

UNITED STATES FARM BILL 2012: WHAT'S AT STAKE?



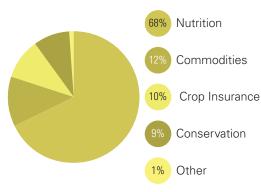
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In the U.S., and increasingly around the world, it's very easy for consumers to find high-calorie, high-sugar, nutrient-poor foods, including sugar sweetened drinks, fast foods and highly processed snack foods. This food environment is one where such foods are aggressively marketed, easily accessible and often considered more "affordable," as measured by calorie per unit weight. In contrast, healthier foods like fruits and vegetables are often more difficult to access, less marketed and perceived as more expensive.

We've paid a big price for our unhealthy food environment. The U.S. has the highest obesity rates in the world. In 2009-10, more than one-third of American adults were obese and nearly 17 percent of youth were obese. The costs of just medically treating obesity alone are more than \$147 billion per year. Adding in the costs of treating related diabetes, heart disease and the like would drive that number far higher. In some communities where people lack access to

healthy food, undernourishment and obesity can be found in the same individuals.

Percentages of Total 2008 Farm Bill Dollars (\$300 Billion) Allocated to Major Titles



Date from USDA Economic Research Service using Congressional Budget Office Estimates

Public policy reinforces our current unhealthy food environment, instead of supporting a



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healthier one. The Farm Bill, passed every five years or so, has played and continues to play a significant role in shaping our food system. It influences what types of foods are produced and available and in some cases, how foods are marketed. Traditionally, the Farm Bill has primarily supported the production of agricultural commodities (corn, soybeans, wheat, rice and cotton) and food programs (the Supplemental Nutrition Assistance Program (SNAP), formerly called Food Stamps) for lower income Americans—with costs for SNAP far outweighing farm programs. So even though the name of the bill suggests that farmers are the primary beneficiaries, this piece of legislation has a significant impact on American eaters and to some degree eaters around the world. Still, the idea that food and agricultural policy should consider nutritional quality and public health is still relatively novel—as is the link between consumers having access to healthy food and farmers having the ability to make a living growing healthier food.

Current farm programs heavily tilt in favor of the production of commodity crops through a variety of programs including access to credit, crop insurance, subsidies and extension services. Conversely, growing fruits and vegetables, or diversified farms growing a number of different crops and livestock receive very little support from Farm Bill programs.³

It doesn't have to be this way. By integrating health priorities into the Farm Bill we could help increase Americans' access to healthy food, as well as support farmers and ranchers to produce those same foods. Here are some of the sections, known as "titles," of the Farm Bill that offer opportunities to support a healthier food environment.

Commodities title

Current commodity programs support the production of a few grain and oilseed commodities like corn, wheat and soybeans. In today's food environment, those commodities and the processed foods made from them are superabundant. Up until the last few decades, a system was in place to manage supply, and ensure farmers' prices covered their costs, but big food companies and agribusiness lobbied to weaken those protections and prices began to drop as the incentives to produce more increased. The abundance and relatively low price of commodity crops combined with new technologies influenced food manufacturers to utilize these cheap ingredients in the form of high fructose corn syrup (HFCS) and hydrogenated vegetable oils—products that are now linked to increases in caloric intake. Given this, overproduction and the creation of HFCS and hydrogenated vegetable oils predated the current system of commodity subsidy payments and so obesity cannot be directly linked to subsidies for corn and soybeans.

Commodity title programs have created a pervasive cycle of public support for a handful of crops that (along with high commodity prices) incentivize ever larger farms. There is no comparable support for fruits and vegetables⁴ and therefore, a huge imbalance in the kind of farming that taxpayer dollars support in terms of crop type, scale and production method.

Conservation title

Originally created to address severe soil erosion during the Dust Bowl, Farm Bill conservation programs now incent farmers to farm in ways that benefit the environment, protecting or restoring wildlife habitat, preserving open space, and improving watersheds and drinking water quality. For producers of fruits and vegetables, the 2008 Farm Bill supported the transition to organic systems that promoted conservation practices. More broadly, these programs support the growing of healthy foods, as they help reduce pesticide use and improve the water, soil and air quality for people living on, around or downstream of farms. Advocacy for continued conservation program funding makes sense for both health and the environment and programs should be strengthened to

incentivize farmers to do even more to mitigate the impacts of climate change.

Nutrition title

Nutrition Title food assistance programs yield multiple benefits and maintaining funding is essential. They provide one of the only safety nets for low-income Americans.

Approximately three of every four Farm Bill dollars are allocated to SNAP and other food assistance programs, such as those that provide free fresh fruits and vegetables in schools. Amidst the recent economic downturn, participation in SNAP rose 70 percent between 2007 and 2011.⁵ New SNAP incentive programs, being piloted in Massachusetts and Michigan, reward recipients with higher benefits for purchasing healthier foods and help expand markets for farmers.

Investment in SNAP Education programs for benefit recipients also create more demand for healthy foods among low-income populations. A recent 10-year evaluation of a SNAP Education campaign in California showed a 92-percent increase in low-income recipients eating five or more fruits and vegetables per day.⁶ Additionally, Community Food Project Grants have helped to support farmers markets and new growers, as well as consumers through nutrition education and gardening programs.

Credit title

Farmers often can't buy seed, plant and bring a crop to market without access-to-credit. Credit is vital for American farmers to meet the growing demand for healthier food and with the average age of American farmers at 57, essential for helping beginning farmers to access land, seed and equipment. The majority of existing USDA direct lending is targeted to producers who cannot get financing through commercial banks, particularly beginning, low-income and socially disadvantaged farmers and ranchers. Farmers from socially disadvantaged minority groups represent about 8 percent

of farmers in 2007, yet they only receive 2 to 4 percent of the loans and other federal farm program payments provided by the USDA. However, 18 to 20 percent of farms that grow vegetables, melons, fruits and tree nuts are operated by farmers of color.⁸

Even with demand for farm financing running high, USDA direct loan programs have already seen cuts and farmers of color have historically suffered discrimination in accessing these programs. Access to credit can significantly influence what crops farmers choose to grow, having implications for farming methods and the types of crops made available for consumers. Lack of access to credit can also impact farmers' ability to scale up healthy food production to meet demand for increasingly popular programs such as Farm to School.

Crop Insurance title

Farmers need to manage the financial risks inherent to agriculture, risks due to unpredictable weather, drought, pests and the resulting crop failure. Through the Farm Bill, the United States Government provides billions of dollars in subsidies for crop insurance to both insurers and farmers. In a 2007 study, the USDA found that 80 percent of total policy premiums (and federal subsidies) are accounted for by just four commodities—corn, soybeans, wheat and cotton—making the growing of these crops much more financially attractive.9 Conversely, insurance for growers of fruits and vegetables and for diversified farms growing multiple crops plus livestock are inadequate, especially for small and midsize organic growers.

USDA recently omitted a surcharge for insuring 10–15 organic crops, but some crops remain uninsurable. In some cases, where policies do exist, the coverage available reimburses farmers for losses at a much lower rate than for growers of conventional crops. For example, a farmer growing organic, heirloom tomatoes would only be reimbursed for

the value of conventionally grown tomatoes if the crop were lost. This makes growing fruits and vegetables, especially higher value varieties, much riskier financially. Policy reforms are needed to level the playing field for growers of the healthiest food.

Rural Development title

Programs in this title support the overall health and vitality of rural communities in which farmers, farmworkers and their families live, including programs to support telemedicine to make health care more accessible, broadband internet, water quality, training of firefighters and emergency medical personnel, and farm labor housing. The Rural Development title also provides support for locally or regionally produced food projects and products with components benefiting underserved communities.

While not addressed in the Farm Bill, a major health issue in rural communities is lack of health insurance for farmers and farmworkers who cannot afford to self-insure. This is especially problematic given the many health risks that farming poses such as on-farm injuries and frequent exposure to pesticides and other chemicals. The fact that farmers often must work multiple jobs to provide health insurance for their families creates another incentive to plant commodity crops requiring minimal labor rather than more labor-intensive fruit and vegetable crops. Healthy rural communities are essential for healthy food production and the role of Rural Development title programs cannot be overlooked as the next Farm Bill is written.

Research title

Agricultural research helps determine future trends for what American farmers will produce and how they will produce it. Today's agriculture reflects several decades of public and private research focused primarily on the large-scale, chemically intensive production of corn, soybeans, and other commodities, and of meat and poultry. In 2008, the Farm

Bill did provide some public funding for organic and specialty crop research, but the vast majority of agriculture research dollars are still directed toward commodity crops.¹¹ Moreover, the total pie of public research dollars in agriculture has been in decline, particularly relative to the size of private research dollars.

Winning more strategic investment of these precious public research dollars is key to food system reform. More research on the public health impacts of agricultural policies and full funding for existing research programs on sustainable farming practices, organics and specialty crops (fruits and vegetables) are needed. Better representation for public health and sustainable agriculture within the USDA entities that determine how public research dollars are spent is also essential for ensuring that the interests of eaters and public health are better served.

Horticulture & Organic Agriculture title

The Horticulture & Organic Agriculture title was new in the 2008 Farm Bill and includes several programs that enhance the domestic production of healthy food and are worthy of protection in the Farm Bill. The Farmers Market Promotion program is included in title. It provides training and education for new farmers, support for markets and the expansion of Electronic Benefit Transfer technology at farmers markets making it easier for SNAP recipients to use their food assistance benefits to buy local fruits and vegetables. However, only about 26 percent of farmers markets nationwide are able to accept SNAP benefits12 and less than 1 percent of all SNAP dollars are spent at farmer's markets.13

State block grants for specialty crops (mostly fruit, vegetables, tree nuts) production and transportation are included in this title as well as support for data collection on organic prices, production, distribution and trends. Dollars are also provided here for USDA's organic certification program and for a cost shar-

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ing program that assists producers and handlers seeking organic certification.

Winning a healthier farm and food bill for all Americans, regardless of income or geography will require more voices. Mobilization of citizen voices, both urban and rural is essential to counter the well-funded, traditional Farm Bill constituencies of big food and agricultural corporations, and commodity crop farm groups who benefit from the status quo. Advocacy from the health care and public health communities is particularly important if the health impacts of all Farm Bill policies are going to receive the attention they deserve and a healthier Farm Bill eventually won.

IATP is working to mobilize health professionals around the Farm Bill and other public policies key for creating a healthier food system through its Healthy Food Action campaign. Visit healthyfoodaction.org to participate.

Endnotes

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