Maximizing Conservation Benefits from the 2007 Farm Bill
Maximizing Agricultural Conservation

Premise #1

- Recognize that the agricultural system is the result of decades of policies and investments.

- Changing agricultural practices through policy is a long, slow process.
From Many Crops Serving Primarily One Market...
...To a Few Crops Serving Multiple Uses
Consequences of this Transition

Native Ecosystems

- More Nutrient Inputs
- More Months of Soil Exposure
- Less Soil Organic Carbon
- Fewer Wetlands to Capture and Utilize Nutrients

Perennial Systems

Row Crop Systems
Price supports, coupled with mandated conservation plans, supported diversified agricultural systems.
A Shift to Corn and Soybeans

2004 Pocahontas County, Iowa Cropland Data Layer

Categories:
- Corn
- Soybeans
- Other Crops
- Other Small Grains
- Idle Cropland
- Pasture/Non-Agric. CRP
- Woods
- Water
- Urban
- Clouds
Technology Drivers

- Railroads and barges expanded markets for commodities and enhanced specialization.
- Tile drainage opened up millions of acres of wetlands and bottomlands to row crops.
- Mechanization greatly reduced labor and costs, allowing farms to expand.
- Plant Genetics research markedly increased yields, particularly of corn.
- Low cost inputs of fertilizer and pesticides enhanced yields.
Policies have guided research, development and investment

- Homestead Act of 1862
- Transcontinental Railroad
- Reclamation Act of 1902
- Federal Reserve Act of 1913
- Agricultural Adjustment Act of 1933
- 1980 Soviet Grain Embargo
- PL 480 - Food for Peace
- Get Big or Get Out
- 1996 Farm Bill
- Transcontinental Railroad
- Tile Drainage Incentives
Public research sets the playing field for agribusiness investment

Source: National Research Council. Publicly Funded Agricultural Research and the Changing Structure of U.S. Agriculture
Intellectual patenting rights and other policies have fostered a huge increase in private investment in agricultural R & D.
Tremendous yield improvements for a few crops

Source: USDA ERS
Visitors’ plot yields top 500 bu.

By Dan Zinkand
Iowa Farmer Today

MANCHESTER — World-record corn grower Francis Childs knows what his yield is in the National Corn Growers Association (NCGA) contest, but isn’t saying.

In any case, he talks freely about results of the strip trials in his visitors’ plot: “There were 11 of them all above 500. The highest was 577.”

The NCGA will announce the contest results Dec. 16, says Gary Bradley of the NCGA, St. Louis, adding there were about 3,300 entries in this year’s contest.
Maximizing Agricultural Conservation
Premise #2

• Policies that pertain to agriculture, energy, trade, taxes, food regulation, and other arenas will continue to have a tremendous influence on farmers and their conservation choices.
Growth in Midwest Ethanol
Dramatic Changes in Scale and Ownership

Millions of gallons per year

Source: Unpublished IATP document, compiled from RFA, BBI, and plant announcements
Estimated Volume of Water Used in Ethanol Production

Billions of gallons of water consumed

Source: Unpublished IATP document, water consumption forecast developed based on Minnesota DNR data on ethanol’s water use
US Sweetener Policy

- Import quotas and marketing allotments used to maintain fair price
- No government payments to sugar growers
- Food industry would prefer cheap imports
High Fructose Corn Syrup proliferated in the 1970s after the development of a low-cost method of using three enzymes to convert corn starch to fructose.
Increase in Food Prices, 1985 –2000, Real $

Junk food cheaper, fruits and veggies more expensive!

Source: FoodReview, Vol 25, Issue 3, USDA ERS
Maximizing Agricultural Conservation
Premise #3

• Each conservation program has strengths and weaknesses. Different political interests will throw their weight behind different programs.
Perceptions on Conservation Programs
Benefits to Water Quality

![Bar chart showing perceptions on conservation programs and benefits to water quality.](chart.png)

- CRP: 6.5
- CREP: 6.7
- WRP: 7.1
- GRP: 5.2
- CSP: 6.7
- EQIP: 6.1
- WHIP: 4.1
- Renewable Energy: 3.2
Perceptions on Conservation Programs
Prevention of Soil Erosion

CRP  CREP  WRP  GRP  CSP  EQIP  WHIP  Renewable Energy

0.0  2.0  4.0  6.0  8.0  10.0

7.0  6.5  5.9  7.1  6.0  4.5  2.5
Perceptions on Conservation Programs
Benefits to Wildlife

- CRP: 6.5
- CREP: 6.0
- WRP: 7.9
- GRP: 4.9
- CSP: 5.5
- EQIP: 3.4
- WHIP: 7.9
- Renewable Energy: 2.1
Perceptions on Conservation Programs Benefits to Rural Economies
Perceptions on Conservation Programs
Political Feasibility

**Perceptions on Conservation Programs**

**Political Feasibility**

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Lackluster Support for Shifting Emphasis of Conservation Policy

- More Effort on Expanding Energy Title: 3.3
- More Effort on Reforming Commodity Title: 4.7
- More Effort on Enforcing and Expanding Conservation Compliance: 6.3
Maximizing Agricultural Conservation
Premise #4

- Supporters of greater agricultural conservation cannot achieve their goals in isolation.
To Change Agricultural Policy,

Get the Eaters!

• More than Farmers
• More than Environmentalists
• More than Taxpayers
• More than Trade Unions
• More than Anti-Hunger Orgs
The Institute for Agriculture and Trade Policy

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