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Blame Uncle Sam, Not Justice

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Imagine that you own lots and lots of things, to the point that you're classified as a billionaire. even though you couldn't lay your hands on that much cash if your life depended upon it.

Your phone rings. It's a fellow from the federal government. He informs you, taking care to prove he's not a scammer, that he's sending you a check for \$125,000.

Do you cash it?

Of course you do. Why shouldn't you? If Uncle Sam wants to hand out cash to rich folks, that's his problem. You can put the \$125,000 to good use.

Now, imagine your name is Jim Justice and you're the governor of West Virginia. Sit back and wait to see the headline, "*Billionaire Governor's Family Farms Get Subsidy.*" That was The Associated Press' suggested headline for a story revealing that a farming business the governor owns received \$125,000 in federal subsidies intended to help farmers affected by the trade war between the United States and China. The amount Justice's farms received is supposed to be the maximum payment.

By the way, the subsidy program "*does not require farms to demonstrate their operations have been damaged by the trade war,*" the AP noted. It added that a second round of subsidy payments — this one with a \$250,000 maximum — is in the pipeline.

This is nothing new. Agriculture subsidies have been controversial for many years. They originated during the Great Depression. The idea behind them was to keep small family farms from going out of business.

It turns out that in comparison to some folks who collect various farm-related subsidies, Justice didn't do very well. The Cato Institute estimates that 85% of farm subsidies are collected by the largest 15% of agri-businesses that qualify for them.

How much is up for grabs? The Environmental Working Group reported that during a 20-year period that ended in 2016, the government paid out \$349 billion in farm subsidies.

A lot of the money doesn't go to true farmers. Instead, people who don't live on farms and don't get their hands dirty but own percentages of agriculture businesses rake in the dough.

Sometimes, this costs us all money in addition to the taxes we pay. The sugar price supports program costs us about \$1.2 billion a year. Through provisions such as import quotas, it allows U.S. sugar producers to charge us about twice the world market price.

And farm subsidies aren't always paid to people who grow things. Forbes magazine reported that last year, "taxpayers even forked over \$1.8 billion to pay farmers not to farm their land.

Forbes also found that last year, about 400 subsidy recipients received between \$1 million and \$9.9 million each.

So our governor isn't doing all that well, in comparison to some other folks.

Understand that I'm not Justice's biggest fan. I have problems with a lot of what he does, including not paying bills in a timely manner. But in this case, his farming businesses (headquartered in North Carolina, by the way) aren't doing anything wrong.

Don't grit your teeth about Justice. Direct your wrath toward Uncle Sam, who needs to be taken to task over the whole gamut of agricultural subsidies.