

US farm bill proposals include huge cuts to food assistance

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On May 15, the House Agricultural Committee passed its 2013 farm bill called the Federal Agriculture Reform and Risk Management Act of 2013. The bill includes almost \$21 billion in cuts to the Supplemental Nutrition Assistance Program (SNAP) program over the next ten years. Close to two million low-income people will be cut off altogether from the food assistance program formerly known as food stamps. An estimated \$39.7 billion would be cut from the entire farm bill. Over half of those cuts come from SNAP. This will mean a loss of an average of \$25 of monthly SNAP benefits for a family of four.

The SNAP program, upon which 48 million people depended last year for their survival, half of them children, is the principal remaining assistance offered to the poorest in America.

The farm bill is the generic name for the large bundle of legislation that governs the USDA (United States Department of Agriculture) and food and fiber production and distribution in the US. Because the scope of the USDA is wide-ranging, covering farming, agriculture, forestry and food, it is hotly debated by big business, and many powerful interests invest millions to lobby for favorable provisions.

Over the past 50 years farm bills have been re-argued, reconfigured and renamed approximately every five years. The last farm bill, called the Food, Conservation and Energy Act of 2008, expired September 30, 2012 without a new farm bill being negotiated through Congress. A nine-month extension was cobbled together in January 2013, leaving mostly intact the farm subsidies, while cutting \$110 million from SNAP education programs and programs promoting local food production and organic farm practices.

The farm bill covers a vast array of programs: farm subsidies, income protection insurance for farm owners, research and development in agriculture, rejuvenation and conservation of fragile and significant country and wetlands, support for local and regional food production and distribution, research into organic food production, and trials of healthy school lunch and snack programs.

Both houses of the US Congress are working on farm bills

in an effort to pass legislation in the next few months that will make the biggest cuts to welfare since Bill Clinton's 1996, "end of welfare as we know it" legislation that dismantled Aid to Families with Dependant Children.

With record numbers of people on food stamps due to the economic crisis, the discussion between the Republicans and Democrats is purely on the level of how much will be cut. The fact that tens of millions of Americans routinely go hungry is simply not an issue. The Senate Agriculture Committee chair Debbie Stabenow (D-Michigan) offers the "kinder-gentler" position of a \$400 million annual cut from food stamps, but the final vote will not take place until next week. Welfare recipients are vilified in the media and by politicians as dependent, fraudsters, lazy and from minority backgrounds, spending taxpayers' money on sugary carbonated beverages and other junk food on the one hand or exotic gourmet food on the other. By some bizarre reasoning, food stamps become the cause of obesity. These accusations are then used to demand cuts that will deprive people of their only source of sustenance; rather than address the underlying causes of unemployment, under-employment and low wages as well as the growing incidence of food deserts—neighborhoods that only have markets selling junk food and fast food outlets.

The truth is that the majority of households receiving SNAP benefits have a worker in the home. The largest single group receiving it is white. African Americans and Hispanics are the second and third largest groups. "Households typically include a child, an elderly person or a disabled person, and a gross income of \$744 a month," according to thefoodjournal.com.

The use of food stamps occurs all across the US, but there are areas of higher concentration. Washington DC is one of the highest with 23 percent of the population on food stamps last year. About 1,000 active members of the US military also rely on food stamps.

Since 2008 there has been exponential growth in the need for SNAP—over 15 million people were added in one year. Even so, the social safety net in the US is meager, to say the

least. A family of 3 must have less than \$23,800 per year to qualify for a \$4.50 per day benefit.

Either version of the farm bill cuts will be achieved by many more hundreds of thousands going hungry—half of them children. And it is not only the Republican right that claim food stamps are too expensive and the US must take food from its poorest citizens. In fiscal year 2012, the US allocated \$74.6 billion to SNAP to reduce the suffering of the most oppressed Americans. The US military spent that amount every 9 days or so through 2012.

Along with the cuts, provisions are proposed that will monitor what people are buying with food stamps and where—in the name of fighting obesity and fraud. These proposals have proponents from diverse groups from the far right to anti-hunger campaigners. The issues are complex. SNAP is distributed by plastic card similar to a credit card. It can only be used in stores which can process this card. This means that the big retailers like Walmart get a huge benefit from food stamps while farmers markets get none.

Information on where food stamps are spent and what is purchased with them will only be used to make further spending cuts or other attacks on the working class. US farm subsidy programs originated from the Great Depression and FDR's New Deal to aid struggling farmers through tough times, whether made tough by over-production and low prices or by dust bowl weather conditions. In 1933 the federal government bought excess grain from struggling farmers and distributed it to charities to feed the hungry—a pragmatic solution to a crisis of over-production of agricultural commodities. This is why welfare and farm subsidies are historically linked in legislation. Because they are in the same bill and SNAP is by far the largest component, some sense of proportionality is claimed in the present debate to make it necessary to cut food stamps, pitting nutrition against production. In the House bill nearly half the proposed cuts come from nutrition.

Over the course of the 2008 farm bill, \$314 billion went to SNAP, that is over 70 percent of the whole \$412 billion, five-year expenditure. \$60 billion went to farm subsidies and insurance schemes. \$22 billion on conservation programs and the rest, \$15 billion, was divided among many other programs, agricultural research, rural infrastructure and economic development, specialty crop development (i.e., vegetables, fruits, nuts—whatever is not one of the commodity grains covered by farm subsidies), overseas food aid, WTO obligations, forestry, livestock, dairy, organic food production, the school lunch and snack programs, to name a few.

The second largest component, the farm subsidy and income protection insurance scheme, is also the target of cuts in this farm bill. Many struggling farmers survive

because of the farm subsidy and insurance programs; however, not surprisingly, the vast majority of farm support goes to the big end of town.

The urban areas of Manhattan, Los Angeles, Chicago, Dallas, Washington DC and San Francisco are where the USDA pays the majority of the farm subsidy and insurance, i.e., not to farmers but to the owners of large agricultural operations.

Five commodity crops: corn, wheat, soybean, rice and cotton receive about 75 percent of the benefits of farm subsidies. (Tobacco got almost \$200 million in 2011.) Vegetables, fruit and nuts are called “specialty” crops and do not get subsidized. This is the principal mechanism by which 62 percent of US farmers get no USDA support (they may get insurance and apply for disaster relief) and the richest 10 percent of farm owners get 74 percent of the subsidies.

According to *The Environmental Working Group*, “The top 20 percent of subsidy recipients collected almost 80 percent of all insurance funding. By contrast, the bottom 80 percent of premium subsidy recipients [389,494 operations], collected, on average, about \$5,000.”

Direct payment subsidy to farmers, about \$5 billion a year, is cut out of both House and Senate farm bills, although the House version phases it out over some years for the cotton growers. New insurance schemes are being proposed in both bills that will give back much of what is lost in direct payments, especially for corn, soybean, rice and peanut farmers.

\$600 million a year is the proposed cut to vital conservation programs that moderate the effects of agricultural sources of water pollution, protect top soil from erosion (avoiding another dust bowl) and preserve endangered flora and fauna by protecting their habitat.

Whatever the eventual outcome of the farm bill in 2013, one can have every confidence that the interests of big business will be well taken care of, while the most vulnerable in society will be made to suffer even more loss. There has been some fanfare around adding a food for needy kids program, but shamefully, funding for the new program comes by reducing by 10 percent per person other SNAP benefits.



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