

## **This Farm Bill Stinks**

## A lousy new Farm Bill is about to become law.

By Baylen Linnekin February 1, 2014

The measure, which had languished for two years in Congress, passed in the House this week. The Senate is expected to vote on the Farm Bill next week.

At least one member of the chamber, Sen. Chuck Grassley of Iowa, has <u>said</u> he'll vote against it. But most observers expect the bill will sail through the Senate, and President Barack Obama has said he'll sign it if it reaches his desk in its current form. In short, it appears the Farm Bill is a done deal.

The most notable change in this year's Farm Bill is the <u>elimination</u> of direct farm subsidies, the multi-billion-dollar handout to mostly wealthy farmers. That's a good thing. But in its place, Congress has substituted taxpayer-subsidized crop insurance. And the bill taxpayers may foot for crop insurance subsidies—at least <u>\$89 billion</u> over ten years—may outweigh what taxpayers would have contributed in direct subsidies. There are other many other <u>costly bells and whistles</u> to be found in the bill.

In short, what Congress has billed as a cost-cutting reform measure is nothing of the sort.

Recognizing this, the *Washington Post* editorial board, for example, <u>called on</u> President Obama to "stand up for his declared principles by vetoing it."

But others are willing to move on. *New York Times* editors held their nose in endorsing the bill, <u>captioning</u> their support with the less-than-optimistic headline, "The Farm Bill Could Have Been Worse."

Like the Farm Bill itself, the House vote in favor of the bill is ugly, no matter how one looks at it.

For every two members of the House who voted against the bill, there were three that supported it. While more than 100 Democrats <u>voted</u> against the bill, just 63 Republicans did the same.

Beyond the mere fact that the Farm Bill passed while laden with so much pork, it's that last figure that has many conservative and libertarian groups up in arms.

For example, a Citizens Against Government Waste <u>press release</u> on the Farm Bill's passage was titled, "It's a Dung Deal."

A Taxpayers for Common Sense <u>statement</u> says the Farm Bill "wastes taxpayer dollars on new special interest policies for everything from sheep to sushi rice."

Not surprisingly, the reactions of conservative and libertarian Farm Bill experts I spoke to by email this week ranged from disgusted to aghast.

"The bill is a disaster for taxpayers and has the potential to be even more expensive and wasteful than the abysmal 2008 Farm Bill that it is replacing," says Tom Schatz, president of the Council for Citizens Against Government Waste, CAGW's lobbying arm. "While the Congressional Budget Office estimates that the conference agreement will save a minuscule \$16.6 billion over 10 years (which is not likely to be achieved), that amount pales in comparison to the myriad problems that permeate the bill."

"By keeping an unnecessary catfish inspection program and refusing to reform crop insurance or eliminate the unnecessary sugar program," said David Williams, president of the Taxpayers Protection Alliance, "members of both parties and both chambers missed a golden opportunity to fundamentally shift agriculture policy from government-centric to one that embraces the free market and common sense."

"The Farm Bill conference report includes hardly any of the free market reforms that [we've] called for over the past two years," says Christine Harbin Hanson, federal affairs manager with Americans for Prosperity. "This deal also spends too much—it authorizes \$956 billion in spending over the next decade, representing a 49 percent increase over the 2008 farm law."

"The farm bill continues the command-and-control sugar policy—with its domestic production restrictions, price supports, and quotas on imports," says Fran Smith of the Competitive Enterprise Institute. "As a result the high cost of domestic sugar is estimated to cost consumers up to \$4 billion per year and has led many confectionery companies to close or move to other countries."

"Although H.R. 2642 eliminates direct payments and commendably avoids the worst dairy supply management schemes," says Nan Swift, federal affairs manager with the National Taxpayers Union, "on balance the package is a blueprint that would create continued dependency on the federal government and taxpayer funds, push up land and food prices, and hurt the very same small farmers that proponents of the bill claim to be helping."

"This farm bill proves that most Republicans in Congress only pay lip service to limited government and are really only interested in handing out tax dollars to their preferred constituents and friends," says Andrew Roth, vice president of government affairs with the Club for Growth. "They are either cowardly or unprincipled in their motives."

"Democrats, we are told, favor equity," says Mercatus Center scholar Matt Mitchell. "Republicans, we are told, favor free markets. Current U.S. farm policy is anathema to both of these goals."

An upside of the Farm Bill is that it's spurred some critics to invoke some literary and oratory classics to depict the bill.

"By picking and choosing the worst aspects of the House and Senate-passed bills, somehow the conference created a 'Frankenstein's monster' that is even worse than the bills it started with," says NTU's Swift.

"Farm subsidies are a reverse Robin Hood policy transferring the earnings of average taxpaying families to well-off farm businesses," says Chris Edwards, editor of DownsizingGovernment.org at the Cato Institute.

And columnist Kim Strassel of the *Wall Street Journal* penned <u>a gem</u>, using Paul Harvey's famous "God Made a Farmer" speech (which I <u>dissected</u> last year after the speech was used as the backdrop for a Super Bowl ad) to parody the unholy alliances that make the Farm Bill possible.

"God said, 'I need somebody willing to get up before dawn, milk cows, work all day in the fields, milk cows again, and then go to Washington and claim that this particular type of hard work is somehow unique in America and ought to be underwritten by the rest of the nation," writes Strassel, closely mirroring the language—if not the message—of Harvey's speech. "I need a willing audience for that plea—a group clever enough and self-serving enough to see the electoral profit of standing for Carhartts, wheat fields and John Deere tractors.' So God made a Congress."

What would happen if, as I've <u>suggested</u> many times, we were simply to abolish farm subsidies in one fell swoop?

"If farm subsidies ended, U.S. agriculture would face some short-term adjustments, but it would thrive over the long term," says Cato's Edwards. "Farmers would adjust their planting and land use, cut costs, and diversify their sources of income, as happened after New Zealand repealed its farm subsidies in 1984."

When it comes to the Farm Bill, there is a way forward. But we always go back.