Jeans Institute for Agriculture and Trade Policy

# **Food without Thought** How U.S. Farm Policy Contributes to Obesity

This fact sheet is a summary of the full report Food without Thought: How U.S. Farm Policy Contributes to Obesity available at iatp.org.

Anyone who has picked up a newspaper in the last year is well aware that Americans are getting larger. Both the incidence and the financial costs of obesity have skyrocketed in recent years. A full one-third of American adults<sup>1</sup> and approximately nine million children over the age of six<sup>2</sup> are now considered obese.

The reasons behind the obesity epidemic are many. The fact that over one-third of the calories in the American diet now come from "junk" foods<sup>3</sup> is an obvious contributor. But a primary driver of our over-consumption of calories has thus far been overlooked—our government's farm policy.

Federal agricultural policies help determine which crops and animals U.S. farmers produce, the prices of those crops, and subsequently which foods processors, distributors and retailers ultimately get into the mouths of consumers.

Perhaps the lack of public attention to agriculture is not all that surprising. Never have so few Americans been directly involved with the actual production of food. But in the midst of an epidemic of obesity, we have no choice but to rethink how agricultural policies impact food.

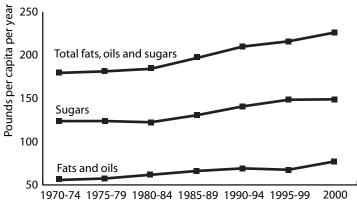
### Farm Policy and the Food Environment

For the past 50 years, U.S. farm policy has been increasingly directed toward driving down the price of farm commodities, including corn and soybeans. At the same time, prices for fruits and vegetables, grown with relatively little government support, have steadily increased.

Low commodity prices have in turn deeply influenced investment by the food industry. Low prices trigger more investment in using a particular crop, and, not surprisingly, the food industry has developed many uses for these cheap commodities. High fructose corn syrup and hydrogenated vegetable oils-products that did not even exist a couple of generations ago but are now ubiquitous in food products as added sugars and fatshave proliferated thanks to artificially cheap corn and soybeans.

The low cost of commodities like corn and soybeans make sugars and : fats some of the cheapest food substances to produce. Whether by intention or not, current farm policy has directed food industry investment into finding ways of using these cheap food additives in processed foods. Not coincidentally, U.S. consumers are now eating many more added sweeteners and oils than is healthy.<sup>4</sup>

#### U.S. consumption of sugars and fats



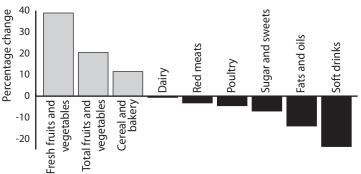
Source: USDA ERS, Food Review, Vol. 25, Issue 3

Subsequently, as these highly processed foods can be produced at very low cost, they generate a significant profit for the food industry. This, in turn, creates an industry incentive to market "junk" foods rather than less refined,

healthier foods. Anyone who has watched the commercials during Saturday morning cartoons knows that the industry spends a lot more money on marketing processed foods than on marketing healthy foods.

Within the U.S., the real cost of fresh fruits and vegetables has risen nearly 40 percent in the past 20 years. The real costs of soda pop, sweets, and fats and oils, on the other hand, have declined.<sup>5</sup> Is it any wonder that people are eating too many calorie-dense foods high in added fats and sugars and not enough fruits and vegetables? Our misguided farm policy is making poor eating habits an economically sensible choice.

#### Change in food prices, 1985–2000 (real dollars)



Source: USDA ERS FoodReview, Vol. 25, Issue 3. Converted to real dollars.

### **Disincentives for Healthier Food Systems**

U.S. farm policy not only encourages the overproduction and use of cheap commodities, it also works against the creation of healthier food systems-healthier not only with respect to public health but also healthier for farmers, rural communities and the environment.

Lack of Support for Local Food Systems. Rather than creating incentives to grow food crops to be consumed locally, government research, extension, and financial support are largely directed toward commodity crops that go primarily to animal feed, industrial uses and exports.

Distorted Markets Reduce Demand for Produce Crops. Government support for producing grain and oilseed crops comes in many formsfrom money invested in public universities and government agencies to research such crops, to subsidy payments that make up for low crop

prices, to continued promises of increased export markets for these crops. Produce crops, on the other hand, receive a much smaller level of government support and risk management. As a result, more grains and oilseeds are produced than should be in a properly functioning agricultural economy.

**Incentives for Grain-fed Over Grass-fed Livestock.** Grass-fed beef has been shown to be higher in health-promoting nutrients, omega-3 fatty acids and cancer-fighting conjugated linoleic acid (cla) than beef that is fed grain.<sup>6</sup> But by keeping the cost of corn and soybeans artificially low, U.S. farm policy provides an indirect subsidy to grain-fed livestock and creates an unfair market advantage to centralized industrialized livestock production over diversified, sustainable livestock production.

## **Opportunities for Change**

Despite the inertia for keeping the food system in its present state, there are opportunities for change. Many people have already turned to other ways of raising and buying food. Direct purchasing from farmers has increased dramatically in recent years. Schools and workplaces have instituted their own policies aimed at bringing fresh, local foods into their cafeterias. Food councils and farm-to-school networks are springing up around the country.

Developing policies that are more supportive of these initiatives is crucial for reforming the food system. This is true on all scales—from policies at individual schools and workplaces, to city- and state-wide policies, to policies at the national level. But perhaps most important will be efforts to influence the direction of U.S. farm policy overall with the upcoming federal farm bill, expected in 2007. This farm bill, which will contain hundreds of programs and provisions that will have an impact on our food system, provides a unique opportunity to institute policies that support systemic change.

To accomplish these policy goals we recommend the following:

**Emphasize the connections between public health, food and farm policy.** Policymakers need a better understanding of how the crops that are grown influence the food choices provided to us by the food industry, which in turn impact what we eat. Agricultural policy directly affects public health, and stronger collaborations need to be built between public health and agricultural organizations.

**Support local and regional food systems.** In many communities, particularly low-income neighborhoods, it can be very difficult to find foods that are not highly processed. The rapid growth of farmers' markets and other local foods initiatives around the country shows that there is considerable consumer demand for a more direct relationship between farmers and consumers. Such initiatives provide consumers with greater choice, farmers with marketing opportunities, and communities with a powerful economic development tool.

Expand demand for healthy foods to create new markets for farmers.

Increasing demand for fruits and vegetables would provide an even greater incentive for U.S. farmers to grow these crops. Expanding farm-to-cafeteria opportunities, farmers markets and other regional food initiatives; providing processing and distribution assistance for regional produce farmers; and encouraging school and government procurement policies that favor local, healthy foods would all help increase demand for fresh produce and encourage farmers to look at these opportunities.

**Develop a common farmer-public health policy platform for the upcoming Farm Bill.** Because our food and farming system is so complex and has so many impacts, most public interest groups have thus far concentrated on specific components of the farm bill. For example, envi-

ronmental groups have focused on set-aside programs, nutrition groups have focused on food assistance programs, and farm groups have focused on commodity policies. The result is that while we may enjoy limited success in various arenas, we have done little to actually change the inherent flaws in much of our food and farm policy. Real change will only occur if these different interests work together to develop a common, well-grounded vision that can draw Congressional support away from the dominant industrial, globalized model of agriculture.

Possible elements of a common farmer-public health policy platform could include the following:

- ▶ Ensure fair prices for all crops. USDA has addressed health and nutrition issues in the past with the nutrition title of the farm bill. These programs are absolutely critical to ensure adequate nutrition for low-income consumers, but they do not address the emerging obesity epidemic. This requires changes in the largest and most important component of the farm bill—the commodity title. The commodity title sets government policy on specific crops, including corn and soybeans, and under the current farm bill is designed to keep prices for these crops artificially low. This market deviation has dramatically increased the amount of cheap processed food in the U.S. diet and put healthier foods like fresh produce at an unfair competitive disadvantage. Fair prices would reduce excessive food industry use of corn and soybeans.
- **Reward farmers for "producing" health benefits.** One of the successes of the 2002 Farm Bill was the incorporation of a new program called the Conservation Security Program, which provides farmers with a financial incentive for producing environmental benefits that address resource concerns. Some food systems issues could similarly be addressed with something like a "Health Security Program," where farmers receive financial incentives for raising produce crops, grass-fed dairy and livestock or organic products.
- ▶ Keep small farmers on the land. The inherent biases that current farm policy has toward large, industrialized agriculture are well known. Unfortunately, the small and medium-sized farms that are continually going out of business are often the most innovative. These farmers are often the most willing to grow a diversity of crops for regional markets and have the energy to seek out direct marketing opportunities. Healthy, regional food systems need this diversity of farmers. We need to think creatively about policy options for keeping small farmers on the land.

From local food initiatives to the upcoming farm bill, the public health and agricultural communities have many opportunities to work together to develop, support and implement policies that could provide tremendous public health rewards while at the same time benefiting farmers and rural communities.

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