



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

Papers downloaded from AgEcon Search may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.



THE ECONOMIC PAMPHLETEER JOHN IKERD

U.S. farm policy alternatives for 2020

Published online July 21, 2020

Citation: Ikerd, J. (2020). The Economic Pamphleteer: U.S. farm policy alternatives for 2020. *Journal of Agriculture, Food Systems, and Community Development*, 9(4), 5–8.

<http://dx.doi.org/10.5304/jafscd.2020.094.015>

Copyright © 2020 by the Author. Published by the Lyson Center for Civic Agriculture and Food Systems. Open access under CC-BY license.

The year 2020 seemed destined to be a year dominated by presidential politics. The Republican candidate for president was never in doubt, but the Democrats began with a crowded field of contenders. Climate change seemed destined to be the dominant political issue. However, the political landscape changed abruptly when the coronavirus pandemic exploded into public consciousness. A delayed response led to an economic shutdown, seemingly weakening the Republican case for reelection. The Democrats quickly settled

on a moderate presidential candidate to head their ticket. The police killing of another unarmed African American person then triggered massive street demonstrations. Rather than bring the nation together, these latest crises have further deepened an increasingly critical political divide.

There is no way of knowing the long-run consequences of the climate change debate, the COVID-19 crisis, or the Black Lives Matter movement—for the 2020 elections, the economy, or the future of the nation. Presumably, the 2020 presi-

John Ikerd is professor emeritus of agricultural economics, University of Missouri, Columbia. He was raised on a small farm and received his B.S., M.S., and Ph.D. degrees from the University of Missouri. He worked in the private industry prior to his 30-year academic career at North Carolina State University, Oklahoma State University, the University of Georgia, and the University of Missouri. Since retiring in 2000, he spends most of his time writing and speaking on issues of sustainability. Ikerd is author of six books and numerous professional papers, which are available at <http://johnikerd.com> and <http://faculty.missouri.edu/ikerd/>

Why an Economic Pamphleteer? In his historic pamphlet Common Sense, written in 1775–1776, Thomas Paine wrote of the necessity of people to form governments to moderate their individual self-interest. In our government today, the pursuit of economic self-interest reigns supreme. Rural America has been recolonized, economically, by corporate industrial agriculture. I hope my “pamphlets” will help awaken Americans to a new revolution—to create a sustainable agri-food economy, revitalize rural communities, and reclaim our democracy. The collected Economic Pamphleteer columns (2010–2017) are at <https://bit.ly/ikerd-collection>

idential and congressional elections will take place—by one means or another. The outcome of these elections will shape the policy responses to the multiple crises currently facing the nation. The 2020 elections will also determine the 2023 farm bill and farm policy for at least five years beyond—which is the focus of this column.

Arguably, the outcomes of past general elections, since at least the 1970s, have made relatively little difference in U.S. farm policies. The farm-state Democrats and Republicans who write the farm bills have generally agreed on the broad outlines of farm policy. But this year will be different in one regard.

Concerns among farmers, as well as the general public, about increased weather volatility will likely force both parties to address the issue of climate change.

If Republicans retain the presidency and the Senate in 2020, the 2023 farm bill quite likely will address climate concerns by relying on existing commodity-based programs. Increased funding of federally subsidized crop and revenue insurance will be authorized to help farmers cope with the risks associated with increased weather variability. Disaster payments will be authorized in cases where crop insurance is insufficient to mitigate losses. Future climate disasters will be addressed in much the same way as the adverse impact of trade wars and the recent disruptions to the food system wreaked by COVID-19. Taxpayers will continue to bear much of the systemic risks of industrial agriculture. Publicly funded agricultural research and education will continue to support the intensification of commodity production to meet growing global food needs while reducing greenhouse gas emissions per unit of production.

The more “moderate” Democratic candidates, including the nominee, have approached climate-related farm policies much as they would any other resource conservation or environmental issue (Gusten, 2019). They would rely on increased

funding for existing U.S. Department of Agriculture (USDA) programs, specifically the Conservation Stewardship Program (CSP) and the Environmental Quality Assessment Program (EQIP). The USDA provides a list of “Building Blocks for Climate Smart Agriculture and Forestry” (USDA, 2016) that utilize these programs. The list includes farming practices such as cover crops and reduced tillage to increase soil carbon, efficient use of nitrogen fertilizer to reduce fossil energy use and carbon emissions, and better management of manure to reduce methane emissions.

Other practices involve more permanent changes in land use to increase carbon sequestration, include agroforestry, management of intensive livestock grazing, grass buffer strips along waterways and streams, and contoured strips of prairie grasses integrated with row crops.

Even with a moderate candidate, the Democratic Party will be under pressure to embrace a more progressive political agenda to ensure a strong turnout for the 2020 elections. The more “progres-

sive” Democratic candidates have proposed programs that would bring about more fundamental changes from past farm policies. In addition, all major Democratic candidates have voiced varying degrees of support for the Green New Deal (Recognizing the duty, 2019)—which was outlined in a previous Economic Pamphleteer (Ikerd, 2019). Proposals for a more progressive agenda would shift farm policy from the current commodity-based programs that focus on productivity and economic efficiency to programs that would incentivize and support a transition to regenerative, sustainable whole-farm systems.

In addition to presidential candidates, various nonprofit organizations have developed political agendas around the principles in the Green New Deal. One such organization is Data for Progress, which has developed a “Green New Deal Policy Series” that includes Regenerative Farming and the

Green New Deal (Feldman, Ikerd, Watkins, Mitchell, & Bowman, 2020). The policies in this document would fundamentally reform the current government-subsidized crop insurance program by (1) limiting crop insurance coverage to crops grown using approved soil conservation practices, (2) placing limits on coverage of insured crops to US\$250,000 market value per farmer, and over time, (3) phasing out subsidized crop insurance programs for single crops, and (4) phasing out all commodity-based programs, unless accompanied by supply management programs.

Current crop insurance programs would be replaced with a Whole-Farm Net Revenue Insurance program that would share the risks of transitioning to regenerative, sustainable farming systems by guaranteeing farm family income on parity with nonfarm family incomes. To qualify, existing or beginning farmers would be required to submit an approved whole-farm plan for establishing a regenerative whole-farm system. Government transition incentives would be in the form of guaranteed tax credits, similar to those in the current earned income tax credit (Internal Revenue Service, n.d.).

Existing farm programs would be used to facilitate the transition. Funding of the CSP and EQIP programs would be increased to incentivize the conversion of current croplands into pastures, agroforestry, buffer strips, and other components of regenerative whole-farm systems. The USDA Conservation Reserve Program (USDA Farm Service Agency, n.d.) would be modified to include the permanent retirement of marginal cropland to forests and native prairies. These cropland diversion programs would reduce the supplies and increase the costs of feed grains, further incentivizing the transition of livestock from concentrated feeding operations to regenerative, pasture-based systems. Publicly funded agricultural research and education programs would be shifted from their current focus on productivity and economic

efficiency to regenerative farming and agricultural sustainability.

Such transformative changes in farm policy would not be quick or easy. The corporate agri-food establishment has used its economic and political power to take firm control of farm and food policy-making by both parties in Washington, D.C., and in statehouses across the country. In recognition of this problem, earlier in the campaign cycle several major presidential candidates promised vigorous enforcement of existing antitrust policies to break the stranglehold of corporate agribusiness on American agriculture in general as well as U.S. farm policy. This would not be easy and it would take time, but it has been done in the past and it could be done in the future.

A crisis is a critical point in time when it becomes necessary to make choices that will fundamentally reshape the future, for better or worse. The multiple crises confronting Americans today have revealed fundamental, systemic flaws in current industrial farm and food systems as well as public policies and political priorities in general. In response, the major Democratic presidential candidates sensed

sufficient public support to base their campaigns on promises for fundamental, systemic change. In fact, the Green New Deal addresses all of the current political crises in its promises to “provide economic security for all” and “to secure for all people for generations to come—clean air and water; climate and community resiliency; healthy food; access to nature; and a sustainable environment; and to promote justice and equity by stopping current, preventing future, and repairing historic oppression” (Ikerd, 2019, p. 4).

A complete transformation of farm policies will not be accomplished in the 2020 elections or the 2023 farm bill. However, for the first time in 50 years, there is an opportunity to begin creating a better future for American agriculture by reshaping U.S. farm policy.

Vigorous enforcement of existing antitrust policies to break the stranglehold of corporate agribusiness on American agriculture in general as well as U.S. farm policy would not be easy and would take time.

References

Feldman, M., Ikerd, J., Watkins, S., Mitchell, C., & Bowman, J. (2020, January 17). Regenerative agriculture and the Green New Deal. Data for Progress, Green New Deal Policy Series, Food and Agriculture. <https://www.dataforprogress.org/memos/regenerative-agriculture-and-the-green-new-deal>

Gusten, G. (2019, July 19). These candidates see farming as the climate solution. Here's what they're proposing. *Inside Climate News*. Retrieved from <https://insideclimatenews.org/news/19072019/agriculture-climate-solution-election-2020-biden-warren-sanders-soil-carbon-conservation>

Ikerd, J. (2019). The Economic Pamphleteer: A “Green New Deal” for farm and food policy. *Journal of Agriculture, Food Systems, and Community Development*, 9(1), 3–5. <http://dx.doi.org/10.5304/jafscd.2019.091.008>

Internal Revenue Service. (n.d.; last update: 2020, June 5). Earned Income Tax Credit (EITC). Retrieved from <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit>

Recognizing the duty of the Federal Government to create a Green New Deal (House Res. 109). 116th Cong. (2019, February 7). Retrieved from <https://www.congress.gov/116/bills/hres109/BILLS-116hres109ih.pdf>

U.S. Department of Agriculture [USDA]. (2016, May). *USDA building blocks for climate smart agriculture and forestry: Implementation plan and progress report*. Retrieved from <https://www.usda.gov/sites/default/files/documents/building-blocks-implementation-plan-progress-report.pdf>

USDA Farm Service Agency. (n.d.). Conservation Reserve Program. Retrieved from <https://www.fsa.usda.gov/programs-and-services/conservation-programs/conservation-reserve-program/>