



## Institute for Agriculture and Trade Policy

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# Vilsack could learn from Henry Wallace

Barack Obama's selection as Secretary of Agriculture, former Iowa Gov. Tom Vilsack has some big shoes to fill

*By Jim Harkness*

The last Iowan to serve as head of the U.S. Department of Agriculture (USDA), Henry Wallace, was by far the greatest Secretary of Agriculture in our nation's history. Serving under FDR during the Great Depression, Wallace made sweeping reforms that saved farmers from the Dust Bowl and ushered in the most prosperous period in rural America's history. Like Wallace, Governor Vilsack will enter office as part of an administration swept into power with a strong mandate for change during a major economic crisis. Vilsack would do well to pause and consider how his illustrious predecessor from Iowa might handle our current predicament.



*Jim Harkness*

In 1933, Wallace was confronted with a farm economy that had boomed and then busted. Over-production had led to a price crash, and the combination of environmentally harmful farming practices and drought had created the Dust Bowl. Wallace understood that to turn things around, he needed to control the volatility of markets and to change the way people farmed. Through the Commodity Credit Corporation and other New Deal farm programs, the government allowed farmers to store their crops in a reserve when prices were low, and the stored crops were then sold when prices rose too high.

This guaranteed fair markets for producers and a more stable food supply for the nation. Amazingly, these programs actually cost taxpayers very little, and even made money in some years. And through the Soil Conservation Acts of 1935 and 1936, the USDA rewarded farmers for setting aside highly eroded land or switching from soil-depleting crops to soil-restoring grasses and legumes. Expenditures for Wallace's conservation programs, adjusted for inflation, were actually higher than several recent Farm Bills. Wallace understood that when agricultural markets fail, the government has a duty to protect farmers, the environment and our food security.

The predicament facing Governor Vilsack is really not so different from 1932. The symptoms may seem new: climate change, global food shortages, biofuels, food safety scares. But the central challenges once again are markets run amok and the unsustainable farming practices they promote. Decades of free market fundamentalism and agribusiness lobbying have gutted Wallace's programs or

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twisted them beyond recognition. Farmers and consumers are back on the boom and bust rollercoaster. Over the last year, many consumers experienced sticker shock in grocery aisles as food prices shot up. Now, agriculture commodity prices have plunged again, leaving many farmers to sell their products for less than it cost to grow them and to depend on government payments to get by.

Today, the real winners in the system are a tiny handful of agribusiness companies, who profit from the boom bust cycle and whose anti-competitive control of the market hurts farmers and consumers alike. The tremendous concentration of land and economic power in the food system today is much greater than in Wallace's time. And instead of a Dust Bowl concentrated in the Great Plains, we have an entire agriculture system that is toxic. It runs from the poisonous chemicals used to grow crops, to the unhealthy foods marketed to our children contributing to the obesity crisis, to the enormous dead zone choking the Gulf of Mexico, to the massive emissions of greenhouse gases from industrial farming.

Faced with such an array of problems, the temptation may be to tinker at the margins; to curb some of the most egregious abuses and try to get a few more dollars for climate-friendly agriculture and organic farming programs. Of course, this is needed. But to make the larger changes that are necessary, we need more than tinkering.

We must directly take on price volatility and uncompetitive markets in agriculture - not just mitigate the effects. And we must transition to a more environmentally-sustainable farming system. And like Wallace, we must recognize that the chaos in agriculture markets and our environmental goals are linked and must be tackled together, not separately.

Let's hope Agriculture Secretary Vilsack has the vision of Henry Wallace, to see that the current crisis brings with it both the opportunity and the necessity to help rebuild the nation from the soil up.

Jim Harkness is president of the Institute for Agriculture and Trade Policy. ([www.iatp.org](http://www.iatp.org)) The Institute for Agriculture and Trade Policy, headquartered in Minneapolis, is a policy research center committed to creating environmentally and economically sustainable rural communities and regions through sound agriculture and trade policy.

