have to sell at distressed prices because they need money. They can bank the government payments and sell the crop when prices are higher.

The subsidy is called the loan deficiency payment (LDP). Despite its name, it is neither a loan nor payment for a deficiency. It is just money paid to farmers when market prices dip below the government-set floor, if only for a single day.

The LDP has become so important in farmland finances that farmers sometimes wish for market prices to drop just so they can receive a larger subsidy. “In the fall of the year, we find the farmer wanting the price to go down,” a Missouri grain dealer told Congress last year. “It’s almost unnatural.”

The LDP bears little similarity to the original 1938 price-support system, created to help millions of desperate farmers during the Depression. The government then propped up prices by buying grain and cotton if the market ever dipped below a government-set floor. But by the 1980s the government had accumulated huge stockpiles of commodities. With the backing of Southern rice- and cotton-state lawmakers, Congress in 1985 came up with the LDP. The government told farmers to sell their crops on the open market and paid them cash when prices fell below the established floor.

This reduced the stockpiles and made U.S. farm products cheaper in foreign markets. But few foresaw where the program would end up. When corn prices fell in the late 1990s, federal payments to farmers soared.

Roger Richardson’s experience on his Eastern Shore corn farm illustrates one way farmers take advantage of the LDP. After harvesting his corn, Richardson stored it in silos that he owns with other farmers. He then waited for prices to rise. He knew the corn-dependent Delmarva poultry industry would pay a premium for local chicken feed.

In the Midwest, however, prices briefly dropped to their lowest level in five years because of Hurricane Katrina. The storm stalled grain barges up and down the Mississippi and huge yellow piles lay in fields outside stuffed grain elevators. The drop in prices was below the established floor and brought the LDP into play.

The LDP for each county is calculated by subtracting the daily local market price from the government’s floor, which is set each year. In DeKalb County, IL, the floor was $1.98 per bushel and the corn subsidy had reached 46 cents a bushel one day in September. One of the oddities of the system, however, is that across the country in Maryland, where corn market prices were much higher, the subsidy was about the same: 48 cents.

To receive the subsidy being paid on a particular date, Richardson simply had to walk into the local USDA office with the ability to prove that he owned a harvested corn crop. He applied for the subsidy for different portions of his crop on several days throughout the fall. By December, Eastern Shore feed mills had begun running short, and prices were rising. Richardson sold for an average $2.60 a bushel, about 50 cents more than the national benchmark price in Chicago. Richardson did well because of his ability to store grain until the market needed it and his proximity to the mills. The LDP subsidy that Richardson received — $75,000 — brought his total gross for his crop to more than $3 a bushel.
The policy of paying roughly equal subsidies regardless of local conditions was devised by Congress. Lawmakers are often swamped by complaints from farm constituents outraged by a higher LDP across state or county borders. In 2002 it directed the USDA to “minimize” the difference in LDP subsidy payments across states and between counties. In effect, it set a standard across the country.

Increasingly, farmers have learned to lock in their subsidies when prices are low and sell when prices are higher. In 2005 farmers sold their corn for an average of $1.90 per bushel -- 5 cents below the national floor price. But they received an LDP averaging 44 cents. The difference amounted to $3.8 billion.

Helping Catfish Farmers Buy Feed

Under the Catfish Feed Assistance Program, commercial catfish farmers in Mississippi, Arkansas and a few other states got government credits for feed equal to $34 per ton. All they had to do was apply at their local feed mill. The amount received was based on the previous year’s feed purchases.

The USDA explained the program as “an innovative relief to catfish producers who have experienced losses due to adverse weather and natural disasters.” The agency said a drought the previous year had driven up the price of feed. True, some of the states had suffered drought, but not all. Moreover, feed prices for catfish were among the lowest in a decade and didn’t spike again until the next year.

The subsidy seems to have had a lot more to do with the fact that the catfish industry was facing competition from foreign imports and prices were low. Mississippi Senator Thad Cochran, then chair of the agriculture committee, inserted language into a bill to provide help to the catfish industry and lobbied the USDA for feed credits of $35 to $40 per ton.

Allowing Ranchers to Resell Drought Aid

USDA officials tried to kill two birds with one stone when a drought left pastures parched in some Plains states in 2003. Ranchers turned to the federal government for help and officials decided to dip into their massive stockpiles of powdered milk, stored nationwide as part of its milk price-support program. Livestock owners would get the protein-rich commodity free as feed for their cattle and calves and the milk would help ranchers weather the drought while the government reduced its growing stockpile.

But within months feed dealers and brokers began trading the powdered milk in a complex chain of transactions, generating millions of dollars in profits. Thousands of tons of powdered milk, intended solely for livestock owners in drought-stricken states, went to states with no drought or were sold to middlemen in Mexico and other countries, the Washington Post investigation found. In some cases, ownership of the milk changed hands half a dozen times in a matter of days, each change accompanied by a price increase. A virtually free commodity was soon trading for hundreds of dollars a ton.

The surplus milk entered the commercial market in

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one of two ways. Some states ordered more powdered milk than ranchers could use and ended up auctioning the rest to brokers. And some ranchers sold powdered milk they didn’t need to feed dealers, who raised the price and sold it to other dealers or brokers.

In the contracts with eligible states, the USDA required that the powdered milk be used to feed cattle within the state’s borders. The trading itself was not illegal, but shipping the milk outside of the state broke the rules. Even when officials learned that the product was being diverted, however, there was little they could do. The USDA allocated the milk directly to the states, and state officials did not have the resources to track the middlemen. In any case, penalties did not exist.

Not Requiring a Drought For Federal Drought Aid

In February 2003, 40-year-old dairy farmer Nico de Boer heard a loud noise and saw a trail of smoke curling across the sky — all that remained of the space shuttle Columbia. Weeks later, de Boer was surprised to learn that he and hundreds of other East Texas ranchers were entitled to up to $40,000 in federal disaster compensation, even though the nearest debris landed 10 to 20 miles from his cattle.

The money was from the USDA as part of the Livestock Compensation Program, originally intended as a limited helping hand for dairy farmers and ranchers hurt by drought. An analysis by the Washington Post showed that $635 million went to ranchers and dairy farmers under this program in areas where there was moderate or no drought. None of the ranchers were asked to prove they suffered an actual loss. They simply received a check based on the number of cattle they owned.

In northern Texas, ranchers collected nearly $1 million for an ice storm happening a year and a half before the livestock program was even created. In Washington state, ranchers received $1.6 million for an earthquake despite suffering no damage. In Wisconsin, a winter snowstorm resulted in millions of dollars. For hundreds of ranchers from East Texas to the Louisiana border, the shuttle disaster triggered about $5 million, records show.

John A. Johnson, deputy administrator for farm programs for the USDA, said that the program originally provided meaningful help to ranchers in areas suffering from drought. But once Congress loosened the rules, “what was meant as disaster assistance ended up being given to people who didn’t have a need or a loss.”

The money paid out for the livestock program was part of more than $20 billion that taxpayers have given to ranchers and farmers since 1990 to compensate for droughts, hurricanes, floods and other forms of damaging weather. Many of those events caused serious damage. But under Congress’s new version of the program in 2003, livestock owners could qualify as a result of any type of weather-related disaster declaration by the secretary of agriculture. Or they could become eligible if their county was included in a presidential disaster declaration. One rule remained the same: Livestock owners still did not have to prove a loss.

With the regulations eased by Congress, federal agriculture officials pushed their local offices to find disasters that would make more livestock owners eligible. It didn’t matter if it was a cold snap or a storm that was two years old.

In 2003, in Denton County, Texas, USDA official Blake English said, he got word from his state bosses to look for a disaster — any disaster — under which local ranchers could qualify. John Fuston, the Texas USDA director, confirmed that county offices were told to look for weather events and disasters that could qualify ranchers for the program. He said the agency was just following the rules set by Congress.

There were no real disasters in Denton County, though, said English. “We didn’t have a drought. In fact, we were wet. The crops were above normal at the time.” Then, on Feb. 1, 2003, the shuttle exploded. President Bush issued a federal disaster declaration. Although an unintended result, most of East Texas was then eligible for livestock funds. Denton County’s livestock owners collected $433,000.

Insuring Questionable Crops

The idea behind crop insurance helps to protect farmers against bad weather and other vagaries of farming. But it can also change the landscape of farming in a region and as a result cost the taxpayer in unexpected ways.

For years, for example, the sweet potato was excluded from federal crop insurance. But in the late 1990s, growers and legislators in North Carolina successfully lobbied federal officials for coverage. Soon, the sweet potato acreage was doubling and tripling, as were the claims filed by farmers.

The Importance of the Plant’s Root Ball

Frequently a bedding plant is transplanted into field soil conditions that are less than perfect. Within the root block or ball, the plant, and the plant’s partner microbes should have established a system and structures capable of extending their organization out into the field soil. The green leaves provide the energy to power the outreach and the potting soil serves as the cultural base. Investing in sufficient media for ample root balls pays back in improved crop yields.
In Columbus County, for instance, the number of sweet potato acres increased four-fold after federal crop insurance was introduced in 1998. Almost immediately, losses also began mounting: $1.4 million in 1999, $2.1 million in 2000, $3.3 million in 2001. Between 1999 and 2005, sweet potato farmers paid $594,264 in premiums but collected nearly $15 million in federal insurance payments -- a return of almost $16 on every $1 in premiums.

There was no doubt some bad luck for the area. In the summer of 2003, Southern California consumers began getting a break on milk prices. A majority of the largest recipients of disaster aid in the nation.

Bone Farms Partnership received over $4.7 million in disaster payments. Bone, 63, was thus one of the largest recipients of disaster aid in the nation. Between 2001-2005, the Dale Bone Farms Partnership received over $4.7 million in disaster payments. Bone, 63, was thus one of the largest recipients of disaster aid in the nation.

In 1999, when Hurricane Floyd flooded his crops, and caused millions in losses, North Carolina farmer Dale C. Bone didn’t get a dime from the government. He learned a lesson.

Bone was too big. His farming and packing business exceeded the government’s cutoff of $2.5 million in annual gross income for federal disaster payments. “We were a lot larger than that,” he recalled.

So Bone got creative. Instead of continuing as a corporation, he restructured his operation as a partnership with 13 different owners. Each partner could thus apply individually, falling below the government’s income limit.

“We were forced to go into these partnerships to qualify,” Bone said. “It’s ridiculous. We should be able to get the payments regardless. It’s the same people involved.”

Soon, perfectly legal disaster aid was flowing to Bone’s operations. Between 2001-2005, the Dale Bone Farms Partnership received over $4.7 million in federal disaster payments. Bone, 63, was thus one of the largest recipients of disaster aid in the nation.

Guaranteeing Milk Markets and Prices

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What’s Wrong With This Chart?

**CHANGE IN MONTHLY FOOD PRICES MARCH 2009**

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Lines show change in price of items since 1978, relative to overall inflation as measured by the Consumer Price Index. The price of vegetables, for example, has risen 40 percent faster than the overall index.

**Source:** Bureau of Labor Statistics, via Haven

This chart, put together by David Leonhardt of the New York Times, shows the price of different foods and beverages over the last three decades. He set the price of each food or beverage equal to 1 in January 1978, and the chart then shows how the price has changed since then. The pattern is clear. Unhealthy foods have gotten cheaper, in some cases (sodas) a lot cheaper. Fruits and vegetables, unsurprisingly, have gotten more expensive.

Leonhardt also mentions that the average 18-year-old today is 15 pounds heavier than he or she was in the late 1970s. For women in their sixties, that spread is 20 pounds, and for men in their sixties, 25 pounds. Does the chart help explain this?

**Why a Big Mac Costs Less Than a Salad**

This chart, put together by the Physicians Committee for Responsible Medicine, tells the sad story of the impact of the farm bill on US nutrition. We have chosen, through Congress, to subsidize foods that we’re supposed to eat less of. The effect, of course, is that unsubsidized foods, which are better for us, are more expensive.

**Sweetening the Pot**

**Implicit Subsidies to Corn Sweeteners and the U.S. Obesity Epidemic**

by Alicia Harvie and Timothy A. Wise

Pigs, chickens and steers aren’t the only ones in the United States getting fat off a diet of cheap corn. So are many Americans, according to some analysts, and corn sweeteners are alleged to be the culprits. The annual per-capita consumption of caloric sweeteners has increased by 40 pounds in the last 40 years, and high fructose corn syrup (HFCS) accounts for 81% of the 83 additional calories the average American consumes each day from sweeteners alone. Has cheap corn caused an HFCS boom and contributed to the obesity epidemic?

Perhaps the most prominent writer on the subject is consumer advocate Michael Pollan, who charges U.S. farm policy with a central role in America’s expanding waistline, citing the abundance of cheap corn sweeteners in our food. Some recent academic studies question the validity of the charge, suggesting the link is tenuous at best.

In examining the economics behind the claim, our findings suggest that while Pollan might be overstating the causal link, U.S. farm policy is doing American diets no favor. We find that U.S. farm policy effectively lowered corn prices and HFCS production costs, offering HFCS producers an implicit subsidy of $243 million a year, a savings of $2.2 billion over the nine-year period, and over $4 billion since 1986. For soda bottlers, the main consumers of HFCS and among those most heavily implicated in public health concerns, the savings amounted to nearly $100 million per year, $873 million over the nine-year period, and nearly $1.7 billion since the wholesale adoption of HFCS by the soda industry in the mid-eighties.

While this may not have reduced soda prices to an extent that would account for rising consumption, there is little doubt U.S. agricultural policies have indirectly subsidized a sector that may be contributing to health problems.

**The Public Health Claims**

Increasingly the voices of health and consumer advocates such as Michael Pollan indict the U.S. agricultural system for its role in shaping the modern American diet. In his most recent New York Times Magazine piece, “Farmer in Chief,” Pollan outlines a connection between U.S. farm policies and the rise of chronic diseases linked to diet, such as heart disease, stroke, Type 2 diabetes and cancer. The argument goes something like this: Government policies have made corn cheap; cheap corn became cheap HFCS; Americans now ingest HFCS in unprecedented quantities from their super-sized sodas and sweet snacks; and our healthcare expenditures have bloated, in turn.

His claims are more fleshed out in a 2002 New York Times article “When a Crop Becomes King,” where he blasted the 2002 Farm Bill for subsidizing corn producers to the tune of $4 billion in a time of surplus. Pollan also implicated those who stood to profit: corn processors, “factory farms” and soft drink and snack manufacturers who rely on cheap corn. Above all, he pointed his finger at HFCS: “Nearly 10 percent of the calories Americans consume now come from corn sweeteners; the figure is 20 percent for many children....It’s probably no coincidence that the wholesale switch to corn sweet-
In the 1970s, HFCS’s competitive advantage over sugar derived partly from R&D expenditures in the corn wet milling process. However, corn sweeteners have also benefited from the U.S. sugar program, which includes prohibitive trade restrictions and production allotments.

With a high price floor for sugar and below-cost corn underwriting liquid HFCS, sugar cannot be price-competitive with HFCS. Data from 1963-2005 show real corn prices falling more than twice as fast as real sugar prices. As such, manufacturers have historically been able to purchase HFCS at prices 20% to 70% less than sugar prices. A 1983 Fortune magazine article estimated that Coca-Cola gained a cost advantage of $70 million annually over Pepsi when it switched from sugar to HFCS.

The Implicit Subsidy to HFCS

More recently, HFCS producers – and all other large-scale consumers of U.S. row crops such as corn and soybeans – have benefited from federal policies, particularly from the 1996 Farm Bill, which ended production controls in federal commodity programs and helped usher in a period of overproduction and low prices. In previous publications, GDAE estimated that corn and soybeans were priced 23% and 15% below their average production costs, respectively, in the nine-year period following the 1996 Farm Bill. As a consequence, industrial hog, broiler, egg, dairy, and cattle operations enjoyed savings of nearly $35 billion thanks to below-cost corn and soybeans purchased for their feed.

Using a similar methodology, we estimate that wet millers who refine HFCS were able to save on HFCS production from corn priced 27% below its cost from 1997-2005.

Public Health Implications

There remains the question of whether this impacted American diets during that period. In the United States, HFCS consumption patterns are closely tied to soft drink consumption, both of which correlate with obesity rates. Sweetener consumption is up 20% since 1970, and 65% of that is accounted for by HFCS in soda consumption, which continues to dwarf the consumption of all other non-alcoholic beverages.

The sheer quantity of HFCS consumed would be bad enough for the American waistline, but there is also research suggesting HFCS is metabolized differently from other sugars in the body. Pollan cites a University of Minnesota study finding that diets high in fructose elevate triglyceride levels in men shortly after eating; this has been linked to a higher risk of obesity and heart disease. However, the impact of HFCS consumption on obesity is still a hotly debated topic in scientific literature. While there is some evidence that HFCS is metabolized differently, other studies have found no real difference. More recently, entirely different public health concerns have been raised by reports indicating the presence of mercury in HFCS and HFCS-containing products, the consequences of which are unclear. There is little disagreement, however, that the volume of sweetener consumed, if not its inherent qualities, has impacted the health of Americans. With HFCS producers receiving implicit subsidies to the tune of $243 million a year, one can certainly question if this is a worthy outcome of U.S. farm policy.
Understanding the Farm Bill: What’s SNAP Got to Do With It?
by Ann Butkowski

A few weeks ago, I had the chance to help out at the Midtown Farmers Market in Minneapolis, one of the area markets that allows patrons to use Supplemental Nutrition Assistance Program (SNAP, commonly called Food Stamps) benefits to purchase fresh produce. Seeing firsthand how Farm Bill legislation is put into practice was a great reminder of how something as seemingly arcane as the Farm Bill can actually affect our neighborhood food supply, and of the kind of improvements we can make in the 2012 Farm Bill.

Nutrition programs account for a surprising two-thirds of Farm Bill spending. Low-income and emergency food assistance, nutrition education, and several farmers’ market programs are all governed under the Farm Bill. (Some other familiar nutrition programs, such as those for Women, Infants, and Children (WIC) and the School Lunch Program, are regulated by the Child Nutrition Act, separate from the Farm Bill.)

SNAP is by far the largest of these programs, making up 95% of nutrition spending in the Farm Bill. The first Food Stamp program was a Depression-era program intended to aid struggling consumers and farmers: participants received stamps redeemable for food of their choosing and surplus crops (its name was changed to SNAP in the last Farm Bill because the program now uses a debit card system (EBT) instead of stamps). In its current form, SNAP provides monthly cash benefits for food purchase to eligible low-income individuals. Since no eligible person is denied benefits, spending on SNAP changes based on how many people participate and how much they receive. SNAP has become increasingly important (and expensive) given the economic downturn. Participation is at an all-time high, yet as of 2005, only 65% of eligible households participated in SNAP.

SNAP is a politically popular program (few senators want to come out against helping constituents put food on the table), and recent iterations of the Farm Bill have increased benefits and expanded eligibility. However, SNAP is not without controversy. It’s accepted that SNAP benefits increase the amount of money a household spends on food, but whether SNAP benefits improve nutrition is another matter, and data are limited and conflicting. SNAP is designed to make up the difference between the amount of monthly income a household can afford to spend on food (usually estimated to be 30% of their budget) and the cost of a nutritionally adequate diet. This is based on the Thrifty Food Plan, the USDA’s grocery list of foods that meet the Dietary Guidelines on a budget. Some people say that SNAP benefits aren’t large enough to allow participants to purchase nutritious foods; a dollar buys more calories in the candy aisle than it does in the produce section. Others believe that SNAP benefit levels are sufficient, but focus should instead be on nutrition education efforts to help people make healthier choices.

Another source of conflict is the regulation regarding what items can be purchased with SNAP benefits. SNAP participants may use benefits to purchase foods that are prepared and eaten at home, a list that excludes alcohol, tobacco products, and prepared foods, but includes candy and soda. So, salad bars are out but Snickers bars are in, a policy that may not make sense for a nutrition program.

Although SNAP makes up most of the nutrition spending in the Farm Bill, several other programs have been added or expanded in recent years. For example, the Community Food Projects competitive grant program provides funds for local projects designed to tackle nutrition food access issues, making farm to school programs, farmers’ markets, and community gardens possible. In the last Farm Bill, this program was made permanent and funded at $5 million a year. Additionally, the 2008 Farm Bill increased funding for the Senior Farmers’ Market Nutrition Program, which provides vouchers for fresh produce redeemable at farmers’ markets and CSAs to low-income seniors, and included money to expand the use of EBT cards at farmers’ markets, allowing more people to use SNAP benefits at their neighborhood markets.

It’s programs like these, that help farmers connect with consumers and city folk connect with their food, that we need to see more of in the next Farm Bill.

Article originally published on simplegoodandtasty.com/category/news-views
How Does the Farm Bill Impact Developing Nations?

These excerpts of longer articles suggest that the US farm bill has a destructive impact on the ability of developing nations to feed themselves. Our subsidized grain has the capacity to undercut local production, driving peasant farmers out of agriculture. Once that has happened, a nation is dependent on food imports and speculators can begin to drive the price up again, creating hardship and instability. This pattern has been repeated around the planet.

The Economic and Environmental Impacts of Agricultural Subsidies

Domestic support for commodities can have significant implications on world food markets. Indeed, incentives to produce certain crops over others lead to overproduction of favored crops in comparison to production levels based on market signals. This increased production puts downward pressure on prices of the favored crops, which creates a surplus available for exportation at a low price.

Producers sell internationally at low prices, but are subsidized domestically for their production, thus causing leakage from domestic subsidies to export subsidies. Also, such high levels of subsidized production and low prices create a barrier to entry for other countries. This holds true mainly for developing countries where governmental subsidies or technology are not so easily available. It is generally accepted that agricultural subsidies in OECD (European) countries reduce or negate the comparative advantage of developing countries in agriculture.

How Can We Feed the World and Still Save the Planet?

Food has become subject to one of the sharpest global debates, with rising anxiety about how the world’s growing population is going to feed itself. Increasingly, Olivier de Schutter, the UN special rapporteur on the right to food, has been produced by runaway neoliberal policies that have been produced by runaway neoliberal policies. The farm bill authorizes US $173.5 billion in subsidies for a ten-year period, $73 billion for 2002-2007 alone, and increase of 70 percent over the previous level. Existing subsidies are increased for soybean, wheat and corn. New subsidies are introduced for peanuts, lentils, chickpeas and dairy farms. Previously abandoned subsidies for honey, wool and mohair have been restored.

The effect on the agricultural exports of developing countries is expected to be severe. The subsidies will support large increases in US domestic production which will shut out a large part of foreign imports. And as the US accounts for 19 percent of world agricultural exports, the prices of these agricultural commodities on world markets will fall by between 10 and 15 percent, according to experts. Brazil stands to lose US $9.6 billion in exports to third countries over the next four years. Argentina’s annual losses in export income are estimated at $1.5 billion. Chile, Ecuador, Peru and Uruguay are also counting the cost.

Among the countries of the Association of Caribbean States (ACS), 63 percent of agricultural exports went to the US market in 1999. The smaller economies in Central America and the Dominican Republic will be the most affected. Mexico and Colombia are also significant exporters to the US.

Apart from the direct impact, there is the credibility effect on global and regional free trade negotiations. The US exerted great pressure on the EU to reform its agricultural subsidies regime as part of the agreement reached at the Doha WTO Ministerial meeting last November. Now the EU commitment to that section of the Doha Declaration, extracted after considerable arm-twisting, will be in even greater doubt.

Already, the EU is contemplating lodging a complaint on the US steel tariffs with the WTO. The new agricultural subsidies could bring US subsidies per farm to between 3 and 4 times European levels, according to the Economist magazine.

Introduction to the Shashe Declaration on African Small Holders, Agroecology, and the Food Crisis

We are 47 people from 22 organizations in 18 countries (Zimbabwe, Mozambique, Democratic Republic of the Congo, Rwanda, Angola, Uganda, Tanzania, Kenya, Zambia, South Africa, Central African Republic, Brazil, Mexico, Indonesia, Portugal, USA, France, and Germany). We are farmers and staff representing member organizations of La Via Campesina, along with allies from other farmer organizations and networks, NGOs, academics, researchers, and interpreters and others.

We have been meeting at the Shashe Endogenous Development Training Centre in Mavingo Province, Zimbabwe to plan how to promote agroecology in our Region (Southern, Eastern & Central Africa). Here we have been privileged to witness firsthand the successful combination of agrarian reform with organic farming and agroecology carried out by local smallholder farming families. In what were once large cattle ranches owned by large farmers who owned 800 head of cattle and produced no grain or anything else, there are now more than 365 smallholder peasant farming families with more than 3,400 head of cattle, who also produce a yearly average of 1 to 2 tonnes of grain per family plus vegetables and other products, in many cases using agroecological methods and local peasant seeds. This experience strengthens our commitment to and belief in agroecology and agrarian reform as fundamental pillars in the construction of Food Sovereignty.

African Small Holders, Agroecology, and the Food Crisis

Our region of Africa is currently facing challenges and threats that together undermine the food security and well-being of our communities, displace smallholder farmers and undercut their livelihoods, undermine our collective ability to feed our nations, and cause grave damage to the soil, the environment and the Mother Earth.

These include local and regional manifestations of the global food price crisis and the climate crisis that have been produced by runaway neoliberal policies and the greed and profit-taking of Transnational Corporations (TNCs). Cheap subsidized food imports brought by TNCs, made possible by misguided free trade agreements, lowers the prices we receive for our farm products, forcing families to abandon farming and migrate to cities, while undermining local and national food production. Foreign investors, invited in by some of our governments, grab the best farm land, displacing food producing local farmers, and redirecting that land toward environmentally devastating monocultures, agrofuel plantations that feed cars instead of people, and other export plantations that do nothing to build Food Sovereignty for our peoples, and only enrich a few.

The Shashe Declaration was written by the representatives of peasant organizations in La Via Campesina at the 1st Encounter of Agroecology Trainers in Africa Region 1, Mavingo Province, Zimbabwe, 20 June 2011.
I would like to use Mexico as an example of what I am talking about. In Mexico we currently have a food crisis. I’ll explain a little bit about how Mexico got to the point of having a food crisis, and I will tie it to US farm policy. Mexico is an example, really, for all of the Global South. Everything that is true in Mexico is pretty much true for the rest of Latin America, Asia and Africa.

The conclusion about the farm bill process in the United States, which I will state at the beginning, is that organizations in South countries, for example Via Campesina member organizations, are very pleased to see US organizations fighting about the farm bill every time it comes up. This is because the farm bill has very strong consequences for farmers and peasants in other countries.

Right now in Mexico we have a multiple-faceted rural agricultural and food crisis. The agricultural crisis is based on the fact that farmers in Mexico cannot make a living. The price paid for the main crop of small farmers, which is corn or maize, is 75% lower than it was 25 years ago. If poor farmers in Mexico were poor 25 years ago, they are three times poorer now. They cannot afford to make a living and therefore must join migrant streams – both inside Mexico and towards the United States and Canada. So there is a long-term depression in farm prices in Mexico which has made it impossible for people to live in rural areas. It is driving a huge exodus from rural Mexico into migrant streams.

That depression has a lot to do with US farm policies that affect US prices and therefore international prices. It also has a lot to do with international trade agreements like NAFTA, which obviously link Mexico with the United States and Canada.

Another aspect of the food crisis in Mexico is that since the introduction of low priced food from the United States as inputs – for example corn to the tortilla industry – large companies in Mexico, which have access to imports from the United States, have been able to create a monopoly. Two Mexican and three United States companies have a monopoly over the whole system of corn in Mexico from import at the border or from buying at the farm gate through shipping, warehousing, processing, transforming into tortillas and retailing on every street corner.

That monopoly control allows them to set prices very low to farmers and very high to consumers. So even though corn prices paid to Mexican and American farmers have been lower and lower over the years, Mexican consumers have been paying higher and higher prices because of these monopolies. To a great extent these companies were able to monopolize the Mexican market because they had privileged access to low cost inputs from the United States.

So all of this means that Mexican farmers can’t make a living in rural areas and Mexican consumers can’t afford food. How does all this relate to the farm bill process in the United States, and US agricultural policy?

Number one is the relation through free trade and NAFTA. I should mention that all of the farmer and farm worker organizations in Mexico and many of those in the US and Canada oppose NAFTA and call for canceling or renegotiating the agriculture chapter. This “free trade” allows excesses from the American market to be moved into the Mexican market, which allows monopoly control and speculation and price fluctuations on the Mexican market.

But there is a longer term effect of the farm bill. Here we have to understand that before the 1970s farm policy in the US, as set every 5 years in the farm bill, was designed to protect American farmers from low prices. There was a system of price supports, or price guarantees, and a system of reserves and of loans. This was an attempt to give family farmers in the US an income on a par with urban dwellers by supporting prices.

What that meant was that US farm products, from the standpoint of a country like Mexico, couldn’t be bought by transnational companies for a price below a minimum level. Therefore they couldn’t dump low priced imports in countries like Mexico and out-compete local farmers for local markets. And there wasn’t that much surplus produced anyway, because the system controlled over-production.

But in the 1970s the United States changed the basis of farm policy through the farm bills to a process that no longer supports farmers or prices. It allows prices to fall as low as they possibly can, allows over-production to grow as high as it possibly can get, tries to compensate mostly larger farmers in the US with payments, but ones which don’t support the price. So that allows corporations like Cargill and ADM to buy US products like corn at ridiculously low prices, ridiculously below the cost of production, and then dump them into countries like Mexico. That drives local farmers out of business, captures the local market, and then once they control the market allows them to raise prices to a monopoly level. It is similar to the behavior of drug dealers who distribute cheap drugs and then, once people are addicted, jack the prices up.

This is what the giant food corporations like Cargill and Archer, Daniels Midland have done. They changed farm policy so they could get a very low priced input, at the cost of US farmers getting miserable prices. They do this to capture the markets of places like Haiti, Mexico, Latin America, Asia and Africa.

As soon as they capture the market, all of a sudden we have a price crisis! And those who are getting the benefit of the high prices are not farmers in Mexico or the US, but these companies, which are the owners of the harvest once it has been purchased from farmers.

What we see now is that this currently deregulated market leads to wild commodity price swings. But one thing you can be sure of – these companies with monopoly position in the market use their power to manipulate prices. So the prices don’t swing up when the grain is still in the hands of farmers. Prices swing low when farmers are selling to Cargill or ADM.

There is no sugar-coating the farm bill’s impact on the trade agenda. It’s a disaster. The huge ramp up in subsidies will price out our own production, depress global prices and distort global trade...

The most immediate impact of those subsidies will be to prolong the mismatch between global supply and demand. By design, the farm bill’s counter-cyclical payments will maintain production even if market prices are falling. In a normal market, supply would contract when prices fall, but the farm bill is explicitly written to keep farmland in production even when the market is sending the opposite signal. In defending the farm bill, the logic is that knowing that the amount of farmland in production will probably not vary much from the current 330 million acres regardless of changing prices. But this is an absurd problem. Domestic production and prices will not be allowed to adjust downward when global prices fall. Overproduction will further depress global prices, hurting farmers abroad, especially those in the world’s poorest countries.

In most poor countries, the majority of families earn their living by farming. Lower prices will cut directly into their incomes. Oxfam International, in its recent report on global trade, noted that corn growers in the Philippines earning $400 a year are forced to compete against US corn growers selling an average of $20,000 a year in subsidies. A study published earlier this year by the National Bureau of Economic Research found that higher prices for rice in Vietnam between 1993 and 1998 dramatically reduced the number of children in the labor force and doubled the percentage of girls attending school. By depressing global prices, farm bill subsidies for rice and other commodities will lead directly to more kids working and fewer attending school in Vietnam and other poor countries.

Supporters of the farm bill claim it will increase the leverage of US trade negotiators by giving them more chips with which to bargain in WTO and other trade negotiations. But the farm bill has forfeited our most valuable chip of all-American leadership. Our calls for more market competition in agriculture will ring hollow now that we have taken such a giant step in the opposite direction.

International condemnation of the farm bill has been loud, unanimous, and justified.

The United States probably has no better friend in the battle to reduce US farm subsidies than New Zealand. That country’s trade minister has denounced the farm bill as “a disaster” and “just ludicrous.”

Australia’s agriculture minister: “The U.S. has clearly abrogated its leadership on the issue of world trade in agriculture.

In summary, the farm bill is a net loser by any measure. It will hurt U.S. taxpayers, it will hurt U.S. consumers, especially low-income families that spend a disproportionate share of their budgets on food, it will hurt hundreds of millions of farmers in the world’s poorest countries, and in the end it will hurt U.S. farmers by foreclosing opportunities to earn more income through honest trade.

This excerpt is from a presentation given at the Cato Institute Policy Forum. The Cato Institute is a bastion of Free Trade thought, but even there the folly of our farm bill’s impact on developing nations is clear.
by Jack Kittredge

If there ever was a year when the sacrosanct farm bill could face drastic cuts, this is it. The farm economy is booming with high prices (corn futures hit a record high this year) and extra demand for food crops from which to make fuel. With the farm economy doing well and Congress looking hard for anywhere it can cut expenses, the farm bill looks like it’s a prime candidate for the operating table.

Paul Ryan, Republican Chair of the House Budget Committee is looking to cut $30 billion out of the expected $150 billion in subsidies authorized by the 2012 farm bill over the next ten years.

House Agriculture Committee Chair Frank Lucas (R., Okla.) admits that “We are very focused on getting a grip on spending -- that means [cutting] a lot of things even I like,” Nebraska Republican Senator Mike Johanns agrees that the direct payments are being targeted. Even Democrats from farm states who like the direct payments agree that given high crop prices, the payments totaling about $5 billion a year are on the hot seat.

The farm payments at risk were supposed to be temporary.

In the early years of the farm bill, farmers were paid for keeping land fallow. This not only protected the topsoil, but it also kept the quantity of crops produced down and therefore the price they could command up. Agribusiness, however, wanted cheap food. They hated these “supply-management” policies when they were enacted in the New Deal and lobbied against them for decades. In the 1970s, they found allies in government officials who believed in a strict “free market” ideology. Over the next two decades, these policies were slowly weakened.

Finally, the 1996 Freedom to Farm Act called for the elimination, over seven years, of all price floors and grain reserves, in order to “get government out of agriculture”, once and for all. Congress designed the 1996 farm bill as a way to wean farmers of rice, feed grains, cotton and later soybeans off years of subsidies for keeping land fallow. But the plan backfired.

For agribusiness, all that mattered was that they no longer had to pay farmers a fair price for their crops. Thus the price of corn plummeted, and the government was forced to make up the difference. A policy change intended to “get government out of agriculture” instead drew government in further, so that, in 2000, 49% of a farmer’s income came from the government in the form of subsidies. Meanwhile, between 1997 and 2005, factory farmers saved $35 billion buying corn for much less than it cost to produce.

These direct payments became a permanent feature of the farm bill and are now a cornerstone of it. Farmers are paid a certain amount per bushel or pound, depending on the crop. It’s one of several farm subsidies meant to supplement farmers’ incomes when prices are low. Beneficiaries are about one million farmers on 260 million acres of land spread around 364 of 435 congressional districts, according to the Agriculture Department.

Currently, farmers get 28 cents per bushel for corn and 44 cents for soybeans. Payments are based on 83.3 percent of a farmer’s acres and average yields. Iowa State University economist Chad Hart notes that the payments go to farmers regardless of crop price or quality — a way to provide assistance without violating international trade rules.

On average, Iowa State University experts say, farmers receive about $29 per acre for direct corn payments and $14 per acre for beans. In Iowa, that totaled almost $473 million in 2009.

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“30 whitetail deer crossing my vegetable farm...”

I just wanted to say thanks for a great product that made my life easier, and to tell you some success stories that I, and others, have experienced using the new Plantskydd Granular Repellent.

A couple of years ago I had a herd of 30 whitetail deer crossing my land. Their game trail went right through a field where I was planning to plant corn. Rather than put up a fence, I decided to use your new granular Plantskydd product. I dumped 40 lbs in a spreader to pull behind my garden tractor, and put down a 3-foot border around my field. Next, I rubbed out the tracks on the game trail so I could see how effective Plantskydd was. The deer always crossed during the night. Well, the next morning there was not a track to be found. And none for the rest of my growing season!

I have a small truck farm where I grow vegetables to sell at Farmer’s Markets as well as to supermarkets. Deer just love beet tops—I have had them eat a 100 foot row in one night! Last year, when my beets came up, I put some granular Plantskydd in a spreader and applied it around the outside row of the beets. The deer didn’t eat a bite. The key is to get the product down before the deer start nibbling. Later in the spring, my pickers came and told me the deer had been eating the zucchinis. I took out the spreader and made one trip around the patch applying Plantskydd, and the deer stayed out until after harvest.

We have such a deer problem in the valley that, when I tell folks in my garden seminars about your product, they jump right on it. Hooper’s Garden Center, in Kalispell, Montana, sent one of their customers to me, desperate to see if I could help them save a $30,000 investment in flowers that were to be planted for a special event on a large estate. I sent them to the CHS Country Store (also in Kalispell), where they proceeded to clean all the Plantskydd Granular off the shelf. The estate put in an order for 50 more 20 lbs bags this year.

The Plantskydd Granular is my favorite repellent because: 1) it works; and 2) it is quick and easy to use—no mess, no fuss.

Sincerely,
Bill Clanton. Kalispell, Montana, April 7, 2010
Most of the payments go to the largest farmers in the U.S., given the amount of land they own. From 2002, when the program was expanded, through 2010, the top 10% of recipients received 67% of the funds, according to David DeGennaro, an Environmental Working Group legislative analyst.

At the same time, grain farmers are enjoying record profits. Prices have more than doubled since last summer on strong export demand, record ethanol output and steady buying by domestic livestock producers. Farmers have planted — if the weather and other forces of nature cooperate — what’s expected to be one of the most-profitable crops in history.

Some analysts are speculating corn could reach $8 and soybeans $16 by the end of the year. Any disruption in the corn crop could push its price as high as $10. The USDA forecasts net farm income this year will be $94.7 billion nationwide, about 20 percent higher than last year. It’s the second-highest inflation-adjusted value recorded in 35 years.

With the farm sector booming, direct payments have become an easy target.

Even farmer groups are calling for change. Recently the National Corn Growers Association, an industry lobby group, urged Congress to revamp the program, fearing it would be eliminated altogether. They voted earlier this year to “investigate transitioning direct payments” into a more politically acceptable form of subsidy.

“Our members of Congress are telling us that they just can’t support this program anymore,” said Anthony Bush, a policy expert with the National Corn Growers Association. “In times of record-high prices [the government is] still handing out money like this, it’s just politically not possible, feasible or popular these days.”

Mr. Bush said corn farmers have the most to lose if direct payments are eliminated altogether. He said $2.1 billion of the roughly $5 billion in direct payments goes to such farmers.

Roger Johnson, president of the National Farmers Union, said the direct subsidies have become indefensible because they don’t go to farmers who need them to survive tough times.

Iowa Farm Bureau Federation President Craig Lang said two things need to happen: Reduce the deficit and provide an income safety net for producers.

He said farmers can’t justify direct payments at this time. Lang, a dairy farmer near Brooklyn, Iowa, ultimately believes subsidies will be reduced, not eliminated.

“Food security is such an issue, the government won’t totally get out of farming,” he said.

Of course, farm subsidies have survived previous attempts to cut them back, and defenders will likely cite the continuing governmental support for farmers in Japan and the European Union. Although the payments aren’t necessarily needed when grain prices are high, the money isn’t turned down when it is offered.

During boom times like now, farm experts say direct payments are bid into land rents or purchases, fueling even faster elimination of the family farm.

The combination of the federal deficit, high farm prices, and growing criticism of the practical effects of direct payments — higher land prices and obesity — are creating a perfect storm of trouble for the subsidies.

“There’s no sacred cows anymore,” Iowa Sen. Charles Grassley said during a recent conference call with agriculture reporters. “The bottom line is ag should be cut like everything else, but no more than anything else. I think direct payments will be done away with.”
The Sustainable Farm Bill
by William S. Eubanks II

A thorough analysis of the U.S. Farm Bill highlights the grave implications of buttressing our nation’s industrial agricultural system with ever-larger subsidies. By encouraging large-scale, monoculture mega-farms, a subsidized industrial agricultural system leads to severe environmental consequences such as water pollution from fertilizer and pesticide runoff, soil erosion, and effects on wildlife and biodiversity, such as fragmented habitats and species decline. To combat these trends and slow or reverse environmental degradation caused by industrial farming, Farm Bill reform discussions should be recentered on subsidies to scale up sustainable farming.

The Environmental Impacts of Subsidized Commercial Agriculture

This section focuses predominantly on the environmental impacts of a subsidized industrial agricultural system. Unquestionably, our current industrial agricultural system would be unable to operate without large inputs of water, fertilizers, pesticides, and fossil fuels. Thus, it is important to start with a discussion of the Green Revolution because of the structural change that this transformation brought to American agriculture by making these inputs mainstream. What started as Norman Borlaug’s research recentered on subsidies to scale up sustainable farming, Farm Bill reform discussions should be recentered on subsidies to scale up sustainable farming.

The Green Revolution was a period of rapid agricultural growth that occurred in the 1960s and 1970s. It was characterized by the development of high-yielding hybridized crops that are heavily dependent on water. These hybridized crops generally accomplished Borlaug’s goal of creating sufficient crop yields to outpace population growth, which led to his Nobel Peace Prize in 1970. However, despite the historical achievement of attaining constant increases in crop yields, there is much more to the story of the Green Revolution that is often missing from the history books.

Attaining dramatically improved yields of crops is not simply a function of breeding seeds and planting those seeds. In fact, these hybridized plants were only successful in creating higher yields because of their saturation of water, chemical fertilizers, toxic pesticides, and ultimately fossil fuels. Due to the Green Revolution’s heavy dependence on these inputs, the American agricultural landscape has been forever changed. Rather than consisting of rural communities of similarly sized crop-diverse farms like those that existed prior to the 1950s, American agriculture today is an industrialized system where-by water, chemicals, and fossil fuels are converted into cheap commodity crops. Not coincidentally, the most significant environmental impacts from industrial commodity crop agriculture are impacts to the water, land, wildlife, and air derived from agriculture’s heavy dependence on inputs that affect these facets of the environment. The immense environmental impacts of this vast structural shift are discussed in detail below.

The Effects of Commodity Agriculture on Our Nation’s Water

Since the Green Revolution began, commercialized commodity crop agriculture has become responsible for a large portion of both the reductions in quantity and in quality of the nation’s water. Estimates indicate that total water use in the United States exceeds 400 billion gallons each day. Agricultural irrigation is by far the largest use of freshwater and accounts for more than one-third of all U.S. water usage at a withdrawal rate of more than 135 billion gallons a day from our nation’s surface and groundwaters. With the Green Revolution and its emphasis on increased crop yields came extremely water-intensive agricultural practices, requiring large-scale irrigation systems. These practices have gradually been incorporated into American agricultural policy because of the profitability of high-yield Green Revolution crops for megafarms and food processors. Rather than only cultivating the prime agricultural soils near lush rivers, our current Farm Bill subsidies tempt farmers to grow hybridized corn, soybeans, and other commodity crops many miles from rivers and other water sources where farms could not survive financially in the absence of federal subsidies.

Water scarcity is no longer an issue only for the western United States. A primary reason for this change is the Green Revolution’s introduction of hybridized crops that are heavily dependent on water. Thus, water shortages are becoming more frequent as our freshwater resources are stretched thinner and thinner by the year; in fact, at least 36 states—most of which are outside of traditionally dry regions of the country—are anticipating water shortages in the next five years.

Much of the fertilizer applied to agricultural fields ends up as runoff that is leached into streams and rivers. Not only do these toxic chemicals ultimately move downstream implicating public health concerns, but these fertilizers also pollute water bodies and harm aquatic species and fishing communities that rely on those water bodies. Eutrophication, a condition of too much nitrogen or phosphorus, is a serious problem that occurs when rising concentrations of these chemical nutrients result in increased algal growth. As this algae dies, it takes oxygen out of the water for its process of decomposition. Therefore, as more algae is created from increased chemical nutrient levels in the water, less oxygen is available for phytoplankton and other organisms in the aquatic ecosystem. When the oxygen slips below a certain level, the water takes on the effects of hypoxia, or a shortage of oxygen. A hypoxic area quickly becomes a dead zone because fish and other mobile organisms leave due to the lack of oxygen and all other organisms die off and cause a food chain collapse.

The Effects of Commodity Agriculture on Our Nation’s Water

The largest example of hypoxia in the United States is the Gulf of Mexico Dead Zone, which is now longer than the distance between Washington, D.C., and Hartford, Connecticut. This dead zone is largely the result of commodity crop production and fertilizer application in the Corn Belt of the United States near the Mississippi River and other rivers that ultimately discharge into the Gulf of Mexico.
Aquatic ecosystems and water bodies are further degraded by sediment. When land is tilled, soil is loosened and much of that loose topsoil is eventually carried into streams and rivers by rain or irrigation systems. This sediment causes numerous problems for aquatic species that live, eat, and reproduce in lakes, rivers, and estuaries downstream of agricultural areas. Although sustainable farming practices can either slow or lessen the severity of erosion and soil runoff into our nation’s water, current Farm Bill policies do not generally encourage such practices. Starting with the Green Revolution, the American agricultural system favored large scale monocultures of hybridized crops to maximize yields and profits. These monocultures, with no diversity of crops to hold the soil in place, have played a large part in the severe sedimentation problem. If future sediment damage is to be limited in U.S. waters, monocultures must transition into well-planned polycultures.

Another problem with commercialized farming of commodity crops is the acute overuse of pesticides. With the Green Revolution, chemical pesticides became necessary for reaching the maximum yields of hybridized crops. For years, “the movement of pesticides into surface and ground water” has contaminated human drinking water and aquatic ecosystems. Further, “the sediments draining into waterways and reservoirs are often heavily contaminated with pesticides that there may be problems in disposing of them on land.” Agricultural pesticide use has led to “loss of fish productivity in contaminated freshwater such as the Great Lakes, losses of crustacea that provide human food in contaminated estuaries, and . . . decreased pollution” as bees and other pollinating insects are accidentally killed by the pesticides. Thus, the environmental toll of heavy pesticide use is wreaking havoc on our nation’s water resources and endangering our invaluable aquatic ecosystems. The last water-centered concern of commercialized agriculture is manure. Unlike the three water pollutants mentioned above, animal waste does not predominantly derive from farms themselves. Instead, most of the untreated animal waste comes from concentrated animal feeding operations (CAFOs), which are included in this article as a type of megafarm because: (1) CAFOs came into existence alongside the emergence of commodity crop mega-farms; (2) CAFOs are only possible because of the sheer surplus of corn grown on American farmland that can feed such large groups of animals for meat production; and (3) CAFOs are usually regulated through the Farm Bill and other agricultural policies. The Effects of Commodity Agriculture on Our Nation’s Land and Soil

Of the 2.3 billion acres of land in the United States, more than 900 million acres are cropland, prairies, or rangelands used and managed by our nation’s farmers and ranchers. Cropland alone makes up 442 million acres, which is one out of every five acres of land in the United States. As discussed earlier, agricultural policies stemming from the Green Revolution have resulted in increased farming on marginal lands and have contributed to degraded levels of soil erosion. Since the Farm Bill encourages the maximum production of commodity crops, many farmers grow corn and other subsidized annual crops without resting their fields or plowing in legumes to maintain their field soil. Instead, they lease their fields without opting for fallow seasons to rest the fields. In a matter of years, these devastating practices can render once productive cropland completely worthless.

Furthermore, better soil management practices are needed to sequester carbon. In addition to the loss of organic matter when erosion occurs from poor tillage methods, carbon dioxide (CO2) is also released. Soil absorbs and stores CO2. When soil is then tilled, especially by large machines that rip at the soil, pebbles, and other underground materials, the tilled organic matter in the soil absorbs oxygen from the air. Once exposed to oxygen, this organic matter decomposes and releases CO2 into the atmosphere. When erosion occurs, it carries the already decomposing topsoil away and exposes a new layer of topsoil to the decomposition process. Soil scientists note, “accelerated erosion reduces the ecosystem carbon pool, accentuates carbon emissions, and must be controlled effectively.”

The Effects of Commodity Agriculture on Our Nation’s Biodiversity and Wildlife Habitat

One biodiversity problem posed by industrial agriculture is the loss of wetlands, which are vital habitats for many different types of wildlife. Large farms often convert wetlands and wildlife habitat to croplands for commodity crop production. This conversion “is a classic market failure in which the costs to the farmer of converting the land to cropland do not include the costs imposed on society of reduced wildlife populations and reduced ecological services provided by the land.” As wetlands dry, so too do the important services provided by these ecosystems.

Further, as a consequence of both the Green Revolution’s dependence on chemicals and Secretary Butz’s “fencerow to fencerow” planting strategy, plant and animal species are finding it more difficult to survive the onslaught of agricultural insecticides, herbicides, and fertilizers, while also attempting to live in ever-smaller and more fragmented habitats. The impact of pesticides and other chemicals on aquatic species was discussed above, but these toxic substances also dramatically affect land species by impacting their rates of reproduction and potentially leading to death. Agricultural pesticides have led to a number of animal deaths in species that are not typically thought of as threatened by pesticides, namely eagles, hawks, owls, ducks, geese, and fish at all levels of the aquatic food chain. As more marginal lands are converted to commodity crop production, pieces of wildlife habitat are siphoned off chunk by chunk.

The main pollinator in the United States, the European honeybee, declined by more than 50% between World War II and 2004, and this “ Colony Collapse Disorder” hit new records in 2006 and 2007 as some beekeepers reported hive losses of up to 90%. Overapplication of ever-stronger pesticides is one of the four most likely rationales proposed by the U.S. Environmental Protection Agency (EPA) to explain the near disappearance of this extremely important pollinating species. Evidence shows that the honeybee is not alone in its rapid decline: “the continent’s thousands of native pollinators have suffered from the fragmentation of habitats and the extensive use of pesticides.”

The Effects of Commodity Agriculture on Our Nation’s Air Quality

The hybridized crops used in American farming since the Green Revolution are heavily dependent on large amounts of fossil fuels. Although gasoline and diesel tractors pre-dated the Green Revolution, they were not common until the Green Revolution spurred large grain-based monocultures in need of efficient tractors. Since the Farm Bill encour-ages regionalized agricultural monocultures to the exclusion of more sustainable local polycultures, the average food item now travels “approximately 1,500 miles from farm to table.” Until the public recognizes the true air quality costs of regionalized monocultures and large-scale transportation of farm goods, Congress will likely continue to write the Farm Bill to favor this unbalanced agricultural system that pollutes our air and leads to serious public health concerns.

How Climate Change Will Further Strain These Already Degraded Natural Resources

Few of our federal policymakers have perceived the link between agriculture and climate change. Currently, “the Farm Bill has no Climate Change title” to address farming’s contribution to climate change or to incentivize sustainable agricultural practices that can mitigate the impacts of climate change. Further, “few, if any, [Farm Bill] programs are currently tailored to changes in rainfall cycles, sea levels, air and water temperatures, and vegetation patterns, which scientific consensus insists will inevitably reshape agriculture and life as we know it.”

Several new studies are confirming that all forms of biofuel, not just ethanol, are having the unintended effect of “dramatically accelerating global warming, imperiling the planet in the name of saving it.” Despite these concerns, the 2002 Farm Bill included an energy title for the first time in the bill’s history which unsurprisingly did three things: (1) provided large subsidies for megafarm corn producers willing to cultivate the raw materials for our nation’s biofuel; (2) granted tax incentives to large corn ethanol farmers; and (3) imposed tariffs to protect American ethanol farmers from foreign competition from cheaper sugarcane biofuel producers.

As more farmers convert domestic cropland into ethanol production to maximize their Farm Bill subsidies, the environment stands to take an increasingly dramatic blow as more marginal lands are farmed with less ecologically sensitive farming practices. Conclusion

The Farm Bill originated as a temporary fix to protect small farmers during the farm crisis of the early 1980s. Although it met its primary goal of bringing the nation back to stability, the tide gradually turned as profit-seeking corporations coopted the Farm Bill and excluded the small farmer that the bill initially sought to protect. For nearly the past half-century, agricultural subsidies for a select few commodity crops have wreaked havoc on every facet of our nation’s natural environment as industrial farming has taken hold. The scars and bruises left on our nation’s environment in the wake of poor farming policies will take years to heal.

These are selected excerpts from a much longer paper available at [http://ssrn.com/abstract=1410880]. Eubanks wrote this as a part of a larger L.L.M. thesis at Vermont Law School.
The Politics of the 2012 Farm Bill

by Robert Paarlberg, Ph.D.

Is the politics of the farm bill process changing or not? Will this Committee be able to write another “business-as-usual” farm bill in 2012, or will political realities force a break from the past?

Historically, the Agriculture Committees of Congress have always been able to write the farm bill on their own terms, and I suspect this will remain the case in 2012. Nobody can “force” this Committee to make a change. Secretary Vilsack might want a break from the past, but Secretaries of Agriculture don’t write farm bills. In fact, Secretary Vilsack has said he will not even send Congress a suggested farm bill for 2012, only perhaps an outline of a bill. Presidents don’t write farm bills either. Remember that President Bush actually vetoed the 2008 Farm Bill, calling it “wasteful,” yet Congress passed the bill over President Bush’s veto by a wide margin of three to one in the House and six to one in the Senate. In fact, the 2008 Farm Bill was wasteful, given that it re-authorized expensive subsidies at a time when net farm income in the United States was 40 percent above the average of the previous 10 years. Yet the political reality remains: if the Agriculture Committees want an expensive business-as-usual farm bill, they can get one.

The continuing power of the Agriculture Committees over the farm bill process is at first puzzling, given that farming today represents less than one percent of GDP and that farmers are less than two percent of our labor force. The Agriculture Committees retain their power despite this sectoral shrinkage by employing what scholars of legislation call a “committee-based logroll.” They draft a bill that first unifies all farmers (Republican and Democratic, crop and dairy, Northern and Southern, etc.) by providing something for everybody. Then they recruit support from beyond the sector by adding benefits for non-farmers. In proportion to the relative decline of the farm sector over the years, the share of benefits provided to non-farmers has grown.

For example, the 2008 Farm Bill was made attractive to nutrition advocates through an added $7.8 billion in spending over 10 years for the Food Stamp Program (renamed SNAP), an added $1.26 billion for the Emergency Food Assistance Program (TEFAP), and $1 billion for a free fresh fruit and vegetable snack program targeted to schools with low-income families (in each of the 50 states). In the 1970s, several reform-minded Secretaries of Agriculture had proposed that such nutrition programs be handed over to the Department of Health, Education, and Welfare, but the Agriculture Committees kept them inside USDA, to broaden non-farm political support for the farm bill.

In the 1980s, environmental advocates were brought into the farm bill tent through the addition of several resource protection measures. A Conservation Reserve Program (CRP) in the 1985 Farm Bill gave growers cash rental payments for idling portions of their land. Later an Environmental Quality Incentive Program (EQIP) was added, paying farmers up to 75 percent of the incurred costs and income foregone for adopting certain conservation practices. While these payments to be “green” were primarily beneficial to farmers, they helped add new non-farm constituencies to the Farm Bill Coalition.

Advocates for organic food were brought into the coalition in 1990, when that year’s farm bill added a title that created an organic certification system. Increased subsidies for “alternative agriculture” are now used to soften criticism of the (vastly larger) subsidies provided to conventional agriculture. In the 2008 Farm Bill, support for the organic sector was expanded to include organic research and extension assistance, certification cost-sharing, and conversion assistance.

Supporters of international humanitarian assistance have also become an important part of the Farm Bill Coalition, thanks to the longstanding inclusion of a separate title for international food assistance programs. Title II of P.L. 480 (administered by USAID) has been funded at an average level of about $2 billion annually since the farm bill of 2002. It supports the operations of many U.S. private voluntary organizations working internationally in relief and development. This P.L. 480 program also brings in farm bill political support from the maritime lobby, since the law reserves for U.S.-flag vessels 75 percent of all gross tonnage of food aid shipped. A number of smaller international food aid programs (Food for Progress, Bill Emerson Humanitarian Trust, McGovern-Dole International School Feeding...
and Child Nutrition) are actually administered by USDA itself.

The something-for-everybody logroll approach has the advantage of keeping partisan paralysis to a minimum. For example, the legislation that eventually became the 2002 Farm Bill emerged from this Committee equally supported by Republicans and Democrats, without a single dissenting vote. The drawback to the logroll approach, however, is the final cost to taxpayers.

Outside the halls of Congress, a business-as-usual log-rolled farm bill in 2012 is likely to encounter several new kinds of pushback. Budget hawks and the recently energized Tea Party movement will probably pick up on President Bush’s concern that farm bills have become too expensive. Opponents of corporate agriculture will make a more vigorous case that farm subsidies are worsening our nation’s growing obesity crisis. And advocates for a new multilateral trade agreement in the World Trade Organization (WTO) will fight against any farm bill in 2012 that introduces new production distortions that might make an international agreement more difficult to reach. The new pushback from these various directions in 2012 will not be strong enough to determine what this Committee does, but it may impose a larger political price this time around for continuing a business-as-usual approach.

An Alternative Approach the Next Farm Bill

In view of the above circumstances, a business-as-usual farm bill in 2012 will invite wide and damaging criticism. To diminish or avoid that criticism, several alternative steps might be taken.

1. Spend less than the budget baseline. Leaders on this Committee have already committed to a 2012 Farm Bill that costs no more than the budget baseline. This is the right instinct, but our fiscal crisis has emerged because existing spending baselines are too high. It would be a bold and worthy step for this Committee to write a 2012 bill costing less than the baseline funds available. Recall that designing farm bills to capture every dollar of available baseline spending has led to shortsighted changes in the past. For example, in 1996 a switchover was made to de-coupled payments as a means to “capture the base” line at a time when high crop prices were reducing projected outlays under existing programs. Congress was unable to discipline itself to stick to the new system when crop prices subsequently fell.

2. Make caloric soda ineligible for purchase under the SNAP program. Subsidizing food give-aways, even healthy food give-aways, has never been a credible policy response to our obesity crisis. Nor is it any longer sustainable within our new budget limits. In the Senate, recently, the Agriculture Committee passed a child-nutrition bill with an added $4.5 billion in spending that had to be financed in part through cuts in EQIP spending.

A better approach would be to stop using the SNAP program to subsidize consumption of unhealthy products. Caloric soda, which is not a food, might be made ineligible for purchase using SNAP benefits (along with various other products such as alcohol, cigarettes, and pet food). Removing the soda subsidy from the SNAP program would help correct the impression that our nutrition programs are hostage to the interests of beverage industry.

3. Continue moving away from product-specific farm income support instruments such as counter-cyclical and loan deficiency payments. These distort production and trade. Replace these traditional instruments with whole farm revenue insurance. The 2008 Farm Bill made a move in this direction with the ACRE program, which protects farmers against declines in price and yield. The attraction of this approach is that taxpayer outlays only go up when prices or yields are going down. The limitations of the ACRE program are its link to current acreage and prices for specific crops, which might require that it be counted as production distorting in the WTO, plus the fact that the payments will be made against an artificially high price standard (the price levels that prevailed in 2008). Also, participation has been limited so far (only about 13 percent of eligible crop acres were enrolled in ACRE for the 2009 crop year) in part because of farm groups’ view that the statewide yield trigger and a reluctance to accept the reduced direct payments and lowered marketing assistance loan rates that accompany the program. If the traditional instruments were made less attractive (e.g., through comparable reductions in payments and loan rates) more large growers would move over to an ACRE-type system.

4. Commit a larger share of farm bill resources to rural public goods and agricultural research. Secretary Vilsack’s testimony to this Committee last month correctly stressed the value of supporting job creation and wellbeing in rural America—both on and off the farm—through increased USDA support for rural broadband, for regional food systems and supply chains, and for rural health and education. I would also stress the importance of food and agricultural research, a task we should not hand off completely to corporate labs. The private companies have produced some wonderful innovations (for example, the technologies that are now moving American agriculture to environment-friendly “precision farming”), but their money does not serve all crops or all farmers. The public sector should be playing a larger role. The 2008 Farm Bill took an important step in the right direction when it authorized creation of a new National Institute of Food and Agriculture, but NIFA doesn’t yet have an adequate research budget. NIFA’s agriculture and food research initiative (AFRI) competitive grant program was funded in FY2010 at only $262 million, only 1/90 the size of the Competitive grants programs of the National Institutes of Health.

In summary, this Committee will face an important set of choices when it begins drafting the 2012 Farm Bill. I believe this next farm bill should be approached as an opportunity to move U.S. food and agricultural policy into greater harmony with our fiscal and social needs, and with our larger national interests and international legal obligations. Many will be hoping for real change in the 2012 Farm Bill, beyond the standard business-as-usual committee-based logroll.

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The Weak Strategy of Sustainable Food and Farming

The US farm and food movement has made some strategic mistakes in recent years, because we haven’t worked together well enough. The main food movement has worked quite well with sustainable/stewardship farmers in the movement, but not well with the family-farm/justice sector.

One consequence is that the food movement (from books, blogs and films to conferences, to action alerts) has missed a chance to utilize powerful movement strategies.

For example, following the 2008 farm bill, around which the food movement usually did not correctly understand the Commodity Title/farm price and subsidy issues) we had a major economic crisis. Inside the beltway, our NGO staff worked hard to get us a piece of the economic stimulus pie, to get Democratic leaders to include us in the stimulus checks being written out. Our issues got some money FROM the government. Our DC organizational staff did not, however, have enough of the family farm justice, grassroots historical perspective to also offer a stimulus TO the government.

Now we have a new political climate and the focus is on hacking away at the budget. Once again this is a great time to be proactive and beat the Republicans and the Tea Party at their own game, by offering a stimulus TO the government, but that is still not understood. So here we are, we got some money here and there in the stimulus, and now we’re begging to keep government spending, across the various titles of the farm bill, for example. We were gimme, gimme gimme before, and we’re gimme gimme gimme again. “Write us checks! Write us checks!” That’s our only strategy for this time of economic crisis and balancing the budgets, because we don’t know that anything else exists.

The Stimulus We Offer: A Strong Alternative Strategy for Our Time

The core of our strategy should be to give the country a permanent economic stimulus that the government does not have to pay for. We had that in the past. The New Deal farm programs had no commodity subsidies, but instead used regulation to set a floor under prices and a ceiling over farm commodity prices. Price floors were set at 90% of parity, 90% of a fair trade, living wage price. There was no cheap corn, (and no corn subsidies,) 1942-1952 when US agriculture achieved parity every single year. There was no export dumping of cheap corn on Mexico (bottom side of price!) There were reserve supplies to put on the market to address price spikes (top side of price). Farmers got price support loans, but then farmers paid interest TO the government, the farmers did not receive commodity subsidies FROM the government.

At that time it was argued that one dollar in agriculture generated seven dollars across the economy, and created six jobs. That’s why the stimulus was enacted.
During the 1980s farm crisis, a version of this stimulus (this farm bill) was offered by Democrats in Congress as the Harkin-Gephardt Farm Bill. Today it’s offered in the Food from Family Farms Act of the National Family Farm Coalition (nffcf.net).

Over the years corporations have opposed this stimulus and forced the US to lose money on farm exports. Price floors were lowered 1953-1995 and then eliminated. Subsidies didn’t cause this, as can easily be proven. For example, there were no commodity subsidies during the early part of the declines in price floors and prices. There were no rice commodity subsidies until 1977! Most of the food movement knows nothing of this, and therefore, like corporate agribusiness (like Cargill and ADM, like Smithfield and Tyson CAFOs) are advocates for zero price floor positions.

The reason for these policies is that free markets and free trade do not work in agriculture. Farm commodity prices do not self correct on either the supply side (farmers) or the demand side (consumers). Commodity prices do not self correct on either the supply side (farmers) or the demand side (consumers). We need to return to policies and programs that regulate farm commodity markets. Then there will be no price floor positions.

Unfortunately, as long as this remains unknown in the food movement, most US advocates will unknowingly side with corporate agribusiness (zero price floors, zero supply reductions and reserve supplies, zero price ceilings). When that happens, it doesn’t just help farm subsidy advocates, it severely damages many other titles of the farm bill. When we ignore the real Commodity Title needs, and try only to get bigger checks for other titles, we actually cause a lot of damage, greatly increasing the need for money for other titles. We shoot ourselves in our feet, repeatedly. For example.

Shooting Ourselves in the Feet with “Gimme Gimme” Strategies

We need to return to policies and programs that regulate farm commodity markets. Then there will be no possible reason for the misguided approach of trying to pay compensations to farmers in rich countries for some of the massive losses of US policies of losing money on farm exports.

Unfortunately, as long as this remains unknown in the food movement, most US advocates will unknowingly side with corporate agribusiness (zero price floors, zero supply reductions and reserve supplies, zero price ceilings). When that happens, it doesn’t just help farm subsidy advocates, it severely damages many other titles of the farm bill. When we ignore the real Commodity Title needs, and try only to get bigger checks for other titles, we actually cause a lot of damage, greatly increasing the need for money for other titles. We shoot ourselves in our feet, repeatedly. For example.

Conservation Title: Cheap grain gives livestock in giant feedlots and animal factories a competitive advantage over grassfed meats from diversified farms. Farmers then plow up hay fields and pasture, which adds to the oversupply of cheap grain and cotton. Instead of having livestock harvest their own feed and spread their own manure (fertilizer) without fossil fuels, the system is unsustainable. Without clover and alfalfa, farmers then have to buy more nitrogen, in less sustainable forms, from commercial sources. Diversified smaller farmers, like you get with a good Commodity Title, are also better for local food systems. It makes no sense to create more of these problems and at the same time to fight for dwindling government money for conservation and sustainability.

Credit Title: More subsidized credit is needed if farm prices are allowed to be low most of the time.

Research Title: The incredibly cheap farm commodities that the farm bill Commodity Title made available to the agribusiness output complex 1981-2006 was a powerful stimulus for bad ag research, research that strongly favored concentration. The lack of market management caused that. You won’t fix that with the money that’s politically winnable in the Research Title (as the food movement, meanwhile, continues to support cheap corn policies, like zero price floors and no supply management).

Rural Development Title: The powerful economic stimulus of price floors with supply management is
especially valuable for rural areas. It cannot eliminate the need for a Rural Development Title, or any other title, but it can make massive contributions to rural development in many regions. A bad Commodity Title (zero price floors, etc.) devastates rural areas. To ignore that and just keep asking for more and more money to fix what continues to be broken is an incredibly stupid movement strategy, one doomed to failure.

Trade Title: The stimulus described above impacts farming countries worldwide, because the US is often the price leader, setting world prices. If we choose to make a profit (like OPEC in oil,) it’s the most powerful economic stimulus for Least Developed Countries, which are 70% rural. But when, long term, we have zero price floors and ceilings and zero supply management/reserve supplies, we usually create massive poverty, massive needs for food aid. Note also that these policies give topside protection to address spikes in wheat, rice, corn, and other prices. They [spikes] too cause enormous damage. We can’t possibly win enough money to make up for the damage we typically cause with mere subsidy reform policies, (zero price floors & ceilings and supply management including reserves.) The policies I’m favoring are endorsed by the Africa Group at WTO and by La Via Campesina, the world peasant movement, but not most of the US food movement (so far).

Nutrition Title: The low prices of zero price floor etc. policies, damage food by subsidizing transfats, high fructose corn syrup and CAFO meats. Our movement had had the very bad strategies of ignoring the need for price floors to address nutritional problems, while calling for the government to write out checks to fix food. Our own movement has been inadvertently endorsing minor or “major” subsidy reforms that do essentially nothing about the giant free market problems related to bad food. Additionally, the economic stimulus I’m describing helps to reduce poverty and create jobs, helping to counteract the rise in need for food stamps, especially in rural areas. It also puts a ceiling on top of farm prices, to protect low income consumers.

In all of these ways, the strategy of ignoring the Commodity Title market management reforms of NFFC is a way to shoot ourselves in our feet (ie. various farm bill titles).

Our strategy must be that, unlike the Republicans and (Democrats since 2002), we’re asking for the US to make a profit on farm exports. Unlike them, we’re asking for less long term spending on the Commodity Title AND an economic stimulus that comes from the private sector, (not a government check,) with help from appropriate government regulation (Commodity Title and Livestock/Concentration/Antitrust Title).
Every five years, the $300 billion Farm Bill lays a foundation for how healthy Americans will be. It creates the “default” conditions for what we eat and what foods America produces. Its largest slice, the Nutrition Title, governs foods bought and eaten by lower-income Americans receiving food assistance. More than a Farm Bill, we urge a healthy “Food Bill”—a critical step for Americans on the path to healthier eating, living and food production.

Farming takes place within a broader, integrated ecosystem. A healthy food system therefore also must be sustainable—one that promotes the health of individuals in addition to the long-term economic health of communities and farmers, and the health of the environment and future generations.

A Healthy Farm Bill should support goals and programs that:

- **Healthy.** Food production should be safe and healthy for farmers and workers. Healthy food systems are those taking into account health impacts across the entire lifecycle of how food is produced, processed, packaged, labeled, distributed, marketed, consumed and disposed.

- **Fair.** It supports fair conditions for individual farmers, workers and eaters within the food system. Fair means more than providing all Americans access to affordable, healthy food—fair prices and wages also create more just communities, urban and rural. Finally, fair means creating a food system today that ensures healthy food for future generations.

- **Sustainable.** Because food is essential for life, unsustainable conditions for producing food are not healthy. A healthy, sustainable food system conserves, protects and regenerates natural resources, landscapes and biodiversity so that present and future food needs can be met.

- **Resilient.** Resilient food systems are those best prepared to withstand and thrive in an age of unpredictable climate, increased pest resistance and declining, increasingly costly water and energy supplies. Resilience is a prerequisite for the long-term health of the food system.

- **Diverse.** A diverse food system supports resilience, sustainability and health. Maintaining genetic diversity across plants and animals supports future resilience. Geographic diversity means a food system reflecting true regional differences in natural resources, climate, customs and heritage. Because it lends resilience, a diverse food system in terms of genetics, region and scale will be more sustainable. A food system diverse in the types of foods produced, scale and kind of production means all Americans will have access to a variety of healthy food choices.

- **Economically Balanced.** Provides economic opportunity that is balanced across the nation’s geographic regions, and at different scales of activity, from local to global, for a diverse range of food system participants. Affords farmers and workers in all sectors of the system a living wage.

- **Translucent.** Farmers, workers and eaters are empowered to actively participate in decision-making across all parts of the food system, and share in opportunities to gain an understanding of how their food is produced, transformed, distributed, marketed, consumed and disposed.

Informed by deliberations of the Healthy, Sustainable Food System Collaboration, comprised of the American Public Health Association, the American Dietetic Association, the American Planning Association and the American Nurses Association. Only the individuals or organizations signing the charter should be construed as endorsing it. Healthy Food Action is a project of the Institute for Agriculture and Trade Policy (IATP).
rafting a New Farm Bill

by Jack Kittredge

If you are still with us by now, gentle reader, you must be seriously interested in how we as a nation can craft a Farm Bill which works to make us stronger, freer, and wiser.

There is no dearth of proposals. Some of the briefer and more cogent ones we have reprinted in full. Others I will summarize here.

Of course all need to be read with the understanding that:

1) The individual or organization or coalition proposing them represents only a portion of the diverse group of farmers and farm organizations that have worked for farm bills in the past. No single proposal is going to be broadly representative, and most will be promoting very specific interests, however noble.

2) The political climate in Washington is a new and harsher one for most spending proposals. What can be accomplished before the 2012 elections will reflect a new sense of fiscal restraint (some would use harsher words).

There is a wide awareness among informed people that the farm bills of the recent past have produced undesirable side effects: high fructose corn syrup, factory farming, obesity, monoculture, tax subsidies to the wealthy. Whether it is the writings of people like Michael Pollan, films like Food Inc. or King Corn, or interest in the local food movement, there is a broad constituency for a different kind of farm bill in 2012—more supportive of healthy crops, more targeted to smaller operations, and promoting organic and alternative and ecologically-conscious methods.

Mark Bittman, columnist for the N.Y. Times, for instance, suggests the current $5 billion in annual subsidy money could be reprogrammed for research in sustainable agriculture methods, incentives for the 100,000 new farmers we need to attract to the occupation, purchase of development rights to keep farmland in agriculture, support for production of fruits, vegetables and other healthful crops, and bulldozing the playing field until it is flat enough for medium-sized farms to compete with agribusiness.

Even the president of the Iowa Farm Bureau, dairyman Craig Lang, has called for ending direct payments. “Everyone has got to share in the pain, including farmers,” said Mr. Lang. Quite a statement coming from the head of the Farm Bureau in a state that has received more subsidies than any except Texas.

The National Organic Coalition (www.nationalorganiccoalition.org), which represents NOFA and other organic farming groups in Washington, is pushing for provisions that deal with pressing concerns of organic farmers:

• Keeping the National Organic Program adequately staffed and funded to enforce strong organic standards.
• Supporting and increasing USDA’s subsidy of a portion of organic farm certification fees.
• Expanding opportunities for organic farms to easily qualify for Conservation Security Program assistance.
• Bringing National Resource Conservation Service people and programs into closer alignment with organic farming methods.
• Setting standard payment limits for Environmental Quality Incentive Program so organic farms are treated equally.
• Establishing an Institute for Seeds and Breeds to focus on classical breeding methods to develop varieties equipped to deliver nutritional advantages, address abiotic stress, and adapt to climate changes. The Institute would encourage multi-disciplinary breeding teams, create Farmer-Breeder programs, and assure rapid availability of new products to cultivators and animal breeders to farmers.
• Increasing mandatory funding for organic research commensurate with organic food’s retail market share, including rural development and food safety research.
• Eliminating such charges and other provisions discriminating against organic crops in federal crop insurance programs.
• Establishing a liability regime for farmers to receive compensation for GMO contamination from GE seed producers, and
• Maintaining competitive markets so family farmers in the evolving organic industry are not disadvantaged in negotiating price and contract terms with large corporate buyers.

The Community Food Security Coalition (www.foodsecurity.org), of course, has circulated a discussion draft of what it would like a new farm bill to do:

• Improve access to healthy food, particularly for low income people, through encouraging fruit and vegetable consumption in the nutrition programs.
• Build local and regional food systems with farmers markets, food policy councils, community-based agriculture opportunities, etc.
• Encourage rural-urban linkages at the USDA as well as at other federal agencies.

The National Sustainable Agriculture Coalition (www.nsfed.org) has also weighed in with policy proposals, “to achieve a healthier, more just and environmentally sustainable food and farming system.” They list a broad set of values and objectives that promote the following:

• Incentives to farmers for providing environmental and climate change mitigation benefits.
• Fair competition, widespread small and mid-size farms, including beginning and disadvantaged farmers, and
• Local and regional food systems, diversification and specialty crop production, public health and food security.

To get there, NSAC advocates:

• Money for conservation, farmland preservation, sustainable and organic transition assistance.
• Rewarding farmers for environmental and climate benefits of their farming systems.
• Assuring that farm program and crop insurance recipients are achieving soil and water protection.
• Creating climate-friendly programs that recognize the value of sustainable and organic systems for the climate.
• Increasing research efforts in sustainable and organic systems and viability for small and medium-sized farms.
• Public breeding initiatives for regional cultivars and sustainable economic and community development.
• Facilitating regional entrepreneurship and community development.
• Reinventing local and regional food systems through processing and distribution channels for smaller farmers and healthier foods.
• Ensuring fair, competitive and viable agricultural markets.
• Support beginning and disadvantaged farmers through significant investment in programs that facilitate access to land, assistance and markets, and identify and remove barriers to participation.
• Maintain farm credit options and innovative farm financing, and
• Create workable crop and whole farm revenue insurance options for diversified operations, value-added agriculture, direct marketing and organic farms, and new farmers.

Food & Water Watch (www.foodandwaterwatch.org) is a consumer group that has taken thoughtful positions on agricultural issues and stands for a vibrant and fair family farming future for our rural areas. They call for:

• Breaking up the agribusiness monopolies through the anti-trust power of the government to create a level playing field,
• Restoring agricultural reserves to prevent speculation from driving up food prices,
• Conservation programs that improve biodiversity, minimize pollution, and preserve resources, and
• Helping farmers shift to sustainable and diversified practices.

The American Farmland Trust (www.farmland.org) has for many years helped protect farm land from sprawl and development under the stewardship of the 2002 farm bill will continue that tradition. They urge that the bill:

• Make farm land preservation a national commitment,
• Remove market-distorting commodity payments and link farmer safety-nets and production incentives to conservation goals,
• Advance environmental stewardship goals by promoting farm income streams linked to environmentally sound practices e.g. the ecosystem service market,
• Support new opportunities for farmers via value-added, innovative production and marketing strategies, on-farm improvements, and new products.
• Convet 13 million acres to growing fruits and vegetables to properly feed all Americans.

These proposals, of course, deal only with the agricultural and rural development aspects of the bill. The vast majority of farm bill funding, as you know if you have read this far, goes to the nutrition programs. In a time of recession or worse, many feel that cutbacks in food stamps, school lunches, and community food security, for example, seem shortsighted. There are vocal defenders of each of these programs who make thoughtful arguments that they should be increased rather than reduced. But this takes us beyond the scope of what can be covered here.
What Can We Get from the Farm Bill?

by Elizabeth Henderson

The Natural Farmer

Hives? Many chances to attend meetings, rallies, fly-ins and respond to alert actions?

Seriously, at this time it is hard to say concretely where things will go with the Farm Bill given the current cutting frenzy. Organic and sustainable agriculture has been in the crosshairs for the last three or four decades as we have seen the growth of fast food and other food delivery systems that are dominated by agribusinesses. Yet as the world has changed and consumers have become more aware of the environmental costs of food production, there has been a demand for more organic and sustainable food production. The Farm Bill is the main vehicle for making these changes happen.

In the current cutting frenzy, organic and sustainable agriculture is at risk of being cut out of the Farm Bill. The Farm Bill is the main source of funding for organic and sustainable agriculture, and it is crucial for the growth of these sectors. The Farm Bill includes funding for programs such as the Organic Production Research and Education Initiative (OPREI), the National Organic Transition Program (N_OTP), and the Organic Certification Cost Share Program (OCSCP).

For OPREI, NOC wants certification paper work to serve as the basis to give easier access for organic farmers. For CSP, NOC would like changes in CSP and EQIP regulations that would allow for funding of organic and conservation programs. But no one is promising that the cuts will go this way. The nutrition programs that take up the major portion of Farm Bill money are dangerously vulnerable. While the Farm Bill is massive, covering commodities, conservation, nutrition programs, market concentration, farming opportunities, foreign food aid, and much more, it does not cover trade, immigration, taxation and financial policy, or anti-trust—all major determinants of what happens in the food system. A comprehensive program to transform our food system needs to address the activities and behavior of many government departments, not just USDA.

As just one example of the limits of the Farm Bill, the free trade agreements have opened our borders to imports of fruits and vegetables. As just one example of the limits of the Farm Bill, we have seen the opening of our borders to imports of fruits and vegetables. The result for US farmers has been dramatic. According to the Organic Farming Research Foundation (OFRF), NOC wants organic to get a fair share of the $300 billion Farm Bill. This is important because many of NOC’s top priorities will not require much additional funding; instead, the goal is to redirect existing programs to benefit organic farmers and farmers who use sustainable farming practices. Along with the Organic Farming Research Foundation (OFRF), NOC wants organic to get a fair share of the free trade agreements’ benefits. The NOFA manual series.

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The leadership of NSAC and NOC are masterful at calculating what is practical in the short term and what we can guide us in retaining our gains and maybe even adding a few new pieces like Sander’s CSA support legislation. The National Organic Action Plan (NOAP) to which many NOFA people contributed contains longer term proposals that take us in the right direction. However, for us to be fully energized and attract the many new allies we need to make real changes, the government needs to project our vision boldly. We should prepare for the day when the unexpected and unpredictable occurs. The tipping point. Any day now, an earthquake on Wall Street could set off that tsunami of action that will sweep away corporate power and bring about the self-reliant, interdependent cooperative communities for which we have prepared the ground.

In conclusion, my hunch is that we will not whip up the noisy, passionate movement it will take to protect gains made so far if that is our entire program. But stranger things have happened. Seriously, at this time it is hard to say concretely where things will go with the Farm Bill given the current cutting frenzy. Organic and sustainable agriculture has been in the crosshairs for the last three or four decades as we have seen the growth of fast food and other food delivery systems that are dominated by agribusinesses. Yet as the world has changed and consumers have become more aware of the environmental costs of food production, there has been a demand for more organic and sustainable food production. The Farm Bill is the main vehicle for making these changes happen.

Another example of Farm Bill limitations - by all accounts, 60% of the farm work force consists of undocumented workers. Recent comic-tragic scenes from Georgia where state government is urging farmers to hire paralee workers as farm workers highlight the predicament. At one farm, one paralee murdered it through the day picking cukes, but only because the Mexican workers helped him carry his last buckets to dump in the bin. Homeland Security is coming down on employers, including farmers, forcing the firing of undocumented workers or the boss goes to jail. Yet immigration reform is not on the DC agenda. The NSAC Diversity Committee has an important Farm Bill proposal that would extend access to disaster funds to farmworkers.

The most expensive NOC proposal is the Institute for Food and Agriculture (NIFA) to liberate the House and Senate Agriculture Committees will probably delay any Farm Bill mark ups until 2012. Will there be a massive swing to local and regional food production controlled by smaller scale farms, food businesses and cooperatives? My guess is not this year or next. But stranger things have happened.

For the coming Farm Bill, the sustainable agriculture/organic environment may find itself with right wing libertarians like Ron Paul as allies in the effort to hack disaster funds to farmworkers. But stranger things have happened. Serious, at this time it is hard to say concretely where things will go with the Farm Bill given the current cutting frenzy. Organic and sustainable agriculture has been in the crosshairs for the last three or four decades as we have seen the growth of fast food and other food delivery systems that are dominated by agribusinesses. Yet as the world has changed and consumers have become more aware of the environmental costs of food production, there has been a demand for more organic and sustainable food production. The Farm Bill is the main vehicle for making these changes happen.
Money Where Our Mouths Are
by Ken Cook
Environmental Working Group President

Food and agriculture policy always comes down to money: how federal dollars will be prioritized and spent. If anyone missed the meaning of this dynamic, 2010 provided at least two. The lesson to be drawn from both is very simple. If “citizens” (as in taxpayers) don’t stand up in politically significant numbers to demand different priorities, the farm subsidy lobby and other vested interests will maintain their iron grip on spending for programs that those in the good food movement don’t like. At the same time, the entrenched lobbies will slash or block the investments in healthy eating and conservation that sustainable farming advocates embrace.

Lesson 1: School lunch eats into food stamps.

President Obama proposed adding an average of a billion dollars a year ($10 billion total) to the school lunch program as part of the Child Nutrition Act reauthorization. He had to settle for less than half of that. But under the “pay-as-you-go-rules” of the last Congress, any increase had to be offset by either dedicated tax revenues or spending cuts in other programs. The president proposed no specific offset, and Congress eventually opted to cut spending. At one point, the school lunch increase was going to be funded through cuts to food stamps as well as conservation programs that protect clean water sources.

What about cutting the millions in federal payments to the largest growers of corn and soy who lobby and other vested interests will maintain their iron grip on spending for programs that those in the entrenched lobbies will slash or block the investments in clean water, but what we need to do is to build the lobbying and grassroots muscle to turn ideas into funded realities. That means taking on the subsidy lobby; for instance, taking a bite out of the $5.2 billion per year in direct payment crop subsidies going to the wealthiest landlords and farmers in a period of record earnings for those crops.

Nothing wrong with blogging, but to paraphrase Truman Capote, that’s not advocacy. That’s typing. Unless we’re willing to settle for budget crumbs or cuts in programs we favor, reformers are going to have to step up with offset ideas and build a winning case for them.

At EWG, we’re not willing to settle for crumbs or cuts in programs that have either been perennially underfunded or are new and needed but just happen to fall outside the perquisites of the subsidy lobby. We plan to information, organize and fight hard for a fairer, healthier, environmentally sounder food and agriculture system.

We need phones to ring. We need warm bodies to show up—with attitude. You know, like the Tea Party.

Think of it this way: after all the hype in recent years about our broken food system, reformers couldn’t prevail on Congress to adopt President Obama’s decidedly measly spending increase to improve school lunch for America’s kids without cutting food assistance for poor people. That increase could have been paid for with a modest cut in waste- ful direct payments to the most prosperous agriculture operators. In fact, EWG proposed exactly that alternative to the Senate’s original proposal to cut both the food stamps program and conservation.

No takers.

That tells us something about the hard work ahead in the much tougher budget and political environment of 2011-2012. But the advocacy community has risen to this farm bill challenge before and won. We can do it again.

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Seattle Farm Bill Principles

Supporting Healthy Farms, Food and People

Guidance for the 2012 Farm Bill

Health-centered Food System — The driving principle of the Farm Bill must be the relationship of food and ecologically sound agriculture to public health. Food that promotes health includes fruits, vegetables, whole grains, nuts, seeds, legumes, dairy, and lean protein. Improving the health of the nation’s residents must be a priority in developing policies, programs, and funding.

Sustainable Agricultural Practices — Promote farming systems and agricultural techniques that prioritize the protection of the environment so that the soil, air, and water will be able to continue producing food long into the future. Integral to both domestic and global agricultural policies should be agricultural techniques and farming practices that enhance environmental quality, build soil and soil fertility, protect natural resources and ecosystem diversity, improve food safety, and increase the quality of life of communities, farmers and farm workers.

Community and Regional Prosperity and Resilience — Enhance food security by strengthening the viability of small and mid-scale farms, and increasing appropriately scaled processing facilities, distribution networks, and direct marketing. Develop strategies that foster resiliency, local innovation, interdependence, and community development in both rural and urban economies. Opportunities that create fair wage jobs are key to a strong economy.

Equitable Access to Healthy Food — Identify opportunities and reduce barriers by developing policies and programs that increase the availability of and improve the provision of healthy, affordable and culturally-relevant food to urban, suburban, and rural populations. Protect the nation’s core programs that fight food insecurity and hunger while promoting vibrant, sustainable agriculture.

Social Justice and Equity — The policies reflected in farm Bill must improve the livelihoods of many people, both in the U.S. as well as abroad. Develop policies, programs, and strategies that support social justice, worker’s rights, equal opportunity, and promote community self-reliance.

Systems Approach to Policymaking — It is essential to reduce compartmentalization of policies and programs, and to approach policy decisions by assessing their impact on all aspects of the food system including production, processing, distribution, marketing, consumption, and waste management. Commit to the implementation of policies and programs that align expected outcomes to meet the goal of a comprehensive health focused food system.

The Seattle Farm Bill Principles were initiated by the Seattle City Council President as part of the Seattle Local Food Action Initiative. The founding cosigners include civic leaders in Seattle and Washington farmers who believe it is important to create a healthy food system, strengthen the connections between our urban, suburban and rural communities, and support sustainable agriculture. Available at www.SeattleFarmBillPrinciples.org

Agroecology Can Double Food Production in 10 Years

“Agroecology is a knowledge-intensive approach. It requires public policies supporting agricultural research and participative extension services,”

Small-scale farmers can double food production within 10 years in critical regions by using ecologically sound agricultural practices. Based on an extensive review of the recent scientific literature, the study calls for a fundamental shift towards agroecology as a way to boost food production and improve the situation of the poorest.

“To feed 9 billion people in 2050, we urgently need to adopt the most efficient farming techniques available,” says Olivier De Schutter, UN Special Rapporteur on the right to food and author of the report. “Today’s scientific evidence demonstrates that agroecological methods outperform the use of chemical fertilizers in boosting food production where the hungry live — especially in unfavorable environments.”

Agroecology applies ecological science to the design of agricultural systems that can help put an end to food crises and address climate-change and poverty challenges. It enhances soils productivity and protects the crops against pests by relying on the natural environment such as beneficial trees, plants, animals and insects.

“To date, agroecological projects have shown an average increase of 66% in 57 developing countries, with an average increase of 116% for all African projects,” De Schutter says. “Recent projects conducted in 28 African countries demonstrated a doubling of crop yields over a period of 3-10 years.”

“Conventional farming relies on expensive inputs, fuels climate change and is not resilient to climatic shocks. It simply is not the best choice anymore today,” De Schutter stresses. “A large segment of the scientific community now acknowledges the positive impacts of agroecology on food production, poverty alleviation and climate change mitigation — and this is what is needed in a world of limited resources. Malawi, a country that launched a massive chemical fertilizer subsidy program a few years ago, is now implementing agroecology, benefiting more than 1.3 million of the poorest people, with maize yields increasing from 1 ton/hectare to 2.3 tons/hectare.”

The report also points out that projects in Indonesia, Vietnam and Bangladesh recorded up to 92% reduction in insecticide use for rice, leading to important savings for poor farmers. “Knowledge came to replace pesticides and fertilizers. This was a winning bet, and comparable results abound in other African, Asian and Latin American countries,” the independent expert notes.

“The approach is also gaining ground in developed countries such as United States, Germany or France,” he said. “However, despite its impressive potential in realizing the right to food for all, agroecology is still insufficiently backed by ambitious public policies and consequently hardly goes beyond the experimental stage.”

The report identifies dozens of measures that States should implement to scale up agroecological practices.

“Agroecology is a knowledge-intensive approach. It requires public policies supporting agricultural research and participative extension services,” De Schutter says. “States and donors have a key role to play here. Private companies will not invest time and money in practices that cannot be rewarded by patents and which don’t open markets for chemical products or improved seeds.”

The Special Rapporteur on the right to food also urges States to support small-scale farmer’s organizations, which demonstrated a great ability to disseminate the best agroecological practices among their members. “Strengthening social organization proves to be as impactful as distributing fertilizers. Small-scale farmers and scientists can create innovative practices when they partner,” De Schutter explains.

“We won’t solve hunger and stop climate change with industrial farming on large plantations. The solution lies in supporting small-scale farmers’ knowledge and experimentation, and in raising incomes of smallholders so as to contribute to rural development.”

“If key stakeholders support the measures identified in the report, we can see a doubling of food production within 5 to 10 years in some regions where the hungry live,” De Schutter says. “Whether or not we will succeed this transition will depend on our ability to learn faster from recent innovations. We need to go fast if we want to avoid repeated food and climate disasters in the 21st century.”

This release is from the office of Olivier De Schutter who was appointed the Special Rapporteur on the right to food in May 2008 by the United Nations Human Rights Council. He is independent from any government or organization. The report “Agro-ecology and the right to food” was presented in March, 2011, before the UN Human Rights Council in Geneva. The document is available in English, French, Spanish, Chinese and Russian at: www.srfood.org and http://www2.ohchr.org/english/issues/food/anual.htm
Agriculture in the United States and many other countries is at a critical juncture. Public investments and policy reforms will inform landscape management practices to be used by farmers and ranchers for sustaining food and ecosystem security. Although many farmers in the United States suggest that technical obstacles are not the greatest barrier. Rather, change is hindered by contract requirements of food processors and retailers. Meanwhile, consumer food consumption habits associated with modern life-styles have sustained mainstream farming systems and food markets and have contributed to a national obesity and health crisis. Part of transforming U.S. agriculture is educating more consumers to take responsibility for what they eat and how much they eat.

Consumer demand is also growing for more environmental and social accountability from farmers, including considerations of animal welfare, ecosystem services, worker safety and welfare, and resource conservation. In response, “value-added traits” and “sustainability brands” have emerged in the marketplace, e.g., U.S. Department of Agriculture Certified Organic and Food Alliance Certified. U.S. and global markets for these value-added traits have driven the spread of local, organic, and grass-fed livestock systems. Market forces could be accelerated through public-policy incentives.

Policy Incentives

Many international, federal, state, and local agricultural, credit, energy, risk-management, and environmental policies influence farmer decisions. A major policy driver for U.S. agriculture is the Farm Bill, traditionally renewed roughly every 3 to 5 years, with the next version expected in 2012. The best-funded provisions of the Farm Bill include financial assistance for farmers to chase food; commodity subsidies paid to farmers (mostly for corn, cotton, rice, soybeans, and wheat); crop insurance and disaster relief; and conservation programs. Although U.S. farmers receive commodity or conservation payments under the Farm Bill, it has a major influence on what, where, and how food is produced.

Most elements of the Farm Bill were not designed to promote sustainability. Subsidies are commonly criticized for distorting market incentives and pushing our food system overly dependent on a few grain crops mainly used for animal feed and highly processed food, with deleterious effects on the environment and human health. Redesigning the bill will be a complex undertaking in light of political and budgetary constraints, as well as knowledge gaps between what the information needed for Farm Bill redesign is available and not being used. Spending needs to be reduced on programs, such as subsidies, that mask market, social, and environmental risk associated with conventional production systems. Funding needs to be reallocated to encourage markets for sustainability brand products (e.g., by standardizing and defining sustainable product attributes) and to increase support for farming systems that balance all four sustainability goals and are more resilient to resource scarcities and global market variability.

With a new version of the Farm Bill due next year, we think the time to start reform is now. In addition, progress on other policy drivers needed to address conflicting incentives and unintended consequences. Unless we integrate agricultural sustainability into debates over biofuels and other energy policies, climate change, trade agreements, immigration reform, and environmental regulation, we are unlikely to see major changes in policies that created and continue current problems.

Agricultural Science and Knowledge

The publicly funded agricultural science portfolio could be reoriented toward agricultural sustainability, as this research is less likely to yield marketable inventions for private agribusinesses. The bulk of public and private agricultural science in the United States is narrowly focused on productivity and efficiency, particularly on technologies that fit into existing production systems and lead to private benefits. A major vehicle for public agricultural research should be the National Institute of Food and Agriculture (NIFA). Despite NIFA efforts to solicit proposals addressing sustainability, most NIFA and other federal research grants promoted short-term and narrow support incremental research. What is needed is reallocation of public funds to support transdisciplinary systems research that explores such interlocking issues as food productivity and resilience at field, farm, and landscape scales.

Transition toward transformative agricultural systems currently rests on a sustainable farming knowledge base developed largely by farmers and nonprofit organizations independent of traditional scientific institutions. Agricultural science and farmers would benefit from an easily accessible information database of farm innovations. Moreover, pilot projects could be funded by reallocation of Farm Bill subsidies to measure multiple sustainability indicators on conventional and innovative farming systems at the landscape or watershed scale.

Final Recommendations

To make difficult choices among competing goals requires public policy attention to food, and agriculture we want, in addition to identifying the roles of markets, policies, and science in delivering them. Successful implementation will require policy drivers to address sustainability, most NIFA and other federal research policies, and science by Science Magazine on May 6, 2011. U.S. Congress every 4 to 5 years, with the next version expected in 2012. The best-funded provisions of the Farm Bill include financial assistance for farmers to chase food; commodity subsidies paid to farmers (mostly for corn, cotton, rice, soybeans, and wheat); crop insurance and disaster relief; and conservation programs. Although U.S. farmers receive commodity or conservation payments under the Farm Bill, it has a major influence on what, where, and how food is produced.

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Money Talks; Hunger Doesn’t
by Don Carr

America is emerging from a financial calamity that claimed millions of jobs. Hundreds of thousands of families struggle every day just to feed their kids. The current economy has increased pressure on the government to reduce spending and rein in the mounting federal deficit. But not everyone is feeling the pain. US agriculture hit a minor pothole in 2009 but came roaring back in 2010. Federal projections indicate that farm income may hit a new peak again this year.

So as budget cutters look for places to trim spending in the farm bill, the lavish direct payments made to the wealthiest growers, even in these very good times, for farming, seem to us like a good place to start.

But Sen. Pat Roberts (R-Kan.), the ranking Republican on the Senate Agriculture Committee, thinks a better place to find cuts is the Supplemental Nutrition Assistance Program or SNAP, better known as food stamps.

In a call to the annual meeting of the Crop Insurance Research Bureau in Indian Wells, Calif., Roberts noted the presidential debt commission report, which proposed cuts to many programs including farm subsidies, did not recommend cutting nutrition programs.

“They are picking what they call farm subsidies rather than look at the total agriculture budget,” Roberts said.

Missouri’s Roy Blunt – the new senior Republican on the Senate Appropriations Subcommittee on Agriculture – agreed with Roberts on cutting food stamps.

“Are there better ways to deliver the food assistance programs without assuming that they just are un-touchable and we’ll just look at the 25 percent that impacts direct payments and farm families and rural communities and cut that and take everything out of that?” Blunt offers.

Blunt says direct payments are lower now because of higher commodity prices and he advocates keeping programs in place that encourage farmers to continue to compete in the marketplace.

“It’s too bad that Sen. Blunt can’t get his facts straight. Direct payments are not affected by commodity prices. The very reason why direct payments are so egregious is that they are fixed and automatic and go out regardless of need, in good times and in bad. It is only other farm subsidy programs – such as counter cyclical and loan deficiency payments – that have been paying less because of higher commodity prices. But any savings from these two programs have been wiped out by the exploding cost of the heavily subsidized crop insurance program.

One of the best lobbyists in the business, the American Farm Bureau’s Mary Kay Thatcher, wisely offered no endorsement of the idea of cutting food stamps. She also touched on factors that should give pause to any lawmaker who believes that wealthy agribusinesses and the industrial food system need government support ahead of the hungry.

Anti-hunger advocates are going to remind the public that unemployment remains at more than 9 percent. Thatcher said, and 43 million people — one in seven Americans — are on food stamps. Additionally, she said, one of every eight Americans is lining up at food banks.

She noted a future increase in the food stamp budget that was in the economic stimulus package was cut twice this year when Congress decided to pay teachers’ salaries and pass the child nutrition bill. She also recalled that Agriculture Secretary Tom Vilsack has said that food stamps help many millions of people, while farm subsidies go to about 1 million people.

“If you think we can prevail against the nutrition

community in the upcoming debate, think again,” Thatcher said.

Since Roberts and Blunt seem bent on ignoring Thatcher’s sound advice, it’s worth it to take a closer look at the numbers for Kansas and Missouri.

According to the US Department of Agriculture, there were 44,540 subsidized farms in Kansas in 2009 and the average monthly food stamp enrollment was 219,265 people. The average yearly benefit for food stamp households was $3,024. The average yearly federal subsidy for the largest farms, those in the top 10 percent, was $25,834. And that top 10 percent of mega farms collected 69 percent of all subsidies.

The USDA numbers tell a similar story in Missouri. The state had 45,366 subsidized farms in 2009 and 800,909 food stamp recipients. The average yearly benefit for food stamp households was $3,156. The average yearly federal subsidy for the top 10 percent of farms was $21,132.

Wondering why these senators kowtow to the ag lobby and protect lavish direct payments to farmers in a booming agriculture sector when a far larger number of their constituents benefit from food stamps?

According to Open Secrets, over his career Blunt has received $1,347,853 in campaign contributions from agribusiness. Senator Roberts’? He’s pulled in a tidy $1,758,728 in agribusiness-related campaign support.

Everyone agrees that America’s farmers are critical both to feeding us and to the overall economy. They face many challenges, including unpredictable weather and market forces beyond their control. Yet 62 percent of farmers face these challenges without collecting direct subsidies.

For 43 million Americans, however, food stamps are often the only thing between them and a table full of hungry kids.

Originally published online in Food, Subsidies.
The United States farm bill is a major force in modern life. It shapes what we eat, who gets wealthy, what happens to our air, soil and water, and whether Third World young people can make a living raising food.

This issue contains news, features, and articles about organic growing in the Northeast, plus a special supplement on The 2012 Farm Bill.