

PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

Splitting out nutrition from agriculture—A case of divide to conquer?

The terminal date for the 2008 Farm Bill, September 30, 2012, passed as the House of Representatives failed to bring the legislation reported out by its own Agriculture Committee to the floor for a vote—each party hoped that the fall 2012 elections would give it enough additional votes to pass a replacement farm bill without support from the other party.

When the new Congress convened on January 23, 2013 in Washington, DC, it was clear that the one-year partial extension of the 2008 Farm Bill the 112th Congress had adopted in its waning hours was little more than kicking the can down the road. The 113th Congress—more specifically the House of Representatives with a smaller, not larger, majority—would be left trying to hammer out a piece of farm legislation that could garner enough votes to send it to conference with the Senate.

The areas of disagreement within the House were clear and for the most part they dealt with money: how large would the cuts be to farm and conservation programs on the one hand and nutrition programs on the other; what would be done to provide Southern crops with the same level of protection afforded Northern crops like corn and soybeans; would conservation compliance be linked to the subsidization of crop insurance; would crop insurance subsidies be subject to payment limitations; and would the dairy program be one that favored the large processors or one that protected small- to medium-sized producers.

The path to this point began when the Senate did its work and once again threaded the needle with sufficient deftness to garner a strong bi-partisan vote—they adopted a farm bill in 2012 that languished when the House failed to act on the draft farm legislation reported out by its Agriculture committee.

Once again the House Agriculture Committee did its work, reporting out a bill. Under pressure, the House Republican leadership put it up for amendments and a vote. The Ranking Member of the Ag Committee, Colin Peterson, indicated that he could deliver 40 Democratic votes if the Republicans could provide the rest.

But, it was not to be. Amendments that increased budget cuts to the nutrition programs, imposed work requirements on the receipt of nutrition program benefits, and changed the dairy program made it so unpalatable that Peterson could only deliver 24 Democratic votes while 62 Republicans voted no. Some of the Republicans who voted no on the farm bill voted yes on the amendments that lost Democratic votes.

So far, none of this surprised us; a little more negotiating and a lot more arm twisting and we would have had a bill that could go to conference with the Senate, we thought.

And then the surprise: people began to talk about splitting the agriculture portion of the farm bill away from the nutrition programs. That was not on our radar, though maybe it should have been.

Conservative groups like Club for Growth, Heritage Action, and Americans for Prosperity that wanted to see larger cuts to both programs began to argue that the two program areas, nutrition and farm, didn't belong together and should be considered separately even though the earliest farm programs in the 1930s included both.

The biggest problem though was not that the two were “unrelated”—they are not, food production and food security are closely intertwined—but that together they cemented a rural-urban coalition that had ensured the bipartisan passage of a farm bill for nearly 80 years. For those who have argued for a radically reduced Federal government, breaking apart these two constituencies would go a long way toward achieving their agenda.

Barney Keller of the Club for Growth said, “Republicans should put farm subsidies on a path to elimination and devolve food stamps to the states, where they belong.”

That leaves us with our favorite quote from Yogi Berra, “It's déjà vu all over again.” Remember the 1996 Farm Bill? Remember that it was to be the farm bill to end all farm bills? Remember the commodity prices that followed in 1998-2001 when modest but continued surplus crop production drove prices well below the cost of production? Remember the large “emergency payments” that were needed to prevent the wholesale collapse of the farm economy?

If we get good corn pollination in late July and a slightly delayed frost, some have suggested that we could see corn prices south of \$3.50 a bushel, well below the cost of production. Will insurance be enough to prevent the need for emergency payments?

And the purpose of a Federal nutrition program is to ensure that no matter where people live they have access to a minimal level of benefits. Given the effects of the Great Recession and the slow pace of employment recovery, now is not the time to be cutting nutrition benefits. Even with the current level of food stamp benefits, Feeding America reports that “for 1 in 6 people in the United States, hunger is a reality.”

Cont. on p. 2

Splitting out nutrition from agriculture—A case of divide to conquer?

Cont. from p. 1

All in all, it is no wonder that 532 agriculture-related groups have signed onto a letter to the Speaker of the House, John Boehner, expressing the view that now is the time “to move a *unified* (emphasis not in the original letter) farm bill forward.... Before the current law expires again on September 30, 2013.”

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