



The Iowa Agricultural Panderfest

Most of the GOP candidates told farmers they love the Renewable Fuel Standard.

By Michael Tanner

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Political junkies have always been of two minds about the Iowa caucuses' position as the first step on the road to the presidential nomination. On the one hand, Iowa is far less diverse, far more rural, and generally more insular than much of the country. It tells us little about a candidate's broader appeal. On the other hand, its small media market and retail politics allow candidates without huge war chests to compete on a nearly equal footing. Whereas in bigger states, candidates with lots of money can flood the airwaves with advertising, in Iowa, candidates actually have to answer questions from voters and the media in person.

Iowa also provides one other valuable service. It lets us see just how far candidates will go in pandering to special interests. And this year, most of the potential Republican candidates are already providing a particularly craven spectacle.

Last week, nearly everyone thinking of running for the Republican nomination made a pilgrimage to the Iowa Agricultural Summit, where the putative candidates pledged their allegiance to agricultural subsidies generally and the Renewable Fuel Standard specifically.

The RFS is an EPA regulation mandating that gasoline sold in the United States contain a minimum amount of "renewable fuel" components, primarily ethanol. This year, transportation fuel sold in the U.S. must contain at least 15.21 billion gallons from such renewable sources. That figure is scheduled to rise to 36 billion gallons by 2022. Most gasoline sold today is a blend that is 90 percent gasoline and 10 percent ethanol, known as E10, to comply with these regulations. In order to meet the mandate in the future, the ethanol would have to be increased to 15 percent. The mandate is a windfall for Iowa corn farmers — roughly half of all Iowa corn production goes to ethanol, and farmers earn nearly \$5 billion annually from the program — but a disaster for pretty much everyone else. The mandate drives up the cost of both gasoline and food. It adds about 13 cents per gallon to the cost of gas. And, according to the CBO, 10 to 15

percent of the rise in food prices since 2007 can be attributed to the RFS. It also reduces U.S. food exports, adding to both food costs and hunger worldwide.

At the same time, the RFS does little or nothing to help the environment. Studies show that, if one accounts for all the fuel and fertilizer needed to grow the corn in the first place, as well as the lower fuel efficiency of gasoline mixed with ethanol, ethanol actually is a bigger source of pollution than traditional fuels. One study, by Princeton professor Tim Searchinger, published in *Science* magazine, found that over a 30-year span, ethanol ends up contributing twice as much carbon dioxide to the air as the same amount of gasoline would. That is why environmental groups like Friends of the Earth and the Clean Air Task Force oppose the mandate.

Even the Obama administration, which has never met an environmental regulation it didn't love, has recognized the problems with the Renewable Fuel Standard, calling for the mandate to be scaled back (though not eliminated).

None of this stopped Republican candidates from telling Iowa farmers that they were committed to continuing, and even strengthening, the mandate.

Jeb Bush was typically wishy-washy. He declared the RFS a success, but allowed that it might eventually be eliminated. He then added, "Whether that's 2022 or sometime in the future I don't know."

Chris Christie, on the other hand, was not wishy-washy at all. He loves the Renewable Fuel Standard and even attacked the Obama administration for not being more forceful in implementing it. "Certainly anybody who's a competent president would get that done in their administration," he told the farmers. Taking his pandering beyond the ethanol mandate, Christie also offered a strong endorsement of crop insurance and agricultural subsidies.

Scott Walker, who in 2006 spoke out against an ethanol mandate, reversed course this time, supporting the RFS and saying he would press the EPA to ensure "certainty in terms of the blend levels set." Walker did say that he hopes "long term . . . to get to a point where we directly address those market access issues . . . so that eventually you didn't need to have a standard." But that's quite a difference from his 2006 statement that "it is clear to me that a big-government mandate is not the way to support the farmers of this state." Walker's U-turn on the issue was blatant enough to cause some observers to wonder if he was risking a Romney-like reputation for adjusting his positions to fit the audience.

Rick Perry joined Walker in the flip-flopping category, although he was at least honest about it. He acknowledged that he had opposed the RFS in the past, but now warned against eliminating the mandate too quickly. Perry, who once asked the EPA for an RFS waiver for Texas, said he opposes mandates generally, but opposed "discriminat[ing] against the RFS."

However, the biggest ethanol enthusiasts were the lesser candidates Mike Huckabee, Lindsey Graham, and Rick Santorum. Rising to Christie levels of pandering, Huckabee declared ethanol a national-security issue, saying that the Renewable Fuel Standard was necessary for the United States to achieve “energy independence.” Graham doubled down on the national-security angle, claiming that every gallon of ethanol reduces by a gallon “what you have to buy from people who hate your guts.”

Santorum proudly announced that he was “always willing to take the side of ethanol in a debate.” Ethanol, Santorum said, “creates jobs in small-town and rural America.” Besides, Santorum noted, the RFS “is a mandate. It is not a tax.” Glad he cleared that up.

Only Ted Cruz among those at the summit was willing to stick to free-market principles. (Rand Paul did not attend the summit but also opposes the Renewable Fuel Standard. “He does not support the government telling consumers or businesses what type of fuel they must use or sell,” according to his spokesman. Marco Rubio also did not attend the summit. He says he does not yet have a position on the Renewable Fuel Standard, but will eventually come up with one “holistically,” as part of an overall energy plan.)

Cruz called the RFS “corporate welfare” and declared that “businesses can continue to compete, continue to do well without having to go on bended knee to Washington asking for subsidies, asking for special favors.” Taking a shot at those rivals who had joined the pandering, Cruz told the farmers, “The answer you’d like me to give is, ‘I’m for the RFS, darn it.’ But I’ll tell you, people are pretty fed up, I think, with politicians who run around telling one group one thing, another group another thing, and then go to Washington and they don’t do anything they said they’d do.”

Oh, and if anyone is wondering, Hillary Clinton, who was invited to the agricultural summit but did not attend, backed the Renewable Fuel Standard in her 2008 campaign. Her spokesmen have refused to comment on her current position. Perhaps the e-mail was lost.

As of now, the 2016 Iowa caucuses are tentatively scheduled for January 18. If the agricultural summit is any example, it’s going to be a very long ten months.

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