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# What to watch in the farm bill

By: Bruce Ross – May 30, 2013

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Rep. Doug LaMalfa -- himself long the subject of criticism because his families' rice farms collect crop subsidies under federal programs -- recently wrote in an Op-Ed that his highest priority in reauthorizing the federal farm bill would be ending direct payments to farmers, as well as cutting overall spending.

> *For the last 17 years, direct payments have led to market distortions, vilified farmers, and done little to advance and promote agriculture and food security. Ending such payments will make agricultural markets more efficient, lower federal costs and increase competition. I cannot support a Farm Bill that does not end direct payments of farm subsidies.*

And the House Agriculture Commitee did indeed pass just such a bill.
Only one problem. Ending direct payments would just end one program. And there are plenty of others. A Des Moines Register editorial keeps its eye on the ball:

> *For starters, Congress should end direct taxpayer subsidies that are paid to farmers regardless of whether they grow anything. The danger, however, is that any resulting savings to the treasury could be wiped out by federal crop insurance, which is the farmers' preferred alternative because the government pays 60 percent of the premiums.*

The Congressional Budget Office's "scoring" of the bill shows that the increase in crop insurance is substantially smaller than the decrease in commodity payments, leading to a net decrease in farm payments (separately from food stamps, which are also cut in the House bill).

The small-government zealots at the Cato Institute, meanwhile, call any paper savings likely to prove a sham in the real world -- pointing to past lowball estimates.

> *Despite the fact that politicians are claiming that the proposed new farm bill cuts spending, it's just a mirage created by rising baselines. The truth is that the House farm bill would spend 47 percent more over 10 years than the last farm bill, or 39 percent more in inflation-adjusted dollars.*