

The Farm Bill: a pressing issue for Americans who eat

Eldan Goldenberg, August 2007

Since the New Deal¹, the US has had a system of agricultural subsidies. The law (generally referred to as the Farm Bill) detailing these is debated, modified and re-authorised every 5 years or so, usually without much attention paid outside the grain belt. It may seem unimportant when less than one in fifty American workers is employed by farms, and agriculture represents less than 1% of the country's economy², but this is a law that affects all of us profoundly. Senator Tom Harkin was right when he said the Farm Bill should really be called the Food Bill, and it should be watched closely by "all Americans who eat".

The most obvious reason why the Farm Bill is everybody's business is simply that it is colossally expensive. The price and income support sections (i.e. the direct subsidies to individual farms) *alone* cost \$21 billion dollars in 2006³—that's \$199 in cash transfers from the average household⁴ on top of what you actually spend on food—and then there are all the other programs bringing the total cost to \$62 billion per year⁵. This cash transfer is hugely unequal, too: half of the money goes to just 19 of the 370 House districts⁶, and the average black farmer gets between a sixth and a third of the subsidy collected by the average white farmer⁷. 315 farms each receive over half a million dollars per year⁸. So we are sending vast amounts of money to a small group of rich, white landowners in a few pockets of inland farmland.

Historically, farm subsidies have been promoted as a way to keep domestic agriculture viable and put cheap food on peoples' tables. Unfortunately the food it subsidises is not the food we should be eating more of: the vast majority of the subsidy goes towards production of corn, rice, wheat, soybeans and cotton, and 'specialty crops' including most fruit and vegetables receive no subsidy at all. This has the perverse result of making unhealthy processed foods cheaper than a simple plate of salad⁹. In 2004, researchers at the University of Washington found that a dollar could buy 1,200 calories of cookies, but only 250 calories of carrots¹⁰.

This is not to say that the Farm Bills achieve nothing desirable. The most recent one funded research and development of improved crop varieties and farming techniques¹¹. The Community Food Projects section has spent \$5 million a year on "making communities more self reliant at maintaining their food systems while addressing food, nutrition, and farm issues" through grants to projects ranging from setting up urban farmers' markets through subsidising healthy school lunches to supporting traditional agriculture on Indian reservations¹². In 2005, 2.6 million pregnant women, mothers, infants and young children received vouchers from the Farmers' Market Nutrition Program¹³ to buy locally grown fruit and vegetables at their local markets, supporting early childhood nutrition and local, sustainable agriculture in one stroke, and there is a similar programme for senior citizens.

The Farm Bill is due for its periodic reauthorisation in 2007. At the time of writing, the House of Representatives had recently passed its version—the “Farm, Nutrition and Bioenergy Act”—and the Senate had not yet debated it. Here are a few key points from the House bill:

- The funding for Community Food Projects is not secure¹⁴. This part is particularly relevant to the P-Patch program, as cities can use it to support the establishment of programs like Seattle’s P-Patches and Lettuce Link.
- The Fresh Fruit and Vegetable Snack Program for schools is being expanded from a 14 state pilot study to a full national program¹⁵.
- “Specialty crop” subsidies have been introduced, though at \$340 million they are a tiny fraction of the subsidies on grain¹⁶.
- The Bush Administration had pushed for a cap on subsidies to farmers earning over \$200,000, but the Democratic majority in Congress, fearing a threat to ‘red state’ votes pushed that threshold up to a million dollars¹⁷.
- Food stamp values will now be indexed to inflation¹⁸.
- Funding for a broad range of watershed and forest conservation initiatives has been increased¹⁹.
- Renewable energy funding, covering both electricity generation on farms and biofuel production, has been increased by 600%²⁰.
- Altogether, the House bill is projected to cost \$5.8 billion per year more than the 2002 incarnation²¹.

The Senate is expected to start deliberations on its version of the Farm Bill at around the time this issue will be published. It’s not too late to write to Senators Murray and Cantwell and influence the process.

For more information, an excellent starting point is the National Agricultural Law Center’s collection of resources on the web at:

<http://www.nationalaglawcenter.org/farmbills/>

Our Senators’ contact details and policy positions are on their websites:

<http://cantwell.senate.gov/>

<http://murray.senate.gov/>

References and notes:

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- ⁵ USDA 2007 Farm Bill Cost Estimate. <http://www.usda.gov/documents/07sumbudgetscore.pdf>
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- ⁷ “Short Crop: How A Widening Farm Subsidy Gap Is Leaving Black Farmers Further Behind”, National Black Farmers Association & Environmental Working Group, July 25 2007. <http://www.blackfarmers.org/pdf/shortcrop.pdf>
- ⁸ Environmental Working Group Farm Bill 2007 Policy Analysis Database. http://farm.ewg.org/sites/farmbill2007/top_recips1614.php?fips=00000&progcode=farmprog&page=15&enttype=entity
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- ¹⁰ “Do Healthier Diets Cost More”, Adam Drewnowski & Anne Barratt-Fornell, Nutrition Today 39(4):161-168. <http://preview.tinyurl.com/36jkxm>
- ¹¹ USDA Economic Research Service: Research and Extension Funding. <http://www.ers.usda.gov/Features/FarmBill/analysis/agresearchoverview.htm>
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- ¹⁵ “Salazar Hails 2006 Farm Bill As Win For Colorado Farmers”, office of Congressman John T. Salazar. http://www.house.gov/apps/list/press/co03_salazar/PR_2_072307.html
- ¹⁶ *ibid.*
- ¹⁷ “Time to reform U.S. farm-subsidy payouts”, Honolulu Advertiser, July 26 2007. <http://www.honoluluadvertiser.com/apps/pbcs.dll/article?AID=/20070726/OPINION01/707260302/1104>
- ¹⁸ “U.S. House Passes Farm Bill Despite Last Minute Tax Fight”, Environment News Service. <http://www.ens-newswire.com/ens/jul2007/2007-07-27-01.asp>
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- ²⁰ *ibid.*
- ²¹ “Cost Estimate: H.R. 2419 Farm, Nutrition and Bioenergy Act of 2007”, Congressional Budget Office. <http://www.cbo.gov/ftpdoc.cfm?index=8384&type=1>