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

# What's at Stake in the 2012 Farm Bill?



By Ben Lilliston

The 2012 Farm Bill comes amid an increasingly fierce public debate over food and farming. The industrial model of agriculture and food production is continuing a decades-long drive toward fewer farmers, more factory-style meat production and more processed food—largely to benefit a handful of powerful agribusiness and food companies. At the same time, support is growing for a fair and sustainable food and farm system based on a different set of values: paying and treating farmers and food workers fairly, providing enough healthy food for all, integrating environmental sustainability, and more closely connecting farmers with consumers and communities.

In the U.S., the biggest and most influential farm policy tool is written by Congress every five years: the Farm Bill, which includes programs for crop production, farmers, rural development, energy, conservation and international food aid. By far, the largest program in the Farm Bill—close to 70 percent of the money is part of the

Nutrition title, which includes the SNAP program, formerly known as food stamps.

There is a lot at stake in the 2012 Farm Bill. In the current political climate, Congress and the Obama administration are more focused on cuts than serious reform—or adequately supporting

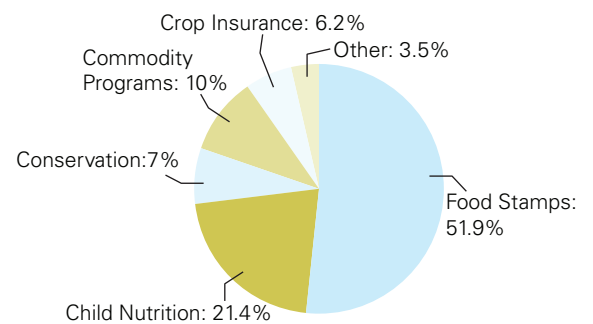
Series  
Introduction

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## At Enactment: 2008 Farm Bill Distribution of Mandatory Spending FY 2008–2017



Source: CBO Estimates at FB Passage



much needed programs. Reflective of growing income inequality in America, more than 45 million Americans (close to 15 percent of the population) now rely on SNAP, and yet cuts are expected. Important conservation programs that protect waterways and wildlife (like the Conservation Reserve Program), and those that support conservation practices on working farms (like the Conservation Stewardship Program)—are also likely to face severe cuts. Efforts to enforce antitrust policy and ensure fair markets in agriculture have already been curtailed, and could face further limitations.

In addition to budget limitations, the recent uptick in commodity prices is driving farm commodity program reforms (for crops like corn, soybeans, wheat, rice and cotton). While fundamental reform is needed, leading Congressional proposals fall short by accomplishing little more than shifting money around, in some cases from farmers to crop insurance companies. These largely cosmetic changes could end up with a high price tag if prices dip (as they historically have), or severe weather events—like those consistent with climate change—continue to damage farm production.

Unfortunately, none of the leading commodity program proposals address the more fundamental issues, like ensuring fair prices for farmers and consumers over the long term. When modern farm policy began in the 1930s, it required almost no taxpayer money because market-oriented supply management policies kept prices from fluctuating wildly. Modern farm policy does not mitigate, and often contributes to, dramatic price fluctuations. The damage from these fluctuations is addressed by providing payments to commodity growers, and now, possibly, crop insurance companies. A recent study by the National Farmers Union found that an updated supply management system would have reduced farm spending by 60 percent between 1998–2010, while benefiting farmers and consumers.

Fortunately, the Farm Bill also covers programs that support a new, sustain-  
Farm Bill 2012: What's at Stake? Series

able farm and food system that a growing number of farmers and consumers want. Though a small piece of the budget compared to other programs, these important initiatives support credit and insurance for farmers growing a diverse variety of crops and animals for local markets, infrastructure that can deliver locally produced food to urban populations and a variety of approaches designed to expand access to healthier food for all consumers. Rural development and energy programs offer opportunities for rural communities to expand ownership of and retain wealth from their natural resources, too often extracted for the benefit of corporations. Historically, all these programs have been under-funded, and we will have to fight to keep them.

There is little question that the Farm Bill is heavily influenced by a handful of giant agribusiness and food companies, recognized as one of the most powerful lobbying forces in Washington—especially when the process is a closed one. As importantly, the Farm Bill process does not begin with an open, public discussion about the type of food and farming system that we want. This needs to change. If we are going to build a new, better food system—one that supports farmers, workers, communities, the environment and public health—everyone will need to be at the public policy table.

IATP has been fighting for a fair, healthy and sustainable Farm Bill for more than 25 years. In our new *What's at Stake?* series, we analyze how the Farm Bill affects issues we all care about:

- Local Foods: How can we build vibrant local food systems that support farmers, local economies and consumers?
- Rural Communities: How can we ensure that farmers and local businesses in rural communities retain wealth from agriculture and natural resources?
- Health: How can we support farmers growing healthier food, ensure healthier food is accessible

for everyone, and integrate health throughout the Farm Bill?

- Climate Change: Can Farm Bill programs like crop insurance and conservation programs help increase agriculture's resilience to the effects of climate change?
- Global Hunger: Can U.S. international food aid be better designed to help more people facing hunger around the world?
- Food Assistance: How well do nutrition programs, like SNAP, provide the growing number of Americans facing hunger with enough healthy food?
- Fairness in Farming: Can we provide better opportunities for historically disadvantaged farmers, including those who have been actively been discriminated against in government policy?
- A New Research Agenda: What kind of government research programs do we need to pave the way for a fair, sustainable and healthier food system?

The 2012 Farm Bill is important, but ultimately just the beginning of a larger discussion. The Farm Bill does not directly address fundamental and difficult issues like rising inequality and poverty. It deals neither with the treatment of workers, in the fields, processing plants or supermarkets, nor with rising land prices that concentrate agricultural land in fewer and fewer hands. Increasing corporate control of nearly all aspects of the global food marketplace is also left unaddressed. To achieve the real changes we want and need, we must think well beyond the Farm Bill box. We'll need new ideas and strategies from communities all over the U.S. and around the world. The first step is a better Farm Bill.

To find out more about the Farm Bill and to read our full *What's at Stake?* series, go to [iatp.org](http://iatp.org).