

Cuts versus investment in farm policy

By IATP

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The U.S. and the European Union are both beginning to rewrite farm policy, and the differences in the process are wider than the Atlantic. The 2012 U.S. Farm Bill will set farm and food policy for the next five years. Europe's new Common Agricultural Policy (CAP) will enter into force in 2014, guiding policy through 2020.

Two recent developments reveal just how different the Europeans and Americans think about food and farm policy. In the U.S., there is no public goal-setting that sets priorities for the kind of food system we want. Instead, policy is based on backroom politicking and knee jerk responses to the latest headlines (budget cutting all the time). So, it wasn't surprising that the U.S. House Appropriations Committee on Tuesday took a chainsaw to Farm Bill spending and slashed nearly everything in sight—including massive cuts to a variety of farm programs (including for conservation), nutrition and international food-aid programs, while blocking efforts to restore fair markets for livestock producers and handcuffing the Commodity Futures Trading Commission as it tries to limit Wall Street speculators from gambling on agricultural commodity markets. (See IATP's letter to Congress last week outlining our concerns.)

Contrast this haphazard approach with the European Union. Last year, the European Commission (EC) held a very public input-gathering process for defining the next CAP, including an online forum. In November, the EC published a communication summarizing the input, including identifying areas of priority including: food security, sustainable practices and renewable energy, and strengthening the rural economy.

Last week, the European Parliament's Agriculture Commission approved a report that maintains existing spending and shifts the focus of existing programs to emphasize its priority areas. As part of an effort to green the CAP, programs will incentivize farmers to practice climate-friendly and sustainable methods. The report emphasizes the need to take steps to address speculation in agricultural markets and increase bargaining power for farmers in the food chain.

Both processes are in the early stages, but the differences are striking. While the CAP process is far from perfect, Europe does recognize that to reach long-term goals, it must invest in a strong food system and involve the public in the process. In the U.S. House of Representatives, our food system is treated like just another budget line item to cut—one that we all will likely pay for later.