

Shaheen was right

With Ayotte, others, farm bill fix attempted

By **Grant Bosse** / **For the Monitor**

July 1, 2012

Warning: Congress may be hazardous to your health. To paraphrase Saturday Night Live character Linda Richman, the Patient Protection and Affordable Care Act neither protects patients nor makes care affordable. And it will impact your health less than another Byzantine bill recently approved by the U.S. Senate.

The 2012 farm bill continues the federal government's decades-long crusade to get you to eat more junk food.

Food writer Michael Pollan dates our push for cheap corn to Nixon Agriculture Secretary Earl Butz. Faced with rising food prices, Butz wanted to increase yields, lower prices and placate American housewives. Hey, it was 1973.

Butz set up a system of subsidies for commodity crops, especially corn, encouraging farmers to plant "fencerow to fencerow." Higher yields drove down commodity prices, but that was okay for farmers who could afford to sell cheap, with Uncle Sam making up the difference.

As Pollan wrote in a 2008 issue of the New York Times Magazine, "As this artificially cheap grain worked its way up the food chain, it drove down the price of all the calories derived from that grain: the high-fructose corn syrup in the Coke, the soy oil in which the potatoes were fried, the meat and cheese in the burger."

Supply went up, prices went down, and Americans have been consuming more Coke, french fries and cheeseburgers ever since.

Meanwhile, increases in ethanol mandates are literally burning a lot of that cheap corn, pushing food prices back up.

Even as we've artificially deflated the price of corn, we've artificially propped up the price of sugar. The United States first placed restrictive tariffs on imported sugar in 1816 as way to protect domestic sugar cane from competition. Our current quotas and tariffs keep U.S. sugar prices at nearly twice the world market price, costing American consumers nearly \$4 billion a year.

New Hampshire Sen. Jeanne Shaheen led the fight to repeal or reform the U.S. sugar program in the 2012 farm bill. Joined by Kelly Ayotte and a hardy coalition of liberals and conservatives, Shaheen rallied 46 senators to end Big Sugar's protection scheme. The group then introduced an amendment to roll back the sugar protection sections of the 2008 farm bill, which also came up short.

Sallie James from the Cato Institute says the Shaheen amendments are the closest the Senate has come in recent years to breaking the sugar industry's federal protection racket.

"Sugar is still an incredibly powerful special interest," James says. "I support her efforts. Good for her for trying."

Sugar remains the only crop untouched by the 2012 farm bill. The rest of the legislation

replaces direct payments to farmers, whether or not they actually grow anything, with an even more complicated crop insurance scheme. James says the so-called reforms do nothing to change the perverse incentives that farmers face.

"The whole idea of direct payments was to move farmers off of welfare over time. This is an admission that that didn't work," James adds. But she argues that funneling subsidies through the crop insurance program just makes things worse.

"This makes it a bit more hidden, and a bit more complicated. They call it insurance, which sounds much more innocuous," James argues. "This is a cynical move designed to lock in high prices, and not talk about serious reform."

The farm bill now heads to the House, which is far less sympathetic to giving billions in subsidies to wealthy farmers in square states, but much more likely to support spending on nutrition programs.

"Square states don't have the votes to pass this thing, in the House certainly. They need the votes of people like Charlie Rangel, who lives in Harlem," James explains. "It's absolutely an unholy alliance."

The farm bill spends nearly 80 percent of its money on programs like food stamps. James thinks the only way to get rid of America's costly farm subsidies is to split them from popular nutrition programs.

A new study in the Journal of the American Medical Association finds that high-carb diets are much more fattening than high-fat diets, while recent research from UC-Davis questions the link between farm subsidies and obesity.

We don't know how responsible our current farm policy is for our nation's weight problem.

But we do know it's costing us trillions.

New Hampshire senators should be commended for trying to make the 2012 farm bill a little less awful. Let's hope the House follows their lead.

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