

Farm Bill 101

As Congress gears up to reauthorize the farm bill next year, the stakes are high.

by Daniel Imhoff

By law the US farm bill is due for its regular five- to -seven-

year renewal on September 30, 2012. For Americans concerned about the confluence of food, farming and federal policy, the political spectacle can be enlightening and frustrating. At its best the farm bill is an important opportunity to bring about remedies to the myriad problems with today's agriculture and food system. It largely determines what crops farmers plant, shapes meal and snack programs for 30 million students and funds the country's largest private land conservation efforts. But at its worst the farm bill, along with the many forces that shape it, perpetuates the counterproductive policies and priorities of American agriculture.

The farm bill is also a good measure of the country's economic situation. This year it will dole out more than \$70 billion in food stamps, under the Supplemental Nutrition Assistance Program (SNAP). A minimum-wage-supplement program in practice, food stamps are what lawmakers who don't represent big commodity-producing states get in return for supporting farm bills, which are heavily lavished with

subsidies and crop insurance. The past decade has seen the number of Americans enrolled in food stamps nearly triple; with more than 45 million signed up for nutrition assistance by mid-2011, SNAP accounts for more than 70 cents of every farm bill dollar spent.

But the farm bill's primary function is to give the Department of Agriculture a budget and marching orders while also providing nutrition guidelines and a food safety net for every American. These tasks can be at odds with each other. Twenty percent of the farm bill's spending, for instance, provides incentives to farmers to produce the most prolific harvests possible, a third of which are eventually exported to global markets. Yet most of the crops supported by subsidies aren't eaten directly by humans here or anywhere: they're fed to livestock or manufactured into oils, refined grains, processed food ingredients or ethanol. Even as the USDA's 2010 dietary guidelines specifically recommend that Americans reduce fat and cholesterol intake--hallmarks of animal-based foods--and eat more fruits, vegetables, and whole grains, the primary outlet for the 90 million acres of corn and 70 million acres of soybeans we subsidize every year is feeding livestock like beef and dairy cows. This is not just a minor disconnect. It's like two trains on different tracks going opposite directions.

With Congress under so much pressure to reduce the deficit, the upcoming 2012 farm bill cycle promises to be particularly heated. Agribusiness lobbyists are adept at rallying their formidable wagons in the face of USDA budget cuts to protect subsidy programs that prop up corn, cotton, wheat, rice, soybeans, sugar and milk production. And it's tough to compete with the \$120 million that agribusiness showers on

Congress every year. Politically, Big Ag nearly always trumps progressive forces fighting for smaller-scale, diversified, sustainable agriculture. Even when there are populist victories, promises are easily broken. Conservation programs and nutrition assistance are typically the first on the chopping block during budget cuts.

This time around, nutrition reformers would like to revamp the farm bill to make fruits and vegetables more accessible to all members of society. Public health advocates are grappling with an obesity crisis that threatens to cost the government an estimated \$350 billion in yearly medical costs by 2018. Yet under the last farm bill's sometimes twisted jargon, fruits, nuts and vegetables—those foods that are supposed to occupy at least half of our plates—are labeled “specialty crops.” Until recently, farmers who grew them didn't qualify for subsidy payments. The farm bill could invest in essential research, education and infrastructure that caters directly to this sector of the food system.

The farm bill could be a jobs bill as well. Sustainable farming advocates want a campaign to attract farmers and ranchers to what many warn is a dying profession. Principal farm operators over 65 outnumber those under 35 by more than 7 to one. The USDA's Beginning Farmer and Rancher Program supports people with under 10 years of agricultural experience with technical training, loans and conservation assistance. But there is no budget to continue the program when the 2008 farm bill expires. Understanding the urgency of the situation, Agriculture Secretary Tom Vilsack has called for an effort to recruit 100,000 new farmers and ranchers.

Meanwhile, conservationists are still tending the wounds of deep

budget cuts in 2008 and '11 that have slashed nearly \$1.5 billion from valued initiatives like the Environmental Quality Incentives Program, which helps protect waterways, and the Conservation Stewardship Program, which rewards farmers for their environmental performance, and the Wetlands Reserve Program. These all-too-common cuts are referred to in farm bill-speak as ChIMPS: Change(s) in Mandatory Program Spending. New Deal-era farm bill programs rightly revolved around agriculture's impact on soil, water and wildlife. In return for loans and price supports, farmers did their part to protect natural resources. But today's food system is a world apart. Six million family farms have been whittled down to just over 2 million. Most of the agricultural output supported by farm bill programs is produced by 300,000 very large commercial farm and ranch operations—referred to as “production agriculture”—that leverage huge amounts of capital (including farm bill payments and crop insurance) and technology to compete in modern agribusiness. Subsidies were formerly linked to conservation requirements like land set-asides and penalties for plowing grasslands and draining wetlands. Sadly, these social contracts have been slowly dismantled.

Generous crop insurance programs and increasing global demand for animal feed and biofuels have triggered an aggressive expansion of farming and ranching activities into marginally productive areas. Water tables are plummeting and aquifers are being depleted. Soil erosion is on the rise. Agriculture contributes to greenhouse gases, loss of biodiversity, chemical runoff in waterways, compromised animal welfare and food contamination. Farm bill conservation programs

could be the only thing that stands between us and another Dust Bowl, collapsed watershed or imperiled species.

It is a noble goal to provide financial stability for independent

farmers whose livelihoods depend on variables like weather, global competition and rising input costs, as the farm bill was intended to do. But under current rules it's nearly impossible to tell the difference between a family farm and an agribusiness; between a genuine safety net and a Treasury heist. Under the 2008 farm bill, for example, \$5 billion in direct payments was sent to landowners every year simply because their acreage was tied to commodity crop production in the early 1990s. It didn't matter whether they were growing crops anymore or had suffered any economic hardship. Many had permanent addresses in some of the country's wealthiest urban neighborhoods.

It's a lopsided system. Just twenty-two out of 431 Congressional districts took in 50 percent of all crop payments between 1995 and 2010. The top 10 percent of farm operations typically rake in 75 percent of crop subsidies, mainly because of their size. Mega-farms, grain traders, meatpackers and food manufacturers that buy and control commodities end up being the winners. The time is ripe to set practical limits on who qualifies for subsidies and at what maximum

payment levels.

Some suggest that the best solution to this subsidy mess is to gut the farm bill budget radically, especially with crop prices surging to record highs in the past five years. But it's important to keep in mind how relatively little taxpayers invest in food and agriculture: just 2 percent of federal spending, compared with 42 percent for military outlays. As veteran farm bill reporter Dan Morgan argued this summer, "New federal policies and investments are still urgently needed, this time to make agriculture more productive, sustainable, energy-efficient and environmentally friendly, in order to lock in America's agricultural edge for the rest of the century."

Indeed, many programs championed over multiple farm bills are already making important differences in the food system. Sustainable Agriculture Research and Education initiatives conduct important research on energy conservation, small-scale crop and livestock production and water health. Farmers Market Promotion programs have helped grow the number of outlets to more than 7,000; millions of Americans purchase food directly from farmers weekly. Specialty Crop block grants have been used to double the purchasing power of SNAP benefit holders who buy fruits and vegetables in farmers markets. Value Added Producer grants provide planning or working capital to rural businesses like cheese factories, on-farm biodiesel processing units and local flour mills. Yet thirty-seven such valuable programs stand to lose funding as this farm bill expires.

A forward-looking farm bill would not only renew such funding but also invest in new models of food production, like grass-pastured meat,

poultry and dairy operations that provide a natural environment for animals, while protecting soil, storing carbon, filtering water and producing healthier meats. But there are not enough small- and medium-scale slaughter facilities throughout the country for such a model to take hold. Operating loans, marketing support and a continuation of the Conservation Stewardship Program could help the country make the transition from factory farmed meat, egg and dairy production to a more sustainable model. Likewise, organic agriculture, a vibrant market sector, is often marginalized and denied federal support. Upgrades in farm bill programs like the Organic Agriculture Research and Extension Initiative, can assist in the transition from chemically dependent to biologically based farming methods. At the very least, organic systems offer ways to reduce the use of fertilizers, combat pests without chemicals and attract a younger generation to agriculture.

It's not just about money, of course. Some farm bill policies make

important regulatory reforms, such as consumer protection, antitrust enforcement and food safety. A provision in the next farm bill, for example, could require the labeling of production methods on all egg cartons, informing customers where hens were raised: in battery cages, cage-free systems or on pasture. This would allow consumers

to make informed purchases while also responding directly to such disasters as last summer's recall of 500 million eggs from just two industrial operations in Iowa because of salmonella contamination.

Whether the next legislation will be a people's farm bill, however, is up in the air. With a "super committee" of twelve senators and representatives working on a ten-year plan to cut \$1.5 trillion in spending, lobbyists and coalitions are scrambling to make sure their interests are covered in the next bill. If the committee fails to come up with a plan approved by Congress, budget cuts totaling \$1.5 trillion will automatically be spread across all government agencies. Some programs—like SNAP and the Conservation Reserve Program—would be exempt from such cuts. But others would suffer dearly.

Today's headlines show riots over rising food costs, diseases from factory farming and increasing awareness of the waste of growing crops for feed and fuel rather than for people. More and more Americans are realizing that our food system is untenable and the path to reforming it will have to be through government policies. The challenge is to make sure our elected leaders realize this, too. As we gear up for the next farm bill fight, it's worth remembering the old adage: We reap what we sow.

Daniel Imhoff is an author and president of Watershed Media and the Wild Farm Alliance. This essay was adapted from Food Fight: The Citizen's Guide to the Next Food and Farm Bill, completely updated and due out in November and was published in The Nation's Food Issue, October 3, 2011.