

## Money for Nothing

### The joys of U.S. farm policy

**W**hy is there a stigma attached to using government-financed stamps to purchase food but no stigma attached to accepting government money to grow the food in the first place? American farm policy is filled with such stumbers.

Consider that federal cash payments to individuals—the program formerly known as Aid to Families with Dependent Children—were widely criticized for creating intergenerational dependency on the federal government and allowing people to maintain an idle lifestyle. Yet cash payments to American farmers are justified by some precisely because they promote intergenerational dependency on government and allow for an idle lifestyle.

“If we’d kept our land in wheat, the fixed costs for equipment [and] fertilizer would have played havoc with our budget,” North Dakota farmer Lyle Sjoström told *The New York Times* in late August. He dedicated 40 percent of his 4,000 acres to the federal government’s conservation program, a move he credits with allowing his son, a full-time seed peddler, to become a farmer in his spare time. (When women on welfare work a job on the side to supplement their government checks it’s considered welfare fraud, but when farmers take outside jobs, such as selling seeds or legislating farm policy, it’s considered noble.)

Others praise farm handouts for the leisure they provide. “Subsidies are critical to most gentlemen farming in Arkansas,” Sen. Blanche Lincoln (D-Ark.) told the *Times*.

Lincoln is one of seven congressional farmers who receive thousands of dollars every year from taxpayers. Some, like Rep. Charles Stenholm (D-Texas), an author of farm legislation, find value in dependence on government. “Working a farm and relying on subsidies has been a plus for me,” Stenholm told the *Times*. Perhaps

that’s why Stenholm joined with Rep. Marion Berry (D-Ark.) in voting against the modest tax cut passed earlier this year. They recognized that handing people’s money back in individual increments of up to \$300 means there is less money for five- and six-figure checks to farmers such as themselves. (Berry’s family enterprises raked in \$649,750 in farm subsidies over the last five years. Stenholm received \$39,298 over the same period.)

Advocates for American farmers are extremely worried about what the declining fortune of the federal treasury means

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for them. In July, Democrats were forced to accept \$2 billion less in the routine emergency farm bill (the end result: farmers only got a bonus \$5.5 billion in their pockets this time around). And, as of press time, the House was set to debate a 10-year, \$171 billion farm package that guarantees payments to indigent farmers.

**T**axpayers might well wonder what happened to the free-market farm policy that was enshrined in the 1996 Freedom to Farm Bill. That law freed farmers of row crops such as corn, wheat, cotton, rice, and soybeans from much federal regulation in exchange for giving up guaranteed payments from D.C. It turns out that farmers did like being free from the dictates of bureaucratic planners. However, they didn’t like having to rely on their farms for income.

From the taxpayer perspective, the law has been a complete bust. Farm subsidies

skyrocketed from \$7.3 billion in 1995 to \$32.2 billion last year.

From the point of view of individual farmers, the welfare explosion has been great. For instance, between 1996 and 1999, federal payments to Texas farmer Lanny Bezner jumped from \$164,621 to \$741,839, for a total take of \$1.38 million. “We’re successful primarily because of government help,” Bezner, who has been expanding his operations, told the *Times*. He’s not alone: The U.S. Department of Agriculture predicts farm income—nearly half from government payouts—will reach a record \$61 billion this year.

As ridiculous as current farm policy is, some in Washington want to make it even worse. These advocates would transform the farm program into a *conservation* program. The new plan would expand pro-

grams that pay farmers to let their land return to a more natural state or pay them to farm in more environmentally friendly ways. It has the political benefit of not violating World Trade Organization rules on farm subsidies while giving handouts to landowners who don’t farm subsidized crops. In other words, farmers and ranchers who raise tomatoes and pigs, say, can now put their faces in the federal trough.

Many farmers welcome the shift to conservation and are lining up to get paid not to work, or at least to be non-farming farmers. More than 36 million acres are currently enrolled in the program and more landowners want in. That’s hardly surprising. Money for nothing: It’s good work—if you can get it. ♦

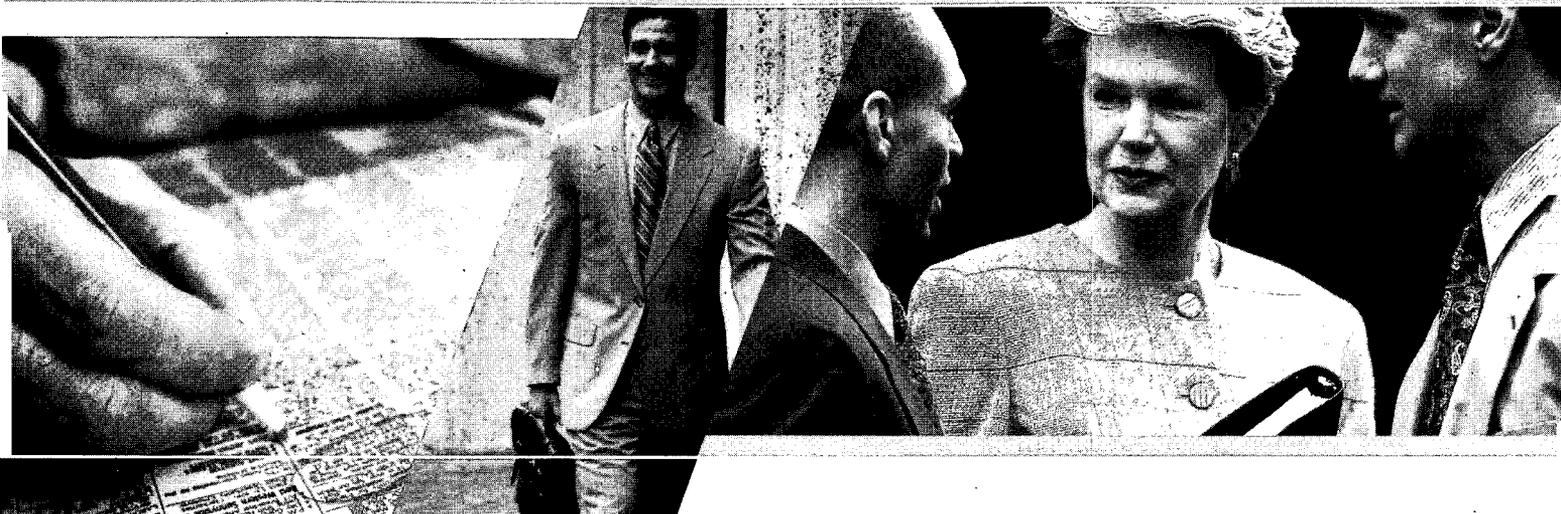
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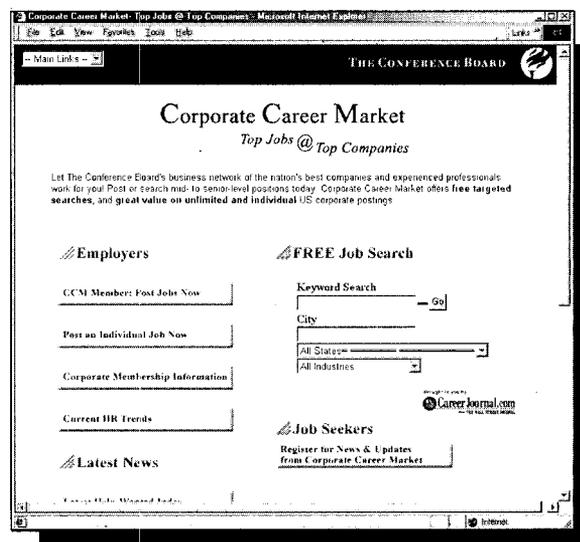
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