

## GOP to Taxpayers: We're Against Subsidies, Except If They're For Rich Farmers

By: Veronique de Rugy – July 15, 2013

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A few weeks ago, I suggested that splitting the farm bill into two pieces would have the benefits of breaking the alliance between the pro-farm and food-stamp spending lobbies in the hopes that it would help get rid of farm subsidies. I wrote:

*As Cato Institute's Chris Edwards explained in a 2009 piece on agricultural subsidies, for years now "farm-legislators have co-opted the support of urban legislators, who seek increased subsidies in agriculture bills for programs such as food stamps."*

*In their famous book published in 1962, "The Calculus of Consent: Logical Foundations of Constitutional Democracy," Noble Prize Winner James Buchanan and his co-author Gordon Tullock identified this behavior as logrolling — an agreement between two or more lawmakers to support each other's bill.*

*Normally, they wouldn't support the other's bill if it weren't for the support of their own bill. The main consequence of this quid pro quo is more government spending across the board and in this particular case; more farms subsidies and more food stamps spending.*

I thought that splitting the bill into two parts would finally put farm subsidies on the path to elimination where they belong. Boy, was I wrong. As it turns out, Republicans are as eager as ever to continue to support a "ag-only bill" that includes indefensible subsidies to farmers, such as sugar-producer programs, and creates new income-entitlement programs, such as the shallow-loss program. It gets worse, as Taxpayers For Commonsense explains:

*Leadership argued this was the same portions of the amended bill that failed last month. Except it wasn't. Yes, they repealed archaic and wasteful permanent law that dated back to 1949. Good. But under the cover of darkness, they had conveniently deleted nearly all the lines that would "sunset" these new changes in 2018. So they not only created new income*

*guarantee entitlements, revived Moscow-on-the-Potomac government-set target prices, loaded up with new special interest carve-outs, and expanded already overly generous crop insurance subsidies, they made these market distorting subsidies the new “permanent law.” Really, really bad. House Agriculture Committee Chairman Frank Lucas (R-OK) wanted to lock in record farm income and these extravagant subsidies in perpetuity without any trigger to regularly review them. It’s waste on auto-pilot.*

*With only a couple hours to review these sweeping changes, and some staffers not knowing they’d happened until we told them, too many lawmakers took the bait, and the 600-plus page bill passed less than 24 hours after it appeared. But Leadership couldn’t even get a majority of the House (218), and the bill passed 216-208. Every Democrat and 12 brave Republicans voted no for a bill that spends more than the ag-only provisions in the Senate farm bill, saves less than half what Republicans agreed to in their House Budget, and falls short of the cuts called for in the President’s budget request.*

To add insult to injury, this move just feeds into the portrait Democrats like to paint of Republican lawmakers: They will support any policies that favor the rich – even if they mean more government spending – and like to oppose policies that would benefit lower-income Americans. In this case, there is some truth to that. Republicans are showing that, while some of them weren’t willing to vote for the farm bill as long as it included food stamps, they will support the outrageous redistribution of income to higher-income Americans when it benefits wealthy farmers.

Not surprisingly, the Republican leadership has some arguments for why this is a good conservative move and why this will lead to less spending. I don’t buy them, even though it is true that there is still a chance that outrage over the ag-only bill will be such that, next time it’s time to vote for farm subsidies, Republicans will think twice about it. However, in the light of Congress’s recently renewed support for other corporate-welfare programs, such as the Ex-Im Bank, I am not holding my breath.