



# **FAIRNESS IN THE FIELDS:**

## **A vision for the 2007 Farm Bill**

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Oxfam America is a non-profit organization that works to end global poverty through saving lives, strengthening communities, and campaigning for change. Our Make Trade Fair campaign seeks to reform the rules of trade and agricultural policies to help the millions of people living in the US and abroad who make their living in agriculture.

Together, we can change the rules. **Together, we can end poverty.**

[www.oxfamamerica.org](http://www.oxfamamerica.org)

**Farm policy isn't just about farms.  
It's also about rivers and streams,  
roads and technology, school  
lunches and food stamps,  
and international trade rules.  
Americans, especially farmers  
and rural families, deserve better.  
They deserve farm policies  
that help them and others like  
them make a decent living.**



# INTRODUCTION

For far too long, the federal government has tried to use the Farm Bill as an all-purpose policy solution. But the current Farm Bill does very little to help poor farmers, and even less to assist impoverished rural communities. Instead, it gives large government payments, or subsidies, to a small number of large farmers. Most American farmers get little or nothing. Meanwhile, subsidies don't alleviate the biggest problems in rural communities: lack of medical services, poor schools, population loss, and environmental degradation.

While the Farm Bill does little to help poor farmers in the US, it actually harms rural communities around the world. After receiving massive subsidies, US cotton farms produce more than they otherwise would, and sell their surplus at less than the cost of production. These subsidies hurt African cotton farmers by reducing the world price of cotton and shrinking their share of the market. This situation is not only unfair; it violates international rules set by the World Trade Organization.

We have an opportunity to change things. The current Farm Bill is scheduled to expire in 2007. Help Oxfam America reform subsidies, as part of a larger coalition working to improve the Farm Bill. Let's provide better support for rural America and help small-scale farmers abroad.

## **Our agenda for reform...**

- Reduce funding for commodity subsidies that distort trade, and shift resources to alternative investments in rural America.
- Shift taxpayer dollars to programs that help conserve land for future generations, support a broad variety of farm products, and help poor and minority farmers.
- Shift taxpayer dollars to programs that can create markets for healthy foods in the same regions where farmers live—in school cafeterias, farmers markets, local grocery stores, hospitals, and nursing homes.
- Invest in roads, bridges, and broadband technology in rural America to generate new jobs and strengthen small businesses.

**These measures will strengthen rural America and curtail dumping in developing countries.**

## What's the Farm Bill?

The Farm Bill is a law renewed about every five years governing federal farm support, food stamps, agricultural trade, marketing, and rural development. In 1933, as part of the New Deal program, President Franklin D. Roosevelt first implemented the agricultural policies that helped much of rural America recover from the Great Depression and the Dust Bowl. Since then, the US Congress has reformulated the Farm Bill in several ways. The current Farm Bill was enacted in 2002, with 10 different areas or “titles,” ranging from commodities and conservation to research and food safety. At the heart of the Farm Bill are commodity subsidies—government payments to support the incomes of producers of cotton, wheat, rice, corn, and a few other selected crops (known collectively as “program crops”).

## Why now?

Since the current Farm Bill expires in 2007, Congress has the opportunity to review and redirect farm policy. A new Farm Bill offers the chance to strengthen government support for rural America, include farmers that really need the support, and foster healthy development at home—without hurting poor farmers abroad. A few vested interest groups want to extend the existing Farm Bill. Yet there are urgent reasons to reevaluate and redirect commodity subsidies now.

Nancy Vogelsburg-Busch  
Home, Kansas

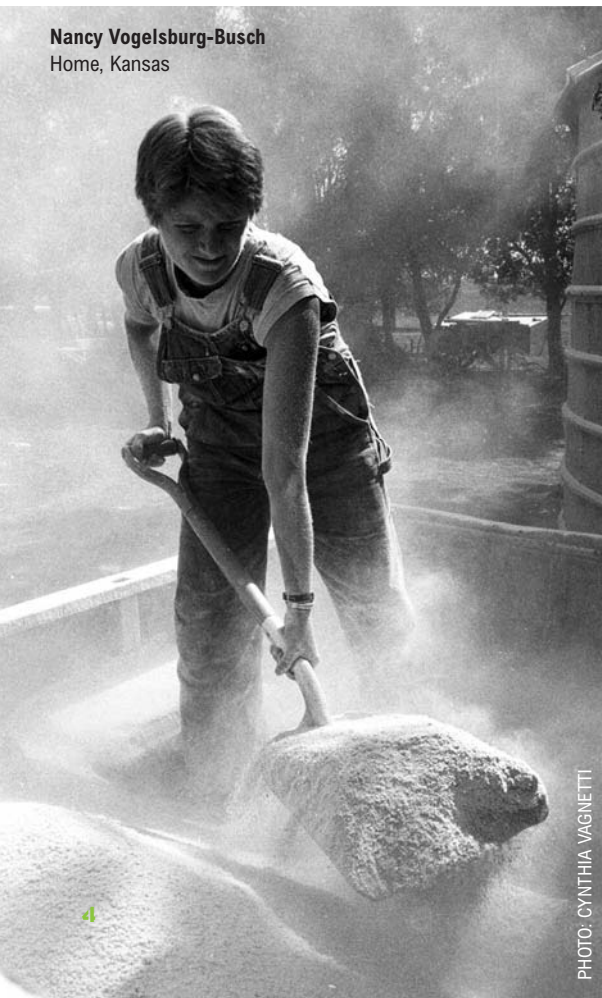


PHOTO: CYNTHIA VAGNETTI

**“These subsidies have changed rural life in this country. When I was president of the Christian County Farm Bureau in the 1980s, I remember seeing fewer and fewer farmers year after year, and fewer people in the church pews. We saw the loss of restaurants, even the barbershop. Why? Because today’s family farmers cannot earn a living under the current subsidy regime.”**

Paul Gebhart farms in Edinburg, IL, and is a board member of the Illinois Stewardship Alliance



Ramata, Salamata, and Damata Ouedraogo  
Burkina Faso, West Africa

## What are the major issues?

- **Commodity subsidies do not help rural America.** Of the 65 million Americans living in rural communities, only 2 million are farmers.<sup>1</sup> As the main source of federal support for rural America, the Farm Bill needs to reflect the fact that increasingly it is the non-farm economy that sustains these communities.
- **Commodity subsidies do not benefit those who need them most.** Only one-quarter of all farmers qualify for commodity subsidies.<sup>2</sup> And of those who qualify, 10 percent receive 72 percent of the subsidies.<sup>3</sup> Meanwhile, most farm programs do not reach disadvantaged and minority farmers because of poor design, inadequate outreach, and insufficient funding. A new Farm Bill could focus on helping the farmers who need it the most.
- **Commodity subsidies are costly to taxpayers.** Commodity subsidies cost taxpayers an average of \$11 billion a year between 1995 and 2004, more than \$20 billion in 2005, and a projected \$21 billion in 2006.<sup>4</sup> For 2005, this means about 6 percent of the US federal budget deficit of \$319 billion.<sup>5</sup> With no relief in sight for the federal deficit, a new Farm Bill must make the most effective use of a very limited budget.
- **Commodity subsidies hurt the environment.** Current farm subsidies encourage the production of certain crops while discouraging the production of others. These subsidies are often associated with the plowing of environmentally sensitive lands, overuse of pesticides and fertilizers, and soil exhaustion. Even as farmers seek federal support to reduce environmental damage from their farming, three out of four are turned down because of lack of funds.<sup>6</sup> Increased support for conservation programs can shift incentives away from commodity production toward things that benefit the American public, including cleaner water and a healthier environment.
- **Commodity subsidies undermine the US commitment to fair international rules.** The US needs to reform its farm subsidies to comply with international trade rules or face the increasing threat of trade litigation. A new Farm Bill could signal the commitment of the US to abide by the global trade rules it helped to write and set a good example for our trading partners and growing democracies.

# THE PROBLEMS WITH CURRENT FARM POLICY

The main problems with current farm policy are associated with commodity subsidies — government payments made to producers of particular crops (Title I of the Farm Bill). Commodity subsidies benefit just one-quarter of all US producers, contribute to farm consolidation and environmental degradation, artificially raise land values, and generate distortions to the world market that hurt farmers abroad. Plus, commodity subsidies do not sustain rural communities in the US.

**“When the choice is to limit commodity subsidy payments or slash funding for conservation, rural development or nutrition programs, the overwhelming majority of farmers around here support capping subsidies. It is easy to grasp the simple justice of it.”**

Leo Tammi raises sheep in Mount Sidney, VA

Rufus Ragsdale  
Jacksonville, Texas



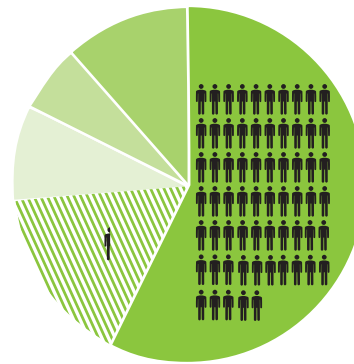
## Problems with subsidies

The US government supports its farmers through a variety of confusing programs and policies, including direct payments, loan programs, crop insurance, special tax breaks, and programs that generate demand for US goods and protect against competitive imports. The commodity payments are mostly concentrated on a number of products

including wheat, corn, cotton, rice, sorghum, soybeans, sugar, and dairy products, with some support also for peanuts, wool, mohair, honey, chickpeas, and dry beans. No crops beyond these receive significant subsidies, including fresh fruits and vegetables, the fastest-growing sector in US agriculture during the past decade.

Although the Farm Bill sets an annual ceiling on the total subsidies one person can receive, in practice these limits are ignored and evaded through numerous tricks and loopholes. One example is the “three entity rule,” which allows a single person to receive subsidy payments from as many as three different “entities.” For example, a person—sometimes not an actual farmer—can receive payments as an individual, as a member of a corporation, and as a member of a partnership.<sup>7</sup> There are many other tricks and accounting games that can be used to increase the amount of money harvested from the government.<sup>8</sup>

Altogether, commodity subsidies have averaged \$11 billion a year between 1995 and 2004.<sup>9</sup> In recent years, they have represented over one-fifth of total government support to farmers, making subsidies the second-largest budget item in the Farm Bill following food and nutrition programs (Figure 1).<sup>10</sup> However, unlike the widely distributed benefits of these food and nutrition programs, which benefit about 62 million mostly poor Americans a year through food stamps, school lunches, and supplemental nutrition program for women, infants, and children,<sup>11</sup> only 500,000 (25 percent) of the country’s 2.1 million farms benefit from commodity subsidies.<sup>12</sup> Only farmers who grow “program crops” qualify for these subsidies, and growers of five crops alone (corn, wheat, cotton, soybeans, and rice) account for 92 percent of all subsidies (Figure 2).<sup>13</sup> In 2004, at least 37 farmers received payments in excess of \$1 million.<sup>14</sup>



Food and nutrition programs  
Commodity subsidies  
Research, marketing, CRP, rural development, other  
Other farm and foreign agriculture  
Natural resources  
1 million people

FIGURE 1. Commodity subsidies are the Farm Bill’s second-biggest budget item, but benefit relatively few Americans.

Source: Average for FY2004 and FY2005 from USDA FY2006 and 2007 “Budget Summary and Annual Performance Plan.”

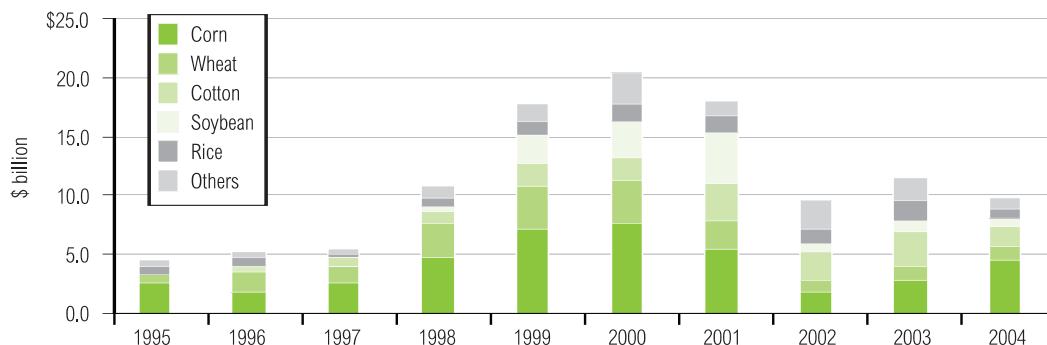


FIGURE 2. Five commodities receive most commodity subsidies.

Source: Environmental Working Group, [www.ewg.org](http://www.ewg.org)

## Farm Bill myths: Impacts at home

Commodity subsidies are often described as a lifeline for the US rural economy and farm communities. This common perception, however, is based more on myths than facts. Commodity subsidies are no longer the safety net they were once intended to be. Instead, commodity subsidies are associated with the concentration of production and increases in land value, and contribute little or nothing to poverty alleviation and healthy nutrition.

**MYTH:** Subsidies support small and struggling family farms.

**FACT:** In 2003, half of all commodity subsidies went to farms with household incomes of more than \$75,772, which is higher than the median income for all US households (\$43,318).<sup>15</sup>

Farms in the US have become fewer and larger over the decades (Figure 3). And commodity subsidies are proportional to the production of program commodities—the more a farmer produces, the larger his check from the government. Subsidies have therefore become concentrated across fewer and larger farms, which also tend to be the wealthiest (Figure 4).

At the same time, US farm families have come to rely more and more on off-farm sources of income. As much as 90 percent of farm household income comes from earnings outside the farm.<sup>16</sup> So not only are subsidies concentrated across relatively wealthier farmers, but commodity subsidies are increasingly less relevant for rural households reliant on a non-farm economy.

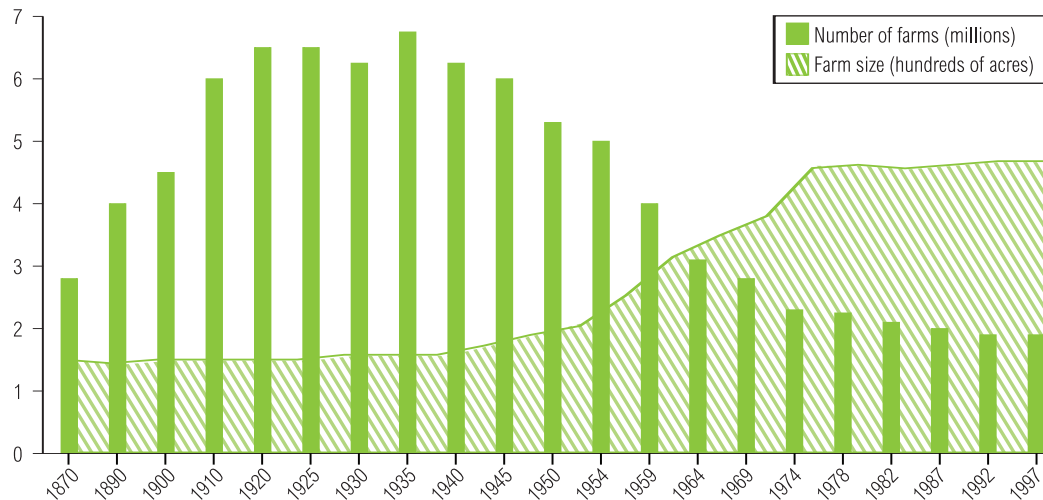


FIGURE 3. Farms have become fewer and larger over time.

Source: USDA/ERS, as presented in 2004 Family Farm Report.

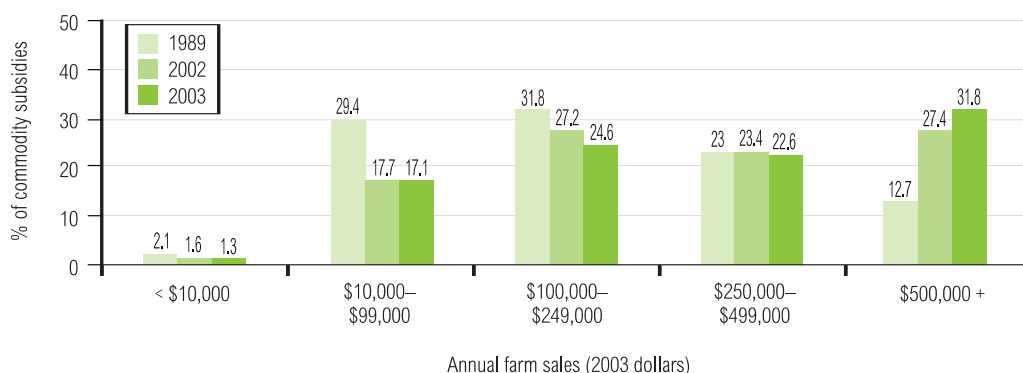


FIGURE 4. Commodity subsidies are shifting to larger and richer farmers.

Source: MacDonald, James, Robert Hoppe, and David Banker (2005). "Growing Farm Size and the Distribution of Commodity Program Payments."

**MYTH:** Subsidies sustain rural communities.

**FACT:** Subsidies are not associated with job growth and do not reduce rural-urban migration. At the same time, subsidies increase land prices, which makes it harder for new farmers to start up.

Commodity subsidies do not generate more jobs. In fact, across counties that receive the most commodity subsidies, job gains have been below the national average.<sup>17</sup> Contrary to the notion that subsidies may help reduce rural-urban migration, many of the counties that receive the most payments have actually lost population—at least since the 1980s.<sup>18</sup>

In addition, subsidies have inflated farmland prices by as much as 30 percent between 1940 and 2002.<sup>19</sup> The value of farmland reflects what the land is likely to generate in income in the future. Since commodity subsidies are tied to specific crops, they have therefore increased the value of land on which program crops can be produced. Landowners—often not farmers themselves—benefit from these inflated land prices. But young people just getting started in farming have a hard time getting access to farmland due to these overvalued prices. In addition, many farmers don't own the land they farm. Over 40 percent of farmers rent land. So the landlord can charge higher rents and the farm subsidy payments are simply passed along.

**“The economic engine that built rural Kansas was agriculture. We still have massive commodity and livestock production, but it has been restructured such that instead of thousands of family farms drawing their livelihoods in agriculture, very few do. Profits go elsewhere and this has hurt our smaller towns and communities.”**

Dan Nagengast is a market farmer and executive director of the Kansas Rural Center



**MYTH:** Subsidies ensure food security for Americans.

**FACT:** Food security—consistent and dependable access to enough food for active living—depends on household income and is unrelated to commodity subsidies.

Defenders of the current Farm Bill claim that reducing commodity subsidies would threaten national food security. They contend that the US would become dependent on food imports as it has become dependent on foreign oil. The fact is, however, that the US produces massive food surpluses every year and remains the world's leading exporter of farm products.<sup>20</sup> We export about half of our wheat and rice crops, one-third of our soybeans, and one-fifth of our corn crop. America is not likely to become dependent on foreign food supplies in the foreseeable future. Agricultural imports have increased over the years (Figure 6) because Americans have come to expect their favorite fresh fruits and vegetables year-round, and have chosen to buy more diverse foreign products such as nuts, wine, beer, and cut flowers.

**“We are asking now that there be more justice and less subsidies to correct this system. We are counting on Americans to effect this change.”**

Soloba Mady Keita farms cotton in Mali

**MYTH: Subsidies keep food prices low.**

**FACT:** Eliminating subsidies would lead to higher prices for some commodities, but the impact on US consumers would be so small that most people would never notice.

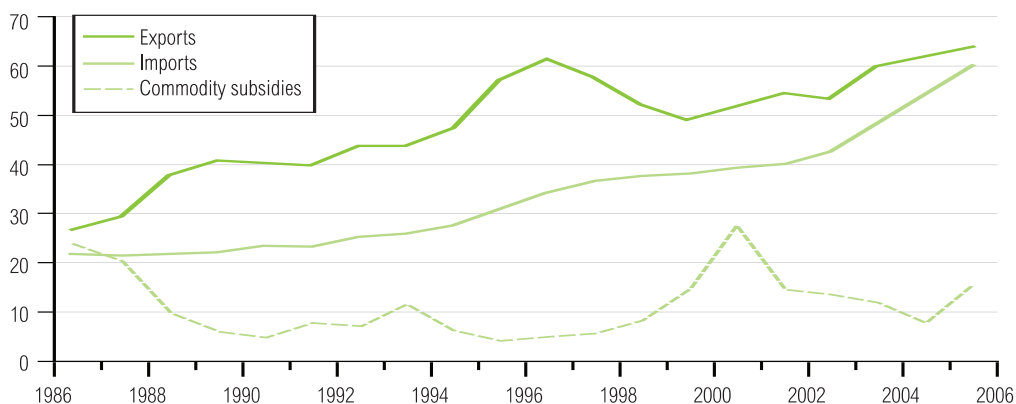
This is because the raw products account for only a small portion of food prices, usually much less than processing and marketing services added after the product leaves the farm. According to the USDA, the share of food prices from the basic farm products ranges from a very high 49 percent for minimally processed foods like beef and poultry, which are not subsidized, to as little as 3 percent for corn syrup.<sup>21</sup> Since program crops are generally transformed into processed goods, the farm value share of their final price is on the low end.

According to a study done for the National Corn Growers Association, for instance, if all subsidies for corn and soybeans were eliminated, the price would rise at most by between 5 and 7 percent.<sup>22</sup> This kind of increase in the price of corn in turn would lead to, at most, a 1-percent increase in the price of meat. Put it differently, consider the case of bread. Most consumers never buy wheat, they buy bread. Of the \$1.27 for a loaf of bread, only seven cents is the cost of the wheat in the bread—the rest covers processing, milling, baking, packaging, transport, and marketing.<sup>23</sup> If prices for wheat rose by 5 percent, that would mean bread prices would rise less than a penny a loaf. The impact of reducing commodity payments on the consumer's food bill is negligible.

**MYTH: Subsidies support healthy diets for Americans.**

**FACT:** If one of the goals of the Farm Bill is to subsidize healthier food in America, there are many healthier and more efficient ways of doing it.

Subsidies support crops that are generally processed into unhealthy foods, including artificial sweeteners and partially hydrogenated oils. Meanwhile, fresh fruits and vegetables—crops associated with a lower incidence of heart attacks and strokes, greater protection against a variety of cancers, and lower blood pressure<sup>24</sup>—are not eligible for subsidy payments.



**FIGURE 5.** US agricultural imports rise independent of commodity subsidies.

Source: Trade data from USDA/ERS FATUS. Commodity subsidies from USDA Farm Service Agency, Budget Division, several sources; reflects Commodity Credit Corporation outlays for commodities only.

## Farm Bill myths: Impacts abroad

While there are several strong reasons domestically to justify reform of the Farm Bill, the impacts of current US farm policy extend beyond US borders and affect poor farmers abroad. In addition, current farm policies are illegal under global trade rules.

**MYTH:** US subsidies are good for US farmers —and they have little impact on farmers abroad.

**FACT:** US subsidies lower the world price of cotton and other commodities, hurting farmers in developing countries who also export these crops.

Nearly 3 billion people around the world rely on farming to make a living. Farming is a critical livelihood—especially for the world’s poorest people. US farm subsidies affect millions of people in developing countries by distorting global markets. As US farm production is subsidized, farmers produce more than they otherwise would. The bigger the surplus, the more commodities are exported to the global markets. This surplus lowers world prices and displaces farm products from developing countries.

US cotton subsidies lower the world price of cotton by about 10 percent.<sup>25</sup> Millions of poor farmers in Africa grow cotton, struggling to survive on less than \$1 a day. A decline in the world price of cotton increases poverty among these struggling African cotton farmers.<sup>26</sup> Lower commodity subsidies in the US would mean better prices for African farmers. In the long run, African cotton farmers would have a better chance of making a decent living.

**“Revenue from cotton makes it possible to build our schools, send our kids to hospitals when they’re sick, and build roads. In this [current] situation, the only thing that increases is poverty.”**

Seydou Ouedraogo farms cotton in Burkina Faso

**MYTH:** US commodity subsidies are legal under international global trade rules.

**FACT:** US cotton subsidies create huge distortions on the world market and are illegal under World Trade Organization rules.

These distortions are so great that Brazil introduced and won a trade dispute settlement in the World Trade Organization against the US. The WTO has instructed the US to eliminate prohibited export subsidies, and withdraw or reform other WTO-inconsistent subsidies. The US has taken minimal steps in this direction—in February 2006 it agreed to eliminate export subsidies for cotton. But the US has missed all the deadlines for compliance with the ruling. Additionally, several other US agricultural subsidies that distort trade and hurt developing countries may also be violating the law, including those for corn, rice, and sorghum.<sup>27</sup> Total illegal subsidies for these crops are estimated at \$9.3 billion.<sup>28</sup> By keeping these subsidies, the US faces repeated challenges by other WTO members.



Spinning and combing of locally produced cotton  
Mali, West Africa

## If commodity subsidies are so bad, why do they still exist?

When President Roosevelt introduced commodity subsidies as a part of the New Deal, this kind of support made sense. Farmers accounted for a quarter of the US population and agriculture accounted for nearly 10 percent of the Gross Domestic Product. Farmers were numerous, homogeneous, disadvantaged, and living through a collapse of world farm commodity prices after the First World War, the Dust Bowl, and the financial crisis of the Great Depression. Small rural communities were heavily dependent on farm income, rural areas lagged behind urban areas in education and infrastructure, and the US was temporarily closed off from the global market.<sup>29</sup>

In the words of Henry Wallace, secretary of agriculture under President Roosevelt, the programs were “a temporary solution to deal with an emergency.” What was originally designed as a temporary safety net, however, became permanent. Meanwhile, technology led to a restructuring of US agriculture. Output surpassed demand. Farm labor shifted to a growing non-farm economy. Farm wealth increased despite falling commodity prices. And global markets became important outlets for US farm products. But the basic policies designed for a 1930s world remained in effect.

Over the decades, Congress authorized many changes to the Farm Bill, including some changes that offered support without distorting trade. Commodity groups have recently managed to reverse some of these policies, however. For instance, government payments to farmers were historically based on production: The more you produced, the more you received in subsidies, so farmers were motivated to over-produce. The 1985 Farm Bill began separating (“decoupling”) payments from production, which meant that a farmer’s decision about how much to produce would no longer affect the subsidies he would receive.<sup>30</sup> The 2002 Farm Bill reversed this trend, allowing farmers to update the historical base on which payments were made, thus once again tying payments to production. Moreover, the 2002 Farm Bill institutionalized what were previously ad hoc emergency payments and weakened payment limitations, which led to even higher commodity subsidies to farmers.

In short, commodity groups have been politically strong for decades: They transformed a temporary safety net program into permanent government payments to farmers in the 1930s, and continue to influence the direction of US farm policy – with little regard for the impact on other Americans or farmers abroad.

**“The 2002 Farm Bill was the right policy for the times, but times do change.”**

US Agriculture Secretary Mike Johanns, 2006 Agricultural Outlook Forum

# FAIRNESS IN THE FIELDS:

## The 2007 Farm Bill

The challenges facing America have changed over the decades and so too must the government's support of the rural economy. The 2007 Farm Bill presents an opportunity for change. A reform of commodity payments can shift resources to areas that will generate broader rural development in the US without distorting markets and hurting poor farmers abroad.

### Farm Bill reform should include measures on:

- **Commodity reform:** to reduce funding for commodity subsidies that distort trade and to shift resources to alternative investments in rural America.
- **Efficiency:** to reduce the loopholes and accounting games that allow some people to reap huge payments from the taxpayers.
- **Conservation:** to increase funding for conservation and encourage better stewardship.
- **Diversification:** to encourage production of other non-commodity food crops.
- **Equity:** to spread the benefits of economic growth opportunity to new groups and constituencies.
- **Rural development:** to increase funding for rural development, to expand access to credit, roads, and telecommunications, and to help rural areas diversify their economies and attract new businesses.
- **Nutrition:** to increase funding for food security through food stamps, food banks, and access to nutritious foods, and to strengthen local and regional agricultural production.
- **Global leadership:** to set our farm policies in a direction that will enable poor farmers in other countries to make a living. This could also improve international relations with other countries that think current US farm subsidies are unfair to their farmers.

**Reforming the Farm Bill by shifting funding to support sustainable, diverse, and equitable agriculture programs will go a long way to help rural America, while curtailing dumping around the world.**

# NOTES

- <sup>1</sup> Speech by Under-Secretary for Rural Development Thomas Dorr at Agricultural Outlook Forum, 2/16/06.
- <sup>2</sup> Council of Economic Advisors (2006). Chapter 8 in Economic Report of the President, p.179.
- <sup>3</sup> Data from Environmental Working Group ([www.ewg.org](http://www.ewg.org)) reflecting concentration of commodity, conservation, and disaster subsidies for 2004–2005, during which period commodity subsidies accounted for 79 percent of farm subsidies.
- <sup>4</sup> Data for 1995–2004 from Environmental Working Group ([www.ewg.org](http://www.ewg.org)); data for 2005 and 2006 from The Council of Economic Advisors' 2006 Economic Report of the President, p.182.
- <sup>5</sup> Council of Economic Advisors (2006). Chapter 8 in Economic Report of the President.
- <sup>6</sup> Environmental Defense, "Farm Policy Could Do More for the Environment," (online, posted on 3/15/06, accessed 4/20/06)
- <sup>7</sup> See the General Accounting Office's (GAO) Testimony before the Committee on Finance, US Senate, "Farm Program Payments: USDA Should Correct Weaknesses in Regulations and Oversight to Better Ensure Recipients Do Not Circumvent Payment Limitations," 6/16/06.
- <sup>8</sup> See USDA's Report of the Commission on the Application of Payment Limitations for Agriculture, submitted in Response to Section 1605, Farm Security and Rural Investment Act of 2002. Published by the Office of the Chief Economist, USDA 8/03.
- <sup>9</sup> Environmental Working Group ([www.ewg.org](http://www.ewg.org)).
- <sup>10</sup> Based on data for 2004 and 2005, from FY2006 and FY2007 Budget Summary and Annual Performance Plan, USDA.
- <sup>11</sup> Annual average number of participants in 2004–2005 of food stamps, school lunches, and WIC, from USDA Food and Nutrition Service ([www.fns.usda.gov/pd/annual.htm](http://www.fns.usda.gov/pd/annual.htm)) (accessed on 5/04/06).
- <sup>12</sup> Data for 2003 from Council of Economic Advisors (2006), Chapter 8, "The US Agricultural Sector," in Economic Report of the President, p. 179.
- <sup>13</sup> Concentration of payment data from Secretary Johanns's speech at 2006 Agricultural Outlook Forum.
- <sup>14</sup> Environmental Working Group ([www.ewg.org](http://www.ewg.org))
- <sup>15</sup> MacDonald, James, Robert Hoppe, and David Banker (2006), "Growing Farm Size and the Distribution of Farm Payments." USDA ERS Economic Brief Number 6, 3/06.
- <sup>16</sup> Banker, David E., and James M. MacDonald, editors (2005). "Structural and Financial Characteristics of US Farm: 2004 Family Farm Report." USDA/ERS.
- <sup>17</sup> Drabenstott, Mark (2005), "Do Farm Payments Promote Rural Economic Growth?" Center for the Study of Rural America, Federal Reserve Bank of Kansas City, 3/05.
- <sup>18</sup> McGranhan, David, and Patrick Sullivan (2005), "Farm Programs, Natural Amenities, and Rural Development," *Amber Waves* 3(1):28-35.
- <sup>19</sup> Shaik, Saleem, Glenn Helmers, and Joseph Atwood (2005), "The Evolution of Farm Programs and their Contribution to Agricultural Land Value," *American Journal of Agricultural Economics* 87(5): 1190–1197.
- <sup>20</sup> Jerardo, Alberto (2004), "The US Agricultural Trade Balance...More Than Just a Number," *USDA Economic Research Service Amber Waves* 2(1):36-41.
- <sup>21</sup> ERS data on food price spreads, [www.ers.usda.gov/Briefing/FoodPriceSpreads/Data/table5.xls](http://www.ers.usda.gov/Briefing/FoodPriceSpreads/Data/table5.xls) (accessed on 3/24/06).
- <sup>22</sup> Babcock, Bruce (2004), Unpublished study for National Corn Growers Association, as discussed in [www.pubmedcentral.nih.gov/articlerender.fcgi?artid=1247588](http://www.pubmedcentral.nih.gov/articlerender.fcgi?artid=1247588).
- <sup>23</sup> According to the USDA, only 5 percent of the final price of a loaf of bread goes to the farm. See [www.ers.usda.gov/Briefing/FoodPriceSpreads/Data/table5.xls](http://www.ers.usda.gov/Briefing/FoodPriceSpreads/Data/table5.xls).
- <sup>24</sup> Harvard School of Public Health online, "Food Pyramids" (accessed on 3/08/06).
- <sup>25</sup> Sumner, Daniel (2006), "Reducing Cotton Subsidies: The DDA Cotton Initiative," in Anderson, Kym, and William Martin, editors, *Agricultural Trade Reform and the Doha Development Agenda*. New York: Palgrave Macmillan.
- <sup>26</sup> Minot, Nicholas, and Lisa Daniels (2002), "Impact of Global Cotton Markets on Rural Poverty in Benin." Markets and Structural Studies Division Discussion Paper No. 48. International Food Policy Research Institute. Washington, DC: IFPRI.
- <sup>27</sup> Sumner, Daniel (2005), "Boxed In: Conflicts between US Farm Policies and WTO Obligations," *Policy Analyses* No. 32, Cato Institute, December 5.
- <sup>28</sup> Oxfam International (2005), "Truth or Consequence: Why the EU and the USA must reform their subsidies, or pay the price," Briefing Paper No. 81
- <sup>29</sup> This section draws from Orden, David, Robert Paarlberg, and Terry Roe (1999), *Policy Reform in American Agriculture: Analysis and Prognosis*, Chicago and London: The University of Chicago Press.
- <sup>30</sup> Thompson, Robert (2005). "The US Farm Bill and the Doha Negotiation: On Parallel Tracks or a Collision Course?" *International Food and Agricultural Trade Policy Council, IPC Issue Brief* No. 15. Washington, DC. September.

**“The time really has arrived for us to once again roll up our sleeves, to look at the statistics and numbers, to listen to the people, and to develop farm policy that is equitable, predictable, and beyond challenge.”**

US Agriculture Secretary Mike Johanns, 2006 Agricultural Outlook Forum

Misguided farm subsidies undermine the ability of US farmers to earn a decent living, and rob farmers abroad of the benefits of trade and the means to support their families. Join Oxfam in the effort to reform the Farm Bill. Support sustainable agriculture, rural development, and nutrition programs.

**For more information on the Farm Bill, please visit**  
**[www.oxfamamerica.org/agriculture](http://www.oxfamamerica.org/agriculture)**

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