



# Legislators join forces to impact federal farm policy

by Anne McCann

Capitalizing on the spirit of hope and optimism during the Christmas season, lawmakers from across the Plains states convened in Omaha, Neb., late last December to discuss the fate of family farms across the country. The purpose of the Midwest Farm Price Crisis Forum, according to South Dakota Rep. Roland Chicoine, was to coordinate efforts across state lines so that agricultural states can present a “united front” when they lobby Congress to change the current farm program.

“If each state went with a different message, [federal lawmakers] would be even more confused than

ever,” says Chicoine, a Democrat from Elk Point.

Chicoine and three of his South Dakota colleagues traveled to the Nebraska meeting during Christmas week last year to meet with 100 other state leaders from across the Midwest. They discussed how to positively change the direction of production agriculture.

At issue was the Federal Agricultural Improvement and Reform (FAIR) Act of 1996, commonly known as the farm bill, which is up for reauthorization in 2002. Several state lawmakers and agricultural organizations have already started gearing up for what many see as the chance to actually rewrite the bill. By holding forums and hearings throughout the country, the groups hope to get input from those most affected by the federal legislation.

The National Association of State Departments of Agriculture (NASDA) is planning a series of “listening sessions” that will be conducted throughout the year at both its regional meetings and those of The Council of State Governments. The plan is to come up with a list of recommendations to present to Congress on how to change the farm bill and ultimately, the direction of U.S. farm policy.

The U.S. House Agriculture Committee has also recently announced that it will be hosting a series of farm policy hearings throughout the country this spring. Like NASDA, committee members are hoping to give farmers and other citizens the chance to improve U.S. farm policy — which many blame for the current economic crisis most farmers are facing.

At the core of U.S. farm policy are the federal programs established to support farm income and commodity prices. According to the Congressional Research Service however, under the 1996 farm bill, “agriculture policy shifted away from price stabilization through

supply management to more market-oriented decision-making by farmers.” The idea was to give farmers more responsibility for risk-management decisions in return for greater planting flexibility.

Critics had warned that this new system would not provide the necessary safety net in the event of low prices and some say they were proven correct when Asia and some former Soviet countries were hit with a financial crisis last year.

Like many, Chicoine cites the current farm crisis on the often turbulent and unpredictable world economy. The economic crisis in Asia,

where imports of U.S. products are typically high, hit the American agricultural sector particularly hard. Weak foreign demand of our agricultural products led to lower commodity prices and lower cash receipts from exports for American farmers.

But, Chicoine, who is farmer himself, feels that situations like this can be addressed during the reauthorization of the federal legislation.

“The farm bill puts a floor on commodity prices,” he says. “When we lowered that floor, the commodities dropped right down to it. We have to raise [it] up to where the farmer can

survive.”

Chicoine and his colleagues are also concerned by what is happening with genetically modified agricultural products. Many countries, including those in the European Union, have recently expressed their reluctance or refusal to accept genetically-engineered products, like beef or milk, from the United States, for fear of health-related risks.

This baffles the South Dakota lawmaker.

“We’ve been eating genetically altered fruit, vegetables and milk for a long, long time and nobody has complained about it,” he says Chicoine. “All of a sudden, because farmers are getting involved in it, its bad.”

“I always ask people, ‘Where do you think you get your seedless grapes and new tomatoes and potatoes?’ It’s all been genetically altered.”

Chicoine and others who attended the Nebraska forum recognize that federal farm policy must be addressed now, while there are still people in this country who want to farm.

“With the economy the way it is in this country, you can make so much more money doing anything but farming,” says Chicoine. “Today, why would a father want his son to go into farming under these conditions?”

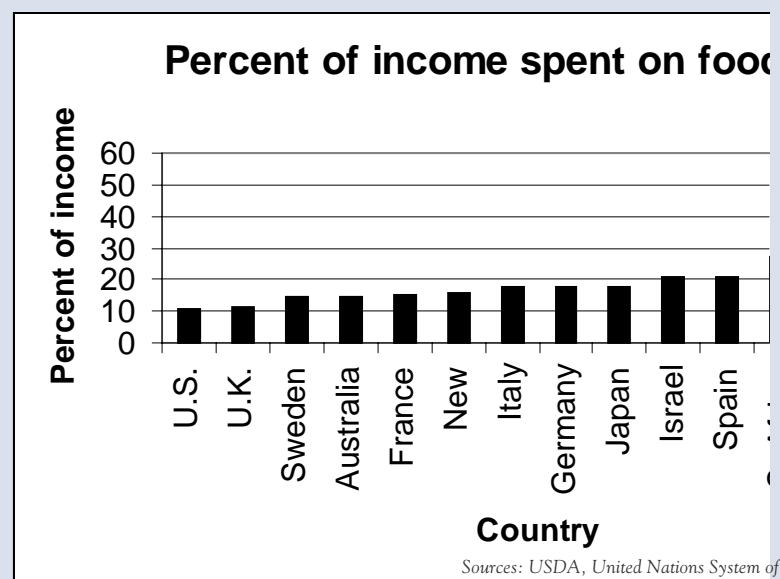
“We’re hoping that we can rewrite the farm bill, he says of his trip to Nebraska. “If we don’t do something now, it will be too late two or three years down the road. We’ll lose a lot of young farmers.”

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— Rep. Roland Chicoine, South Dakota

## America’s food supply most affordable in the world

Despite the fact that American food producers are currently experiencing an agricultural price crisis, the nation continues to enjoy the most affordable food supply in the world. American consumers spend only about 10



Sources: USDA, United Nations System of National Accounts

percent of their disposable income annually on food — a percentage which continues to decrease steadily. Consumers in other countries pay up to five times that amount, spending more than half of their disposable income per year on food.

The U.S. Department of Agriculture reports that American food is by far the most economical. A comparison of the cost of a single bag of groceries containing milk, eggs, sugar, cheese, steak and apples shows that while U.S. consumers would pay about \$18.79 for those items, Japanese consumers would pay nearly four times that amount at \$74.23.

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