

List of Contents for EWG Material
(page 1)

> Part 1 - news articles

1. March 20, 2002 - SouthEast Farm Press
 'EWG database comes under fire'
 David Bennett
2. November 4, 2005 - Farm Futures
 'Environmental Working Group Updates Farm Subsidy Database'
 Staff

> Part 2 - EWG analysis

1. 2007 Farm Bill Policy Analysis Database - EWG
 'What's new in this database?'
2. April 14, 2008 - EWG
 'EWG Farm Subsidy Database Update'
3. April 29, 2008 - EWG
 'As Congress Finalizes Farm Bill Deal EWG Lists Recipients of Controversial Direct
 Payment Subsidies for 2007'
 Note:
 EWG news release with same title and information is included.
4. (2008) - EWG
 'Amidst Record 2007 Crop Prices and Farm Income Washington Delivers \$5 Billion In
 Subsidies'
5. October 19, 2011 - EWG
 'The Downfall of Direct Payments'

> Part 3 - EWG analysis, articles, letters, news releases, statements

1. April 1, 2000 - EWG
 'News Release - EWG Investigation Finds Controversial 1996 Farm Law Was Subsidy Boon
 for Largest Farms'
 Huge Plantations Got 83 Percent of Aid in Mississippi
2. July 19, 2004 - EWG
 'Obstruction of Justice'
 USDA Undermines Historic Civil Rights Settlement with Black Farmers
3. October 5, 2004 - EWG
 'Disaster-Prone: For Many Farms Disaster Aid From Taxpayers Is A Staple Crop'
 Congress Plots Conservation Cuts To Funnel Funds To "Disaster Dependent"
4. January 7, 2005 - EWG
 'News Release - UK To Reveal Farm Subsidy Recipients'
 Disclosure Will Raise Pressure For Farm Policy Reforms in Europe and US
5. February 10, 2005 - EWG
 'News Release - EWG News Release'
 Taking from the Taxpayers: How Bush Gave Big California Farms a \$17 Million Bonus

List of Contents for EWG Material
(page 2)

6. June 4, 2005 - EWG
 'EWG Analysis of Step2 Data for 2004'
 U.S. Taxpayers Spent \$264 Million in 2004 On Cotton Export Subsidies Ruled Illegal By WTO
7. June 8, 2005 - EWG
 'Cotton and Accountability'
 With First Compliance Deadline In WTO Cotton Decision Looming Brazil Explores A Novel Trade Retaliation: Suspension of Intellectual Property Rights for U.S. Products
8. June 8, 2005 - EWG
 'U.S. Taxpayers Spent \$264 Million in 2004 On Cotton Export Subsidies Ruled Illegal By WTO'
9. February 7, 2007 - EWG
 'News Release - New Legislation to Right the Wrongs of USDA Racial Discrimination'
10. March 29, 2007 - EWG
 'News Release - USDA Report: Corn Plantings May be Highest Since World War II'
11. April 19, 2007 - EWG
 'News Release - EWG President Ken Cook Testifies Before Congressional Committee'
 Urges House Agriculture Subcommittee to Dramatically Increase Conservation Programs
12. June 12, 2007 - EWG
 'News Release - Naming (1.5 Million) Names'
 New Web Site Names (1.5 million) Names Of Farm Subsidy Claimants
13. July 25, 2007 - EWG
 'News Release - Widening Farm Subsidy Gap Is Leaving Black Farmers Further Behind'
 House Agriculture Committee's Farm Bill Will Lock In Inequity
14. July 2007 - EWG
 'How A Widening Farm Subsidy Gap Is Leaving Black Farmers Further Behind'
15. July 26, 2007 - EWG
 'House Farm Bill: A Missed Opportunity for Leadership and Real Reform'
16. October 1, 2007 - EWG
 'News Release - A Disaster Waiting To Happen...Forever'
17. October 31, 2007 - EWG
 'News Release - Media Advisory'
 Senator Lugar and EWG to Hold Joint Press Conference To Release New EWG Database
18. December 10, 2007 - EWG
 'News Release - Senate Set to Debate the Farm Bill, EWG Presses for Reforms'
19. December 19, 2007 - EWG
 'Statement: Washington Post "Backward in the Senate"'
20. February 11, 2008 - EWG
 'Editorial Map Analysis'
21. March 4, 2008 - EWG
 'More Civil Rights Trouble at USDA: GAO Investigators Kicked Out of Offices'
22. March 20, 2008 - EWG
 'Letter Supporting Farm Bill Proposed \$4.951 Billion Conservation Increase'

List of Contents for EWG Material
(page 3)

23. April 4, 2008 - EWG
 'SF Chron: Dems juggle needs in \$286 billion farm bill'
 Carolyn Lochhead, San Francisco Chronicle
24. April 14, 2008 - EWG
 'News Release - In Recession, Big Bucks for Big Farms'
25. May 15, 2008 - EWG
 'News Release - Congress Continues Scrutiny of Discriminatory USDA Practices'
26. November 25, 2008 - EWG
 'News Release - Millionaire Farmers Still Receiving Subsidies Despite Attempts at Reform'
 President-Elect Obama Cites GAO Report as Example of Wasteful Spending
27. February 24, 2009 - EWG
 'News Release - EWG Lauds Obama Pick for USDA's No. 2 Job'
28. March 25, 2009 - EWG
 'News Release - For Senator Conrad, Millionaire Subsidy Recipients Trump the Environment'
 Obama Budget Predicated on Global Warming Protections Undermined by Agribusiness As Usual
29. June 23, 2011 - EWG
 'News Release - Despite Claims of Reform, Subsidy Band Marches On'
 Non-farmers, Urbanites Still Receiving Farm Subsidies

> Part 4 - EWG Mulch Blog Entries

1. Mulch Blog Contributors Bios
 2. June 12, 2007 - Posted by Ken Cook
 'Full Disclosure: Who really benefits from federal farm subsidies'
 3. May 13, 2008 - Posted by Ken Cook
 'Farm Bill Blocks Court-Ordered Release Of Subsidy Program Data Under FOIA'
 4. May 13, 2008 - Posted by Ken Cook
 'White House, USDA Now Whipping "No" On Farm Bill "But Where's Blunt?"'
 5. May 14, 2008 - Posted by Ken Cook
 'Farm Bill: Vote Nay'
 6. May 14, 2008 - Posted by Ken Cook
 'Farm Bill: EWG Statement On House Passage'
 7. March 4, 2009 - Posted by Don Carr
 '30 million children, 90,000 farmers'
- Note:
Document includes this Post:
1. February 25, 2009 - Posted by Don Carr
 'President Obama: "We will end direct payments to large agribusinesses that don't need them."'
 8. July 22, 2009 - Posted by Don Carr
 'Agriculture Has a Lot to Lose With Climate Change'

List of Contents for EWG Material
(page 4)

9. August 31, 2009 - Posted by Don Carr
‘If Commodity Crop Subsidies Are So Vital, Why Complain When Identified as Beneficiaries?’
10. September 1, 2009 - Posted by (unknown)
‘Re-Heated Corn Dogs’
11. September 8, 2009 - Posted by (unknown)
‘EWG Report: Facing Facts in the Chesapeake Bay’
12. September 17, 2009 - Posted by Don Carr
‘Gorillas in the Bay: Time to Face Facts in the Chesapeake’

Note:

Document includes these Posts:

1. September 16, 2009 - Posted by Don Carr
‘Therefore, We Shouldn’t Have Commodity Programs’
2. September 14, 2009 - Posted by Don Carr
‘Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies’
3. September 9, 2009 - Posted by Don Carr
‘Pass the Popcorn: Monsanto vs. Dupont’
13. September 30, 2009 - Posted by Don Carr
‘California Climate Change Policy Leaves Out Agriculture’
14. October 7, 2009 - Posted by Don Carr
‘We’re Putting Mulch to Pasture. Meet EWG’s AgMag.’

> Part 5 - EWG AgMag Entries

1. June 23, 2011 - Posted by Don Carr
‘Once Again, Obama’s USDA Less Transparent than Bush’s’
2. April 16, 2012 - Posted by Sara Sciammacco
‘EWG Farm Bill Platform’
3. April 27, 2012 - Posted by Sara Sciammacco
‘Policy Plate: It is not a “reform” bill’
4. May 1, 2012 - Posted by Kari Hamerschlag
‘Subsidy Buffet for Agribiz, Table Scraps for Good Food’

Home » EWG database comes under fire

[subscribe](#) | [about farm press](#) | [contact us](#) | [advertise](#)

DELTA | SOUTHWEST | SOUTHEAST | WESTERN


[HOME](#) [COTTON](#) [PEANUTS](#) [GRAINS](#) [SOYBEANS](#) [VEG/TOBACCO](#) [LEGISLATION](#) [MARKETS](#) [BIOFUELS](#) [EQUIPMENT](#)

EWG database comes under fire

Mar 20, 2002 12:00 PM, By David Bennett Farm Press Editorial Staff

[SAVE THIS](#) [EMAIL THIS](#) [PRINT THIS](#) [MOST POPULAR](#)

Let's give credit where it's due. Hats off to the small, influential Environmental Working Group (EWG). Their Website (www.ewg.org) and farming subsidy database is, in many ways, excellent: simple to use, easy to understand, chock full of federal fund data about your farming neighbors, relatives and acquaintances.

Congressmen engaged in debate over the 2002 farm bill refer to the Website as do taxpayers across the nation. EWG claims over 21 million subsidy database hits.

Those hits are easy to understand. Who doesn't want to know what portion of the \$71 billion in federal agriculture funds Farmer Bill down the road has pulled in over the last five years? Who doesn't want to know how many ag subsidy dollars NBA star Scottie Pippen, media mogul Ted Turner or reporter Sam Donaldson are raking in? Who doesn't want to speculate on just how Farmer John paid for that new SUV? With their Website, EWG lets us scratch a somewhat prurient interest while rationalizing it away as "just getting the complete facts."

Except the complete facts don't even enter into EWG's claims. It's been said before: half the truth is still a lie. And the bottom line here is that the millions of dollars EWG would have us believe are going to individual farmers really aren't. Not even close.

So if we give credit where it's due, we must also give blame. And there is a lot to heap on EWG.

Fred Wyatt doesn't care if the folks at EWG have pure motives. All he knows is they didn't bother to break their numbers down enough. He, like many others, suspect the environmental group stopped short with their data to better position their Congressional lobbying efforts. So far, those efforts have worked. But Wyatt, who farms in southwest Oklahoma, is having none of it.

"I was reading the EWG Website and pulled the numbers for our county, for neighboring counties, for the state. It just didn't sit right. I knew that there was no way for one person to be able to qualify for all that money. But that's what EWG was essentially saying," says Wyatt.

"I wanted to look at the numbers because I was interested in how much the top producers around me were getting. I know what the payment limitations are — \$40,000 in fixed payment plus \$150,000 in LDP — and I said, 'these numbers just don't add up. There's no way to get around it.' We've got strict rules about these payments. And if those numbers are right, what am I not doing to get these additional funds?"

As regulations prohibit one individual from receiving the amount of money listed on the EWG website, Wyatt surmised that the top 10 had to be corporations or partnerships. Wyatt figured that the EWG numbers were true, but the organization hadn't bothered to take the final data-crunching step.

Here's why: a father and three sons may each have their own farming operations. But in response to bottom line economics, they decide to partner up. After all, it's cheaper to share three tractors instead of having to buy two or three each. Thus, the four men can make more money by forming a partnership or entity.

"I was madder than thunder when I saw the EWG site. In New Mexico, one entity was listed as having received \$7.6 million. Well, I later found out it's a whole Indian tribe that got that money. The rest of the story isn't being told!"

Feigning ignorance, Wyatt called a USDA economist he knows and told him about the \$7.6 million government payout. Wyatt told the economist he couldn't figure it out. How, Wyatt asked, can someone get around the federal payment limits and the three-entity rule?

"The economist said, 'I don't know.' I then informed him it was an Indian tribe. He remembered then and said the Indian

Quot

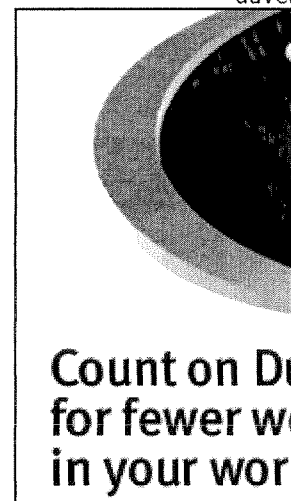
@CT - COTTON #2 - ICEFL
[Dec 09](#)
[Mar 10](#)
[May 10](#)

C - CORN - CBOT
[Dec 09](#)
[Mar 10](#)
[May 10](#)

S - SOYBEANS - CBOT
[Nov 09](#)
[Jan 10](#)
[Mar 10](#)

W - WHEAT - CBOT
[Dec 09](#)
[Mar 10](#)

adver



Atlanta, GA



Enter city or U.S.zip

tribe signed an agreement with USDA that no individual Indian would get more than \$40,000 — which is the payment limit. But all the money is sent to the tribe where it is then dispersed. EWG doesn't tell us that."

To put it mildly, Richard Bell, president of Riceland Foods in Stuttgart, Ark., isn't happy with EWG either.

"The EWG puts out misleading data. We at Riceland Foods are consistently listed as the biggest receiver of subsidies under the farm programs. This past year, they listed us at \$98.5 million. Frankly, that number is right. The only thing they don't point out, though, is that we have 9,000 (co-op) members and that money is distributed to them. We don't get this money and keep it," Bell said at the Mid-South Farm and Gin Show in Memphis on Mar. 1.

Bell elicited massive applause from that audience with his next statement: "I am encouraged. In the last couple of days, (the Center for the Defense of Free Enterprise) has filed a complaint with the IRS contending the EWG has violated its tax-free status and has many things to answer for."

As of press time, it's not known if the IRS or EWG have responded to the complaint. However, national media — including *The Washington Times* — have run scathing columns questioning EWG's lobbying tactics, money raising efforts and overall philosophy.

EWG seizes on people's laziness when it comes to research. No one and no profession are immune, says Wyatt.

"Our senators — even here in Oklahoma — are reading the EWG site and don't know the particulars. They're jumping to uninformed conclusions. Of course, it makes it look even worse because EWG used a five-year period to calculate payments. When three of those five years, farmers have extra MLA (marketing loan assistance) payments that Congress added onto the PFC (production flexibility contract) payments. Then there are crop disaster payments and maybe even some CRP payments in there."

So Wyatt, who has served on Oklahoma's state FSA board during both the Clinton and Bush years, decided to do some of his own digging.

"What we did was take the top 10 entities listed on the EWG Website and, through FSA, find how many individuals were involved in the partnerships. Each of the entities might have five, six, seven partners — a dad, three sons, a mother-in-law, a grandpa, whatever."

In Oklahoma, the top 10 entities listed by EWG includes 48 individuals. Wyatt broke down each of their payments — PFC contracts, MLA (marketing loan), and the rest, and then averaged them.

Over five years:

- The top 10 earned a combined \$12.6 million. That averages out to \$252,000 per entity per year.
- The 48 individuals averaged \$52,500 per year.
- Of that \$52,500, only \$24,675 per year was paid out in PFC payments (the standard AMTA payment farmers received for participating in the government program based on acreage and yield, etc.).

"Most of the American farmers right now are barely getting by. If it weren't for government payments, I'd say 60 percent of them would be broke. Farmers assume major amounts of risk — we're buying \$100,000 to \$150,000 tractors if we farm substantial acreage — and prices for our crops have dipped lower than they were decades ago. Much lower! What American wants to work for a wage today that's less than 20 years ago? Would EWG?"

Wyatt thinks we'll get a farm bill with — "as much as I hate to see it" — a payment limitation adjustment. That will affect many cotton and rice producers in the South tremendously, he says.

"I was at a meeting with a young producer from Jackson County, Okla., who farms about 900 acres of irrigated cotton. He was very worried about the Senate bill. He told me that if that bill goes through as is and his yield is equal to what he's had the last two or three years — which have been very good at 2.5 to 3 bales per acre — and cotton prices remain the same, he'll lose about \$200,000 in LDP payments."

As of last week, Wyatt says the young farmer's banker wouldn't give him an operating loan.

"If he has to sell the excess cotton once the LDP limit is reached, it won't work. You just can't raise cotton for 30 cents, I don't care how efficient or great a farmer you are."

Further, Wyatt says his wife is very upset about the Grassley Amendment because, "she's worth \$50,000 and I'm worth \$225,000. She thinks that's very discriminatory because women are worth less than men. She works hard on the farm just like I do."

Right now, Wyatt prefers the House version of the farm bill. It needs modification, he says, "but it would fit most farmers in the South better than the alternative."

RESOURCES

Select Newsl

Continuing E

Select Podca

Select Specia

CONTINUING EDUCATION

Accredited in Florida, Georgia, Texas, South Carolina and

(New Course) Weed Resistance Manager


This course covers a wide range of options to effectively control weeds in cotton and reduce the risk of weed resistance management. It is accredited licensed/accredited applicator (Florida, Georgia, New Mexico, Carolina and Tennessee. C

(New Course) New Mode of Action Chemical for Vegetable Production

Integration of a new mode of action compound like Coragen IPM and IRM programs to control Lepidoptera in leafy greens, and brassica or cole crops is CE accredited course details mode of action insecticide in It is accredited by the Certified and by state agencies for license Georgia, Florida, New Jersey

(New Course) Utilizing Calcium as Nutrient Against Disease Organism

This online accredited course Calcium, an important plant management for maximum, development as well as disease accredited by the Certified C for licensed applicators in license Pennsylvania and New Jersey

Want to use this article? Click here for options!
© 2009 Penton Media, Inc. 

FARM FUTURES

Updated Every Business Day
BUSINESS AND MARKETING TOOLS FOR PROFITABLE FARMING

A *FarmProgress* PUBLICATION



Search Site:

GO ▶

Wednesday, Oct

[Home](#) [Markets](#) [News](#) [Weather](#) [Farm Futures NOW!](#) [Magazine Online](#) [RSS News](#) [Land For Sale](#) [Mobile](#) [Subscribe](#) [Reprint](#)

Environmental Working Group Updates Farm Subsidy Database

Government watchdog Environmental Working Group releases updated farm government payment database this week.

Compiled by staff

Published: Nov 4, 2005

The Environmental Working Group is pushing again for farm policy reform. This week the government watchdog group released an updated Farm Subsidy Database, www.ewg.org/farm, outlining where the nation's farm payments land.

The update incorporates \$12.5 billion in payments made in calendar year 2004 to more than 1.4 million subsidy recipients, each of whom is listed on the Web site. The EWG database has been searched over 36 million times since the last update in November, 2004.

A new inclusion this year is a look at the top payment levels per congressional districts. Surprising to some, it wasn't southern counties that received the highest percent of payments, although several were included in the top bracket. Instead, North Dakotan Rep. Earl Pomeroy's at-large district covering vast plains came in at 4.3% of the total U.S. farm payments with \$6,228,265,686 paid out over the past 10 years. Click [here](#) for a map and list of subsidies by congressional district.

The Illinois Corn Growers Association says it won't come as any surprise that Congressmen Tim Johnson, Ray LaHood and John Shimkus found their districts ranking high nationally. "This is a reflection of not only the size of the district, but the large rural constituency that depends on corn production," the corn growers say.

EWG says just 22 of the nation's 435 congressional districts (5%) collected more than half of all subsidies over the past decade-some \$69 billion. Another 25 congressional districts absorbed an additional 20% of total USDA subsidy dollars, meaning that just 47 districts, about 10% of the House of Representatives, accounted for more than 70% of the subsidy dollars over the past 10 years-in excess of \$96 billion.

Print Article

Email to a Friend

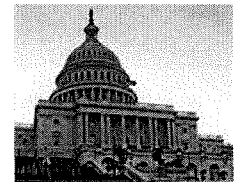
Comment

Share This

Search this site:

Read More Stories

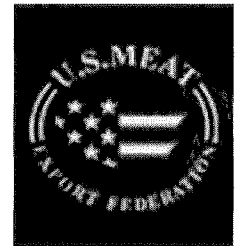
Does Surprise Endor: Boost Climate Change Chances?



Obsta
passa
rema

[Read t](#)

Pork and Beef Exports Lagging Compared to



Incre
for po
2007

[Read t](#)

Senate Finance Committee Passes Health Care E



Bauc
bill de
bipar
suppo

[Read t](#)



EWG FARM BILL 2007 POLICY ANALYSIS DATABASE

10,740,657

[Farm Bill 2007 Database Home](#)

[Farm Subsidies: Top 20 Individual Beneficiaries 2003-2005](#)

[Your Farm Subsidy Dollars At Work](#)

[Site Slow? Here's Why](#)

What's new in this database?

[Full Disclosure: Who really benefits from federal farm subsidies](#)

Additional Analyses

[Commodity Crop Payment Distribution](#)

[Farm Businesses by Number of Pass-Through Beneficiaries](#)

[Beneficiaries Receiving Pass-Through Subsidies From Multiple Farm Businesses](#)

[Crop Subsidies by Congressional District](#)

[Farm subsidies to the Districts Represented by the House Agriculture Committee](#)

[Concentration of Crop Subsidies](#)

Stay Informed

Sign up to get farm policy updates, the latest farm news, and email updates from EWG.

enter email here	zipcode
<input type="button" value="sign me up"/>	

What's new in this database?

Tip: We recommend you open a separate window for the Policy Analysis Database so you can follow this section while consulting database pages

The lists of top subsidy beneficiaries have changed dramatically. Just about every ranking of subsidy payments has changed in this new database because, for the first time, USDA has tracked subsidy benefits as they *pass through* tens of thousands of farm business entities—agribusiness cooperatives, partnerships, joint ventures and corporations—and has assigned virtually all farm subsidy 'benefits' to individuals. The Farm Bill 2007 Policy Analysis Database bases all of its rankings and analyses on this new benefits tracking data.

Specifically, some 358,057 individuals now have a dollar value for subsidy benefits associated with their names for the first time in our system—and they received \$9.8 billion in crop subsidy benefits alone between 2003 and 2005. In the database, those individuals have a double asterisk after their name, indicating that all of their subsidy benefits were in the form of pass-through(s) from a farm business(es) in which they had an ownership interest. A single asterisk means both payments made directly and pass-through subsidies are attributed to the individual by USDA. Listings with no asterisk are for individuals or entities that received all of their subsidy directly from USDA.

The most important distinction we make in our analysis is between *subsidies paid to farm businesses* and *subsidy benefits passed through those businesses to individuals* (and, very occasionally, to other types of entities). You can see the distinction on pages like [these](#).

The link "Top Farm Businesses, PY 2003-2005" displays the first 20 businesses, ranked by amount of subsidy payments they received from USDA in program years 2003 and 2005. Click on any farm business and you will see a list of people to whom USDA attributed *subsidy benefits* that were passed through to them by the respective farm business. Once you're on any farm business page you can also link back to the original Farm Subsidy Database to any relevant payment information we may have for the operation for calendar years and other programs. A separate link presents the ownership structure of the farm business that was provided to us by USDA in May, 2006 (in the so-called "permitted entity file"). However, the Section 1614 Benefits Tracking Data, the basis for our new site, *does not* list the intermediary businesses you see in the old database—partnerships, joint ventures, corporations and the like—or their shares of subsidy payments. It simply provides the parent farm business and any individual(s) to whom USDA attributed benefits that passed through that businesses.

The link "Top Farm Businesses, PY 2003-2005" displays the first 20 businesses nationwide, ranked by amount of subsidy payments they received from USDA in program years 2003 and 2005. Click on any farm business and you will see a list of people to whom USDA attributed subsidy benefits that were passed through to them by the respective farm business. Once you're on any farm business page you can also link back to the original Farm Subsidy Database to any relevant payment information we may have for the operation for calendar



Other Information

[News Release](#)

[Related News Coverage](#)

[Data Used in This Website \(USDA backgrounders\)](#)

[EWG's Farm Subsidy Database](#)

years and other programs. A separate link takes you to a feature in our original Farm Subsidy Database (2006 update) that presents the ownership structure of the farm business that USDA made public in May, 2006 through the department's "permitted entity file."

To see the difference the new Section 1614 data make, compare the following lists of "top recipients" from our original Farm Subsidy Database to the "top beneficiaries" in the Farm Bill 2007 Policy Analysis Database (and note that the latter permits quick links to the Farm Subsidy Database for farm businesses and individual beneficiaries):

Top crop subsidy recipients, United States, 2005
[Original Farm Subsidy Database](#)

Top crop subsidy beneficiaries, United States, 2005
[New Farm Bill 2007 Policy Analysis Database](#)

Top rice subsidy recipients, Arkansas, 2005
[Original Farm Subsidy Database](#)

Top rice subsidy beneficiaries in Arkansas, 2005
[New Farm Bill 2007 Policy Analysis Database](#)

Top crop subsidy recipients, Georgia, 2005
[Original Farm Subsidy Database](#)

Top crop subsidy beneficiaries, Georgia, 2005
[New Farm Bill 2007 Policy Analysis Database](#)

Cooperatives are not listed in the new database. Large cooperatives, like [Riceland Foods](#) of Arkansas, which was the top subsidy recipient nationwide in the original EWG Farm Subsidy Database, are not found in USDA's Section 1614 Benefits Tracking Database, and therefore are not listed in EWG's Farm Bill 2007 Policy Analysis Database. USDA's Section 1614 database provides data on payments made to cooperatives and passed through them to individuals and farm businesses, but does not indicate which companies or individuals are cooperative members.

USDA backgrounders. In the left column of this site is a link, [Data Used in This Website \(USDA backgrounders\)](#) that in turn links to USDA reference material on the Section 1614 Benefits Tracking Database. We recommend the "Q & A" document in particular.

Time period and subsidies covered. The original Farm Subsidy Database now covers calendar years 1995-2005 (eleven years) of subsidy payments. The Farm Bill 2007 Policy Analysis Database you're looking at now covers *program years* (a USDA term of art) 2003 through 2005. USDA provided incomplete data for program years 2002 and 2006 in the underlying Section 1614 database; we have not included it. When we have complete data for program year 2006, we'll add it to the database.

The original database also covered subsidies for more programs, notably ad hoc disaster subsidies. The new database, following the congressional mandate of the 2002 Farm Bill, covers only Title I (commodity) and Title II (conservation) subsidies.

What's the difference between a recipient and a beneficiary? In EWG's farm subsidy analysis system, a *recipient* is a person or a farm business whose name is on a USDA subsidy check or electronic fund transfer *payment*. They were paid subsidies, in their own name, directly by USDA.

A *beneficiary* is a person or (very occasionally) a farm business that has been attributed a subsidy *benefit*, with a dollar value, by *USDA* (not by EWG) through

the department's Section 1614 Benefits Tracking Database. Subsidy benefits *pass through* to these individuals from a farm business that has directly received the subsidy payments. The dollar value of a subsidy benefit is directly proportional to a beneficiary's share of ownership in the farm business that received a subsidy (and the business may or may not own the farm's land or other resources). Beneficiaries may or may not receive the value of their benefits as cash payments (see next topic).

Our original Farm Subsidy Database and all of its rankings and analyses was based on payments to *recipients*, which included individuals and all manner of farm businesses--coops, partnerships, corporations, joint ventures, trusts, estates and so forth. The new Farm Bill 2007 Policy Analysis database is based on the new Section 1614 *benefits* data, which we obtained from USDA in December, 2006 after a series of Freedom of Information Act requests we filed as early as 2003.

Do subsidy beneficiaries receive the benefits USDA attributes to them as cash payments? Not necessarily.

USDA has no information on how an individual or a farm business uses any of the subsidy payments they receive, any more than the Social Security Administration has information on how social security or SSI benefits are expended by recipients. As long as an individual or business meets eligibility requirements for USDA subsidy programs, they can utilize subsidy payments as they see fit—including for purposes entirely unrelated to farming. That is, the government has no rules or requirements as to how farm subsidies must be spent by an individual or business recipient. Nor do any rules require or govern cash payments, if any, from subsidized farm businesses to individuals who have been attributed benefits by USDA.

A farm business with multiple owners like this one, or even a single owner, might divide subsidies received among those owners and make cash payments in direct proportion to their ownership share—that is, in amounts equal to the benefits USDA has attributed to those owners through the Section 1614 process. Or payments might be made to those owners on some other basis, which could be unrelated either to subsidy payments to the business or ownership shares. Alternatively, the subsidized farm business might make no payments at all to owners; might provide salaries to some or all of them; or might invest all or part of the subsidy in the operation. Or the subsidy money could be devoted to purposes altogether unrelated to farming.

Why is it sometimes said that with farm subsidies, Christmas comes in July? This excellent question evidently refers to the common timing of important congressional action in farm bill cycles (July) and the fabled "Mississippi Christmas Tree" ownership structure of large farm businesses, mostly growing cotton and rice and found primarily, though not exclusively, across the South.

Historically, these very large operations included multiple owners who divided their farms into multiple businesses in order to have enough individuals to maximize per person federal farm subsidy payments, which are much higher per acre for cotton and rice, while complying with various per person payment limitations. Principal and major owners of these farm businesses (at the top of the Christmas tree) received the most payments or benefits, while owners or partners with smaller shares received lesser amounts.

In the Section 1614 Benefits Tracking Database, USDA attributes subsidy benefits to individuals that passed through any and all subsidized farm businesses that the individual has an ownership interest in. These are the businesses that received a USDA payment and are referred to as "parent entities" by USDA. USDA's Section 1614 database does not provide benefit attributions for any intermediary businesses. It simply present benefits to

individuals that pass through however many farm businesses ("parent entities") the individual may have an ownership interest in.

The best way to see ownership structures (including "Mississippi Christmas Trees") is to click on the link at the top of each farm business or beneficiary page that says "Ownership structure info, 2006". That will take you to the appropriate page in EWG's original Farm Subsidy Database that displays ownership interests found in the USDA "permitted entity file" that EWG obtained in May, 2006. Note that percentages, and not dollar amounts, are listed next to farm businesses and individuals. USDA utilized the percentage ownership shares in a version of this file to attribute benefits passed through one or more farm businesses to individuals. The permitted entity data is a snapshot of farm business ownership shares that may not be in effect today, but it is the most recent, and the only publicly available, nationwide data on this subject available from USDA.

For example, [this link](#) takes you to the top subsidized farm business in Georgia for 2003-2006. Click on the top farm business - [PGC Farms](#) - and you will see the Section 1614 benefits attribution. If you go to the Analysis Links at the top of the page and click on "[Ownership Structure Info 2006](#)", a new page will open in the original EWG Farm Subsidy Database displaying the information we received from USDA in May, 2006 in the department's "permitted entity file."

While limitations still apply to some payments, making multiple owners desirable, the necessity for creating these complex ownership structures has been reduced by the advent of commodity certificate subsidies, which an individual or a farm business can receive in unlimited amounts. But search top farm business entities in any Southern state--[Mississippi](#), for instance--and you will see many examples of operations five, ten or more owners and very substantial pass-through subsidies to multiple beneficiaries.

Or you can go to this [feature](#) of the Farm Bill 2007 Policy Analysis Database and sort farm businesses according to the number of beneficiaries to which USDA attributes pass-through subsidy benefits. For example, some 4,178 farm businesses have ten or more pass-through beneficiaries. Those firms collectively received \$400 million between 2003 and 2005.

Mean Adjusted Gross Income Data For ZIP codes of Entities and Recipients.
EWG obtained aggregate data from the Internal Revenue Service on the adjusted gross income (AGI) on tax returns filed by zipcode. We matched mean AGI in each zipcode to the zipcode(s) of subsidized farm businesses and beneficiaries.

www.ewg.org is the website for both Environmental Working Group and EWG Action Fund

Copyright 2009, Environmental Working Group. All Rights Reserved.

Headquarters 1436 U St. N.W., Suite 100 | Washington, DC 20009 || [Contact Us](#)
California Office 1904 Franklin St. Suite 703 | Oakland, CA 94612 || [Contact Us](#)



environmental working group's Farm Subsidy Database



175,203,164

NEW 2007 Direct Payment Subsidy Overview

NEW Press Release

[2008 Farm Subsidy Database Update](#)

[2008 Summary](#)

[2008 News Release](#)

[EWG's Policy Analysis Database](#)

READ MULCH
Updates, commentary,
& your feedback

NEW!

- [Full Disclosure: Who really benefits from federal farm subsidies](#)
- [What's in the new Farm Bill 2007 Database?](#)
- [New Farm Bill Web Site Generates Media Storm](#)

[Congressional District Ranking](#)

Related Content

Farms Receiving Government

Payments

Speech: Farm Policy For The Rest of

Us

EWG Farm Subsidy Database Update

April 14, 2008

Taxpayers sent \$13.4 billion in farm subsidies to more than 1.4 million recipients in 2006, according to a [new update](#) of the Environmental Working Group's Farm Subsidy Database website.

The new data bring the 12-year subsidy total tracked online by EWG to more than \$177 billion. Over that period, 10 percent of the beneficiaries collected 75 percent of all subsidy payments.

The EWG database update comes as a House-Senate conference committee struggles to meet an April 18 deadline for reauthorizing a new omnibus farm bill.

By far the largest share of farm subsidies in 2006 was the \$11.2 billion (84 percent) in various commodity payments designed to prop up farmers' incomes. Payments for conservation practices on farms totaled just over \$2 billion, mostly under the Conservation Reserve Program that pays farmers to plant grass or trees on fragile cropland under ten-year contracts. Another \$160 million was disbursed in disaster aid. (Last year Congress passed legislation to provide disaster aid retroactively for crop and livestock losses in earlier years, including 2006).

According to [USDA](#), while it was a drop of more than \$18 billion from 2005 net farm income of \$77.1 billion, in 2006 "farm operators earned farm income of \$59 billion, a level exceeded only by the 3 preceding years." Farm income shot up to a projected \$88.7 billion in 2007 and is projected to increase another 4.1 percent in 2008, when it is expected to reach \$92.3 billion.

The [19 states](#) currently represented on the Senate Agriculture Committee collected \$105 billion in farm subsidies over the past 12 years (59 percent of the U.S. total). The [45 congressional districts](#) currently represented on the House Agriculture Committee accounted for 74.6 billion in farm subsidies over that period (42 percent of the national total).

Top Beneficiaries in 2006

Plantation-scale cotton and rice operations in the [South dominated subsidy payments in 2006](#). Sixty-five entities collected more than one million dollars each that year.

USDA has not yet made available detailed information tracking all subsidy program benefits to individuals for payment year 2006, as required by Section 1614 of the 2002 farm bill. As a consequence, in this update EWG is unable to assign benefits that pass through cooperatives and certain other business entities to individuals, as we did provided in the Policy Analysis Database published in June, 2007. (Click [here](#) and [here](#) for more information comparing the databases.)

[Related News Coverage](#)[FSA Fact Sheets](#)

**Sign up to receive email updates
from EWG**

Sign Me Up

Direct Payment Subsidies, 2006

Over a million recipients collected direct payment subsidies for crops in 2006. Direct payment subsidies are provided to farmers regardless of commodity prices or farm income levels. Despite record prices for some crops and for net income for subsidized crops, and projections of similar market and income conditions over the next five years, Congress is poised spend another \$26 billion on direct payment subsidies under the 2008 farm subsidy bill.

Like other crop subsidies, direct payments are heavily concentrated in the hands of the very largest farm operations. A total of 151 recipients collect at least \$250,000 in direct payments in 2006.

Top States: Half of All Subsidies to Just Nine States

Texas emerges as the top beneficiary of farm subsidies over the last 12 years, collecting over \$16.2 billion. It is followed by Iowa (\$15.9 billion), Illinois (\$13.2 billion), Nebraska (\$10.4 billion) and Minnesota (\$10.2 billion). Five states accounted for over one-third of all subsidy payments, and half of the subsidies were absorbed by 9 states, all in the Midwest, South or Great Plains regions.

Top Congressional Districts: 22 Districts Collect Half the Subsidy

Of the nation's 435 congressional districts, just 22 account for over half of all farm bill subsidies.

Top Programs For Subsidies: Corn is King

Over the past twelve years, taxpayers have spent \$56 billion on corn subsidies paid to over 1.5 million recipients, making it the top crop for federal assistance. Wheat subsidies ranked second, which paid \$22 billion to more than 1.3 million recipients, followed closely by cotton subsidies, which provided \$21 billion to over 247,00 recipients over the period.

The Conservation Reserve Program ranked fourth, paying over \$20 billion to 768,180 recipients.

www.ewg.org is the website for both Environmental Working Group and EWG Action Fund

Copyright 2009, Environmental Working Group. All Rights Reserved.

Headquarters 1436 U St. N.W., Suite 100 | Washington, DC 20009 || [Contact Us](#)
California Office 1904 Franklin St. Suite 703 | Oakland, CA 94612 || [Contact Us](#)

**SUPPORT OUR WORK
CONTRIBUTE NOW**

2007 DIRECT PAYMENTS

ENVIRONMENTAL WORKING GROUP

156,111,012

Contact: Don Carr (202) 667-6982
don@ewg.org

NEW 2007 Direct Payment Subsidy Overview **NEW Press Release**

[2008 Farm Subsidy Database Update](#)

[2008 Summary](#)

[2008 News Release](#)

[EWG's Policy Analysis Database](#)

READ MULCH
Updates, commentary,
& your feedback

NEW!

- [Full Disclosure: Who really benefits from federal farm subsidies](#)
- [What's in the new Farm Bill 2007 Database?](#)
- [New Farm Bill Web Site Generates Media Storm](#)

[Congressional District Ranking](#)

Related Content

Farms Receiving Government

Payments

Speech: Farm Policy For The Rest of

Us

As Congress Finalizes Farm Bill Deal EWG Lists Recipients of Controversial Direct Payment Subsidies for 2007

Washington, DC, April 29--By any measure, 2007 was a banner year for farmers of grain, soybeans and cotton, as high prices for their crops earned them record net income, even after they paid skyrocketing costs for fuel, fertilizer and seed.

But under formulas set by Congress in the 2002 farm law, taxpayers topped off the record farm earnings of 2007 with another \$5 billion in "direct payment" crop subsidies.

The names of the direct payment subsidy recipients and the amount they received in 2007 were released online today by Environmental Working Group (EWG).

As Americans begin receiving a few hundred dollars of their own money back from Washington this week in one-time tax rebates, some of which they'll spend to cover rising food costs, Congress is finalizing a plan to send far more generous direct payment subsidies to some of the largest, most prosperous farms in the nation every year over the next five years.

"Though net farm income reached a record level of \$88.7 billion in 2007, propelled by high market prices for major crops, Washington still sent out over \$5 billion of taxpayers' money in "direct payment" farm subsidies to over 1.4 million recipients," said Ken Cook, president of EWG. "Over 60 percent of the subsidy was pocketed by just 10 percent of the recipients-the largest and generally wealthiest subsidized farming operations in the country."

Farm income exceeded \$84,000 per household on average in 2007, compared to a 2006 average for all U.S. households of \$66,000.

"Congress is about to be grotesquely generous to big, subsidized farms that are now enjoying unprecedented prosperity, including double-digit increases in farmland prices," said Cook. "The list of farm subsidy beneficiaries we're publishing today will make clear the disturbing degree to which congressional leaders are catering to the powerful farm subsidy lobby at the expense of ordinary American taxpayers, while shortchanging other vital national needs," Cook said.

Environmental Working Group is a nonprofit research and advocacy organization that uses the power of information to protect the environment and public health. EWG's Farm Subsidy Database (<http://farm.ewg.org/farm/>) has been searched over 102 million times since Nov. 2004.



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - As Congress Finalizes Farm Bill Deal EWG Lists Recipients of Controversial Direct Payment Subsidies for 2007

Published April 29, 2008

Washington, DC, April 29--By any measure, 2007 was a banner year for farmers of grain, soybeans and cotton, as high prices for their crops earned them record net income, even after they paid skyrocketing costs for fuel, fertilizer and seed.

But under formulas set by Congress in the 2002 farm law, taxpayers topped off the record farm earnings of 2007 with another \$5 billion in "direct payment" crop subsidies.

The names of the direct payment subsidy recipients and the amount they received in 2007 were released online today by Environmental Working Group (EWG).

As Americans begin receiving a few hundred dollars of their own money back from Washington this week in one-time tax rebates, some of which they'll spend to cover rising food costs, Congress is finalizing a plan to send far more generous direct payment subsidies to some of the largest, most prosperous farms in the nation every year over the next five years.

"Though net farm income reached a record level of \$88.7 billion in 2007, propelled by high market prices for major crops, Washington still sent out over \$5 billion of taxpayers' money in "direct payment" farm subsidies to over 1.4 million recipients," said Ken Cook, president of EWG. "Over 60 percent of the subsidy was pocketed by just 10 percent of the recipients-the largest and generally wealthiest subsidized farming operations in the country."

Farm income exceeded \$84,000 per household on average in 2007, compared to a 2006 average for all U.S. households of \$66,000.

"Congress is about to be grotesquely generous to big, subsidized farms that are now enjoying unprecedented prosperity, including double-digit increases in farmland prices," said Cook. "The list of farm subsidy beneficiaries we're publishing today will make clear the disturbing degree to which congressional leaders are catering to the powerful farm subsidy lobby at the expense of ordinary American taxpayers, while shortchanging other vital national needs," Cook said.

[Click to see Direct Payment 2007 Data.](#) [1]

###

Environmental Working Group is a nonprofit research and advocacy organization that uses the power of information to protect the environment and public health. EWG's Farm Subsidy Database [2] (<http://farm.ewg.org/farm/> [3]) has been searched over 102 million times since Nov. 2004.

Source URL:

<http://www.ewg.org/node/26456>

Links:

- [1] http://farm.ewg.org/farm/dp_analysis.php
- [2] <http://farm.ewg.org/farm/>
- [3] <http://farm.ewg.org/farm/>

2007 DIRECT PAYMENTS

ENVIRONMENTAL WORKING GROUP

156,111,803

NEW 2007 Direct Payment Subsidy Overview

NEW Press Release

[2008 Farm Subsidy Database Update](#)

[2008 Summary](#)

[2008 News Release](#)

[EWG's Policy Analysis Database](#)

READ MULCH
Updates, commentary,
& your feedback

NEW!

- [Full Disclosure: Who really benefits from federal farm subsidies](#)
- [What's in the new Farm Bill 2007 Database?](#)
- [New Farm Bill Web Site Generates Media Storm](#)

[Congressional District Ranking](#)

Related Content

[Farms Receiving Government](#)

[Payments](#)

[Speech: Farm Policy For The Rest of](#)

[Us](#)

Amidst Record 2007 Crop Prices and Farm Income Washington Delivers \$5 Billion In Subsidies

Ken Cook and Chris Campbell, EWG

By any measure, 2007 was a banner year for farmers of grain, soybeans and cotton, as high prices for their crops earned them record net income, even after they paid skyrocketing costs for fuel, fertilizer and seed.

But under formulas set by Congress in the 2002 farm law, taxpayers topped off the record farm earnings of 2007 with another \$5 billion in "direct payment" crop subsidies.

The names of the direct payment subsidy recipients and the amount they received in 2007 were released online today by Environmental Working Group.

Even with crop prices and farm income projected to remain high for the foreseeable future, Congress is on the verge of extending the controversial direct payment subsidies for another five years at an estimated cost of more than \$26 billion.

EWG's online database lists the top 2007 direct payment subsidy recipients for the nation as a whole, and for every state and county. The top states for direct payments was Iowa (\$501 million), followed by Illinois (\$454 million), Texas (\$397 million), Nebraska (\$333 million) and Kansas (\$324 million).

Topping the list of direct payment subsidies are 5,125 recipients who collected over \$60,000 in 2007, an amount roughly equivalent to average U.S. household income in 2006 (\$66,000, the latest year available)). The cost to taxpayers was \$537 million.

A total of 1,234 recipients collected direct payment subsidies worth \$120,000 or more (costing taxpayers \$226 million total), and 149 recipients got more than \$250,000 in direct payments (\$51.5 million total cost).

The top 10 percent of direct payment subsidy recipients in 2007 collected about 60 percent of the government money. While direct payments are limited to \$40,000 per person (\$80,000 per married couple), large subsidized farming operations with complex, interlocking business organizations and multiple owners routinely enable individuals to collect up to \$80,000 apiece each year in direct payment subsidies under USDA rules governing subsidies for partnerships, corporations, joint ventures and trust. If the House version of the direct payment provision is adopted, the maximum payment will be increased from \$40,000 to \$60,000 per person per year (\$120,000 per married couple).

The top direct payment recipient in 2007 was a Sandridge Partners, a complex business of interlocking companies, trusts and individual owners with its business office in Sunnyvale, California, a suburban community in Silicon Valley south of San Francisco better known for high-tech firms and venture capitalists. Sandridge, which USDA records

[Related News Coverage](#)[FSA Fact Sheets](#)**Sign up for our email bulletin****Sign Me Up**

show operates in four counties, collected \$1,064,134 in direct payment subsidies in 2007 for seven different crops, but most of the subsidy was for cotton.

Two other large California-based operations with multiple layers and owners ranked 3 and 4 nationwide. A business designated "Dist 108 Farms" in USDA records, located in Arbuckle, California, collected \$730,720 in direct payments in 2007, mostly for rice; for farms in Colusa and Yolo counties. The Martori Family General Partnership collected \$683,353 in direct payment subsidies in 2007, mostly for wheat and cotton.

Direct payment subsidies are provided without regard to the economic need of the recipients or the financial condition of the farm economy. Established in 1996, direct payments were originally meant to wean farmers off traditional subsidies that are triggered during periods of low prices for corn, wheat, soybeans, cotton, rice and other crops.

In debate over the 2007/2008 farm bill, the farm subsidy lobby has insisted the payments continue over the next five years, even if crop prices and net farm income remain high.

www.ewg.org is the website for both Environmental Working Group and EWG Action Fund

Copyright 2009, Environmental Working Group. All Rights Reserved.

Headquarters 1436 U St. N.W., Suite 100 | Washington, DC 20009 || [Contact Us](#)
California Office 1904 Franklin St. Suite 703 | Oakland, CA 94612 || [Contact Us](#)

**SUPPORT OUR WORK
CONTRIBUTE NOW**



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

The Downfall of Direct Payments

Published October 19, 2011

The Downfall of Direct Payments

*by Sara Sciammacco, October 2011*

Starting in the 1930s, U.S. farm programs focused on reducing crop surpluses and sending checks to farmers when crop prices fell. That all changed in 1996. In a political parallel to today's Tea Party-influenced environment, the Republican-controlled Congress decided that year that it was time to let the free market - not government - drive the farming economy. In renewing the farm bill that year, lawmakers voted to end the traditional farm subsidy system in favor of five years of "market transition" payments to farmers. But then a strange thing happened. The payments that were supposed to decline annually never actually went away. Farm programs turned into a cash crop for big agribusinesses, which co-opted federal policy and turned it into a perennial giveaway that disproportionately benefits large landowners and wealthy farm operations. And that remains the reality today.

The industrial agriculture lobby has been defending the controversial "direct payment" form of taxpayer-funded subsidies ever since they were first authorized. These fixed, automatic checks go out every year to the largest growers of commodity crops, such as corn and cotton, whether farmers need them or not and despite the fact that farm household income has eclipsed average U.S. household income. Farm income for the largest operations, in particular, has soared sky high.

As Environmental Working Group's Craig Cox said to the New York Times, "How do you justify this kind of money going to a sector of the economy that's booming while other folks in the country are suffering?"

The epitome of waste is spending taxpayer money when we don't have to. Thanks to the current drive to slash the ballooning federal deficit, Congress is finally on the verge of eliminating direct payments. That would open the door for a farm policy that levels the playing field for all of agriculture and creates a fiscally responsible safety net that actually helps keep working farm and ranch operators on the land.

This timeline is a comprehensive look at how direct payments have hurt taxpayers, farmers and the environment over the past 15 years. It also highlights the critical importance of budget and spending transparency in federal policy, and farm policy in particular. Because data on who received direct payments, and how much they received, was publically available, EWG's Farm Subsidy Database was able to document how direct payments became an expensive handout to large-scale agribusinesses,

absentee landowners, and profitable mega-farms. One reason to be skeptical of current proposals to shift direct payments to “revenue insurance” schemes is that such a system would almost surely end farm subsidy transparency.

1992-1995: “Following the Money”

Modern industrial agriculture is a resource-intensive and environmentally damaging enterprise. For years, programs subsidizing large-scale commodity growers have been flush with federal cash, while proven conservation programs that help protect water, soil and wildlife habitat from the ravages of industrial agriculture have lacked adequate funding. With Congress beginning to work on the 1996 farm bill, EWG resolved to compete more effectively with the farm subsidy lobby if conservation programs were to receive their fair share.

EWG also thought the public ought to know what was happening on Capitol Hill. Its data team began filing Freedom of Information Act (FOIA) requests with the U.S. Department of Agriculture and finding out just who was cashing those farm subsidy checks. EWG built a searchable database from the tens of millions of federal records and opened its Washington, D.C. office to journalists and other news media professionals, who began reviewing the records and filing reports on the serious inequities in farm spending that the data showed.

1995-1996: The Republican House

In 1994, when the Republican Party took more than 50 seats to take control of the House of Representatives, farm income and crop prices were high. Sound familiar?

The GOP, led by House Speaker Newt Gingrich of Georgia, persuaded Congress that farmers would be far better off without farm subsidies - and the government restrictions on what crops they could grow that came with them. Moreover, like today, there was tremendous pressure to reduce the federal deficit, and cutting the subsidies looked like a good way to do that. As a result, in 1996 lawmakers passed the so-called “Freedom to Farm” bill, which was supposed to phase out all traditional subsidies and create “market transition” payments to ease into a subsidy-free farm system. Lawmakers promised taxpayers that the payments would decline each year and end completely after five years. But that never happened.

As EWG President Ken Cook pointed out at the time, the reality was that, “The 1996 farm bill would not phase out subsidy programs and at least \$4 billion or more would be available for every year after it expired in 2002. In fact, it would make things worse by divorcing payments entirely from market conditions, actual farming activity, and economic need.” He was right.

1998-1999: Doubling Up Market Loss Payments

In a marked contrast to today’s farm economy - one that most informed observers agree will be robust for years to come - within two years of the signing of the 1996 farm bill the farm economy had deteriorated and farm income and crop prices fell sharply. Farm lobbyists stormed Capitol Hill and demanded that lawmakers boost what were supposed to be declining market transition payments. In 1999-2001, Congress obliged and sent \$21.4 billion to farmers as “market loss payments,” which essentially doubled the market transition payments farmers had been receiving. Congress defended the generous spending as emergency relief. In reality, a significant portion of the aid went to a very small group of recipients who were already benefiting the most from taxpayer dollars.

2001: Farm Subsidy Database Goes Online

Having generated an enormous amount of interest through its in-house computer system, EWG decided to publish its Farm Subsidy Database online for the public to see. Within a month, it had been searched 5 million times. As the New York Times reported, the database “not only caught the attention of lawmakers, it also helped transform the farm bill into a question about equity and

whether the country's wealthiest farmers should be paid to grow commodity crops while many smaller family farms receive nothing and are going out of business." It has been updated every year with new data and has logged 320 million searches to date.

In 2001, Rep. Ron Kind, a Wisconsin Democrat, introduced legislation to direct more farm bill dollars to conservation programs and rural development, putting the spotlight on the lavish direct payments documented in the Farm Subsidy Database. Kind and other lawmakers used the subsidy data to bolster their arguments as they argued their positions in floor debates and, in some cases, vented their outrage. His bill lost despite garnering 200 votes, but a strong coalition representing a wide range of interests - taxpayers, conservation and wildlife - began to form, and the calls for reform grew louder.

2002: Congress Authorizes Even More Subsidies

Buoyed by a budget surplus, lawmakers returned to Washington and decided to bring back all the traditional farm subsidies - and keep the market transition payments, too. They changed the name from "market transition" to "direct" payments, but the checks continued to go out year after year regardless of need. Taxpayers footed the bill even when farm prices and incomes were high, without regard to other subsidies beneficiaries were receiving or whether they were actively engaged in farming at all. Since 2002, direct payments have cost the federal government about \$5 billion a year on average, for a total to date of \$41.4 billion. They are figured into land value estimates, drive up land prices and rents and make it harder for small farmers to expand and new farmers to enter farming.

Meanwhile, the more traditional counter-cyclical payments, which were also authorized in 2002, compensate farmers for drops in market prices. These programs have created perverse incentives that often reduce profitability and drive up taxpayer cost. Over the last decade, the government has paid out \$15 billion in counter-cyclical payments.

2003: Subsidies Are Not "Saving the Farm"

In 2003, the average American household made about \$59,000 per year. Farm households made \$10,000 more, but almost all of the extra income came from off-farm sources - jobs in other sectors of the economy. With farmer incomes above national averages, it seemed odd to many that the government continued to dole out direct payments, and that wasn't all. That year, Congress began funneling billions of dollars in disaster aid to hundreds of thousands of farms on a regular basis. A farm-by-farm review counted \$11.3 billion in disaster payments from 1995-2003 - on top of direct payments.

2005: Bush Administration Opens Door to Reform

The Bush administration took issue with the inequities in the system and took the lead on farm bill reform. In 2005, it released a budget proposal to limit subsidy payments to farmers to \$250,000. It was a very big deal at the time because the administration opened the door to reform on the most contested issue in agriculture policy. But big agriculture lobbyists were far from giving up.

2006: The Washington Post's Year-long Investigation

Washington Post reporters helped advanced the case for reform in a series called "Harvesting Cash," which included more than a dozen stories and several interactive maps.

On the campaign trail for the Democratic nomination for President, Iowa's then-Gov. Tom Vilsack called for farm subsidy cuts and told the Post, "I didn't get much of a reaction from farmers because deep down most of them know the system needs to be changed." The Post went on to report that, "Vilsack joined a host of interest groups from across the political spectrum that are pressing for changes in government assistance to agriculture."

2007: The Kind-Flake Amendment

Taking advantage of the momentum for reform, Reps. Kind and Jeff Flake (R-Ariz.) introduced a bipartisan amendment in the House to end direct payments and overhaul other subsidies in order to invest more farm bill money in conservation and nutrition programs. Unfortunately, the Kind-Flake amendment failed and the House passed a new farm bill that maintained the status quo.

2008: Subsidy Lobby on the Defensive

In the run-up to the 2008 farm bill re-authorization, the subsidy lobby and farm organizations pressed relentlessly for billions of dollars in additional taxpayer support in the form of still more lavish direct payments. However, there was enough push back from lawmakers and reformers to block an increase.

National and local media circles began highlighting the calls for reform by publishing 477 pro-reform editorials that year. EWG's interactive online map analysis noted, "Few issues have garnered as much editorial page criticism of Congress, which by and large has acceded to the subsidy lobby's preferences for unlimited taxpayer support for the largest commercial farming operations in the country. This occurs while most farmers and ranchers receive no support at all. Congress' unwillingness to take on these special interests has only increased the clamor for change in the nation's newspapers."

Despite the overwhelming support for change, Congress sent a farm bill to President Bush that didn't make a dent in direct payments. Instead, it brought on board two new subsidy programs, including the Average Crop Revenue Election program that guaranteed farmers a set level of farm income. Bush responded by vetoing the entire bill. Due to a clerical mistake, Congress had to re-pass the bill and send it to the President again. He vetoed it again, but both vetoes were overridden. The subsidy-laden bill became law.

2010: The Snowball Effect and the Elections

For most of 2009 and 2010, the country was digging out of an economic recession, and cost-cutting ideas were at the top of the agenda. None other than Rep. Peterson, long a die-hard farm subsidy defender, acknowledged the intensifying criticisms in a statement: "One of the issues that needs to be looked at or addressed is, are these direct payments being capitalized into land values and rents? And is that making it more difficult for young farmers to get started?"

Not long after, the Iowa Farm Bureau announced it would support cutting off direct payments to farmers if the money went towards crop insurance instead. The Delta Farm Press wrote, "The Iowa Farm Bureau action, which is not binding on any other state Farm Bureau, may be the first by producers to call for an end to direct payments, which have become a favorite target of criticism by non-farm groups."

An analysis titled "Democrats' Bitter Harvest," showed rural Democrats who voted for the 2008 farm bill and its lavish farm subsidies were not at all shielded from the Republican wave in the 2010 election. At least 15 Democratic members of the House Agriculture Committee lost their seats, while Democrats who had voted against the bill were largely unscathed.

2011: The Super Committee

With the national debt on the rise, Congress charged a Super Committee of 12 House and Senate members to propose legislation by late November to make \$1.5 trillion in spending cuts. Agriculture programs are on the table. Several farm groups have responded by coming up with their own proposals to keep their piece of the pie. President Obama also unveiled a deficit reduction plan that places direct payments in the crosshairs. Hours after the Obama administration's plan went public, Cook said in a statement, "We are encouraged to see the tide turning in favor of investments in

agriculture that are smarter for farmers and the environment and fairer to taxpayers who have been padding the bank accounts of profitable agribusiness operators for years.”

2012: The New Farm Bill

The time is ripe for change. Policy makers and the public know it. Farmers need a system they can be proud of, one that rewards them for good stewardship of the land and promotes the protection of our soil and water. Right now, the top 10 percent of recipients still receive 74 percent of all subsidy money, while two-thirds of farmers get absolutely nothing. Reforming the system will not only ease the nation's financial situation, it will protect other farm bill priorities - such as nutrition and conservation programs - from further cuts. Unless the Super Committee acts first, 2012 could shape up to be the year that Congress enacts dramatic reform of the farm bill, the year that America's lawmakers finally say: Enough is enough.

Source URL:

<http://www.ewg.org/report/downfall-direct-payments>

1



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - EWG Investigation Finds Controversial 1996 Farm Law Was Subsidy Boon for Largest Farms

Huge Plantations Got 83 Percent of Aid in Mississippi

Published April 1, 2000

Washington-Taxpayers may not realize it, but the billions they spend on subsidies to save family farms may be hastening their demise.

A new computer investigation by the Environmental Working Group (EWG) concludes that "the flow of farm subsidies has never been more biased in favor of large operations than it has been in recent years under the controversial "Freedom to Farm" policies introduced in 1996," said EWG Senior Analyst Clark Williams-Derry, who conducted the study. Williams-Derry analyzed records of 30 million federal farm subsidy payments obtained under the Freedom of Information Act.

The EWG investigation is the first state-by-state examination of Freedom to Farm payments during the program's first three years, 1996 through 1998. The EWG analysis found:

- Taxpayers provided \$22.9 billion in subsidies during the first three years of the "Freedom to Farm" law, but just 10 percent of the recipients (144,000 participants) collected 61 percent of the money.
- Nationwide, the top 10 percent of subsidy recipients averaged \$32,000 in payments per year, 27 times more support than the \$1,200 the typical participant received annually. Recipients in the top 1 percent of subsidy payments collected \$249,000 over the three years-about \$83,000 per year.
- Some states showed an especially high concentration of payments to the largest recipients. In Mississippi, the state where the subsidy inequities were greatest, 10 percent of the participants took in 83 percent of all payments to the state-an average of \$217,000 per recipient over three years. Mississippi's top recipients took in 200 times more subsidy than the average farm in the state.

The EWG study comes at a time of severe economic distress for many family farmers. A growing number of farmers and many farm state leaders are calling for a moratorium to cool down the merger mania in agriculture that is concentrating ownership and control at every level in the food and fiber system, from farms to the companies that supply their inputs and buy their products.

Dubbed revolutionary by its proponents in 1996, the Freedom to Farm law dramatically boosted subsidy payments in 1996 and 1997, even though farm prices were robust at the time. Taxpayers were promised that payments would decline thereafter. But when prices weakened in 1998 and 1999 Congress changed its mind and approved additional billions in aid. Last October, legislators doubled payments for all farmers, regardless of how much they were receiving and whether or not they needed it.

"Surely we can do better by taxpayers and farmers than to funnel so much money to so few farmers without even bothering to find out if they need it," said Williams-Derry. "Family farmers face pressing economic and environmental problems. We should be helping them, not subsidizing the big operations waiting to buy them out."

The EWG report recommends that farm subsidy recipients be required to document their financial need before being eligible for farm subsidy payments, and that aid should be targeted to working farmers and sharply reduced for large farms. The group wants increased assistance for conservation and environmental improvements, including water treatment and sewage facilities for small towns and funding to promote organic farming and less pesticide use. EWG also recommends a substantial increase in funding for open space preservation, anti-sprawl measures, and other environmental needs in New England, Florida and California.

The Environmental Working Group is a non-profit environmental research organization with offices in Washington, D.C., Oakland, California and Seattle, Washington.

Source URL:

<http://www.ewg.org/node/19906>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

Obstruction of Justice

USDA Undermines Historic Civil Rights Settlement with Black Farmers

Published July 19, 2004

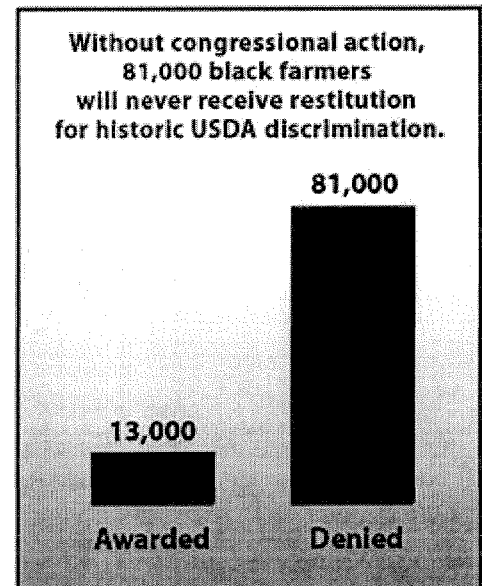
A new investigation by Environmental Working Group (EWG) and the National Black Farmers' Association (NBFA) finds that the United States Department of Agriculture (USDA) willfully obstructed justice by deliberately undermining the terms of a 1999 landmark civil rights settlement with African American farmers. As a result, the vast majority of African American farmers have been denied compensation that the court, in approving the settlement, described as "automatic." For the 81,000 farmers denied compensation, there is no future opportunity to obtain relief. Even though USDA has admitted to civil rights abuses, it withheld some three quarters of the \$2.3 billion that the settlement was worth. Without intervention by the United States Congress, these farmers will never receive the compensation they so clearly deserve. [Document: [Pigford v. Veneman Opinion](#) [0]]

Specifically we found that:

- **Nearly nine out of ten denied restitution.** USDA denied payment to 86 percent, or 81,000 out of 94,000, African American farmers who came forward seeking restitution.
- **56,000 hours spent fighting farmers.** USDA aggressively fought claims by African American farmers, contracting with United States Department of Justice lawyers who spent at least 56,000 staff hours and \$12 million contesting individual farmer claims for compensation.

The 81,000 denials took two forms:

- **Deadline barred 64,000 claims, despite lack of notice.** The settlement-funded arbitrator rejected 64,000 farmers who came forward with claims during the late claims process established by the court. The farmers' attorneys, whose representation was characterized by the court as "bordering on legal malpractice," were responsible for properly notifying the farmers of the original deadline for application. The settlement-funded arbitrator rejected these 64,000 farmers simply on the basis of their tardiness for the original deadline, even though all 64,000 rejected claims were submitted within the court established late claims period. An additional 7,800 farmers failed to file before the late claims deadline expired and were also denied entry to the class.



Top 10 States: Farmers seeking entry under court-mandated extension

State	Rejected	Granted	Total
Mississippi	18,983	286	19,269
Alabama	14,268	294	14,562
Tennessee	4,642	24	4,666
North Carolina	2,448	1,012	3,460
Oklahoma	3,309	51	3,360
Georgia	3,228	81	3,309
Illinois	2,864	29	2,893
Louisiana	2,312	21	2,333
South Carolina	1,826	70	1,896
California	1,495	30	1,525
National Total	63,816	2,131	65,947

See data for all 50 states [0]

Note: Data in this table is based upon information received from the Office of the Monitor on April 26, 2004.

- **9,000 denied "automatic" award.** Of the 22,000 farmers granted access to the class, in what the court referred to as "automatic" payment status, USDA denied payment to 40 percent, or 9,000 farmers. Entry to the class was not guaranteed, but depended on a farmer proving that he/she applied for a USDA loan between 1981 and 1996, that USDA's response was racially discriminatory, and that the individual filed a discrimination complaint arising from USDA's treatment of the application. All of the 9,000 farmers denied payment by USDA met these criteria, but received nothing.

Nearly 9,000 Black farmers were denied "Automatic" payments by USDA — Top 10 States

State	Number Eligible	Receiving "Automatic" Awards		Denied "Automatic" Awards	
		Number	Percent	Number	Percent
Alabama	4,511	3,096	69%	1,415	31%
Mississippi	4,373	2,643	60%	1,730	40%

Georgia	2,960	1,757	59%	1,203	41%
North Carolina	1,989	910	46%	1,079	54%
Arkansas	1,986	1,293	65%	693	35%
South Carolina	1,274	793	62%	481	38%
Louisiana	991	478	48%	513	52%
Oklahoma	794	541	68%	253	32%
Tennessee	663	407	61%	256	39%
Florida	472	248	53%	224	48%

National Total*	22,181	13,411	61%	8,770	40%
------------------------	---------------	---------------	------------	--------------	------------

* Note: Information in this table is based upon data received from the Office of the Monitor on 4/26/2004. The 7/12/2004 report from the Office of the Monitor states that the total number of awards received is now 13,429.

See data for all 50 states [0]

"I've talked to more people that haven't even heard anything at all, and more people that got denied, than I have talked to people who got the \$50K and a partial debt write-off. And now the USDA seems to be just sitting still."

— Alan Diggs,

Southampton, VA farmer

In this historic civil rights case, known as *Pigford v. Veneman*, USDA promised to pay billions to African American farmers who claimed that the USDA had systematically discriminated against them for decades, denying them access to essential crop loans that were made readily available to "similarly situated" white farmers in their communities. The settlement was largely based on USDA's own admission of discrimination in its 1997 civil rights study, and the Reagan Administration elimination of the USDA's Office of Civil Rights in 1983, effectively denying African American farmers any recourse for claims of discrimination from 1983 through 1996, when the Office was reestablished. In part due to lack of equal access to USDA loans, the number of farms operated by African Americans has declined dramatically over the past 20 years, plummeting from 54,367 in 1982 to just 29,090 in 2002.

Recommendations

This willful obstruction of justice by the USDA demands immediate action on the part of the U.S. Congress. Only the Congress can make whole the farmers who were denied restitution arbitrarily, after the USDA had agreed, in settling the case, that their discrimination claims were valid.

EWG and NBFA recommend that USDA and the U.S. Congress immediately take action to remedy these inequities by taking the following measures:

- (1) Congress should order USDA to provide full compensation to the nearly 9,000 farmers who were denied relief after being accepted into the settlement class;
- (2) Congress should order USDA to re-evaluate the merits of the nearly 64,000 farmers' claims that were shut out due to lack of notice of the settlement. All African American farmers who meet the preliminary requirements to qualify as a member of the *Pigford* class should receive the \$50,000 payment and debt relief provided by the settlement;
- (3) Congress should direct the USDA to institute accountability measures to monitor and enforce civil rights standards throughout the Agency, requiring that in the future the USDA shall exert best efforts to ensure compliance with all applicable statutes and regulations prohibiting discrimination; and
- (4) Congress should ensure the full implementation of outreach and financial assistance programs that support minority farmers.

Source URL:

<http://www.ewg.org/reports/blackfarmers>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

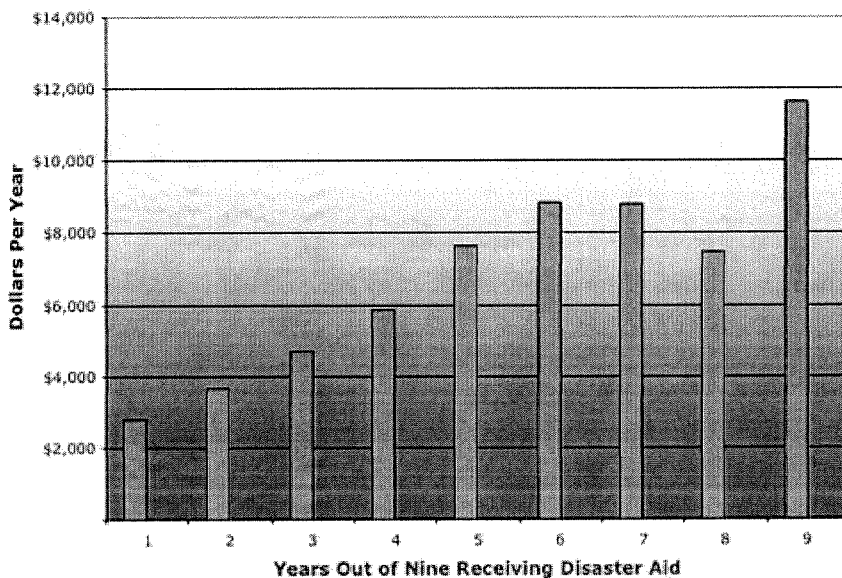
Disaster-Prone: For Many Farms Disaster Aid From Taxpayers Is A Staple Crop

Congress Plots Conservation Cuts To Funnel Funds To "Disaster Dependent"

Published October 5, 2004

The plight of Florida's farmers in the aftermath of four successive hurricanes has been a focus of media attention, and of calls from political leaders for an estimated \$400 million or more in much needed aid for the state's devastated citrus, vegetable and dairy operations. But farm groups are pressing Congress, as they have every year for decades, for a disaster aid package that would disburse taxpayer funds far beyond the hurricane zone—and add \$3 billion to the cost of this year's Homeland Security Department spending bill.

Dependency Pays: Farmers Who Were More Dependent on Disaster Aid Received More Aid Per Year



The Congress appears ready to comply. But rather than using emergency appropriations, lawmakers propose to pay for agricultural disasters outside of Florida by raiding conservation programs to the tune of \$1.6 billion. Much of this money would go to disaster-prone farmers who receive disaster payments one out of every three years, and in the case of tens of thousands of farmers, even more often than that. What's worse, funding disaster payments with conservation dollars means taking money from farmers who spend it to make on-farm improvements with significant long-term

environmental and productivity benefits, and giving it, in too many cases, to disaster-prone farmers who are overly dependent on regular, stop gap, disaster payments from the government.

Disaster Dependency Pays. A farm-by-farm review of \$11.3 billion in federal disaster payments over a nine-year period (1995 through 2003) finds that similar annual emergency measures approved by Congress have funneled checks from taxpayers to hundreds of thousands of farms on a regular basis. Indeed, it appears that tens of thousands of 'disaster-prone' crop and livestock operations, most of them in the arid Great Plains, have become highly dependent on disaster payments. And the more disaster-prone and dependent farmers and ranchers not only received the bulk of the taxpayer aid, they have also averaged the highest disaster payments per year.

The disaster payments analyzed in this report came on top of a record stream of nearly \$105 billion in subsidy payments to farmers because production of corn, wheat, cotton, soybeans, rice and other government-supported crops far exceeded domestic and export demand, depressing prices.

For most farms, disaster aid is an occasional, but vital form of government assistance, and one that taxpayers might well consider a fair and important investment in the nation's family farmers and ranchers. Computer records obtained from USDA under the Freedom of Information Act, and maintained in EWG's Farm Subsidy Database, show that taxpayers provided farm disaster payments to 1,160,705 individuals, partnerships, corporations and other recipients over the nine years. About half of the recipients (578,198 farm entities) collected aid just one year in the period studied. Moreover, they accounted for only 14 percent of the total disaster money provided by taxpayers (\$1.6 billion) and received a modest \$2,771 on average. Another 22 percent of recipients were provided aid two years out of nine. They collected 16 percent of farm disaster assistance, about \$1.85 billion, averaging \$3,663 apiece.

But as disaster aid dependency increases—measured by the number of years out of nine that a farmer or rancher received taxpayer help—USDA data reveal a segment of farm operations chronically dependent on disaster aid collecting the majority of federal assistance.

EWG's analysis found that over 28 percent of the recipients — 329,604 individuals, partnerships, corporations or other entities—collected disaster aid from taxpayers at least one year out of three, accounting for 70 percent of total farm disaster aid over the period—some \$7.86 billion.

Chronically Dependent. Over 15 percent of the recipients (176,379 farm entities) collected disaster aid at least four years out of nine (44 percent of the time). This group, which we consider chronically dependent on disaster aid, took in just over half of the farm disaster payments provided over the period, \$5.7 billion.

About 30 percent of the taxpayer assistance (\$3.36 billion) went to an even more dependent group of 76,287 recipients (7 percent of the total for the period) that collected disaster checks every other year (five years out of 9, or 55.5 percent of the time).

At the extreme end of the disaster-dependency spectrum are about 26,000 truly disaster-prone recipients who received disaster money at least 6 years out of nine; this 7 percent of all recipients took in 13 percent of the disaster aid, about \$935 million. Among that group are 8,384 who claimed

disaster aid for 7 years out of nine, 1,686 who got disaster payments 8 years out of 9, and 27 recipients who got a disaster check from taxpayers every year for nine straight years.

EWG also found that the more often a subsidy recipient collected disaster aid, the higher their average disaster payments tended to be. The fifty percent of farm operations that received disaster aid just one year out of nine collected just \$2,771. But those who got payments for three years collected \$4,677 per year, and the 100,092 disaster subsidy recipients who got payments four years out of 9 averaged \$5,836 annually. Chronically disaster-prone operations that collected aid checks more than half the time routinely received payments averaging \$8,000 or more per year.

Geographically Concentrated. Disaster payments are concentrated in states with persistent drought conditions where crop failures are relatively common. One third of all disaster payments [0] over the nine years analyzed went to farmers in 6 states: Texas, Oklahoma, North Dakota, Kansas, Missouri, and South Dakota.

Payments to farmers chronically dependent on disaster payments are concentrated in even fewer states. More than half the farmers who received disaster aid four or more of the nine years analyzed – our definition of chronically dependent – are from just 5 states: Texas, Oklahoma, North and South Dakota, and Georgia.

Half of the farmers chronically dependent on disaster payments are from five states.

	Recipients	Total 1995-2003	Percent receiving disaster payments in 4 or more years out of 9
Texas	42,849	\$1,475,831,380	24%
Oklahoma	17,129	\$392,045,852	10%
North Dakota	13,710	\$577,136,264	8%
South Dakota	10,057	\$356,701,383	6%
Georgia	8,743	\$308,923,770	5%
Kansas	7,740	\$181,551,901	4%
Arkansas	7,370	\$141,832,564	4%
Alabama	6,577	\$149,782,813	4%
Montana	5,717	\$264,549,850	3%
Nebraska	5,574	\$152,430,086	3%
Total	175,745	\$5,652,493,833	

Source: EWG, compiled from USDA data.

Conclusions and Recommendations

EWG's analysis shows that as taxpayers are asked, year in and year out, to provide disaster aid to farmers, they end up subsidizing many of the same farming operations and farming regions over and over again. For these chronic and disaster-prone recipients, disaster aid from taxpayers has become a routine business revenue.

For decades, Americans have made enormous investments to support family farmers, including a nearly annual stream of disaster aid that has cost tens of billions of dollars. We don't have much to show for it except a continuing demand from a narrow set of farm interests for an unending stream of subsidies that are funneled to fewer and fewer farm operations each year.

The American taxpayer deserves an agricultural investment strategy from our leaders that will make the farm economy more sustainable and rural America more prosperous, not one that spends scarce tax dollars indefinitely to subsidize the government dependency and financial benefit of the few.

Commodity subsidies are highly concentrated, with two-thirds of the payments going to 10 percent of the recipients, and the concentration is increasing. Farm disaster aid also is concentrated among a segment of chronically dependent and 'disaster-prone' recipients who routinely collect aid checks from taxpayers every other year, or even more often.

Recommendation. Congress should not fund agricultural disaster payments with money already dedicated for agricultural conservation programs. If these disasters are truly emergencies, they should be paid for with an emergency appropriation as Congress has done routinely in the past. Congress recognized the broad benefits of conservation programs to farmers across the country when it made the commitment to fund these programs, and they should not go back on this commitment.

Further, Congress should not approve any farm disaster-funding package without directing USDA, and independently, the GAO, to conduct an expedited, thoroughgoing assessment of patterns of dependency among 'disaster-prone' recipients and regions over the past decade. A similar assessment of federal crop insurance has reduced, though not eliminated, well-documented abuses and subsidy dependence in that program.

This review should analyze underlying reasons for disaster aid dependency, including the agronomic suitability of climate and soils for the crops for which disaster aid is routinely claimed. USDA should develop an assistance strategy for such farms and regions to help farmers shift to agricultural enterprises that are sustainable--suited to the agronomic conditions in the region, without the need for regular disaster aid.

Finally, the farm disaster aid review should also examine the need to require crop insurance within disaster-prone regions and among disaster-prone farmers, with appropriate premiums.

Disaster Aid Recipients and Payments, 1995-2003

	Recipients	Total 1995-2003	Percent of all recipients
Texas	139,709	\$2,057,026,773	11.9%
Kansas	77,917	\$510,853,176	6.7%
Missouri	68,416	\$288,092,315	5.8%
Oklahoma	63,181	\$534,255,288	5.4%
Nebraska	58,438	\$497,966,479	5.0%
Kentucky	56,079	\$149,021,016	4.8%
Iowa	42,732	\$158,617,908	3.7%
Tennessee	42,504	\$155,388,697	3.6%
North Dakota	42,169	\$795,858,442	3.6%
Minnesota	39,741	\$355,369,379	3.4%
South Dakota	39,214	\$563,014,631	3.3%
Illinois	36,470	\$124,964,250	3.1%
Ohio	31,627	\$162,808,247	2.7%
Arkansas	30,339	\$274,789,553	2.6%
Alabama	27,813	\$236,298,316	2.4%
North Carolina	26,642	\$297,784,156	2.3%
Wisconsin	25,173	\$119,450,021	2.2%
Georgia	24,995	\$468,301,238	2.1%
Montana	23,376	\$417,931,932	2.0%
Indiana	22,922	\$110,423,104	2.0%
California	22,374	\$502,112,987	1.9%
Mississippi	21,597	\$243,956,342	1.8%
Colorado	21,325	\$284,096,190	1.8%
Louisiana	20,242	\$196,880,937	1.7%
Virginia	18,870	\$108,127,407	1.6%

Michigan	17,855	\$191,332,436	1.5%
Pennsylvania	15,469	\$108,478,279	1.3%
New York	13,112	\$109,393,465	1.1%
Florida	11,882	\$250,224,216	1.0%
New Mexico	10,756	\$133,336,623	0.9%
Washington	10,378	\$115,170,220	0.9%
Idaho	10,120	\$114,677,721	0.9%
South Carolina	9,157	\$149,356,738	0.8%
Oregon	7,868	\$86,064,451	0.7%
Wyoming	6,763	\$101,975,554	0.6%
West Virginia	6,754	\$16,724,786	0.6%
Utah	6,297	\$70,245,749	0.5%
Arizona	5,336	\$63,125,597	0.5%
Maryland	3,599	\$33,467,544	0.3%
Vermont	2,582	\$21,242,041	0.2%
Maine	1,994	\$20,704,557	0.2%
Massachusetts	1,456	\$27,369,800	0.1%
New Jersey	1,452	\$24,644,361	0.1%
Nevada	1,288	\$20,975,196	0.1%
Delaware	689	\$7,224,892	0.1%
Connecticut	658	\$17,486,852	0.1%
New Hampshire	605	\$4,519,491	0.1%
Hawaii	420	\$5,436,317	< 0.01%
Alaska	186	\$2,849,516	< 0.01%
Rhode Island	158	\$1,817,376	< 0.01%
Total	1,160,705	\$11,311,232,564	

Source: EWG, compiled from USDA data.

Source URL:

<http://www.ewg.org/node/8693>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - UK To Reveal Farm Subsidy Recipients

Disclosure Will Raise Pressure For Farm Policy Reforms in Europe and US

Published January 7, 2005

(Washington, DC, Jan. 7) — Days after its new Freedom of Information law took effect, and spurred by a joint request from The Guardian newspaper of London and the Foreign Policy Centre (FPC) a London-based think tank on global issues, and a landmark 2004 report by international aid charity Oxfam, the United Kingdom will for the first time disclose the identity of recipients of some \$6.4 billion in annual farm subsidy payments.

That means the Queen of England and the rest of the royal family, along with other large and often titled land owners in Great Britain, will join the ranks of unlikely "farmers" on this side of the Atlantic whose receipt of farm subsidies has roiled the farm policy debate in recent years and built momentum for reforms. In the US, farmers receiving subsidies range from basketball star Scottie Pippen, to the John Hancock insurance company, to financial services magnate Charles Schwab.

The decision was announced on Wednesday by Lord Whitty, the UK's minister of agriculture, at an agriculture conference in Oxford, England.

"The United States has disclosed information about subsidy recipients for many years, and the information has increased pressure for reform of farm policy here," said Ken Cook, president of the Environmental Working Group (EWG). "We commend the UK for taking this step to make the public's subsidies public knowledge, and expect that the disclosures will spur new thinking and reform momentum in the UK. It will also pressure other European countries to disclose the beneficiaries of their farm subsidies, lending further support to reform on both sides of the Atlantic — a key to advancing conservation investments in water quality, wildlife habitat and farmland protection," Cook said.

Jack Thurston, Senior Research Associate at FPC, the London-based think tank that has coordinated the UK campaign said: "We have been calling for public disclosure of farm subsidies for several years so this is a major breakthrough. I have also made a formal request to the European Agriculture Commissioner that this kind of openness be extended across the European Union. With farm subsidy payments accounting for nearly half of the entire EU budget, European citizens have a right to know where and how their money is being spent. Openness and transparency will stimulate a constructive public debate over the priorities, performance and future direction of agriculture, food and rural policies."

Experts predict that most of the UK payments will be concentrated in the hands of a relative few very large agribusinesses, as they are in the United States, where EWG analyses have found 10 percent of the recipients collected 72 percent of the subsidies between 1995 and 2003. EWG maintains a massive, online database of US farm subsidy payments that has drawn hundreds of millions of searches since it was first published in late 2001 (<http://www.ewg.org/farm/> [0]). The database is built from over 100

million US Department of Agriculture computer records and lists virtually every agricultural subsidy payment and who received it during the last nine years. The information on the EWG site was obtained through the US Freedom of Information Act (FOIA).

A pioneering 2004 study by Oxfam, *Dumping on the World: How EU sugar policies hurt poor countries*, estimated farm subsidies for some large U.K. sugar producers and concluded that payments were highly concentrated among major British agribusiness operations. The report found that the 27 largest sugar-beet farms in the UK received an average of \$387,000 annually. It is available here:

http://www.oxfam.org.uk/what_we_do/issues/trade/bp61_sugar_dumping.htm [1]

Another 2004 Oxfam report, *"Cereal Injustice under the CAP in Britain"*, found that 2 percent of land holdings in the UK account for more than 25 percent of agricultural subsidies. This report estimates that Britain's richest man, the Duke of Westminster, receives \$608,000 in cereal subsidies annually. It is available at

http://www.oxfam.org.uk/what_we_do/issues/trade/bp55_subsidies.htm [2]

The UK decision to disclose farm subsidy recipients bears similarities to events that led to publication of subsidy payees in the United States under pressure from a public interest group and journalists. The Environmental Working Group began analyzing US farm subsidy recipients in the early 1990s, through a series of highly detailed Freedom of Information Act requests that identified payees by nine-digit zip code, but not by name. EWG's research, maintained in an in-house database that pre-dated general public access to the World Wide Web, formed the basis for hundreds of news stories leading up to the 1996 Farm Bill.

In 1996, and citing EWG's requests, a federal judge ruled in favor of The Washington Post in a lawsuit against the US Department of Agriculture that sought the names of cotton subsidy recipients (to read the ruling, go to <http://www.ewg.org/farm/data/foia.php> [2]). The government did not appeal the decision, and EWG used the precedent to obtain millions of names and payment data for farm subsidies, which the group made available to journalists beginning in 2001. In September 2001, a pioneering computer investigation by the Associated Press was published, reporting the results of its review of farm subsidy payments. In November of that year, EWG made its farm subsidy database public. It immediately generated tens of millions of searches and intense media coverage.

Over 18 million pages on the site have been searched just since Nov. 29, 2004, when EWG updated the database.

#

Source URL:

<http://www.ewg.org/node/8697>

Links:

[1] http://www.oxfam.org.uk/what_we_do/issues/trade/bp61_sugar_dumping.htm

[2] http://www.oxfam.org.uk/what_we_do/issues/trade/bp55_subsidies.htm



ENVIRONMENTAL WORKING GROUP

THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - EWG News Release

Taking from the Taxpayers: How Bush Gave Big California Farms a \$17 Million Bonus

Published February 10, 2005

OAKLAND, Calif. — The Bush Administration is paying some of the biggest and richest agribusinesses in America \$17 million for cutbacks in their taxpayer-subsidized water supply. But an Environmental Working Group (EWG) investigation found that these same California agribusinesses — including the world's biggest cotton producer and the largest farm in America — already get hundreds of millions of tax dollars from other federal farm subsidy programs.

The Administration's decision to pay off corporate megafarms in the San Joaquin Valley, over the objections of California officials from both parties and the government's own water-law experts, is not just another story of a wasteful federal handout to big agribusinesses.

It sets a dangerous precedent for similar cases, including a \$100 million claim by farmers in the Klamath Basin on the California-Oregon border that will be heard next week. And it represents a radical extension of a right-wing ideology that regards environmental protections as illegal incursions on private property rights. The farmers claim the cutbacks were a government "taking" of their property, but EWG's findings raise the question: Who is really doing the taking?

"It's hard to say which is more outrageous: the claim by these large and profitable agribusinesses that they own the water — which under the state Constitution belongs to the people — or the Bush Administration going along with the scam," said Renee Sharp, an EWG senior analyst. "It amounts to paying the farmers not to take more of our water, while they're already getting millions of our tax dollars to support their businesses."

EWG's report, *Taking From the Taxpayers*, available at www.ewg.org, details that from 1995 to 2003, farmers sharing in the water settlement received about \$250 million in direct payments from federal crop subsidies and other programs. What's more, since 2001 the Kern County water agency serving almost all of those agribusinesses made about \$40 million in profit by selling subsidized water back to California taxpayers at market rates.

The budget proposed this week by the Bush Administration budget includes cuts in crop subsidies. Farm interests have already begun fighting the proposal by claiming it threatens their livelihood. But EWG's report shows that for many California agribusinesses who are reselling their subsidized water, crop payments are only one way they are underwritten by the taxpayers.

"This \$17 million payoff is being spun by the agriculture lobby and property-rights movement as just compensation for struggling family farmers whose rights were trampled on," said EWG Vice President

Bill Walker. "What is really is more corporate welfare for big agribusinesses who always have their hands out and never seem to get enough."

Source URL:

<http://www.ewg.org/node/20381>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

EWG Analysis of Step2 Data for 2004

U.S. Taxpayers Spent \$264 Million in 2004 On Cotton Export Subsidies Ruled Illegal By WTO

Published June 4, 2005

Ken Cook and Chris Campbell [1]

June 9, 2005

U.S. taxpayers provided \$264 million in 2004 to a handful of agribusiness firms through an obscure but controversial cotton subsidy program at the center of a fierce global debate over agricultural subsidies—a debate that has paralyzed international trade negotiations for the past three years. One company alone, Allenberg Cotton of Cordova, Tennessee, received almost \$35 million through the program last year, and has collected more than \$186 million since 1995.

The subsidy, known as the "Step 2" cotton program, was ruled illegal in March by the World Trade Organization under a largely successful legal challenge to an array of U.S. cotton subsidies that was brought by Brazil and supported by several African cotton-producing nations. Step 2 funnels taxpayer funds to U.S.-based cotton millers and exporters so they can afford to buy domestically grown cotton instead of cheaper foreign cotton. American cotton has been more expensive in recent years primarily as the result of a related, multi-billion dollar subsidy system that boosts crop prices and incomes for U.S. cotton producers.

Under the WTO's rules, Brazil's victory means the Step 2 should be terminated as early as next month. But no one expects American action by the July 1 deadline because the payments Step 2 provides to cotton millers and exporters are integral to the overall U.S. cotton subsidy system. Without "Step 2" payments, program proponents argue, cotton millers would not be able to afford cotton for domestic use and exporters would not be able to sell over-priced, subsidized American cotton overseas—a serious problem for U.S. growers, who rely on exports for 40 percent or more of their market in most years.

American officials have said that the U.S. will comply with the WTO decision on Step 2 and other cotton subsidies. But no one has said how it will do so, or when.

Terminating Step 2 won't be easy. The 2004 payments brought the 10-year cost of the subsidy to more than \$2.4 billion. (Last year was the fourth most expensive for the program over that period.)

The 160 recipients of Step 2 subsidies in 2004 ranged from Allenberg Cotton Company, a Cordova, Tennessee firm that collected \$34.5 million, to Payola Yarns, Inc., of Statesville, NC, which received \$16.00 according to USDA records.

Table 1. The Step 2 Cotton program has paid \$264 million in 2004

Rank	Company	City/State	Total Step-2 Cotton Payments 2004
1	<u>Alленberg Cotton Co</u> [0]	Cordova, TN	\$ 34,574,377
2	<u>Dunavant Enterprises Inc</u> [0]	Fresno, CA & Memphis, TN	\$ 23,885,836
3	<u>Cargill Cotton, Div of Cargill</u> [0]	Cordova, TN	\$ 22,798,179
4	<u>Ecom USA Inc</u> [0]	Dallas, TX	\$ 14,292,105
5	<u>Parkdale America, LLC</u> [0]	Gastonia, NC & Charlotte, NC	\$ 13,728,266
6	<u>Staple Cotton Coop Association</u> [0]	Greenwood, MS	\$ 12,022,173
7	<u>Frontier Spinning Mills, Inc.</u> [0]	Sanford, NC	\$ 10,234,621
8	<u>Calcot Ltd.</u> [0]	Bakersfield, CA	\$ 9,896,372
9	<u>Paul Reinhart Inc</u> [0]	Richardson, TX	\$ 9,705,423
10	<u>National Textiles LLC</u> [0]	Winston-salem, NC	\$ 9,375,518
Top 10 Recipients in 2004			\$ 160,512,872
Total Step 2 payments, 2004			\$ 263,922,737
Percent Top 10 Recipients receive of total, 2004			61 %

Source: Environmental Working Group. Compiled from USDA data.

See Full Table for 2004 [0]

Alленberg Cotton also tops the list of subsidy recipients for cumulative payments over the past ten years, collecting more than \$186 million from taxpayers over that period, followed by Dunavant Enterprises (\$167 million), Cargill Cotton (\$155 million), Parkdale America, LLC (\$135 million) and Calcot Ltd (\$113 million).

Table 2. The Step 2 Cotton program has paid \$2.42 billion from 1995-2004

--	--	--	--

Rank	Company	City/State	Total Step-2 Cotton Payments 1995-2004
1	<u>Allenberg Cotton Co</u> [0]	Cordova, TN	\$ 186,054,814
2	<u>Dunavant Enterprises Inc</u> [0]	Fresno, CA & Memphis, TN	\$ 166,959,725
3	<u>Cargill Cotton, Div of Cargill</u> [0]	Cordova, TN	\$ 154,915,538
4	<u>Parkdale America, LLC</u> [0]	Gastonia, NC & Charlotte, NC	\$ 135,421,863
5	<u>Calcot Ltd.</u> [0]	Bakersfield, CA	\$ 113,591,332
6	<u>Avondale Mills Inc</u> [0]	Sylacauga, AL	\$ 92,228,281
7	<u>National Textiles LLC</u> [0]	Winston-salem, NC	\$ 90,259,530
8	<u>Ecom USA Inc</u> [0]	Dallas, TX	\$ 73,394,029
9	<u>Union Underwear Company LLC</u> [0]	Bowling Green, KY	\$ 72,933,449
10	<u>Paul Reinhart Inc</u> [0]	Richardson, TX	\$ 70,985,393
Top 10 Recipients in 1995-2004			\$ 1,156,743,953
Total Step 2 payments, 1995-2004			\$ 2,423,864,261
Percent Top 10 Recipients receive of total, 1995-2004			48 %

Source: Environmental Working Group. Compiled from USDA data.

See Full Table for 1995-2004 [0]

The vast majority of the payments go to a handful of such large recipients. For 2004, just ten of the 160 participating companies collected 61 percent of the \$264 million, or about \$161 million (Table 1). A total of 325 companies have participated since 1995, and the top ten among them collected 48 percent of the \$2.4 billion in Step 2 subsidies paid over that period. Each of those companies received more than \$70 million from taxpayers over ten years. Over 94 percent of the subsidies under the program in the past decade have been paid since 1998-some \$2.3 billion (Table 2).

Brazil alleged that the Step 2 program was illegal under WTO rules because it allowed U.S. cotton producers to maintain, and even expand, their share of the world cotton market at the expense of Brazil and other cotton exporters. Brazil argued that Step 2 payments, combined with other subsidies, triggered an expansion of U.S. cotton acreage, exports and export share at a time when market signals alone would have signaled a contraction. International cotton prices had fallen below the U.S. cost of production, and the U.S. had become the world's high-cost producer.

The WTO agreed, and ruled that the Step 2 program was outright illegal under the organization's rules.

[1] Respectively, President and Vice President for Information Technology, Environmental Working Group. This analysis was made possible by a grant from the Global Development Program of The William and Flora Hewlett Foundation.

Source URL:

<http://www.ewg.org/node/21053>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

Cotton and Accountability

With First Compliance Deadline In WTO Cotton Decision Looming Brazil Explores A Novel Trade Retaliation: Suspension of Intellectual Property Rights for U.S. Products

Published June 8, 2005

*A U.S. Decision Not To Comply Could
Put Other American Industries At Risk*

Ken Cook [1] & Chris Campbell
Environmental Working Group

Washington, June 9—It is the big 'what if' question occupying Brazilian policy experts and legislators in the wake of their country's stunning victory over the United States at the World Trade Organization (WTO) in March.

What if the U.S. does not comply with the WTO's broad rulings and fails to reform its multi-billion dollar cotton subsidy programs to Brazil's satisfaction? What retaliatory trade measures could Brazil possibly adopt that would force an economic giant like the United States to change a politically entrenched farm subsidy system?

The beginnings of an answer may be unveiled in Brasilia today, at a congressional hearing convened to examine a novel trade retaliation strategy: At issue is how Brazil might compel cotton subsidy reforms here by suspending the intellectual property rights protection American companies now enjoy in Brazil for a wide array of knowledge-based products, from pharmaceuticals, computers, software, and biotechnology, to books, musical recordings and films.

In other words, no reform by the U.S. in response to the WTO cotton decision might mean no patent or copyright protection in Brazil for targeted American drugs, computers, biotech crops, or the latest music CDs and DVD movies.

If the David-and-Goliath audacity of the proposal calls to mind the boldness of Brazil's long-shot WTO challenges both to America's cotton subsidies and to the European Union's sugar support system (another case Brazil recently won), it is hardly a coincidence. Both initiatives are the brainchild of Dr. Pedro de Camargo Neto, a former Brazilian trade negotiator and government official who wants to make sure his country has 'Plan B' prepared in case the United States stalls or evades the serious cotton subsidy reforms Brazil seeks.

The two initiatives also find unexpected, if limited advantage for developing countries in features of the global trading system that critics of the WTO tended to dismiss as irrelevant, or as benefiting only developed nations.

The majority of WTO litigation to date has pitted one rich country's lawyer's against another's, with the U.S. in the lead for filing trade challenges. Brazil's cotton and sugar victories, however, showed that smaller countries have the possibility of redressing serious trade disputes with much larger countries through WTO litigation when WTO negotiations alone fail.

Similarly, Brazil's intellectual property rights retaliation strategy owes it potential leverage to WTO rules that developed countries insisted on and developing countries adamantly resisted. Enshrined in the Trade Related Aspects of Intellectual Property Rights (TRIPS) agreement, those rules sanction the use of "cross retaliation" to discipline countries that violate international intellectual property rights by allowing the offended country to impose punitively high tariffs on goods the offending countries seek to import.

But in reluctantly agreeing to that form of cross-retaliation, developing countries won the right to reverse it. In principle, they can punish trade violations involving goods—like cotton—with sanctions aimed at suspending the intellectual property rights of an offending nation within the borders of the country that seeks relief.

Dr. Camargo, representing the Council of Sociedade Rural Brasileira, along with Dr. Maristela Basso, a legal scholar with Brazil's International Trade and Development Rights Institute (IDCID), will describe the 'architecture' of an intellectual property rights retaliation strategy at a June 9 hearing of the agricultural committee of the Brazilian Congress. Included in their testimony will be suggestions for amending Brazil's Industrial Property Law to allow suspension of intellectual property rights protection when a country fails to comply with a WTO ruling in Brazil's favor.

"The intellectual property rights strategy has the potential to level the playing field when economies that are comparatively small seek leverage to compel compliance by much larger economies with WTO decisions," Dr. Camargo said. "We are examining an option in preparation for potential retaliation, or cross-retaliation, against the United States, if it is needed, to ensure an outcome satisfactory to Brazil in the WTO cotton subsidy case."

Dr. Camargo added, "We want the U.S. to understand that we will pursue this option so that Brazil and other nations have the chance to compete on equal terms. It is the United States that speaks out strongly for fair trade, and it should be the United States that follows the fair trade rules."

In a paper prepared for the congressional hearing, Dr. Basso of the IDCID evaluated Brazil's potential use of conventional trade retaliation approaches, which typically subject imported goods from the offending country with punishing tariff increases. (An EWG translation summarizing Dr. Basso's paper can be found [here](#).)

But the IDCID analysis concluded that straight retaliation against U.S. commodities might do Brazil more harm than good. It would likely raise the cost of imported goods in an economy that is recovering and embracing trade.

Under a cross-retaliation strategy, U.S. companies would face suspension of intellectual property rights in Brazil, instead of higher tariffs on goods exported to Brazil.

"Instead of transferring to society the onus of litigation by way of over-taxing imported products from the target retaliation county," Dr. Basso wrote, "society will benefit, for example in greater access to medicine, culture, entertainment and information."

For the strategy to work, Camargo and Basso explain, Brazil must first modify its domestic laws to allow trade-related suspension of intellectual property rights. Then it would have to receive WTO authorization of any specific cross-retaliation proposal under the Trade Related Aspects of Intellectual Property Rights (TRIPS) agreement. That could be a tall order. Some precedents suggest that the WTO may require Brazil to exhaust retaliation options via tariff increases against imported U.S. goods before the organization approves any cross-retaliation against intellectual property rights.

Publicly, trade and agriculture officials in both countries diplomatically insist that it will not come to retaliation. Brazil and the United States will negotiate satisfactory changes in due course, they say, obviating the need for Brazil to propose any retaliatory measures for WTO approval, much less implement them.

But after decades of talk, the failure of the United States to make progress on subsidy reforms is precisely what provoked Brazil into pursuing its grievances through WTO litigation in the first place. The strategy paid off in the historic ruling, finalized in March. The WTO determined that multi-billion dollar U.S. cotton export subsidies are outright illegal. An array of direct domestic U.S. cotton subsidies to farmers will also require significant reform, because the WTO concluded they constitute 'serious prejudice' against the economic interests of the cotton industry in Brazil, and other cotton producing nations in Africa and elsewhere. Both sets of violations set the stage for trade retaliation by Brazil if negotiation fails.

The U.S. Department of Agriculture, the president's trade representative, and the U.S. cotton industry are actively examining compliance options, first for the two export subsidy programs that the WTO decreed illegal. Under the organization's rules, those programs must be eliminated by July 1. One is the massive U.S. export credit program that is partially subsidized and supports the foreign sale of many U.S. commodities in addition to cotton. The second, the "Step 2" export subsidy (see EWG analysis), is unique to cotton. It provides taxpayer funds--\$2.4 billion over the past decade--to U.S.-based cotton millers and exporters so they can afford to buy American cotton made expensive by another set of multi-billion dollar subsidies paid to farmers.

American officials have said the U.S. intends to comply fully with the WTO's cotton ruling, starting with the export subsidies. But no one in government has indicated how they will do so, or when.

So with no action at all expected in time for the first compliance deadline, for action on the illegal export subsidies, that looms just three weeks from now, some Brazilians are working on Plan B.

[1] President, Environmental Working Group. This analysis was supported by a grant from the Global Development Program of the William and Flora Hewlett Foundation.

Source URL:

<http://www.ewg.org/node/8759>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

U.S. Taxpayers Spent \$264 Million in 2004 On Cotton Export Subsidies Ruled Illegal By WTO

Published June 8, 2005

Ken Cook and Chris Campbell [1]

June 9, 2005

U.S. taxpayers provided \$264 million in 2004 to a handful of agribusiness firms through an obscure but controversial cotton subsidy program at the center of a fierce global debate over agricultural subsidies—a debate that has paralyzed international trade negotiations for the past three years. One company alone, Allenberg Cotton of Cordova, Tennessee, received almost \$35 million through the program last year, and has collected more than \$186 million since 1995.

The subsidy, known as the "Step 2" cotton program, was ruled illegal in March by the World Trade Organization under a largely successful legal challenge to an array of U.S. cotton subsidies that was brought by Brazil and supported by several African cotton-producing nations. Step 2 funnels taxpayer funds to U.S.-based cotton millers and exporters so they can afford to buy domestically grown cotton instead of cheaper foreign cotton. American cotton has been more expensive in recent years primarily as the result of a related, multi-billion dollar subsidy system that boosts crop prices and incomes for U.S. cotton producers.

Under the WTO's rules, Brazil's victory means the Step 2 should be terminated as early as next month. But no one expects American action by the July 1 deadline because the payments Step 2 provides to cotton millers and exporters are integral to the overall U.S. cotton subsidy system. Without "Step 2" payments, program proponents argue, cotton millers would not be able to afford cotton for domestic use and exporters would not be able to sell over-priced, subsidized American cotton overseas—a serious problem for U.S. growers, who rely on exports for 40 percent or more of their market in most years.

American officials have said that the U.S. will comply with the WTO decision on Step 2 and other cotton subsidies. But no one has said how it will do so, or when.

Terminating Step 2 won't be easy. The 2004 payments brought the 10-year cost of the subsidy to more than \$2.4 billion. (Last year was the fourth most expensive for the program over that period.)

The 160 recipients of Step 2 subsidies in 2004 ranged from Allenberg Cotton Company, a Cordova, Tennessee firm that collected \$34.5 million, to Payola Yarns, Inc., of Statesville, NC, which received \$16.00 according to USDA records.

Table 1. The Step 2 Cotton program has paid \$264 million in 2004

Rank	Company	City/State	Total Step-2 Cotton Payments 2004
1	<u>Alленberg Cotton Co</u> [0]	Cordova, TN	\$ 34,574,377
2	<u>Dunavant Enterprises Inc</u> [0]	Fresno, CA & Memphis, TN	\$ 23,885,836
3	<u>Cargill Cotton, Div of Cargill</u> [0]	Cordova, TN	\$ 22,798,179
4	<u>Ecom USA Inc</u> [0]	Dallas, TX	\$ 14,292,105
5	<u>Parkdale America, LLC</u> [0]	Gastonia, NC & Charlotte, NC	\$ 13,728,266
6	<u>Staple Cotton Coop Association</u> [0]	Greenwood, MS	\$ 12,022,173
7	<u>Frontier Spinning Mills, Inc.</u> [0]	Sanford, NC	\$ 10,234,621
8	<u>Calcot Ltd.</u> [0]	Bakersfield, CA	\$ 9,896,372
9	<u>Paul Reinhart Inc</u> [0]	Richardson, TX	\$ 9,705,423
10	<u>National Textiles LLC</u> [0]	Winston-salem, NC	\$ 9,375,518
Top 10 Recipients in 2004			\$ 160,512,872
Total Step 2 payments, 2004			\$ 263,922,737
Percent Top 10 Recipients receive of total, 2004			61 %

Source: Environmental Working Group. Compiled from USDA data.

[See Full Table for 2004](#) [0]

Alленberg Cotton also tops the list of subsidy recipients for cumulative payments over the past ten years, collecting more than \$186 million from taxpayers over that period, followed by Dunavent Enterprises (\$167 million), Cargill Cotton (\$155 million), Parkdale America, LLC (\$135 million) and Calcot Ltd (\$113 million).

Table 2. The Step 2 Cotton program has paid \$2.42 billion from 1995-2004

Rank	Company	City/State	Total Step-2 Cotton Payments 1995-2004
1	<u>Alленberg Cotton Co</u> [0]	Cordova, TN	\$ 186,054,814
2	<u>Dunavant Enterprises Inc</u> [0]	Fresno, CA & Memphis, TN	\$ 166,959,725
3	<u>Cargill Cotton, Div of Cargill</u> [0]	Cordova, TN	\$ 154,915,538
4	<u>Parkdale America, LLC</u> [0]	Gastonia, NC & Charlotte, NC	\$ 135,421,863
5	<u>Calcot Ltd.</u> [0]	Bakersfield, CA	\$ 113,591,332
6	<u>Avondale Mills Inc</u> [0]	Sylacauga, AL	\$ 92,228,281

7	<u>National Textiles LLC</u> [0]	Winston-salem, NC	\$ 90,259,530
8	<u>Ecom USA Inc</u> [0]	Dallas, TX	\$ 73,394,029
9	<u>Union Underwear Company LLC</u> [0]	Bowling Green, KY	\$ 72,933,449
10	<u>Paul Reinhart Inc</u> [0]	Richardson, TX	\$ 70,985,393
Top 10 Recipients in 1995-2004			\$ 1,156,743,953
Total Step 2 payments, 1995-2004			\$ 2,423,864,261
Percent Top 10 Recipients receive of total, 1995-2004			48 %

Source: Environmental Working Group. Compiled from USDA data.

See Full Table for 1995-2004 [0]

The vast majority of the payments go to a handful of such large recipients. For 2004, just ten of the 160 participating companies collected 61 percent of the \$264 million, or about \$161 million (Table 1). A total of 325 companies have participated since 1995, and the top ten among them collected 48 percent of the \$2.4 billion in Step 2 subsidies paid over that period. Each of those companies received more than \$70 million from taxpayers over ten years. Over 94 percent of the subsidies under the program in the past decade have been paid since 1998-some \$2.3 billion (Table 2).

Brazil alleged that the Step 2 program was illegal under WTO rules because it allowed U.S. cotton producers to maintain, and even expand, their share of the world cotton market at the expense of Brazil and other cotton exporters. Brazil argued that Step 2 payments, combined with other subsidies, triggered an expansion of U.S. cotton acreage, exports and export share at a time when market signals alone would have signaled a contraction. International cotton prices had fallen below the U.S. cost of production, and the U.S. had become the world's high-cost producer.

The WTO agreed, and ruled that the Step 2 program was outright illegal under the organization's rules.

[1] Respectively, President and Vice President for Information Technology, Environmental Working Group. This analysis was made possible by a grant from the Global Development Program of The William and Flora Hewlett Foundation.

Source URL:

<http://www.ewg.org/node/8790>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - New Legislation to Right the Wrongs of USDA Racial Discrimination

Statement of Ken Cook, EWG President

Published February 7, 2007

EWG and the National Black Farmers Association are pleased with the introduction of the Pigford Claims Remedy Act today. Introduced by Representatives Scott (D-VA) and Chabot (R-OH) and Senators Grassley (R-IA) and Obama (D-IL), the act will help thousands of African American farmers who were denied entry in the Pigford v. Glickman settlement. The settlement followed the filing of a class action lawsuit by minority farmers and claimed that the USDA had discriminated against African American farmers because of their race when applying for farm loans or other forms of assistance.

"We look forward to continuing our work with NBFA and working with the Congress to see that justice is finally served," said Ken Cook, president of EWG. In 2003's "Obstruction of Justice [1]" report, EWG found that nearly nine out of ten African American farmers were denied compensation for the discrimination they experienced in accessing crop loans available to similarly situated white farmers.

RELATED LINKS:

- EWG report "Obstruction of Justice" [2]
- National Black Farmers Association (NBFA) [3]

###

EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The Group's farm subsidy database is searchable online at <http://www.ewg.org/farm/> [4].

Source URL:

<http://www.ewg.org/node/21033>

Links:

- [1] <http://new.ewg.org/reports/blackfarmers>
- [2] <http://new.ewg.org/reports/blackfarmers>
- [3] <http://www.blackfarmers.org/>
- [4] <http://www.ewg.org/farm/>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - USDA Report: Corn Plantings May be Highest Since World War II

Statement of Ken Cook, President, Environmental Working Group

Published March 29, 2007

EWG has been a consistent supporter of sustainable biofuels production, including ethanol.

But this morning's stunning USDA announcement that American farmers intend to plant over 90 million acres of corn this spring—more acreage than has been planted to the crop since World War II—should be a wake up call to policy makers.

Dramatic expansion of corn production for the ethanol industry has profound environmental implications that are being almost entirely ignored in Washington. It's one thing to have an ethanol boom in the Corn Belt. An ethanol blow-out is another thing altogether.

- Corn receives heavier applications of nitrogen fertilizer than any other major crop. Adding ten million additional acres of corn will result in a substantial increase in water pollution from nitrogen fertilizer run-off throughout the Corn Belt, the main contributor to the the "dead zone" that encompasses 5,000 to 8,000 square miles in the Gulf of Mexico every spring. Cities like Des Moines are also already spending large sums to remove excessive nitrate from their tap water.
- Energy independence is about more than trading foreign oil for domestic ethanol. America is already a net importer of nitrogen fertilizer. Heavier use of nitrogen fertilizer on corn will mean heavier reliance on foreign suppliers.
- More corn also means more pesticides, weed killers in particular, probably in excess of 15 million more pounds applied this spring. That will include millions more pounds of Atrazine, a chemical that contaminates drinking water sources for nearly every major city in the Midwest. Again, water utilities will bear the cost of cleaning up this water.
- The expansion of corn acreage will also increase demands on groundwater used for irrigation, particularly if we have below-average moisture later in the growing season.
- We are also concerned that farmers in some areas will be expanding corn production at the expense of wildlife habitat. On Monday, EWG will write Secretary of Agriculture Mike Johanns to urge him not to allow 'early out' to holders of long-term Conservation Reserve Program contracts without repayment of rental and cost-sharing funds that have been provided in good faith by taxpayers in expectation of long term benefits to wildlife and the environment.
- Cellulosic ethanol theoretically is promising in some respects from an environmental standpoint. But it remains the biofuel equivalent of 'vapor ware' in the computer industry. We have seen plenty of expensive research proposals, but no firm, practical plan that will bring about a sustainable transition from corn-starch to cellulosic ethanol.

Up until now, ethanol policy has been little more than a political bidding war. Policy makers are outdoing one another to propose the biggest, fastest expansion of subsidies, and the most aggressive federal mandate to produce more ethanol and put more of it in our gas guzzling automobile fleet.

It's past time for policy makers to pay serious attention to the profound environmental side effects of the ethanol boom.

#

EWG is a not-for-profit research organization that uses the power of information to protect human health and the environment. EWG's work on agriculture can be viewed at <http://www.ewg.org/issues/siteindex/issues.php?issueid=102> [1]

Source URL:

<http://www.ewg.org/node/21031>

Links:

[1] <http://www.ewg.org/issues/siteindex/issues.php?issueid=102>



ENVIRONMENTAL WORKING GROUP

THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - EWG President Ken Cook Testifies Before Congressional Committee

Urges House Agriculture Subcommittee to Dramatically Increase Conservation Programs

Published April 19, 2007

WASHINGTON, April 19 — Environmental Working Group President Ken Cook testified today before the US House of Representatives Agricultural Subcommittee on Conservation, Credit, Energy, and Research. Using previously unpublished data compiled in response to the congressional mandate in Section 1614 of the 2002 farm bill, Mr. Cook illustrated the need for a dramatic increase in federal agricultural conservation programs.

"The potential for the 2007 Farm Bill to significantly address conservation issues cannot be understated," said Mr. Cook. "We need to nearly double the amount of funds directed towards conservation. In addition, it is critical that we see greater environmental benefits from the programs and ensure that subsidy recipients comply with conservation requirements."

RELATED LINKS:

- [Ken Cook testimony \[PDF\]](#) [0]
- [Testimony for the House Subcommittee](#) [1]

###

EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The Group's farm subsidy database is searchable online at <http://www.ewg.org/farm/> [2].

Source URL:

<http://www.ewg.org/node/21030>

Links:

- [1] http://www.house.gov/apps/list/press/agriculture_dem/pr_041907_CCERconservation.html
[2] <http://www.ewg.org/farm/>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Naming (1.5 Million) Names

Published June 12, 2007

New Web Site Names (1.5 million) Names Of Farm Subsidy Claimants

Disclosure of Unpublished USDA Data Bolsters Reformers As Congress Begins Debate On Next Farm Law

Washington, June 12 — For decades, American taxpayers have provided tens of billions of dollars in federal farm subsidies to some of the largest and wealthiest farm businesses in the nation. But thousands of people who benefited from the subsidy flow were shielded from public view behind layers of partnerships, joint ventures, limited liability corporations, cooperatives, and other business structures that obscured their personal subsidy claims.

Not anymore.

A new Web site, developed by the Environmental Working Group (EWG) from millions of previously unpublished USDA subsidy records and released today, provides nearly full disclosure of federal farm subsidy beneficiaries for the first time. The disclosures include individuals, sometimes numbering in the dozens, whose subsidy benefits pass through one or more plantation-scale farm businesses that produce vast quantities of subsidized cotton, rice and other crops. Many of those businesses receive millions in USDA crop subsidies each year, and according to the new USDA data, pass six-figure benefits through to many people. In many cases, these individuals have not previously had subsidy benefits attributed to them by name.

"While two-thirds of U.S. farmers receive no farm subsidy payments, American taxpayers have been writing farm subsidy checks to wealthy absentee land owners, state prison systems, universities, public corporations, and very large, well-heeled farm business operations without the government so much as asking the beneficiaries if they need our money," said Ken Cook, president of the Environmental Working Group. "Even if you live smack in the middle of a big city, type in a ZIP code and you'll find farm subsidy recipients. Surely we can come up with a smarter investment portfolio for agriculture and rural America than the list of 1.5 million subsidy beneficiaries we are publishing today," Cook said. "America's farm subsidy system is broken. It's time for change."

The new data shows that farm program benefits are highly concentrated in the hands of a small minority of subsidized individuals and operations, with the top 1% of beneficiaries claiming 17 percent of the crop subsidy benefits between 2003 and 2005. Their average benefit was \$377,484 per person for the 3 program years or over \$125,000 apiece annually. As a point of reference, the average adjusted gross income within the ZIP codes of those same top recipients was \$45,853 in 2004 (the latest year for which IRS provides data from tax returns by ZIP code).

"The Environmental Working Group's database clearly shows current inequities and why Congress must broadly reform the farm bill," said Rev. David Beckmann, president of Bread for the World. "On June 12, hundreds of Bread for the World members — religious people from across the United States — will visit congressional offices to share this same message with their elected representatives. We

want a farm bill that allocates resources fairly. The farm bill needs to support a broad range of U.S. farmers without harming farmers in developing countries, enable our country's low-income people to buy nutritious food, and strengthen rural communities."

"This data clearly exposes the hypocrisy of our commodity programs, showing how large amounts of taxpayer dollars are given out to a few, while others — here and abroad — are struggling," said Raymond C. Offenheiser, president of Oxfam America. "The numbers on cotton are particularly astounding, highlighting the unfairness faced by American and African farmers alike. But with transparency comes accountability, and it's time for our legislators to fix this broken system."

"This is the one thing that has corporate agribusiness shaking in their boots. Now, with the click of a mouse, taxpayers can see behind the farm subsidy curtain. This database shows that Ma and Pa farmer are getting peanuts from today's subsidy system. While corporate agriculture is living high on the hog," said Ryan Alexander, President of Taxpayers for Common Sense.

"Most farmers are turned away when they offer to share the cost of clean water and wildlife habitat because of our misplaced spending priorities. The next farm bill should reward, not reject, farmers when they take steps to help the environment. Rewarding stewardship would help many more farmers and regions get a fair share of farm spending," said Scott Faber, Director of Environmental Defense's Healthy Food, Healthy Farms Campaign.

The entry point for the new Farm Policy Analysis is www.mulchblog.com [1]. This site will go 'live' at 12:00 PM EST on June 12th.

In addition, the Farm Policy Analysis Database incorporates several methods of interpreting the new data:

- Detailed analysis of payment traffic between entities and individuals called 'Pass-Throughs.'
- Mean Adjusted Gross Income (AGI) data for zip codes of entities and recipients. The EWG obtained aggregate data from the Internal Revenue Service and matched mean AGI in each zip code to the zip code(s) of subsidized farm businesses and beneficiaries.
- The Farm Policy Analysis Database is the first in a series of 2007 farm policy reports to be released by EWG this summer, as Congress struggles to reauthorize the next federal "farm bill." Forthcoming analyses from EWG will examine farm subsidy payments to black farmers; the beneficiaries of billions of dollars of controversial "commodity certificate" farm subsidies; and the near-total neglect in past farm bills of the needs of tens of thousands of fruit and vegetable growers in California and Florida, and farmers and ranchers who have sought USDA conservation assistance but been turned away for lack of funds.

Related Resources:

- [Farm Bill 2007 Database](#) [2]
- [Full Disclosure: Who really benefits from federal farm subsidies](#) [3]

Source URL:

<http://www.ewg.org/release/naming-15-million-names>

Links:

[1] <http://www.mulchblog.com>

[2] <http://www.mulchblog.com>

[3] http://www.mulchblog.com/2007/06/full_disclosure_who_really_ben.php



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Widening Farm Subsidy Gap Is Leaving Black Farmers Further Behind

House Agriculture Committee's Farm Bill Will Lock In Inequity

Published July 25, 2007

[*Download a PDF of Short Crop report*](#) [0]

Washington, DC, July 25 - Black farmers receive between one-third to one-sixth of the benefits under major federal crop subsidy programs that other farmers receive, and the "subsidy gap" has widened over the past decade. **The gap will become more inequitable if a bill reported by the House Agriculture Committee passes the House later this week, researchers said.**

The farm subsidy gap is documented in a study to be released in a **telephone news conference at 2 p.m. ET today (July 25)** by the National Black Farmers Association (NBFA) and the Environmental Working Group. Their report is based on USDA subsidy payment records for individual farm subsidy recipients and farm businesses that previously have not been available to outside researchers. The two organizations collaborated on a 2003 analysis, *Obstruction of Justice* [0], that reignited the debate over the injustices tens of thousands of black farmers have experienced in the settlement of the Pigford vs. USDA case involving discrimination in government farm lending.

Analysis of payments to individual farmers and farm businesses shows that a subsidy gap between black farmers and all others has expanded dramatically in the past decade from \$2,225 per recipient in 1995 to nearly \$10,000 per recipient in 2005. The analysis compares black recipients with all other recipients, including individual subsidy recipients who are predominantly white, and farm businesses, which are predominantly white-owned.

More detailed data that allows comparisons between individual subsidy beneficiaries for 2003 and 2005 shows that fewer than 8,000 blacks collected crop subsidies each year over that period. The total amount was just over \$23 million per year. In every single category of aid, and for every crop, black beneficiaries received a fraction of the aid that other beneficiaries received.

- **Black beneficiaries of federal farm subsidy programs averaged \$7,363 each in subsidy payments between 2003 and 2005 according to the latest USDA data, an average of \$2,454 per beneficiary per year.** This is one-third the amount received on average by all other beneficiaries--\$22,506 over the 3 program years, or about \$7,502 per beneficiary per year.
- **All but a few black farm program beneficiaries fall in the bottom rung of farm subsidy payments nationally.** Eighty (80) percent of black beneficiaries during the years 2003-2005 (7,680 individuals) shared less than \$6 million, which amounted to less than \$260 per person per year. By comparison, the bottom 80 percent of all other beneficiaries collected six times that amount, an average of \$1,628 per year.

Direct Payments. These payments are rigidly formulaic and are determined by past production—acreage and per acre yield histories registered with local USDA offices for the specific crops that are eligible. Any factor that served to reduce either acreage or yields for a farmer during that historical base period would serve to lower direct payments. Those factors would include any unfair, inequitable or discriminatory treatment black farmers may have experienced in applying for the programs or program benefits.

Direct payments to black beneficiaries averaged \$3,206 on average between 2003 and 2005, just over \$1,000 per year. Direct payments to all other beneficiaries were over three times higher-- \$10,346 over the period.

Most of the subsidies that will be paid under the House Agriculture Committee's proposed farm bill would be direct payments. As a result, the black-white inequity will be locked in for five more years.

Review of agriculture census data indicates that disparities in subsidy assistance between black and white farm operators cannot be fully explained by the fact that blacks operate smaller farms or tend to grow 'non-program' crops. More important is the question of the degree to which discrimination against black farmers by local USDA offices has been a long-term factor in limiting the ability of black farmers to expand their operations or discouraging them from growing subsidized program crops.

###

The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at www.mulchblog.com [1].

Source URL:

<http://www.ewg.org/node/22172>

Links:

[1] <http://www.mulchblog.com>



THE POWER OF INFORMATION

home

health/toxics

farming

natural resources

energy choices

chemical index

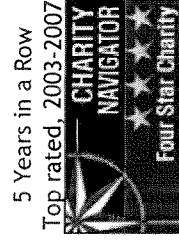
health tips

media center

about ewg

take action

find something



sign up

email address

zip code

SIGN UP

EWG RESEARCH

Short Crop



support ewg



How A Widening Farm Subsidy Gap Is Leaving Black Farmers Further Behind

By Ken Cook, July 2007

Download this report as a PDF

Black farmers receive between one-third to one-sixth of the benefits under major federal crop subsidy programs that other farmers receive, and the "subsidy gap" has widened over the past decade. The gap will become more inequitable if a bill reported by the House Agriculture Committee passes the House later this week, researchers said.

The farm subsidy gap is emerged from an analysis of computerized USDA subsidy payment records for individual farm subsidy recipients and farm businesses that previously have not been available to outside researchers. The study was prepared by the National Black Farmers Association (NBFA) and the

Executive Summary

News Release

Related EWG Content

Congress Continues Scrutiny of Discriminatory USDA Practices
May 15, 2008

More Civil Rights Trouble at USDA: GAO Investigators Kicked Out of Offices
March 4, 2008

At EWG,
our team of
scientists,
engineers,
policy experts,
lawyers and
computer
programmers pores
over government
data, legal
documents, scientific
studies and our own
laboratory tests to
expose threats to
your health and the
environment, and to
find solutions. Our
research brings to
light unsettling facts
that you have a right
to know.

Environmental Working Group. The two organizations collaborated on a 2003 analysis, *Obstruction of Justice*, that reignited the debate over the injustices tens of thousands of black farmers have experienced in the settlement of the Pigford vs. USDA case involving discrimination in government farm lending.

Concern about discrimination against black farmers at USDA has focused primarily on the department's programs to provide farm acquisition (i.e. "ownership") and operating loans to farmers whose financial circumstances make it difficult for them to get credit elsewhere. The loans are processed at local USDA offices by the department's "lender of last resort," the Farm Services Agency (formerly the Farmers Home Administration).

Only five per cent of the farmers participating in the Pigford racial discrimination lawsuit against USDA made claims based on subsidy programs, which were limited to a total of \$3,500 for the "fast-track" settlement process that was supposed to provide essentially automatic restitution. The majority of these claims involved disaster relief programs. The examples of discrimination were poignant, "[i]n 1994, the entire county of Greene County, Alabama where Mr. George Hall farmed was declared eligible for disaster payments on 1994 crop losses. Every single application for disaster payments was approved by the Greene County Committee except Mr. Hall's application for four of his crops." *Pigford v. Glickman*, 185 F.R.D. 82, 87 (D.D.C. 1999). In the Complaint, Mr. Hall further stated that his payment yields were reduced in retaliation after he filed a discrimination complaint challenging the denial. See Seventh Amended Class Action Complaint, *Pigford v. Glickman*, 97-1978 (PLF). at ¶15(c).

Less attention has been given to disparities between black farmers and others under USDA's commodity subsidy programs. A pioneering July, 2007 report issued by Oxfam America argued that minority farmers, including black farmers, have been "shut out" of USDA farm programs (*Shut Out: How U.S. farm programs fail minority farmers*). It is often argued that black farmers receive less farm assistance because they operate smaller farms and tend to produce non-subsidized crops and livestock. As the USDA's 1997 Civil Rights Action Team Report observed, however, discrimination by USDA officials may itself have influenced the make-up of black-operated farms over time.

"[T]he disparity in participation and treatment of nonminority and minority farmers may be partially accounted for by the smaller average size of minority- and female-operated farms, their lower average crop yields, and their greater likelihood not to plant program crops, as well as less sophisticated technology, insufficient collateral, poor cash flow, and poor credit ratings. However, representatives of minority and female farm groups point out that previous discrimination in USDA programs has helped to produce these very conditions now used to explain disparate treatment." See CRAT at 21-22.

Review of agriculture census data indicates that disparities in subsidy assistance between black and white farm operators cannot be fully explained by the fact that blacks operate smaller farms or tend to grow 'non-program' crops. More important is the question of the degree to which discrimination against black farmers by local USDA

Short Crop [PDF]
July 25, 2007

Widening Farm Subsidy Gap
Is Leaving Black Farmers
Further Behind
July 25, 2007

More related content »

Related News Coverage

Congressman Promises Help
for Black Farmers
Gannett News Service | April 30,
2009

The Last Plantation
Color Lines Magazine | January
9, 2009

Sowing Seeds of Victory
Roll Call | July 7, 2008

Black Farmers Get Second
Chance At 1999 Settlement
Eufaula Tribune | June 30,
2008

800 Black Farmers File New
Lawsuit
Jackson Clarion Ledger | June 5,
2008

More related content »

Categories

Farm Subsidies
Black Farmers

offices has been a long-term factor in that has limited the ability of black farmers to expand their operations--and thus have 'average-size farms'--or discouraged them from growing subsidized program crops.

A Subsidy Gap Widens: Crop Subsidy Payments, 1995-2005

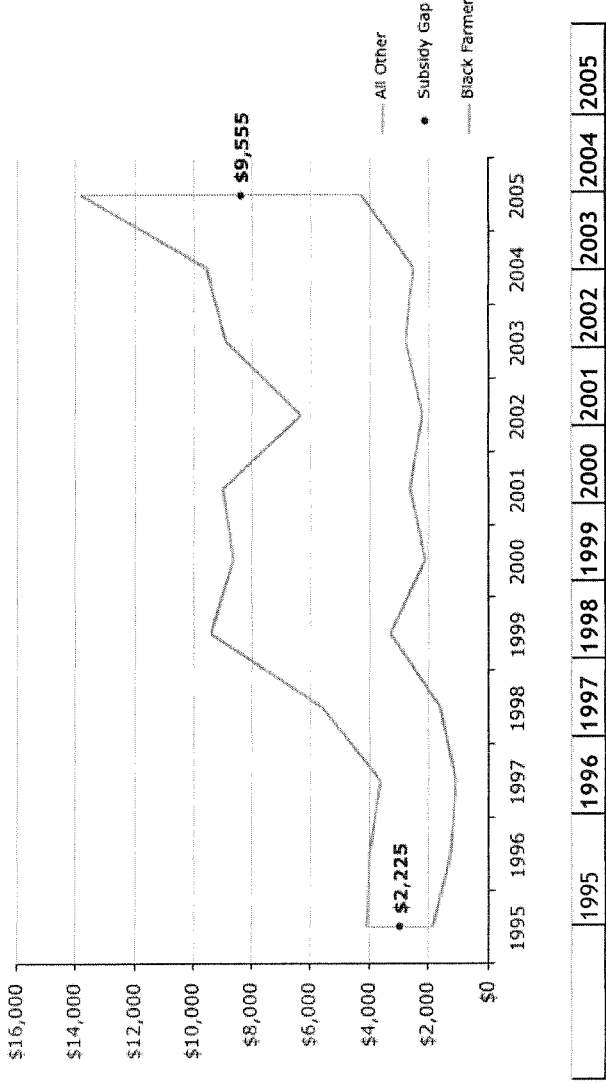
Analysis of payments to individual farmers and farm businesses shows that a subsidy gap between black farmers and all others has expanded dramatically in the past decade, from \$2,225 per recipient in 1995 to nearly \$10,000 per recipient in 2005. [Chart 1, Table 1].

The analysis compared black recipients with all other recipients, including individual subsidy recipients who are predominantly white, and farm businesses, which are predominantly white-owned. Analysis of subsidy payments over this period showed that virtually all black farmers received their benefits as individuals, with very few organized for USDA purposes to collect payments as businesses (corporations, partnerships, joint ventures).

Detailed Beneficiary-Level Data, 2003-2005

Release of data collected by USDA under Section 1614 of the 2002 farm bill allows analysis comparing individual beneficiaries by race. These more detailed show that fewer than 8,000 blacks collected crop subsidies each year over that period. The total amount was just over \$23 million per year--out of an average of \$12 billion paid per year under these programs over that period.

The "Subsidy Gap" Between Black Farmers and All Other Farmers Is Widening



Increase Text Size
Decrease Text Size

PRIVACY

EWG for:
SCIENTISTS
JOURNALISTS
POLICY MAKERS

Black Farmer	\$1,841	\$1,176	\$1,025	\$1,565	\$3,277	\$2,076	\$2,591	\$2,170	\$2,769	\$2,505	\$4,291
All Other	\$4,066	\$3,965	\$3,596	\$5,611	\$9,416	\$8,634	\$8,982	\$6,313	\$8,912	\$9,555	\$13,846
Subsidy Gap	\$2,224.89	\$2,788	\$2,571	\$4,046	\$6,139	\$6,558	\$6,391	\$4,143	\$6,143	\$7,050	\$9,555

Source: Environmental Working Group and National Black Farmers Association, derived from USDA subsidy payment records obtained under the Freedom of Information Act.

In every single category of aid, and for every crop, black beneficiaries received a fraction of the aid that other beneficiaries received.

- Black beneficiaries of federal farm subsidy programs averaged \$7,363 each in subsidy payments between 2003 and 2005 according to the latest USDA data, an average of \$2,454 per beneficiary per year. This is one-third the amount received on average by all other beneficiaries--\$22,506 over the 3 program years, or about \$7,502 per beneficiary per year.
- All but a few black farm program beneficiaries fall in the bottom rung of farm subsidy payments nationally. Eighty (80) percent of black beneficiaries during the years 2003-2005 (7,680 individuals) shared less than \$6 million, which amounted to less than \$260 per person per year. By comparison, the bottom 80 percent of all other beneficiaries collected six times that amount, an average of \$1,628 per year.

Direct Payments

These payments are rigidly formulaic and are determined by past production--acreage and per acre yield histories registered with local USDA offices for the specific crops that are eligible. *Any factor that served to reduce either acreage or yields for a farmer during that historical base period would serve to lower direct payments.* Those factors would include any unfair, inequitable or discriminatory treatment black farmers may have experienced in applying for the programs or program benefits.

Direct payments to black beneficiaries \$3,206 on average between 2003 and 2005, just over \$1,000 per year. Direct payments to all other beneficiaries were over three times higher--\$10,346 over the period.

Most of the subsidies that will be paid under the House Agriculture Committee's proposed farm bill would be direct payments. As a result, the inequity affecting black farmers will be locked in for five more years.

Counter-cyclical and Crop Loan Payments.

These payments are directly related to crop yields and market prices, relative to various price triggers set by Congress.

Black beneficiaries of received an average of \$4,338 in counter-cyclical payments over the period, versus \$5,708 for all other beneficiaries. For loans, the figures were \$6,553 for black beneficiaries versus \$12,642 for all other beneficiaries. These were the only categories of federal farm subsidy payments where black beneficiaries

received half the amount all other farmers received. In all other program categories, the discrepancy was greater. Our preliminary analysis indicates that variation in the amount counter-cyclical payments for peanuts were not as great for black farmers and other farmers.

Payment Discrepancies by Crop

Corn. The average subsidy for all non-black corn program beneficiaries in the U.S. was \$15,843 over the three program years of 2003 through 2005. Black beneficiaries averaged \$1,296 in corn payments over that period.

Cotton. Black beneficiaries of the farm programs averaged \$12,174 in cotton payments over the period. All other beneficiaries received on average three times that amount (\$38,278) for all other farmers.

Rice. As with cotton, rice benefits were three times higher for all other beneficiaries (\$39,036) than for black counterparts (\$11,218).

Peanuts. Because peanuts have been produced on small farms for generations, one might expect disparities in federal farm program benefits would be narrower for black farmers. The data bear out only a very slight difference, however. Black beneficiaries of peanut subsidies collected \$10,152 on average over three years, compared to \$25,328 for all other beneficiaries.

Soybeans and Wheat. Over the three years examined, black beneficiaries of subsidies collected \$677 for soybeans (\$225 per year) and \$830 for wheat (\$276 per year). On average, all other beneficiaries collected 3.7 times more in soybean benefits (t\$2,546) and 4.6 times more in wheat benefits (\$3,878).

Conclusions

Our review does not prove that discrimination in federal farm program design or delivery explains the difference in subsidy benefits received by black farmers, compared to other farmers. Nor does our review prove that the growing subsidy gap we have documented results from discrimination alone.

We do believe, however, that decades of discrimination against black farmers by USDA, particularly at the local level, are almost certain to have been and continue to be a *very significant factor* explaining why black farmers have smaller operations, often grow non-program crops, and receive significantly less in farm bill subsidy assistance than other farmers. Needless to say, this discrimination can, and must, be eliminated. Significantly, black beneficiaries do better in comparison with other beneficiaries in programs where commodity crop specialization is not a factor: disaster aid and conservation.

It is essential that the next farm bill include a major increase in programs targeted to black, other minority, and limited resource farmers. It is also vital that the farm bill commission an independent review of discrimination in USDA programs. Both NBFA and EWG also strongly support enactment of the Pigford Claims Remedy Act as soon as possible.

Related News:

Congressman Promises Help for Black Farmers
Gannett News Service | April 30, 2009



ENVIRONMENTAL WORKING GROUP

THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

House Farm Bill: A Missed Opportunity for Leadership and Real Reform

Statement of Ken Cook, President, Environmental Working Group

Published July 26, 2007

Washington, July 27 — House Agriculture Chairman Collin Peterson, Ranking Member Bob Goodlatte, members of their committee, and their staffs, are to be commended for working long and hard to produce the Farm Bill passed by the House of Representatives today. Much good will come from many of the bill's provisions, if enacted into law, that increase funding and improve policy to protect the environment, provide assistance to hungry people at home and abroad, expand outreach to socially disadvantaged and minority farmers, and expand research on organic farming methods and the next generation of sustainable biofuel production. Moreover, Chairman Peterson made good on his promise to listen to all sides during the committee's deliberations, even when he strongly disagreed, as did the other members of the committee.

However, on balance, this House farm bill will be remembered as a missed opportunity for reform of federal farm policies that are broken at their core. It also represents a failure of House leadership to serve the broader needs of the nation, instead of taking their cues at every turn from the farm subsidy lobby. This bill will not bear the scrutiny of passing time. We're talking about mid-August, at the latest.

The commodity provisions will perpetuate, and in some cases worsen, the deepest, most offensive, and indeed scandalous flaws of the farm subsidy system. It's hardly surprising that a committee whose 46 districts absorb 42 percent of the nation's crop subsidy money would write a bill to perpetuate the inequity. What is surprising is that House leadership stamped 'reform' on the status quo subsidies that emerged.

The vast majority of America's farmers and ranchers will still not receive a fair share of farm bill assistance, which will be funneled to a narrow group of large producers of just five perennially subsidized crops. In the name of saving family farms, taxpayers will actually be bankrolling their demise, both here in America and in some of the poorest nations in the world.

The payment limitation policies in the bill make mockery of reform, and as a consequence, the largest, wealthiest subsidized operations in the country will continue to collect an unlimited and growing share of taxpayer money. A millionaire with an enormous farm, half a brain and a cut-rate accountant will easily avoid the 'hard cap' subsidy cut-off of \$1 million in earnings; the loophole-riddled 'gimme cap' will be no barrier to subsidies for high-earners in the \$500,000 to \$1 million range.

As IRS data and CBO's score make clear, hardly anyone in those stratospherically high tax brackets will see their crop subsidy flow impeded by the bill's 'reforms,' which extend the regressive policies of unlimited subsidies to anyone able to siphon them up.

At a time of high prices and robust earnings for producers of corn, soybeans and other crops, taxpayers will continue to be obligated to make wasteful, automatic payments to the tune of \$26 billion over the next five years. The biggest beneficiaries of the windfall will now receive an even larger share, thanks to a provision that actually boosts their automatic direct payments, and theirs alone, by 50 percent. In other words, under the bill's payment limitation provisions that House Speaker Nancy Pelosi hailed as a "first step towards reform", a husband and wife in the top ranks of subsidized farmers will automatically collect up to \$200,000 more from taxpayers over the next five years.

Fair, commonsense reforms could have preserved an effective safety net for current subsidy recipients while redirecting billions of dollars to long-neglected needs: conservation programs, hunger assistance, healthier school lunches, rural development, disadvantaged and minority farmers...the list goes on.

Above all, this week's House action on the farm bill reaffirms the need for reform interests outside the subsidy fraternity to stiffen their resolve, organize, and make their voices heard in the next phase of this debate. Much of what is good in this bill came about because of the effective pressure generated by the very "outsiders" the Agriculture Committee inveterately carps about.

That reform pressure was applied most skillfully and powerfully by the real heroes of this farm bill cycle in the House: Representatives Ron Kind (D-WI) and Jeff Flake (R-AZ). They stood up to the agriculture committee, and even to their own leadership, with a "Fairness Amendment" that was sufficiently threatening to the subsidy lobby to leverage increased funding for conservation, nutrition, organic agriculture, specialty crops, minority farmers and many other priorities. Had their amendment prevailed, the House would have provided America with a fairer set of policies for all of our farmers and ranchers, consumers, taxpayers, the environment, and the less fortunate here and abroad.

Most of the members who voted against the amendment actually voted against the interests of their own constituents.

Mr. Kind and Mr. Flake fell short on their full reform agenda to cap grotesquely large payments, and phase down the most wasteful ones, only in the face of the usual threat from the subsidy lobby to "take down the Farm Bill" and savage programs for the poor, black farmers, the environment and so forth. Nothing less than the full power of the commodity lobby and the House leadership was able to defeat the Kind-Flake Fairness Amendment.

They should be proud of the fight they put up on America's behalf. Like so many others in the broad coalition their efforts helped to forge, EWG is proud to have fought by their side.

###

EWG is a nonprofit environmental research organization that uses the power of information to protect the environment and public health. EWG publishes the online Farm Subsidy Database available at <http://www.mulchblog.com/> [1].

Source URL:

<http://www.ewg.org/node/22239>

Links:

[1] <http://www.mulchblog.com/>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - A Disaster Waiting To Happen...Forever

Published October 1, 2007

Washington, D.C., Oct.2—A bid to establish a dedicated trust fund to compensate farmers and ranchers who suffer weather damage to crops and livestock would direct most of the funds to a handful of states where agricultural disaster “emergencies” are in fact routine, virtually annual occurrences, primarily because of low rainfall.

These same states are among the biggest recipients of crop subsidies, conservation aid, and federally subsidized crop insurance claims, according to a new analysis of disaster aid payments released today from the Environmental Working Group.

This week the Senate Finance Committee reportedly will consider a permanent trust fund that would set aside \$5 billion that could be paid in disaster aid to farmers and ranchers without resort to *ad hoc* legislation.

EWG examined the history of disaster aid payments to the 20 states currently represented on the Senate Finance Committee and found that over the past 21 years, those states have collected some \$9 billion in *ad hoc* disaster payments, roughly one-third of the \$26 billion total paid nationwide. However, just four states on the committee collected 55 percent of that \$9 billion (North Dakota, Kansas, Iowa and Montana). Future disaster aid is expected to follow the same pattern.

“Our analysis raises the question of whether it is fair to designate such a large portion of revenues to a single purpose that mostly benefits just a few states on the committee,” said EWG president Ken Cook. “Other states represented on Senate Finance have higher priority agriculture-related needs for such funds, including conservation, rural development, or specialty crop agriculture,” Cook added.

“These other priorities have never been funded through *ad hoc* assistance and are, in fact, perennially short-changed by federal farm and appropriations policy decisions. Indeed, in recent years, conservation and other programs have had their funds cut in order to pay for disaster aid,” Cook stated.

The concentrated, predictable, repetitive nature of agricultural disaster aid among a few states with perennially poor growing conditions also raises the question of whether the time has come for states to assume a primary role in providing agricultural disaster assistance within their borders, the EWG analysis found.

The full report is at <http://www.ewg.org/reports/disasterwaiting> [1].

###

The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. Visit <http://www.mulchblog.com> [2] to learn more about the EWG's farm subsidy analysis.

Source URL:

<http://www.ewg.org/node/22701>

Links:

[1] <http://www.ewg.org/reports/disasterwaiting>

[2] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Media Advisory

Published October 31, 2007

Senator Lugar and EWG to Hold Joint Press Conference To Release New EWG Database

Analysis Will Forecast Direct Payment Subsidies By Farm Business & Beneficiary Through 2012

Members of the media are invited to join Indiana Senator Richard Lugar and EWG president Ken Cook on Thursday, November 1st for a press conference announcing the launch of the EWG report on Direct Payments: *Subsidies on Autopilot*. The report and accompanying database will show:

- While many subsidized farmers are projected to receive record crop prices and earn record farm incomes over the next five years, the subsidy lobby is still demanding \$26 billion in automatic payments from taxpayers over that period in the 2007 farm bill.
- Just seven states will collect half of the direct payment subsidies. The 19 states represented by the Senate Agriculture Committee will receive 61 percent of direct payments.
- The report lists farm businesses and beneficiaries likely to collect direct payment subsidies over the next five years, and projects the amount they could receive if the current program is extended through 2012.
- Nationally, EWG projects that 263 farm businesses will collect one million dollars or more in direct payment subsidies over the next five years if Congress extends the program unchanged.

What: Press Conference for release of EWG Report - Subsidies on Autopilot.

When: Thursday, November 1st, 2007 11:15 AM EST

Who: Senator Richard Lugar of Indiana and Ken Cook, president of the Environmental Working Group

Where: Senate SC-6

Report Distribution: Subsidies on Autopilot and the information in this advisory is embargoed to the public until 11:00 AM EST Thursday, November 1st, 2007. Embargoed pre-access to the report can be obtained by contacting the EWG public affairs office using the contact information at the top of the advisory.

###

The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. Visit www.mulchblog.com [1] to learn more about the EWG's farm subsidy analysis.

Source URL:

<http://www.ewg.org/node/25535>

Links:

[1] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Senate Set to Debate the Farm Bill, EWG Presses for Reforms

Published December 10, 2007

WASHINGTON, December 10, 2007 - After weeks of haggling, the Senate is set to deliberate on the 2007 Farm Bill. The Environmental Working Group, along with a diverse coalition of groups, is advocating for reform of wasteful government spending in farm programs.

"A number of Farm Bill amendments will give senators the chance to vote for the status quo of continued, wasteful taxpayer handouts to the biggest and wealthiest farming operations in the country, or to support sensible, forward-looking reforms. A series of amendments would protect the environment, support the family farmer and rural economies, help feed the neediest among us, and provide taxpayer relief," said Ken Cook, president of the Environmental Working Group.

Cook identified the following reforms as crucial to a forward-thinking Farm Bill:

- End unlimited subsidies to mega-farms. The Dorgan-Grassley amendment would place a firm subsidy cap of \$250,000 per farm to stop unlimited payments to plantation-scale farm businesses that use money from taxpayers to get even bigger and squeeze out their smaller neighbors.
- Ask the wealthy to farm on their own dime. The Klobuchar-Durbin-Brown amendment would improve the agriculture committee's indefensibly weak means test to make sure the wealthiest people in the country don't tap into programs meant to help small family farms.
- Trim the fat from insurance company subsidies. The Brown-Sununu-McCaskill Reduction of Excess Subsidies to Crop Underwriters (RESCU) amendment ends the gouging taxpayers have endured from big crop insurance companies and invests the money in national priorities.
- Reduce "direct payment" subsidies to farmers already doing well. Most crop farmers will earn record incomes this year and are projected to do so over the course of the farm bill, largely as a consequence of the ethanol boom that Congress is about to overheat further with a new fuel mandate in the energy bill. Taxpayers are not obliged to provide automatic "direct payment" subsidies when the recipients are flourishing in the marketplace, especially when other important Farm Bill programs are under-funded.
- Provide taxpayer support to all farmers when they need it. The Lugar-Lautenberg Farm, Ranch, Equity, Stewardship, and Health (FRESH) amendment would change the face of subsidies as we know it. The FRESH amendment provides all, not just commodity crop, farmers with modest taxpayer support when they demonstrate need. Savings from FRESH would reduce the deficit, help farmers solve environmental problems, and provide more for critical nutrition programs.

###

EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at mulchblog.com [1].

Source URL:

<http://www.ewg.org/node/25756>

Links:

[1] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

Statement: Washington Post "Backward in the Senate"

Published December 19, 2007

Charles Lane uncorked [this beaut](#) [1] last week, after the Dorgan-Grassley and Klobuchar amendments went down. It's a fitting contribution to the legacy of the late Peter Milius, who roared on the Post's editorial page about the inequities and inanities of farm bills for many years.

A measure to limit bloated farm subsidies is approved by a 13-vote margin. But it won't become law.

AN AMENDMENT to the 2007 farm bill that would have limited federal payments to well-to-do farmers failed in the Senate yesterday. The vote was 56-43 -- in favor of the measure. How can a bill backed by a substantial bipartisan majority not pass? Welcome to the wonderful world of agriculture politics.

The legislation, sponsored by Sens. Byron L. Dorgan (D-N.D.) and Charles E. Grassley (R-Iowa), would have capped government supports at \$250,000 per year per farm. To be sure, that figure is more than five times the median household income in the United States. But, given that a lucky 570 farms received \$250,000 or more in 2005, and that two-thirds of crop supports benefit just 10 percent of farms, this would have been progress.

Sen. Blanche Lincoln (D-Ark.) did not see it that way. She dug in her heels against the amendment. According to her, it was unfair to producers of "capital-intensive" crops such as rice and cotton. It supposedly would have made U.S. agriculture less competitive in the global marketplace, potentially making us as dependent on foreign crops as we are on foreign oil -- at a time when "news reports continue to highlight cases of dangerous imported food." Left unsaid in Ms. Lincoln's statement was that 26 farms in her home state received \$250,000 or more in 2005, according to government statistics compiled by the Environmental Working Group. The recipients include farms run by the Arkansas Department of Corrections, which produces cotton and other crops using convict labor. Federal subsidies to a state plantation worked by prisoners who don't get paid: now that's enterprising...

...Now Ms. Lincoln has something to crow about on her next trip to the cotton and rice fields of Arkansas. But for a Democratic Party ostensibly committed to fiscal discipline, majority rule and economic equality, this episode is a major embarrassment.

Source URL:

<http://www.ewg.org/node/25811>

Links:

[1] <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/13/AR2007121301633.html>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

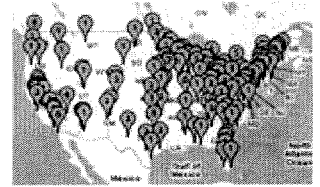
Editorial Map Analysis

Published February 11, 2008

The 2007/2008 Farm Bill debate brought unprecedented attention to—and criticism of—America's wasteful, outdated system of farm subsidies.

[0]

Unfortunately, the bills passed by both the House of Representatives and the Senate last year, which now await Conference Committee action that has been stalled by a presidential veto threat, do almost nothing to stem the billions of dollars of taxpayer funded handouts to wealthy individuals and profitable plantation-scale farm operations. These subsidy abuses paradoxically occur in the face of a worsening overall US economy, and an “overheated” farm economy posting record high farm income and record high prices for many crops.



In addition, the recently passed stimulus legislation will send a few hundred dollars to most Americans to help them cope with the strains of a weakening economy. Those same Americans will be shocked to learn that Congress is about to lavish tens of thousands of dollars per year on large-scale farming operations that are earning record incomes, largely due to the ethanol boom.

EWG has developed an [interactive map](#) [0] of the more than 400 pro-reform Farm Bill editorials published in the past year from across America. Few issues have garnered as much editorial page criticism of Congress. A body which by and large has acceded to the subsidy lobby's preferences for unlimited taxpayer support for the largest commercial farming operations in the country. This occurs while most farmers and ranchers receive no support at all. Congress' unwillingness to take on these special interests has only increased the clamor for change in the nation's newspapers.

Two main themes emerge from these editorials:

- Something must be done to stop the taxpayer-funded giveaways to wealthy individuals and operations that do not need support. Especially when so many other crucial programs such as nutrition and conservation are lacking critical funding.
- Ironically, the Bush Administration comes across as far more progressive and reform minded than the Democratic leadership of the House and Senate when it comes to matters of equity and fairness in subsidy payments. “Change” may be the buzzword of this presidential campaign cycle, but when it comes to the farm bill, Congress is hewing to the flawed, failed policies of the past

The editorial map also deflates recent claims that criticism of status quo subsidies amount to little more than uninformed complaining by out of touch elites far removed, geographically and intellectually, from the realities of “production agriculture.” Senate Agriculture Committee member

Kent Conrad (D-ND) told the Bismarck Tribune “We’re also fighting against an East Coast media that simply doesn’t understand farming and is encouraging opposition to the farm bill.” Back in August, House Agriculture Committee Chairman Colin Peterson (D-MN) informed Delta Farm Press that “those of us in farm country don’t know about the big city and we aren’t about to tell them what to do. But these big-city editorial writers and others don’t have a clue about agriculture and they should keep out of our business. We’d all be better off.”

As the map makes clear, some of the strongest criticism of agri-business as usual farm subsidies has arisen from the heart of farm country itself, in California, the Midwest, the Mountain West and the South. Nor is it only editorial boards that think an overhaul of agriculture policy is past due. A recent poll commissioned by Oxfam America [1] in several states including Iowa, Colorado, and Minnesota shows that 60 percent of voters believe the Farm Bill needs reform.

It is clear that while most Americans and their local newspapers feel change is needed in federal farm policy, the subsidy lobby and their friends in Congress are mired in the special interest politics of the past.

Source URL:

<http://www.ewg.org/node/26001>

Links:

[1] http://www.oxfamamerica.org/newsandpublications/press_releases/polling-shows-strong-majority-for-farm-bill-reform-2013-not-status-quo-2013-in-freshmen-dem-districts



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

More Civil Rights Trouble at USDA: GAO Investigators Kicked Out of Offices

Published March 4, 2008

WASHINGTON, March 3 - Last week, U.S. Department of Agriculture officials ordered auditors from the Government Accountability Office out of their offices, and ordered USDA employees not to speak with them. GAO was investigating allegations that USDA deliberately gave false information to auditors looking into the Department's alleged mishandling of civil rights complaints.

Environmental Working Group and the National Black Farmers Association, which have been working to win justice for black farmers who were discriminated against for farm loans, issued the following statement:

"We are deeply concerned about the continuing evidence of problems on the part of the USDA in meeting its civil rights obligations under federal law. We urge the Secretary of Agriculture to resolve this issue as soon as possible," said Ken Cook, EWG president.

"This is a clear case of arrogance by the USDA and Sec. Schafer. The office of civil rights at USDA continues to delay justice by shredding complaints and threatening employees. By not resolving black farmer cases in the office of civil rights, it is business as usual at USDA," said Dr. John Boyd, NBFA president.

"Secretary Schafer and USDA need to realize that the complaints represent black farmer's lives. The agency's denial of our civil rights leaves black farmers slaves to the system," Boyd concluded.

###

The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at www.mulchblog.com [1]

Source URL:

<http://www.ewg.org/node/26089>

Links:

[1] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

Letter Supporting Farm Bill Proposed \$4.951 Billion Conservation Increase

Published March 20, 2008

[*Download this letter as a PDF \[0\]*](#)

March 21, 2008

The Honorable Harry M. Reid
Majority Leader

The Honorable Mitch McConnell
Minority Leader

The Honorable Tom Harkin
Chairman
Committee on Agriculture, Nutrition and Forestry

The Honorable Saxby Chambliss
Ranking Member
Committee on Agriculture, Nutrition and Forestry

The Honorable Max Baucus
Chairman
Committee on Finance

The Honorable Chuck Grassley
Ranking Member
Committee on Finance

United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker

The Honorable John Boehner
Minority Leader

The Honorable Collin Peterson
Chairman
Committee on Agriculture

The Honorable Bob Goodlatte
Ranking Member
Committee on Agriculture

The Honorable Charles Rangel
Chairman
Committee on Ways and Means

The Honorable Jim McCrery
Ranking Member
Committee on Ways and Means

United States House of Representatives
Washington, DC 20515

Dear Leader Reid, Madame Speaker, Chairmen and Ranking Members:

The undersigned organizations respectfully and urgently request your strong support of the March 18, 2008, Farm Bill "Framework's" \$4.951 billion increase in new funds above baseline for the Bill's voluntary, incentives-based conservation programs. While substantially more is truly needed to address the country's conservation needs, this level of investment is essential. Any less risks irreparable damage to our agricultural lands and other natural resources.

The ethanol boom, propelled in large measure by energy bill mandates Congress enacted in 2005 and dramatically expanded last year, is one of many factors putting enormous pressure on America's land, water and wildlife resources. As a consequence, it is our expert judgment that a generation of conservation accomplishments could be severely diminished and, in some areas, may be erased altogether. The consequences for water quality, wildlife, wetlands, soil erosion control, flood prevention and management, and other vital natural systems and functions, could be profound, underscoring the need for substantial new funding of conservation programs.

Much of the conservation legacy now in jeopardy was made possible by American taxpayers, who invested billions of dollars through Farm Bill conservation programs that our organizations worked with Congress to invent, propose, and, over decades of effort, persuade Congress to enact and fund. We are enormously proud that Farm Bill conservation programs have forged literally thousands of partnerships nationwide between conservation and agriculture interests.

To a large degree, these programs are the only available tools to cope with the conservation pressures our organizations are observing around the country. In fact, the programs are so popular with farmers and ranchers that thousands of applicants are turned away every year for lack of funds. Over the 5 year term of the 2002 Farm Bill, \$13.5 billion in requests from more than 487,000 farmers and ranchers went unfunded. A major reason for this funding gap is that Congress routinely cuts funding for the conservation programs. For the current fiscal year, Congress eliminated nearly \$1 billion in mandatory conservation funding and, since passage of the 2002 Farm Bill, net cuts to mandatory conservation programs have totaled almost \$4.5 billion.

Thus we urge your support of the Framework's conservation funding level. A minimum increase of \$5 billion in new funds over baseline spending for conservation is needed to replace funding that has been slashed in recent years, and to cope with the conservation crisis that is looming in farm country. Any funds "saved" as a result of changes to conservation programs must be retained and reinvested in the Conservation Title.

According to the Congressional Budget Office, crop subsidy payments will decline by billions due to high prices over the course of the next farm bill. Net farm income, at a record level this year, is projected to remain robust. The farm economy's unprecedented prosperity makes this an ideal time for tens of thousands of farmers to invest in overdue conservation measures through federal programs that share the costs.

We look forward to working with you to ensure that the Framework's conservation level is the minimum included in the final Farm Bill. We welcome the opportunity to discuss this urgent matter with you further during this pivotal period in the Farm Bill debate.

Respectfully,

American Rivers
American Society of Agronomy
Center for Native Ecosystems
Chesapeake Bay Commission
Coevolution Institute
Crop Science Society of America
Defenders of Wildlife
Environmental and Energy Study Institute
Environmental Defense Fund

Environmental Working Group
Izaak Walton League of America
Land Trust Alliance
The Minnesota Project
National Audubon Society
National Wildlife Federation
Natural Resources Defense Council
Soil Science Society of America
Soil and Water Conservation Society
Sustainable Agriculture Coalition
Union of Concerned Scientists
Water Environment Federation
World Wildlife Fund

Source URL:

<http://www.ewg.org/node/26219>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

SF Chron: Dems juggle needs in \$286 billion farm bill

San Francisco Chronicle, Carolyn Lochhead

Published April 4, 2008

Democratic lawmakers are struggling to finance billions of dollars in automatic payments to grain and soybean farmers during a record commodity boom - and add another multibillion-dollar "permanent disaster" program for Great Plains farmers plowing highly erodible land - while at the same time providing promised money for nutrition, conservation and California fruit and vegetable growers in a \$286 billion farm bill.

Lawmakers face an April 18 deadline to pass a new five-year farm bill when a temporary extension of the current law expires. But what began last year as a plan by House Speaker Nancy Pelosi, D-San Francisco, to preserve crop subsidies by adding money for everyone else is cracking under the weight of a White House veto threat, rising food inflation, increasing pressure on fragile farmland and a slowing economy that make crop subsidies harder to justify each day.

The stalemate has dragged on for months and caused fits for Pelosi, who pushed through the House version of the bill last summer hoping the crop subsidies would help newly elected Democrats from Republican-leaning farm states. Most farm bills pass with little notice outside farm country and the industry press.

Instead she has faced an onslaught of criticism from reform groups, including a Bay Area-based healthy food movement, that contend the Depression-era subsidies promote industrial farming and encourage the use of the grain-based sweeteners, fats and carbohydrates that permeate junk food.

Her problems have only increased since summer as the commodity boom has accelerated, fueled by ethanol subsidies and growing demand from India and China. Corn prices have nearly tripled in two years, and wheat prices are so high that U.S. bakers called for an export embargo.

Pressure on fragile cropland

The price surge has put pressure on fragile cropland and intensified the split between lawmakers who want more conservation funding and those who insist high prices won't last forever, and that wheat farmers in the Dakotas and Montana need federal money for frequent crop failures.

Pelosi is deeply involved in the closed-door negotiations to meld the bills that passed the House and Senate last year and raise the extra \$10 billion needed to pay for them. Yet despite all manner of budget gimmicks, lawmakers have not found a way to appease all the interest groups without raising taxes and drawing a veto threat from President Bush.

These frictions erupted Thursday when Senate Agriculture Committee Chairman Tom Harkin, D-Iowa, a strong conservation and nutrition advocate, blasted efforts to trim conservation to pay for the new

disaster program at a time when record grain prices are pulling millions of acres of marginal farmland back into production, threatening wildlife and water and soil quality.

"We know what's happening to the soil," Harkin said. "We know what's happening to the Gulf of Mexico," where fertilizer runoff from the Mississippi River has created a "dead zone" the size of New Jersey. Food and fuel prices are rising, he said, while soil is being tilled "like a strip mine." Earnings well above average

The subsidies go to a handful of crops, mainly corn, wheat, rice, soybeans and cotton. Record price increases for most of these crops have rippled through the grocery industry, pushing food inflation above 4 percent a year. The average farmer is now earning almost \$90,000 a year, double the 2006 median U.S. household income of \$45,000. Full-time commercial farmers will earn more than \$229,000 this year, the Agriculture Department projects.

That contrast will grow even sharper Tuesday, when the Environmental Working Group, an advocacy group that tracks individual recipients of farm subsidies, publishes the latest figures for 2006.

While Congress will send married couples a maximum \$1,200 in economic stimulus checks in a few weeks, under the five-year House farm bill, "we'd be sending out checks for 100 times that amount each year to farm couples at the top of the subsidy heap," Environmental Working Group President Ken Cook said. "And those would be the first of five payments for a total of \$600,000. That's three median-priced homes. How do they justify that?"

Concentrated crop subsidies

Most farmers do not receive crop subsidies, including California fruit and vegetable growers. Long left out of farm bills, they scored a breakthrough this year by getting roughly \$2 billion for research and marketing assistance and are lobbying to protect it.

Crop subsidies are increasingly concentrated among the biggest producers, and many economists believe they speed the consolidation of farming by giving the largest farms added financial leverage to buy out their neighbors.

Rep. Ron Kind, a Wisconsin Democrat who represents a farming district but wants reforms, thinks his party is "misreading the politics" of the farm bill, saying farmers are asking him why they are still getting subsidy checks.

He also said the healthy food movement is affecting lawmakers, noting that when he carried "The Omnivore's Dilemma" by UC Berkeley writer Michael Pollan onto the House floor one day, several of his colleagues said they had already read it.

"This could be the great Conservation Bill of the 21st century," Kind said, calling the bill "the largest investment in private lands that comes through this place."

'Politically insane'

House Ways and Means Chairman Charles Rangel, D-N.Y., a supporter of food stamps, has already reluctantly agreed to trim food stamp increases and is looking for ways to raise more revenue, but appears to be grating against the demands of the subsidy lobby.

"Our farm bill is not the most popular legislation," Rangel told reporters Tuesday, noting "soaring food prices."

Farm-state lawmakers, for their part, refuse to pare \$5 billion in automatic payouts that go out each year to farmers who have historically planted subsidized crops - regardless of price or whether the crops are still grown.

Two lawmakers, Sens. Kent Conrad, D-N.D., and Max Baucus, D-Mont., have rejected as "dead on arrival" efforts to remove the permanent disaster program.

Kind said the outcome "depends on who blinks" - the White House or Democratic leaders.

E-mail Carolyn Lochhead at clochhead@sfchronicle.com [1].

Source URL:

<http://www.ewg.org/node/26279>

Links:

[1] <mailto:clochhead@sfchronicle.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - In Recession, Big Bucks for Big Farms

Published April 14, 2008

WASHINGTON, April 14, 2008. Over the next few weeks, some American couples will get \$1,200 of their own money back from Washington. This is the maximum, one-time tax rebate Congress provided last February in their desperate attempt to revive our faltering economy that has since been declared in recession.

By contrast, in a few months some other American couples, who operate some of the largest, most profitable farms in the country or merely own huge swaths of farmland, could be receiving 100 times that amount from the government--\$120,000. That's what could happen if the House version of the 2008 farm bill becomes law later this week.

What's more, \$120,000 will just be the first of five guaranteed annual crop subsidy payments that will bring them \$600,000 through 2012.

The disparity owes much to the decades-old momentum behind farm subsidies which delivered \$13.4 billion to farmers in 2006, according to the latest update of the Environmental Working Group's Farm Subsidy Database website [1] (site [2] and analysis [3]).

Now including 2006 USDA data, the new website shows that from 1995 to 2006 or the past 12 years, taxpayers have sent over \$177 billion in subsidies to farmers. Taxpayers will continue to send billions more, even as the farm economy posts record prices for many crops, and record incomes for most farmers.

To put this crop subsidy largesse in perspective, at median home prices reported by the National Association of Realtors [4] for the last quarter of 2007, \$600,000 would buy eight or more homes in places like Youngstown, OH, Saginaw, MI and Decatur, IL.

Under the House bill, a couple receiving the new maximum direct payment (\$120,000 per couple per year or \$600,000 for 5 years) will receive taxpayer dollars equivalent to five or more median-priced houses--one per year--in 26 metropolitan areas.

Under the House bill, a couple receiving the new maximum direct payment (\$120,000 per couple per year or \$600,000 for 5 years) will receive taxpayer dollars equivalent to five or more median-priced houses--one per year--in 26 metropolitan areas.

Without the increase in the subsidy limit from the House bill and merely an extension of the current maximum payment of \$80,000 per couple per year over five years (\$400,000 total), you could still buy 3 or more median-priced homes in 44 metro areas.

"You can't have a policy discussion in Washington without asking, how will it play in Peoria?" said Ken Cook, president of the Environmental Working Group

"That will depend on how people living there feel about big farmers all around them, raking in record incomes and still getting enough in subsidies to buy three median-priced Peoria homes with the existing direct payment limit over five years," Cook added.

"If the House bill becomes law, big farmers would be able to buy 5 median-priced Peoria homes since it, gives couples an extra \$40,000 each, every year for the next five. We can imagine how the American public may respond to the stunning unfairness of such a policy," said Cook.

Other findings:

- Top 2006 Recipients [5] - Riceland Foods, a rice cooperative, received \$7.7 million in 2006.
- Corn is King [6] - Over the past twelve years, taxpayers have spent \$56 billion on corn subsidies paid to over 1.5 million recipients, making it the top crop for federal assistance.
- Concentration of Payments - 50% of all subsidies go to just 9 states [7] while 22 of the nation's 435 congressional districts [8] collect over half of all subsidy payments.
- Senate [9] and House [10] Agriculture Committees - The 19 states currently represented on the Senate Agriculture Committee take home 59 percent of all subsidies paid over the last 12 years while the 45 congressional districts currently represented on the House Agriculture Committee accounted for 42 percent of the national subsidy total.

Full URL for 2006 farm subsidy data: <http://farm.ewg.org/farm/> [11]

###

Environmental Working Group is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at <http://farm.ewg.org/farm> [12].

Source URL:

<http://www.ewg.org/node/26330>

Links:

- [1] <http://farm.ewg.org/farm>
- [2] <http://farm.ewg.org/farm>
- [3] <http://farm.ewg.org/farm/summary.php>
- [4] <http://www.realtor.org/research.nsf/Pages/MetroPrice>
- [5] http://farm.ewg.org/farm/top_recips.php?fips=00000&progcode=total&yr=2006
- [6] <http://farm.ewg.org/farm/region.php?fips=00000&progcode=total>
- [7] <http://farm.ewg.org/farm/progdetail.php?fips=00000&progcode=total&page=states>
- [8] <http://farm.ewg.org/farm/progdetail.php?fips=00000&progcode=total&page=district>
- [9] http://farm.ewg.org/farm/agcomm_senate.php
- [10] http://farm.ewg.org/farm/agcomm_house.php
- [11] <http://farm.ewg.org/farm/>
- [12] <http://farm.ewg.org/farm>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Congress Continues Scrutiny of Discriminatory USDA Practices

Published May 15, 2008

WASHINGTON, DC - Today a subcommittee for Congress's Committee on Oversight and Government Reform convened a hearing on "Management of Civil Rights at the United States Department of Agriculture". The subcommittee's intent is to address the myriad concerns about discriminatory practices within USDA and whether recent efforts to improve management of USDA's civil rights programs have been effective.

"When USDA employees lobby against Pigford remedy legislation, and the USDA turns away GAO investigators auditing the handling of discrimination complaints, it demonstrates that all is not well within the USDA's civil rights program," said Dr. John Boyd, president of the National Black Farmers Association. Boyd testified before the subcommittee as the lead witness on panel 1.

"Our farm subsidy database conclusively shows that not only have black farmers been left out of federal farm program payments, but that their white counterparts, often operating large profitable farms, receive millions in subsidies. There clearly is discrimination and inequity in the payments," said Ken Cook, president of the Environmental Working Group.

The NBFA and EWG have collaborated to help bring justice to the plight of black farmers. EWG has released two black farmer specific reports, 2007's Short Crop [1], and 2004's Obstruction of Justice [2].

Boyd and Cook emphasized two recent events as evidence that discriminatory practices still exist at USDA.

- In February of 2008, GAO auditors were ordered by the USDA to leave their premises and USDA employees were instructed not to cooperate with the GAO auditors. The auditors were conducting an ongoing audit on the USDA office of Civil Rights and its handling of discrimination complaints. According to news reports, the auditors were investigating allegations that the department had previously provided false information for the audit.
- An email sent by an official with the USDA's Fredericksburg service center in August of 2007 to 40 fellow employees of USDA's Farm Service Agency urged the employees to work against a Pigford provision in the House of Representatives version of the Farm Bill.

EWG's Short Crop Report [3]

EWG's Obstruction of Justice Report [4]

###

The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at www.mulchblog.com [5]

Source URL:

<http://www.ewg.org/node/26552>

Links:

- [1] <http://www.ewg.org/reports/shortcrop>
- [2] <http://www.ewg.org/reports/blackfarmers>
- [3] <http://www.ewg.org/reports/shortcrop>
- [4] <http://www.ewg.org/reports/blackfarmers>
- [5] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Millionaire Farmers Still Receiving Subsidies Despite Attempts at Reform

President-Elect Obama Cites GAO Report as Example of Wasteful Spending

Published November 25, 2008

WASHINGTON, November 25, 2008 - In times of tight budgets and empty federal coffers, millionaires, large profitable farm operations and wealthy absentee landlords are still receiving federal farm subsidies, despite repeated attempts at reform by fiscal watchdogs, hunger advocates and environmental groups.

A Government Accountability Office (GAO) report released yesterday [1] details how 2,702 wealthy individuals who should have been ineligible for farm subsidies pocketed \$49 million dollars in US Department of Agriculture payments from 2003 to 2006. The law bars people who make more than \$2.5 million a year and who receive less than 75 percent of their income from farm activities from receiving farm subsidies.

According to the GAO, wealthy subsidy recipients were scattered among 49 states, and nine lived in Saudi Arabia, Hong Kong and the United Kingdom. The report said that USDA officials explained they lacked funds and legal authority to examine individual tax returns to verify whether people applying for farm subsidies were actually eligible. USDA does not even routinely sample its beneficiaries for income eligibility, GAO said.

At a press conference today, President-elect Obama cited the GAO report as an example of poor government management. "If it's true," Obama said of the GAO study, "it's a prime example of waste."

"This is exactly the kind of bureaucratic malfeasance that turns hope into cynicism when it comes to believing that government can do the right thing," Environmental Working Group President Ken Cook said. "These rules were very clear. The 'means test' for subsidies was ludicrously generous. Yet USDA allowed these abuses to occur."

"With our economy in peril, we continue to borrow money from China and other countries and hand hundreds of thousands of dollars over to rich landowners who don't need or even qualify for help," Cook said.

"Democrats in Congress sold the current farm bill to the public on the promise of reform," Cook said. "Congress' own investigative office, however, has conclusively demonstrated that the system is broken. When will the American public get an agriculture system that rewards good stewardship and practices, instead of continually heaping tax dollars on those who simply do not need it?" Cook asked.

#

EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. EWG's farm subsidy database and related reports and analysis can be found at www.mulchblog.com [2]

Source URL:

<http://www.ewg.org/node/27385>

Links:

[1] <http://www.gao.gov/products/GAO-09-67>

[2] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - EWG Lauds Obama Pick for USDA's No. 2 Job

Published February 24, 2009

Statement of Ken Cook
President, Environmental Working Group
February 24, 2009

"President Obama and Agriculture Secretary Vilsack have done the public a great service by nominating Kathleen Merrigan for deputy secretary of agriculture.

"It is a strong signal that under the Obama administration, USDA will not be doing agribusiness as usual.

"In a policy realm dominated by the endless clamor of the subsidy lobby, Kathleen has distinguished herself by hearing and responding to the concerns of those who too often have been ignored by agriculture's officialdom: small farmers, advocates for sustainable agriculture, the organic food community, conservationists, and the economically disadvantaged.

"Kathleen has had a distinguished career in agriculture policy, not least of which was her prodigious work for Senator Patrick Leahy to create a national standard for organic food as part of the 1990 farm bill and over the objections of much of the agriculture establishment. She is diligent, creative, forward looking, and deeply committed to public service.

"EWG wishes Kathleen all the best in this new role and looks forward to working with her at USDA."

###

EWG is a nonprofit research and advocacy organization that uses the power of information to protect the environment and public health.

Source URL:

<http://www.ewg.org/node/27660>



ENVIRONMENTAL WORKING GROUP

THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - For Senator Conrad, Millionaire Subsidy Recipients Trump the Environment

Obama Budget Predicated on Global Warming Protections Undermined by Agribusiness As Usual

Published March 25, 2009

WASHINGTON, March 25 - Senate Budget committee chairman Kent Conrad (D-ND) announced yesterday he would reject President Obama's plan to cut billions in crop subsidy payments that flow mostly to large profitable farm operations and wealthy landowners.

Instead, according to a March 24 report by Charles Abbott of Reuters news service, Conrad said he would slash several other programs, among them, two conservation programs **that are critical to winning the fight against global warming.**

The conservation programs on Conrad's chopping block help farmers reduce their own greenhouse gas emissions and also engage in practices that take carbon out of the air and store it in the soil. Moreover, these programs help farmers protect their land and the environment from the more frequent floods, droughts, and severe weather blamed on global warming.

"Farmers must be on the front lines in the fight against global warming," said Craig Cox, Environmental Working Group Midwest Vice-President. "There is a lot at stake in this fight, not only for U.S. agriculture but also for the rest of us who benefit from smart agriculture practices."

Congress had already cut the Environmental Quality Incentives Program (EQIP) by 20 percent this year, and 3 million more acres have recently been removed from the Conservation Reserve Program (CRP).

"Senator Conrad is proposing to take us in exactly the wrong direction by refusing to reform the abuses that funnel billions in taxpayer dollars to large profitable farm operations and wealthy landowners while cutting programs that fight global warming," said Cox.

Conservation programs are chronically under-funded and deserve more federal support, not less.

- Congress has repeatedly appropriated far less for EQIP than they promised to provide in the 2002 and 2008 farm bills; \$692 million less than promised in the 2002 bill and already \$270 million less than promised in the 2008 bill.
- The latest data available from the U.S. Agriculture department (USDA) shows that North Dakota received nearly \$5 billion in commodity crop subsidies between 1995 and 2006 [1].
- Reform of farm subsidy programs enjoys widespread support across America. During the last farm bill debate there were over 450 editorials [2] calling for farm subsidy reform. A poll commissioned by Oxfam America [3] found that more than six in 10 voters in those districts

polled supported farm subsidy reform and a commodity payment system that would provide more benefits to small family farmers who need the help most.

- According to the USDA Economic Research Service (ERS), average farm household income has exceeded average U.S .household income [4] every year since 1996 - 27.5 percent higher in 2007 alone.

#

Craig Cox, EWG Midwest Vice President, manages EWG's office in Ames, IA. Prior to EWG, Mr. Cox served as Executive Director of the Soil and Water Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.

EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at www.mulchblog.com [5]

Source URL:

<http://www.ewg.org/newsrelease/Senator-Conrad-Millionaire-Subsidy-Recipients-Trump-the-Environment/090325>

Links:

[1] <http://farm.ewg.org/farm/progdetail.php?fips=38000&progcode=totalfarm>

[2] <http://www.ewg.org/farmeditorials>

[3] http://www.oxfamamerica.org/newsandpublications/press_releases/archive2007/polling-shows-strong-majority-for-farm-bill-reform-2013-not-status-quo-2013-in-freshmen-dem-districts

[4] <http://www.ers.usda.gov/Briefing/WellBeing/farmhouseincome.htm#distribution>

[5] <http://www.mulchblog.com>



THE POWER OF INFORMATION

Published on Environmental Working Group (<http://www.ewg.org>)

News Release - Despite Claims of Reform, Subsidy Band Marches On

Non-farmers, Urbanites Still Receiving Farm Subsidies

Published June 23, 2011

WASHINGTON - As the Senate Agriculture Committee [1] meets today to discuss accountability and spending on farm programs, new data washes away the gloss of reform used by the subsidy lobby and its champions in Congress to pass the 2008 farm bill. The new data clearly proves that little has changed in America's misguided and broken farm subsidy programs.

The Environmental Working Group [2] released today the latest update of its widely referenced farm subsidy database after months of reviewing millions of new government records. The 2011 database tracks \$222.8 billion in subsidies paid from 1995 to 2010. Initially published online in 2004, the EWG Farm Subsidy Database [3] has logged 300 million searches and been widely recognized for upending outdated perceptions about who benefits from these programs.

Introduced after the Great Depression as the savior of struggling small family farms, the subsidy programs have been co-opted to support plantation-scale production of corn, soybeans, rice, cotton and wheat. The new data reaffirm that you still don't have to be a farmer to collect federal farm subsidies despite "reforms" cited by subsidy backers that were supposed to prevent absentee land owners and investors from receiving payments intended for struggling family farmers. The so-called "actively engaged" rule adopted in the 2008 bill was designed to ensure that federal payments go only to those who are truly working the land.

Despite this rule, subsidies still line the pockets of absentee land owners and investors living in every major American city. In 2010, 7,767 residents of just five Texas cities - Lubbock, Amarillo, Austin, San Angelo and Corpus Christi - collected \$61,748,945 in taxpayer-funded subsidies. Residents of Lubbock booked \$24,839,154 in payments, putting it at the top of cities with 100,000+ populations that are home to farm subsidy recipients.

The phenomenon of urban residents receiving federal farm payments remains widespread and coast-to-coast. In Spokane, Wash., 1,224 residents cashed \$10,580,181 in farm subsidy checks. In New York City, 290 farm subsidy recipients pulled in a total of \$800,887, while 203 residents of Miami got \$2,472,071. In San Francisco, 179 residents split \$1,094,172, while 1,235 residents of Memphis got \$4,009,874 and 1,146 people in Denver received \$3,394,550. In Arizona, 1,205 residents of Phoenix, Mesa and Scottsdale divvied up \$8,173,269 in payments.

See detailed maps of farm subsidy recipients in ten cities. [3]

Go here for the full list of 2010 farm subsidy-receiving cities with populations over 100,000 [4]

"We are sending handouts to Wall Street investors and absentee landlords instead of working toward creating a safety net for working farm and ranch families," said EWG Senior Vice-President Craig Cox. "It's simply unjustifiable." Cox manages EWG's agriculture programs from the organization's Ames, Iowa, office.

The new data reaffirm that the largest farm operations still receive the vast majority of payments. From 1995-2010, just 10 percent of subsidized farms - the largest and wealthiest operations -

collected 76 percent of all commodity payments, with an average total payment over 16 years of \$447,873 per recipient - hardly a safety net for small farmers. Despite the "reforms" that supporters of the subsidy system claimed were incorporated into the 2008 farm bill, the top 10 percent of recipients still harvested 63 percent of commodity subsidies in 2010.

Three of the largest longtime recipients of commodity crop subsidies continued to do well in 2010. California's SJR Farms raked in \$565,798, Louisiana's Balmoral Farming Partnership banked \$929,956 and Arizona's Gila River Farms received \$781,901.

The USDA projects farm income to rise by 22 percent in the next year, following a decade that produced the five highest years ever for farm income. Household income on farms has exceeded the average household income for all Americans - and by an even greater margin, of all rural households - every year since 1996.

Subsidized agriculture's appetite for taxpayer money is unabated, with fresh demands this year for farm disaster aid. Members of Congress of both parties from states and districts with commodity crop interests, backed by the powerful Ag lobby, continue to stave off real reform. The Congressional agriculture committees have twice rebuffed President Obama's efforts to trim payments to wealthy farmers, and former President George W. Bush's veto of the farm bill was overridden.

EWG's farm subsidy database also details how federal spending on the taxpayer-funded crop insurance program rivals other farm subsidies. In 2010, taxpayers spent \$4.7 billion supporting crop insurance.

[See 2010 Crop Insurance payments in the United States \[5\]](#)

Crop insurance supporters will argue that the program has been subjected to cuts, but those cuts affected the profits of insurance agents and in no way impacted risk management for farmers. At a time of robust farm income and a chorus of calls to cut government spending, these are prime examples of wasteful spending.

Last week, the House Agriculture Committee took a needed first step toward reforming the deeply flawed agribusiness subsidy programs by voting to suspend payments to the Brazil Cotton Institute next year - hush money intended to keep Brazil from retaliating over the United States' illegal domestic cotton subsidies.

For EWG, the task of bringing full transparency to farm payments remains challenging, though not impossible, due to other changes in the 2008 farm bill. Despite the Obama Administration's promises to be more transparent, some recipients of farm subsidy payments can now cloak their identities behind corporate entities and paper farms.

[Read more on EWG's Ag Mag blog about how the Obama Administration's USDA is less transparent than Bush's. \[6\]](#)

As the updated Farm Subsidy Database goes public, journalists, professors, leading farm policy experts and members of Congress offered a number of testimonials to the impact it has had on US food and farm policy:

"The EWG database has shed light on just how outdated and unfair our agriculture subsidies really are. The database has hugely impacted this long-running debate and been a critical tool in revealing how taxpayer dollars are spent."

Congressman Ron Kind (D-Wis.)

"I don't know anywhere else to get information about who gets farm subsidies. EWG is performing a huge public service. The database makes it obvious that the farmers who need the subsidies the least are getting the most money, sometimes when they aren't farming at all. This is an absurd system that needs to change, and here's where to find the data to prove it."

Marion Nestle, food and nutrition professor at New York University

"We need a farm safety net that is as modern and entrepreneurial as our farmers, but our current system helps too few farmers and communities at too much cost to the taxpayers. Nothing captures this contradiction as clearly as the EWG farm subsidy database."

Scott Faber, senior vice-president, Grocery Manufacturers Association

"With its indispensable farm subsidy database, EWG is playing a critical role in the debate over reforming agricultural policies."

Michael Pollan, author and journalist

"This EWG farm data base has informed and advanced the debate within rural America about farm programs subsidizing mega farms to drive family size farms out of business. It is empowering rural people to become more informed advocates for federal policy that strengthens family farms and creates a future in rural America."

Chuck Hassebrook, executive director, Center for Rural Affairs

"I can think of fewer initiatives that have had as big an impact on the American farm subsidy debate as EWG's database. By shedding light on just who gets these subsidies, how much they get, and where they reside, the EWG has exposed U.S. farm programs for what they are: expensive, outdated, distorting, regressive ways for politicians to shovel money to their powerful special interest friends. When American agriculture is finally free of the shackles of government intervention, it will in large part be thanks to the folks at the Environmental Working Group."

Sallie James - trade policy analyst, Cato Institute

###

Source URL:

<http://www.ewg.org/release/despite-claims-reform-subsidy-band-marches>

Links:

[1] <http://ag.senate.gov/site/>

[2] <http://www.ewg.org>

[3] <http://farm.ewg.org/>

[4] http://static.ewg.org.s3.amazonaws.com/pdf/cities_100k_pop.pdf

[5] <http://farm.ewg.org/cropinsurance.php>

[6] <http://www.ewg.org/agmag/2011/06/once-again-obamas-usda-less-transparent-than-bush/>

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about Ken.](#)



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society

and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing

up a PhD in agricultural-environmental policy at UMD.



Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of

South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

Mulch Blog Contributors



Ken Cook

The lead writer of Mulch, Ken Cook is president and co-founder of the Environmental Working Group (EWG), a public interest research and advocacy organization that uses the power of information to protect human health and the environment. The author of dozens of articles, opinion pieces and reports on environmental, public health and agricultural topics, including Mulch, a blog about food and agriculture policy, Cook is regularly listed as one of Washington's Top Lobbyists by The Hill (the Capitol Hill newspaper). Cook is a frequent source of environmental perspective and commentary in national print and broadcast media. He has made frequent appearances on The News Hour with Jim Lehrer, CBS's 60 Minutes, National Public Radio, and the evening newscasts of ABC, NBC, CBS and CNN among other programs. In the 10 years since its founding in 1993, EWG has earned renown for its innovative, headline-making computer investigations of environmental problems and polluters' anti-environmental lobbying. The organization's research and analysis have made it a major force in national policy debates over toxic chemicals, pesticides, air and water pollution, and the ecological impacts of modern agriculture.

Cook and EWG have been the subject of numerous newspaper profiles, including the The Atlanta Journal-Constitution, Chronicle of Philanthropy, Chicago Tribune and The Des Moines Register. Cook is known for his decades of research and advocacy to reform agriculture policy to advance conservation and environmental protection. At the onset of debate over the 1995 Farm Bill, a front-page story in The Des Moines Register named Cook as one of the five most influential players in agricultural policy, alongside then-Senator Bob Dole, Leon Panetta (then the head of the Office of Management and Budget), then USDA Secretary Mike Espy, and former Farm Bureau head Dean Kleckner. A front-page profile in The Omaha World Herald in 1996 said, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law." In 2000, Progressive Farmer named Cook one of agriculture's most influential leaders in the 20th Century, alongside advocates like Rachel Carson and Aldo Leopold.

EWG is perhaps best known in agriculture policy circles for its Farm Subsidy Database, which lists all the nation's farm subsidy recipients and their share of the \$165 billion taxpayers have spent on the programs since 1995. The New York Times (24 Feb 02) credited EWG's web site with helping "transform the [2002] farm bill into a question about equity and whether the country's wealthiest farmers should be paid to grow commodity crops while many smaller family farms receive nothing and are going out of business." A National Journal profile (26 Jan 02) described EWG as a "lean, mean, muckraking machine" and "a small group with a big punch" that conducts research "with sometimes policy-rattling results." Cook earned B.A. (history), B.S.(agriculture), and M.S. (soil science) degrees from the University of Missouri-Columbia. He is a board member of Earthday Network and the Amazon Conservation Team. He is married to Deb Callahan and lives in Washington, D.C.

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). Read more about Ken.



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing up a PhD in agricultural-environmental policy at UMD.

[« What's in this database? »](#) | [« Back to main page »](#) | [Site slow? Here's why »](#)

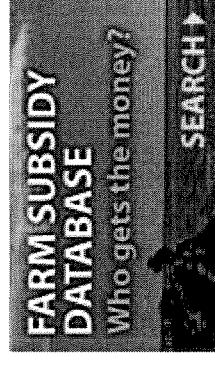
Full Disclosure: Who really benefits from federal farm subsidies

For decades, American taxpayers have provided tens of billions of dollars in federal farm subsidies to some of the largest and wealthiest farm businesses in the nation. But thousands of people who benefited from the subsidy flow were shielded from public view behind layers of partnerships, joint ventures, limited liability corporations, cooperatives, and other business structures that obscured their personal subsidy claims. Not anymore.

A new online database, developed by the Environmental Working Group (EWG) from millions of previously unpublished USDA subsidy records, provides nearly full disclosure of federal farm subsidy beneficiaries for the first time. The disclosures include individuals, sometimes numbering in the dozens, whose subsidy benefits pass through one or more plantation-scale farm businesses that produce vast quantities of subsidized cotton, rice and other crops. Many of those businesses receive millions in USDA crop subsidies each year, and according to the new USDA data, pass six-figure benefits through to many people. In many cases, these individuals have not previously had subsidy benefits attributed to them by name.

As the 2007 farm bill reauthorization enters its critical final phase, the new EWG Policy Analysis Database underscores the need for Congress to rethink the fundamental goals of farm programs and to enact new rules for determining who will benefit - and how they will benefit - from federal assistance to agriculture and rural America for the next 5 years.

Some 350,000 people who previously have not been identified as direct recipients of federal farm subsidy money by EWG have actually been the beneficiaries of almost a third of the \$34.75 billion in crop subsidies provided by American taxpayers between 2003 and 2005 alone. EWG's original online Farm Subsidy Database, based on over 140



FARM SUBSIDY RESOURCES

[Farm Subsidy Database 1995-2006](#)
(Most recent data)

[Farm Policy Analysis Database](#)
2003-2005 (Subsidy data with added "pass through" beneficiaries)

[Automatic Fixed "Direct Payments" Analysis](#)

[Data Used in This Website \(USDA backrounders\)](#)

RELATED EWG REPORTS

[Congress Poised To Cut Conservation Funds That Aided Farm Bill's Passage](#)

[The Unintended Environmental Impacts of the Renewable Fuels Standard](#)

[Biofuels and Bad Weather: America's Food-to-Fuel Gamble](#)

[Trouble Downstream: Upgrading Conservation Compliance](#)

Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

Sign-up to receive email updates about the latest farm news and farm policy updates. [Privacy policy]

enter email here

zip here

BLOGROLL

[The Westerner](#)

[Blog for Rural America](#)

[FarmPolicy.com](#)

[Fresh Talk](#)

[More Deliberate Every Day](#)

[Sustainablog](#)

[US Food Policy](#)

[John's World](#)

[Chews Wise](#)

[Ethicurean](#)

[Rudd Sound Bites](#)

[I Heart Farms](#)

[Gristmill](#)

[Whiskey Burn](#)

[Frankly Green](#)

million USDA subsidy payment records, has drawn millions of searches of farm subsidy recipients since it first went public, in November of 2001. The new data show that despite that detail, EWG and, for that matter, USDA itself, have been unable to track over one-third of all subsidies to their ultimate beneficiaries - until now.

The most striking result of the new USDA data is that virtually every one of EWG's heavily trafficked, online farm subsidy rankings has changed, and we have been able to add an entirely new ranking - for individual beneficiaries - at the national, state, congressional district, county and zipcode levels. USDA tracked crop subsidy benefits provided by taxpayers from 2003 through 2005 as they passed through over 165,000 farm businesses, and assigned a dollar value of crop subsidy benefits directly to individuals with an ownership interest in the businesses. Some 86 percent (142,423) of those farm businesses passed crop subsidy benefits through to two or more people.

The dramatically improved transparency was made possible by USDA's compliance with Section 1614 of the 2002 farm bill, which required the department to track farm subsidy benefits through myriad farm businesses to the ultimate beneficiaries - "natural persons" or "warm bodies" in USDA parlance. USDA completed its subsidy-tracking database in December of 2006 and provided it to EWG following multiple Freedom of Information Act requests filed years earlier.

The new data also affirm previous EWG research findings that have important implications for the ongoing debate over the 2007 Farm Bill reauthorization. For instance, we continue to find that farm program benefits are highly concentrated in the hands of a small minority of subsidized individuals and operations, even after multi-million-dollar payments to large cooperatives have been disaggregated and attributed to individuals. EWG finds that the top 1% of beneficiaries received 17% of the crop subsidy benefits between 2003 and 2005. Their average benefit was \$377,484 per person for the 3 program years or over \$125,000 apiece annually. As a point of reference, the average adjusted gross income within the ZIP codes of those same top recipients was \$45,853 in 2004 (the latest year for which IRS provides data from tax returns by ZIP code).

The data also confirm that subsidies are highly concentrated geographically. Specifically, only 19 congressional districts (of 435) accounted for half of federal crop subsidies paid between 2003 and 2005.

Status Quo on Subsidies Means Shortfalls for Conservation and Nutrition

In the next few months, EWG anticipates that the Policy Analysis Database will help policymakers weigh the implications of perpetuating the subsidy status quo, which would provide millions of dollars to a narrow minority of beneficiaries over the next five

FEED



Subscribe in a reader

MULCH VIA EMAIL

Subscribe

Delivered by FeedBurner

RECENT POSTS

- [Mandate More Ethanol or We'll Shoot This Dog](#)
- [EWG Dead Zone Speech and Reaction to USDA Announcement](#)
- [Today's Congressional Hearing Underscores EWG's analysis, "Facing Facts in the Chesapeake Bay"](#)
- [FP's Grunwald Dispelling the 'Renewable Myth of Biofuels'](#)
- [Gorillas in the Bay: Time to Face Facts in the Chesapeake](#)
- [Therefore, We Shouldn't Have Commodity Programs](#)
- [Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies](#)
- [Pass the Popcorn: Monsanto vs. Dupont](#)

SEARCH

Search this blog:

ARCHIVE

select month

years at the expense of other farm bill constituencies at home and to our trade partners around the world. If Congress maintains the same spending allocations provided in 2002, over the next five years hundreds of thousands of farmers applying for USDA programs to share the cost of conservation practices will be turned away for lack of funds.

Millions of Food Stamp recipients receiving an already meager \$1 per meal will see their benefits further eroded by inflation. The nation's under-funded federal school lunch program will continue to serve nutritionally inadequate meals. Farmers growing fruits, vegetables and other unsubsidized crops, and a majority of livestock producers, including organic operators, will be bypassed by the farm bill once again while their industries face environmental challenges at home and economic competition in a globalized marketplace. Proponents of rural development and scientific research will have their program funds further strained, as rural areas lose businesses and population and the country loses more of its edge in agricultural knowledge.

And during a time of robust market prices and incomes for producers of subsidized crops, taxpayers who peruse these analyses and lists of beneficiaries will surely shake their heads in wonder that this is the best multi-billion dollar investment portfolio Washington can come up with to meet the needs of agriculture, nutrition, the environment, the rural economy, and our commitments to freer, fairer trade, particularly with respect to the poorest, agriculturally-dependent nations in the world. This is a database that tracks a fundamentally broken farm subsidy system that has strayed far from its intent and purpose.

It's time for change.

Pass-Through Crop Subsidies Account for a Third of Taxpayer Support

About 28 percent (\$9.8 billion) of the \$34.75 billion in crop subsidies provided by taxpayers between 2003 and 2005 went to individuals who received all of their subsidy benefits as pass-through funds: benefits that flowed to them through partnerships, joint ventures, corporations or other business entities. Previous versions of EWG's Farm Subsidy Database attributed no subsidies directly to these 358,057 individuals for the years 2003-2005; they comprised about 23 percent of all individual beneficiaries in the 3-year period. They averaged \$27,409 apiece in total subsidy benefits over those years (\$9,136 per year).

Another 73,372 individuals collected crop subsidies directly in their name (\$2.6 billion) and additional crops subsidy benefits as pass-throughs (\$2.55 billion) from various farm businesses (16 percent of crop subsidies in total). For these people, average subsidy benefits totaled just over \$70,000 over the three years (\$23,000 per year).

All told, some \$12.35 billion in pass-through subsidies are attributed for the first time to

individuals in this analysis. That amounts to about 35 percent of crop subsidies from taxpayers over this period.

Most of the beneficiaries of USDA crop subsidies collect directly under their own names; their benefits have been disclosed on EWG's farm subsidy database for years. These 1,112,668 individuals (72 percent of individual beneficiaries) have received \$19.8 billion in subsidy payments (57 percent of crop subsidies), averaging \$17,777 apiece over the three years (\$5,900 per year).

Altogether, over a third (\$12.35 billion) of the \$34.75 billion in federal crop subsidies paid between 2003 and 2005 were passed through commercial farm businesses.

Over one-third of crop subsidies between 2003-2005 passed through farm businesses to individuals.

How Crop Subsidies Were Received	Number of Recipients or Beneficiaries	Total Crop Subsidies	Total Subsidy Per Recipient or Beneficiary
Directly paid subsidies only	1,112,668 recipients (72%)	\$19.8 B (57%)	\$17,777
Pass-through subsidies only	358,057 beneficiaries (23%)	\$9.8 B (28%)	\$27,409
Both directly paid and pass-through subsidies	73,372 recipient - beneficiaries (4.8%)	\$5.15 B (16%) (\$2.6 B directly \$2.55 B pass-through)	\$70,234
Total	1,544,097	\$34.75 billion	\$22,506

Source: EWG. Compiled from USDA's Section 1614 Benefits Tracking Database.

*A recipient was paid subsidies in his or her name directly by USDA. Pass-through subsidies flow through farm businesses to beneficiaries who were assigned benefit amounts by USDA in proportion to their ownership share of a farm business. Recipient-beneficiaries received subsidies both directly and as pass-through benefits.

Pass-Through Crop and Conservation Subsidies To Multiple Beneficiaries

This feature of the Policy Analysis Database analyzes the 187,516 farm businesses that passed crop or conservation subsidy benefits (or both) through to one or more individuals between program years 2003 and 2005.

According to USDA records, 45,027 farm businesses passed through all of their benefits

to just one individual, a total of \$1.62 billion, \$36,133 per business and per beneficiary. Our analysis shows that 26,945 farm businesses passed through benefits to five or more individuals who collected a total of \$2.4 billion out of the \$34.75 billion in crop subsidies taxpayers provided in program years 2003 through 2005. The benefits averaged almost \$90,000 per business and over \$11,000 per recipient.

This analysis also identifies 102 farm business that passed through crop subsidies to 50 or more individuals. For the most part, these are Indian tribes, Hutterite colonies, and other entities that passed through modest amounts of subsidy benefits to a large number of individuals.

Pass-Through Crop or Conservation Subsidies To Individuals from Multiple Businesses

This [feature](#) of the Policy Analysis Database analyzes subsidy data on the 50,127 individuals to whom USDA attributed benefits from two or more farm businesses for either crop or conservation programs, or both. These individuals collectively were attributed \$3.5 billion in pass-through subsidies by USDA, nearly \$70,000 per individual beneficiary.

For example, 625 individuals were attributed a total of \$115,864,338 dollars in crop subsidy benefits from USDA from 5 or more farm businesses between program years 2003 and 2005. This group averaged about \$185,000 apiece in attributed benefits. Four individuals were attributed benefits by USDA from 13 or more farm businesses. They averaged over \$500,000 per beneficiary over this period.

Posted by Ken Cook on June 12, 2007 11:47 AM | [Permalink](#)

TRACKBACK

TrackBack URL for this entry:
<http://www.mulchblog.com/cgi-bin/mt/mt-tb.cgi/129>

COMMENTS

Thankfully, something coming out of Washington is good news.

This aspect of income for farmers, should have been studied more carefully, by those who approved this legislation, prior to this date.

Our farmers deserve fair prices for their production, and helped when there is a

Comments on agriculture, farm policy, and food safety



ABOUT KEN



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its [Farm Subsidy](#)

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about the authors.](#)

FARM BILL & DATABASE INFORMATION

[Farm Subsidies: Top 20 Individual Beneficiaries 2003-2005](#)

[Your Farm Subsidy Dollars At Work](#)

[Site Slow? Here's Why](#)

[Full Disclosure: Who really benefits from federal farm subsidies](#)

[National Summary](#)

STAY CONNECTED

[« Farm Bill: White House MIA In Veto Push](#) | [« Back to main page](#) | [White House, USDA Now Whipping "No" On Farm Bill "But Where's Blunt?" »](#)

Farm Bill Blocks Court-Ordered Release Of Subsidy Program Data Under FOIA

A provision secretly tucked into the [Farm Bill Conference Report](#) (Sec. 1619, "Information Gathering") nullifies a recent, major federal appeals court decision under the Freedom of Information Act that ordered USDA to make public large amounts of data crucial to monitoring the economic and environmental impacts of multi-billion-dollar farm subsidy and conservation programs.

Get our monthly eNewsletter, farm policy updates, & the latest farm news.

[\[Privacy policy\]](#)

enter email here

zip here

SEARCH THE DATABASE

Search by city

Pick a state

Search by zip code

Search by beneficiaries's name

(last)

(first)

Search by business name

FARM BILL 2007 ANALYSIS

[Commodity Crop Payment Distribution](#)

[Farm Businesses by Number of Pass-Through Beneficiaries](#)

[Beneficiaries Receiving Pass-Through Subsidies From Multiple Farm Businesses](#)

[Crop Subsidies by Congressional District](#)

[Concentration of Crop Subsidies](#)

[Data Used in This Website \(USDA backgrounders\)](#)

[EWG's Farm Subsidy Database](#)

MULCH VIA EMAIL

Enter your Email

United States Court of Appeals FOR THE DISTRICT OF COLUMBIA CIRCUIT

Argued September 24, 2007

Decided February 15, 2008

No. 06-5231

MULTI AG MEDIA LLC,
APPELLANT

v.

DEPARTMENT OF AGRICULTURE,
APPELLEE

Appeal from the United States District Court
for the District of Columbia
(No. 05cv01908)

James D. Miller argued the cause for appellant. With him on the briefs was *Lance V. Oliver*.

Alan Burch, Assistant U.S. Attorney, argued the cause for appellee. On the briefs were *Jeffrey A. Taylor*, U.S. Attorney, and *R. Craig Lawrence* and *Megan L. Rose*, Assistant U.S. Attorneys.

Before: SENTELLE, Chief Judge, and TATEL and GRIFFITH, Circuit Judges.

Opinion for the Court filed by Circuit Judge GRIFFITH.

Language to undo the effects of the FOIA decision *was not part* of the bills passed by either the House or the Senate. It was inserted without public hearings or debate during the Conference Committee process.

UPDATE: *Pelosi's "New Direction"* vowed to "Protect the public's right to know, strengthening the Freedom of Information Act." (Look under *Restore Accountability To Washington.*)

In February, the U.S. Court of Appeals, DC Circuit, overturning a district court ruling under the Federal Freedom of Information Act, ordered the release of USDA data files in which "the public has a particular and significant interest" because "USDA uses this information in the administration of its subsidy and benefit programs and there is a special need for public scrutiny of agency action that distributes extensive amounts of public funds in the form of subsidies and other financial benefits." (*Multi Ag Media, LLC v. Department of Agriculture*)

Regarding one set of information, the court found that USDA's so-called Compliance File

Subscribe me!

Preview | Powered by [FeedBlitz](#)

"contains crop data that agricultural producers report to FSA [Farm Service Agency] to establish eligibility for the government's subsidy and benefit programs. . .USDA withheld information on irrigation practices, farm acreage, and the number and width of rows of tobacco and cotton."

The other set of data ordered for release was a geographic information system (GIS) database that helps USDA's subsidy and compliance arm, the Farm Service Agency, "verify farm features and thereby monitor compliance with regulations governing farm benefits. . .USDA released much of the GIS database. . .but **withheld information on farm, tract and boundary identification, calculated acreage, and characteristics of the land such as whether it is erodible, barren, or has water or perennial snow cover.**"

As the court stated:

"In sum, given USDA's rather tepid showing that release of the files would allow the public to draw inferences about some farmers' financial circumstances, the interest in data that would allow the public to more easily monitor USDA's administration of its subsidy and benefit programs, and FOIA's presumption in favor of disclosure, we conclude that the public interest in disclosure of the Compliance File and GIS database outweighs the personal privacy interest. Accordingly, release of these files would not 'constitute a clearly unwarranted invasion of personal privacy'. . .

. . .We reverse the district court's grant of summary judgment with respect to the Compliance File and the GIS database and remand the case to the district court for further proceedings consistent with this opinion."

The government did not appeal the ruling and the files were released, we presume, to Multi Ag Media, a subscription-based commercial publishing and marketing company that caters to firms doing business primarily with livestock farmers.

The key provision of **Section 1619(b)(2)** reads as follows:

2) PROHIBITION.—Except as provided in paragraphs (3) and (4), **the Secretary, any officer or employee of the Department of Agriculture, or any contractor or cooperator of the Department, shall not disclose—**

(A) information provided by an agricultural producer or owner of agricultural land concerning the agricultural operation, farming or conservation practices, or the land itself, in order to participate in programs of the Department; or [the Compliance File]

(B) geospatial information otherwise maintained by the Secretary about agricultural land or operations for which information described in subparagraph (A) is provided.[the GIS database file]

Complete Sec. 1619 in the jump.

[Download the Appeals Court Decision.](#)

From the [Farm Bill Conference Report](#).

SEC. 1619. INFORMATION GATHERING. (a) GEOSPATIAL SYSTEMS.—The Secretary shall ensure that all the geospatial data of the agencies of the Department of Agriculture are portable and standardized. (b) LIMITATION ON DISCLOSURES.— (1) DEFINITION OF AGRICULTURAL OPERATION.—In this subsection, the term “agricultural operation” includes the production and marketing of agricultural commodities and livestock. (2) PROHIBITION.—Except as provided in paragraphs (3) and (4), the Secretary, any officer or employee of the Department of Agriculture, or any contractor or cooperator of the Department, shall not disclose— (A) information provided by an agricultural producer or owner of agricultural land concerning the agricultural operation, farming or conservation practices, or the land itself, in order to participate in programs of the Department; or (B) geospatial information otherwise maintained by the Secretary about agricultural land or operations for which information described in subparagraph (A) is provided. (3) AUTHORIZED DISCLOSURES.— (A) LIMITED RELEASE OF INFORMATION.—If the Secretary determines that the information described in paragraph (2) will not be subsequently disclosed except in accordance with paragraph (4), the Secretary may release or disclose the information to a person or Federal, State, local, or tribal agency working in cooperation with the Secretary in any Department program— (i) when providing technical or financial assistance with respect to the agricultural operation, agricultural land, or farming or conservation practices; or (ii) when responding to a disease or pest threat to agricultural operations, if the Secretary determines that a threat to agricultural operations exists and the disclosure of information to a person or cooperating government entity is necessary to assist the Secretary in responding to the disease or pest threat as authorized by law. (4) EXCEPTIONS.—Nothing in this subsection affects— (A) the disclosure of payment information (including payment information and the names and addresses of recipients of payments) under any Department program that is otherwise authorized by law; (B) the disclosure of information described in paragraph (2) if the information has been transformed into a statistical or aggregate form without naming any— (i) individual owner, operator, or producer; or (ii) specific data gathering site; or (C) the disclosure of information described in paragraph (2) pursuant to the consent of the agricultural producer or owner of agricultural land. (5) CONDITION OF OTHER PROGRAMS.—The participation of the agricultural producer or owner of agricultural land in, or receipt of any benefit under, any program administered by the Secretary may not be conditioned on the consent of the agricultural producer or owner of agricultural land under paragraph (4)(C). (6) WAIVER OF PRIVILEGE OR PROTECTION.—The

disclosure of information under paragraph (2) shall not constitute a waiver of any applicable privilege or protection under Federal law, including trade secret protection.

Posted by Cook on May 13, 2008 1:48 PM | [Permalink](#)

COMMENTS

So I understand this, are you saying that they tried to pass the Farm Bill with the provision that the data would be kept private, but it was overturned and the information is, required by law to be released to the public under the FOIA?

Want to make sure I understand...

This is an AWESOME site! Thanks for all of your hard work!

I will be writing an article on this... Been watching C-Span and can't believe what they're trying to get away with!

REPLY: No, Concerned Citizen, it's just the opposite, unfortunately.

The federal court of appeals (DC Circuit) ordered the data to be released back in February and the government did not appeal that ruling. Farm bill conferees then "air-dropped" a provision that was not in either the House or Senate versions into the conference bill that nullifies that court decision by prohibiting those data from being released.

So the public will not be able to get access to the information once the farm bill becomes law.--COOK

Posted by: Concerned Citizen | May 21, 2008 6:08 PM

POST A COMMENT

(If you haven't left a comment here before, you may need to be approved by the site owner before your comment will appear. Until then, it won't appear on the entry. Thanks for waiting.)

Name:

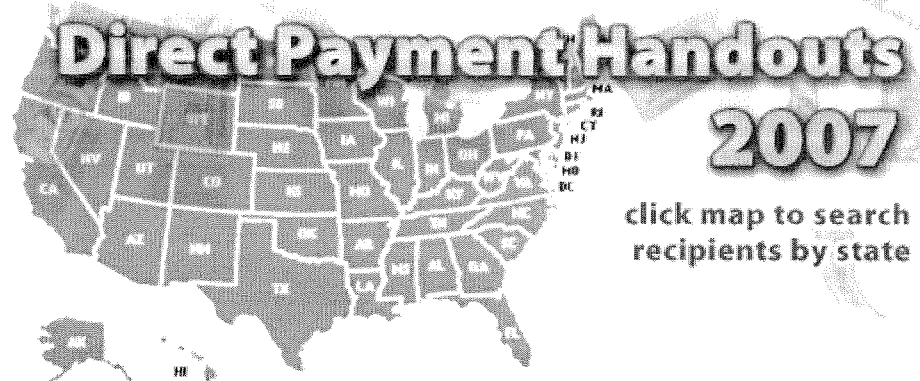
Email Address:

URL:

☐ Remember personal info?

Comments:

Comments on agriculture, farm policy, and food safety



ABOUT KEN



Ken Cook is president of *Environmental Working Group*, a public interest research and advocacy organization known for its *Farm Subsidy*

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about the authors.](#)

FARM BILL & DATABASE INFORMATION

[Farm Subsidies: Top 20 Individual Beneficiaries 2003-2005](#)

[Your Farm Subsidy Dollars At Work](#)

[Site Slow? Here's Why](#)

[Full Disclosure: Who really benefits from federal farm subsidies](#)

[National Summary](#)

STAY CONNECTED

« [Farm Bill Blocks Court-Ordered Release Of](#)

[Subsidy Program Data Under FOIA](#) | [« Back to main page](#) | [Farm Bill: Vote Nay »](#)

White House, USDA Now Whipping "No" On Farm Bill "But Where's Blunt?"

Republican sources tell me the White House is now pushing the GOP conference to vote against the farm bill tomorrow to signal Bush's veto will be sustained.

Now that it is finally engaged, the White House is picking up support among fiscal conservatives and bolstering opposition to the bill from House Minority Leader Boehner and Chief Deputy Whip Eric Cantor.

But fiscal conservatives aligned with the White House are concluding that it's now *House Minority Whip Roy Blunt of Missouri who is missing in action.*

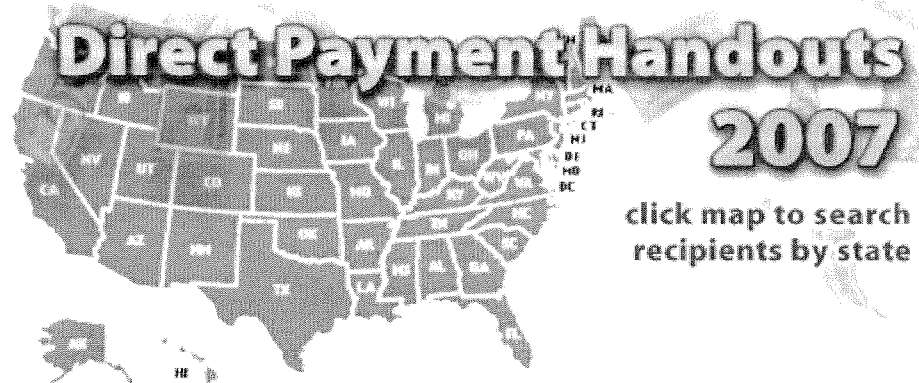
As today's White House statement and administration sources make clear, Bush strongly prefers a new bill, not a straight extension of current law, but is firmly insisting on more subsidy reform. A veto is seen as opening a final, post-veto round of negotiation, on a new bill, not a simple extension that is seen as DOA in the House.

Top administration sources tell me that If the veto is sustained, the Bush team **will not challenge the food assistance or conservation provisions in any ensuing negotiations.** Their focus is on Title I reform and commodity-related costs like the new \$3.8 billion permanent disaster aid program.

That opens the door to the subsidy lobby's worst nightmare: isolation of their plush Title I and disaster aid provisions as the obstacle to a new farm bill should Bush and Pelosi find farm bill common ground.

Posted by Cook on May 13, 2008 6:29 PM | [Permalink](#)

Comments on agriculture, farm policy, and food safety



ABOUT KEN



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about the authors.](#)

FARM BILL & DATABASE INFORMATION

[Farm Subsidies: Top 20 Individual Beneficiaries 2003-2005](#)

[Your Farm Subsidy Dollars At Work](#)

[Site Slow? Here's Why](#)

[Full Disclosure: Who really benefits from federal farm subsidies](#)

[National Summary](#)

[STAY CONNECTED](#)

[« White House, USDA Now Whipping "No" On Farm Bill](#)

["But Where's Blunt?"](#) | [« Back to main page](#) | [Farm Bill: EWG Statement On House Passage](#) »

Farm Bill: Vote Nay

Because enough nay votes today will give President Bush the margin he needs to sustain a veto and pursue one last effort to press for reform of the scandalously broken crop subsidy system and curb abuses by the mega-farms that dominate it.

The only thing more shameful than the income "caps" in the Conference Bill is their embrace by Democrats as "reform."

What Bush's veto, in turn, *will not* mean, is a simple extension of the 2002 bill and it won't mean we exhume the 1949 law. Neither one is a viable option for the administration or congress. They need a new bill, and a post-veto version will be better.

And a veto also won't mean the loss of the nutrition and conservation funding and reforms everyone's so excited about--everyone but us. We think on both areas--and on organic, fruit and vegetable programs, dealing with hunger abroad--this farm bill doesn't even measure up to being called pathetic, and we'll be writing about that a lot in the days to come.

So again, we urge a nay vote today.

UPDATE: The House approved the farm bill with an apparently veto-proof margin, 318-106.

Posted by Cook on May 14, 2008 9:24 AM | [Permalink](#)

COMMENTS

Comments on agriculture, farm policy, and food safety



ABOUT KEN



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about the authors.](#)

FARM BILL & DATABASE INFORMATION

[Farm Subsidies: Top 20 Individual Beneficiaries 2003-2005](#)

[Your Farm Subsidy Dollars At Work](#)

[Site Slow? Here's Why](#)

[Full Disclosure: Who really benefits from federal farm subsidies](#)

[National Summary](#)

STAY CONNECTED

[« Farm Bill: Vote Nay](#) | [« Back to main page](#) | [Farm Bill: Doh! Does Anyone See Title III?](#) »

Farm Bill: EWG Statement On House Passage

EWG President Ken Cook
Statement On House Passage of 2008 Farm Bill
14 May 2008

Anyone who might have wondered if this Congress would bring a "new direction" to farm policy had their final answer in today's vote in the House of Representatives.

Democrats are supposed to stand on principles of fairness and equity, not sell them. And today they sold them on the cheap.

If the House had displayed even a modicum of political courage and taken on the subsidy lobby, this farm bill could have gone far beyond the miserly spending increases it provides for nutrition assistance to the poor at home and abroad, conservation, farmers markets, organic food, minority farmers and other important priorities that have long been neglected or under-funded. And there would have been money left over to give taxpayers a break.

Apparently the Democratic caucus thought they were log rolling when the subsidy lobby tossed them some twigs.

In a period when crop prices and farm incomes are soaring to record levels, the continuation of bloated subsidies to the largest, most prosperous farms in the country can only be seen as a breathtaking cop-out on the part of congressional leaders.

Environmental Working Group will be highlighting the good and the bad in this legislation in the days ahead, but we already know how the balance will tip relative to the opportunity for reform in this farm bill cycle: on balance the special interests won,

Get our monthly eNewsletter, farm policy updates, & the latest farm news.

[\[Privacy policy\]](#)

enter email here zip here

sign me up

SEARCH THE DATABASE

Search by city

Pick a state

See Beneficiaries

Search by zip code

See Beneficiaries

Search by beneficiaries's name

(last)

(first)

Search Beneficiaries

Search by business name

Search Businesses

FARM BILL 2007 ANALYSIS

[Commodity Crop Payment Distribution](#)

[Farm Businesses by Number of Pass-Through Beneficiaries](#)

[Beneficiaries Receiving Pass-Through Subsidies From Multiple Farm Businesses](#)

[Crop Subsidies by Congressional District](#)

[Concentration of Crop Subsidies](#)

[Data Used in This Website \(USDA backgrounders\)](#)

[EWG's Farm Subsidy Database](#)

MULCH VIA EMAIL

Enter your Email

and the public interest lost.

Posted by Cook on May 14, 2008 6:37 PM | [Permalink](#)

COMMENTS

Question. How will the payment limit of \$40,000 be applied when a farmer opp for the Average Crop Revenue Election (ACRE) program?

Ex. Direct payment due agrobusiness farmer \$40,000 uses the ACRE program he will get only \$28,000 30% of \$40,000 but if a agrobusiness farmer is due \$60,000 will he get \$40,000 direct payment limit or will get \$20,000 the direct payment less the 30% of the \$60,000. If the agrobusiness get the full \$40,000 then it is loop hole for the big farmer to get \$20,000 above the payment cap \$40,000 for husband and wife.

Posted by: Anonymous | May 16, 2008 8:17 AM

Hi there. I just found your blog and I think it is very interesting. I write on similar topics, but usually from a US farmer's point of view. I agree that not all farmers should be receiving subsidies, but they are important when catastrophic events happen or countries go to war. I think the 2008 farm bill has done a good job of reducing the amount of farmers that qualify for subsidies. It is not a complete solution, but it is a step in the right direction.

Alex Tiller

<http://blog.alextiler.com>

Posted by: Alex Tiller | May 19, 2008 5:32 PM

POST A COMMENT

(If you haven't left a comment here before, you may need to be approved by the site owner before your comment will appear. Until then, it won't appear on the entry. Thanks for waiting.)

Name:

Email Address:

URL:

☐ Remember personal info?

Comments:

ABOUT THE AUTHORS



Ken Cook is president of [Environmental Working Group](#), a public interest research and advocacy organization known for its [Farm Subsidy](#)

[Database](#). The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about Ken.](#)



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society

and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing

up a PhD in agricultural-environmental policy at UMD.



Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of

South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

MARCH 4, 2009

30 million children, 90,000 farmers

USDA Secretary Vilsack has been making the case for the administration's position on reforming farm subsidy payments. It comes down to [payments to wealthy farm operations or increasing funding for child nutrition.](#)

U.S. lawmakers will need to choose between supporting rich farmers or feeding more hungry children amid a slumping economy and a surging deficit, U.S. Agriculture Secretary Tom Vilsack said on Monday.

It is important to note that this same argument was made by Senator Lugar (R-Ind) during the last farm bill debate. Below is a partial transcript from an episode of [Dan Rather Reports](#) that captured his efforts.

AS THATCHER WORKED THE ROOM, SENATOR LUGAR A REPUBLICAN FROM INDIANA ATTEMPTED TO CUT BACK THE DIRECT PAYMENTS AND USE THE MONEY TO FUND FOOD STAMP PROGRAMS INSTEAD. " THIS SELECTIVE SUBSIDY PROGRAM WHICH GOES ONLY TO CERTAIN FARMERS WHO GROW CERTAIN CROPS WAS NEVER MEANT TO BE PERMANENT AND I WILL SAY IT'S A LIKELY PLACE FOR AN OFFSET." HERE'S HOW HIS COLLEAGUES RESPONDED. MR. COLEMAN NO. MR. COLEMAN NO. MR. GRAPO? MR. GRAPO NO. MR. THUNE, MR. THUNE NO. MR. BACCUS, MR. BACCUS NO. THE FINAL VOTE 17-4.

Go [here](#) for the full transcript.

Posted by Don Carr at 2:28 PM | [Permalink](#) | [Comments \(1\)](#) | [TrackBacks \(0\)](#)

Filed under [Direct](#)

FEBRUARY 25, 2009

President Obama: "We will end direct payments to large agribusinesses that don't need them."

[Chuck Abbott from Reuters](#) writing about President Obama's speech last night as it pertains to farm programs.

President Barack Obama, in his first speech to Congress, called on

Get our monthly eNewsletter, farm policy updates, & the latest farm news.

[\[Privacy policy\]](#)

enter email here

zip here

sign me up

BLOGROLL

[The Westerner](#)

[Blog for Rural America](#)

[FarmPolicy.com](#)

[Fresh Talk](#)

[More Deliberate Every Day](#)

[Sustainablog](#)

[US Food Policy](#)

[John's World](#)

[Chews Wise](#)

[Ethicurean](#)

[Rudd Sound Bites](#)

[I Heart Farms](#)

[Gristmill](#)

[Whiskey Burn](#)

[Frankly Green](#)

Tuesday for an end to "direct payments to large agribusinesses that don't need them," an apparent attack on subsidies costing \$5.2 billion a year.

The proposal echoed a leading point from his presidential campaign, although the idea was not certain of success. President George W. Bush, for example, fruitlessly backed a \$250,000 annual cap on payments per farmer.

While running for president, Obama said in campaign documents that farm subsidies should go to farmers who need them and "not millionaire farmers who rely on American taxpayers to protect their multimillion dollar profits."

In remarks prepared for Congress, Obama said the White House has identified \$2 trillion in wasteful and ineffective spending, including unneeded direct payments to large farms.

"In this budget, we will ... end direct payments to large agribusinesses that don't need them," he said. He did not say how much money would be saved by the step or how it would be structured.

Two farm-group spokesmen said the president apparently meant a farm subsidy known as direct payments that was created in 2002 and is made regardless of crop prices or farm profits.

But they noted "direct payments" also is a term meaning all types of federal support made in cash.

WG has released an analysis of "Direct Payments" that you can find [here](#).

Posted by Don Carr at 10:24 AM | [Permalink](#) | [Comments \(6\)](#) | [TrackBacks \(0\)](#)

Filed under [agribusiness](#), [direct payments](#), [farm subsid](#)

FEBRUARY 24, 2009

EWG President on USDA Deputy Secretary

Statement of Ken Cook

President, Environmental Working Group

"President Obama and Agriculture Secretary Vilsack have done the public a great service by nominating Kathleen Merrigan for deputy secretary of agriculture.

"It is a strong signal that under the Obama administration, USDA will not be doing agribusiness as usual.

"In a policy realm dominated by the endless clamor of the subsidy lobby, Kathleen has distinguished herself by hearing and responding to the concerns of those who too often have been ignored by agriculture's officialdom: small farmers, advocates for sustainable agriculture, the organic food community, conservationists, and the economically

disadvantaged.

"Kathleen has had a distinguished career in agriculture policy, not least of which was her prodigious work for Senator Patrick Leahy to create a national standard for organic food as part of the 1990 farm bill and over the objections of much of the agriculture establishment. She is diligent, creative, forward looking, and deeply committed to public service.

"EWG wishes Kathleen all the best in this new role and looks forward to working with her at USDA."

Posted by Don Carr at 2:19 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)

Filed under [Kathleen Merrigan, USDA](#)

FEBRUARY 13, 2009

■ The Daily Show with Jon Stewart on Corn Ethanol

If you are unable to watch the embedded video, [go here](#).



Posted by Don Carr at 12:33 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)

Filed under [biofuels](#), [Daily Show](#), [ethanol](#)

■ Is the U.S. Ready For Sane Ethanol Policy?

That's the sub headline for Tom Philpott's recent article on Grist, [Don't Suffer Biofuels Gladly](#). Tom covered the recent release of a [comprehensive biofuels platform](#) developed by a coalition of environmental groups, including EWG.

Whether or not you agree with their analysis, it's hard to see how any sane person could object to their policy proposals, which I've

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its *Farm Subsidy*

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about Ken.](#)



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing up a PhD in agricultural-environmental policy at UMD.

JULY 22, 2009

Agriculture Has a Lot to Lose With Climate Change

According to a UC Davis report out today and reported on by the LA Times California's fruit and nut crops will see significant adverse changes in growing patterns.

Only 4% of the Central Valley is now suitable for apples, cherries and pears, all high-chill fruits that could once be grown in half the valley, according to the study. By the end of the century, it says, "areas where safe winter chill exists for growing walnuts, pistachios, peaches, apricots, plums and cherries are likely to almost completely disappear."

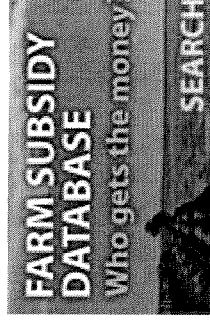
Winter chill hours could decrease 60% from 1950 levels by mid-century and by as much as 80% by the end of the century, according to the study.

"Climate change is not just about sea-level rise and polar bears," said UC Davis researcher Eike Luedeling, lead author of the study. "It is about our food security. Climate change may make conditions less favorable to grow the crops we need to feed ourselves."

The study comes amid a spate of reports predicting a decline in agriculture in California -- which produces half of the nation's domestic fruits, nuts and vegetables -- as climate change affects water supplies and growing seasons.

[Read it all here.](#)

Posted by Don Carr at 11:13 AM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [california](#)



FARM SUBSIDY RESOURCE

[Farm Subsidy Database 1995-2001](#)
(Most recent data)

[Farm Policy Analysis Database 2003-2005](#) (Subsidy data with added "pass through" beneficiary

[Automatic Fixed "Direct Payment Analysis](#)

[Data Used in This Website \(USDA backrounders\)](#)

RELATED EWG REPORTS

[Congress Poised To Cut Conservation Funds That Aided Farm Bill's Passage](#)

[The Unintended Environmental Impacts of the Renewable Fuels Standard](#)

[Biofuels and Bad Weather: America's Food-to-Fuel Gamble](#)

[Trouble Downstream: Upgrading Conservation Compliance](#)

Posted by Don Carr at 11:15 AM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [corn](#), [ethanol](#)

AUGUST 31, 2009

If Commodity Crop Subsidies Are So Vital, Why Complain When Identified as Beneficiaries?

The Agriculture Lobby, representing the biggest recipients of federal crop subsidies, often claim that their clients are entitled to the subsidy payments. They assert that without the government checks, or with limits on the payments, American farms and farmers would collapse, rural communities would disappear, and people might starve.

So it seems incongruous at best that they would complain that farmers are somehow being "demonized" when they are identified as beneficiaries of those worthy payments.

Posted by Don Carr at 12:08 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [farm bill](#), [farm subsidy](#)

[<<](#) [Previous](#)

#

Posted by Don Carr at 3:05 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [conservation](#)

SEPTEMBER 1, 2009

Re-Heated Corn Dogs

On the heels of [last week's piece in Foreign Policy](#) on the "Corn Dogs," David Rothkopf gives an [update](#) on the ethanol industry's push back on his assertions.

As interesting to me was that the Renewable Fuels Association, which is not like many things in Washington what its name suggests and does not support all renewable fuels just those produced by its members, saw fit to issue a press release going after me and Andrew Sullivan who graciously picked up some of what I had written on our corn dog friends. They accused me of being an international consultant (true) who has worked closely with Brazil (also true). It helps to work with different parts of the world to actually know what's going on in them. In fact they characterized me as a Brazil nut. This hurt. Because I actually am not a big fan of Brazil nuts.

and

So let's toss the ball right back at them. Please find a credible expert who believes that corn is the best possible feedstock from which to make ethanol or that corn is actually a more efficient source of energy than other feedstocks like sugarcane or likely next generation feedstocks. Once you've done that we can move on to the idea that subsidizing an industry with an unsustainable model is in the U.S. national interest or that having U.S. consumer pay more for fuel in the current economic environment is a good idea or that protectionism is really the answer. Or better yet, perhaps we can move the discussion on to why the U.S. continues to lavish subsidies on the ag business that distort world trade and, very often, primarily offer a payday to corporate farms and well-to-do larger farmers.

Read it all [here](#).

SEPTEMBER 8, 2009

EWG Report: Facing Facts in the Chesapeake Bay

For Immediate Release:

Time to Face Facts

Frayed Regulatory Framework and Failed Voluntary Conservation Approach Handicaps Chesapeake Bay Recovery

WASHINGTON, September 8 -Despite a quarter of a century of effort by farmers, citizens, environmentalists, and government officials to address pollution in the streams, rivers and waterways of the Chesapeake Bay region, agricultural fertilizers, animal manure and soil erosion remain the watershed's single largest source of pollution. Without an ambitious effort to fairly but effectively regulate pollution coming from farm fields throughout the watershed, there is simply no chance that the Chesapeake Bay watershed will recover.

An Environmental Working Group (EWG) report released today, *Facing Facts in the Chesapeake Bay*, details how a frayed regulatory framework and dependence on voluntary action has done little to mitigate the damage from agricultural activities in the six states in the Chesapeake Bay watershed.

Facing Facts is in advance of the Obama administration's release of Executive Order Reports from seven federal agencies proposing updates to their existing regulatory authorities and to target existing cost-share funds to accelerate restoration of the waterways in the watershed. These reports will identify ways to expand existing federal regulatory authority over agricultural pollution.

EWG examined the reach of existing federal and state regulatory programs aimed at water pollution from agriculture in the Bay States. Taken as a whole, it is a regulatory framework shaped by political expediencies and more notable for its gaps than its coverage.

- Just one state has regulations addressing soil erosion and sediment pollution on all of the cropland within the state.
- Just 35 percent of the livestock animals (dairy, beef, swine) in the 5 Bay states with permitting programs are under clean water permits while nearly 80 percent of the poultry animals (broiler meat chickens and egg laying hens) are permitted or about to be permitted.
- Just two states have regulations addressing manure application on land by farms generating the manure and by farms using the manure.
- Just two states have regulations addressing the use of agricultural chemical fertilizers.

"Voluntary programs that pay farmers to implement the minimum conservation practices have only gotten us to the half way point of what is needed to reduce the unintended farm pollution," said Michelle Perez, senior EWG agriculture analyst and the report's principal author. "EWG has and will continue to work hard to increase funding for voluntary programs and to target those funds more effectively" said Perez, "but it is time to face the fact that voluntary programs alone won't save the Bay."

Facing Facts reminds us that that as early as 1985 and then again in 1999, the Chesapeake Bay Commission and the EPA, respectively questioned whether a voluntary approach was sufficient to achieving the agricultural practices necessary to improve water quality.

Though Facing Facts shines a bright but sobering light on the inadequacy of the existing voluntary and regulatory approaches to restoring the health of the water in the Chesapeake watershed, there are reasons to be optimistic about the future. The Obama administration's Executive Order reports should set the stage for an uptick in action and attention to the pollution problem. Additionally, Senator Ben Cardin (D-Maryland) is leading the way to reauthorize the EPA Chesapeake Bay Program in the Clean Water Act to give the Environmental Protection Agency (EPA) the regulatory power to compel states to submit clean -up plans and punitive powers if states fail to act.

"The next crucial step after the Obama administration's report and Senator Cardin's bill is for the General Assemblies in the six Bay states to craft legislation requiring the agricultural pollution reductions over which the federal government does not have jurisdiction," said Perez.

Go [here](#) for the full report.

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about Ken.](#)



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing up a PhD in agricultural-environmental policy at UMD.

SEPTEMBER 17, 2009

Gorillas in the Bay: Time to Face Facts in the Chesapeake

By *Michelle Perez*, EWG Senior Analyst

Press coverage last week of the latest federal proposals to clean up the Chesapeake Bay was good. But, an important piece of the puzzle was missing from the discussion.

Yes, it's fantastic that [President Obama has asked five federal agencies to propose ways they can do their jobs better to restore water quality in the six-state, 64,000 square-mile Bay watershed](#). And yes, [Senator Ben Cardin's \(D-Maryland\) draft legislation](#) is crucial to give EPA unprecedented power to compel the states to clean up the Bay and punitive authority if they fail to act.

Anyone have power to manage agricultural runoff?

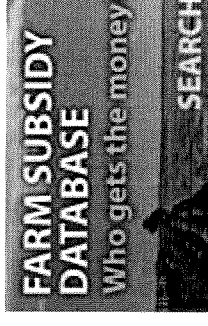
However, these reports and legislation and the resulting press coverage ignores the 800-pound gorilla in the room:

Unintended albeit harmful runoff from agricultural farm fields.

The federal government's reach over **farm pollution - which is the single largest source of the nutrient and sediment pollution harming the Bay** - is limited to regulating only the largest animal production farms. This leaves the majority of animal farms and the majority of animal waste unregulated by the federal government.

What's worse, there's a **huge loophole** in the federal animal farm regulation: the feds have no authority over the manure that gets transferred off the regulated farm and onto an unregulated farm where the manure is applied to land as a fertilizer substitute.

The current system isn't working



FARM SUBSIDY RESOURCE

[Farm Subsidy Database 1995-2006](#) (Most recent data)

[Farm Policy Analysis Database 2003-2005](#) (Subsidy data with added "pass through" beneficiary

[Automatic Fixed "Direct Payment Analysis](#)

[Data Used in This Website \(USDA backrounders\)](#)

RELATED EWG REPORTS

[Congress Poised To Cut Conservation Funds That Aided Farm Bill's Passage](#)

[The Unintended Environmental Impacts of the Renewable Fuels Standard](#)

[Biofuels and Bad Weather: America's Food-to-Fuel Gamble](#)

[Trouble Downstream: Upgrading Conservation Compliance](#)

Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

Sign-up to receive email updates about the latest farm news and farm policy updates. [\[Privacy policy\]](#)

enter email here zip here

BLOGROLL

- [The Westerner](#)
- [Blog for Rural America](#)
- [FarmPolicy.com](#)
- [Fresh Talk](#)
- [More Deliberate Every Day](#)
- [Sustainablog](#)
- [US Food Policy](#)
- [John's World](#)
- [Chews Wise](#)
- [Ethicurean](#)
- [Rudd Sound Bites](#)
- [I Heart Farms](#)
- [Gristmill](#)
- [Whiskey Burn](#)
- [Frankly Green](#)

EWG released a report last week - [Facing Facts in the Chesapeake Bay](#) - that points out the real gorilla in our midst:

The inability of the six Bay states (Maryland, Virginia, Pennsylvania, Delaware, West Virginia, and New York) to cope with the agricultural pollution that the federal government has no jurisdiction over.

Furthermore, EWG's analysis explains why and gives examples of how the **voluntary approach** that pays farmers to install best management practices that are good for the farm and good for the environment has **failed to clean up the unintended pollution**.

Here's one way to reduce the farm pollution

Finally, EWG points out that the only way these state governments can show EPA they are truly able to achieve their portion of the upcoming Bay clean-up goals is if they develop a fair and sensible regulatory framework to reduce agricultural pollution.

[Read more](#) about what a fair and sensible regulatory framework could look like and find out what agricultural pollution regulations do exist are in Maryland, Virginia, Pennsylvania, Delaware, West Virginia, and New York.

Posted by Don Carr at 4:58 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [conservation](#)

SEPTEMBER 16, 2009

Therefore, We Shouldn't Have Commodity Programs

Special to Mulch from Ames, IA EWG analyst Andrew Hug.

In the September issue of the American Farm Bureau's Ag Agenda, AFB president Bob Stallman [penned a post](#) entitled, "A Climate Bill That Won't Change the Climate"

The missive is part of the Farm Bureau's efforts to oppose a climate bill at all costs, though paradoxically they are adamantly for the offsets proposed in the bill.

Participating in an offset program will depend to a great degree on where the producer is located, what he or she grows and if his or her business can take advantage of the program. Not every dairy farmer can afford to capture methane. Not every farmer lives in a region where wind turbines are an option. Not every farmer can take advantage of no-till. And not every farmer has the land to set aside to plant trees."

FEED



[Subscribe in a reader](#)

MULCH VIA EMAIL

Delivered by [FeedBurner](#)

RECENT POSTS

- [Therefore, We Shouldn't Have Commodity Programs](#)
- [Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies](#)
- [Pass the Popcorn: Monsanto vs. Dupont](#)
- [EWG Report: Facing Facts in the Chesapeake Bay](#)
- [Re-Heated Corn Dogs](#)
- [If Commodity Crop Subsidies Are So Vital, Why Complain When Identified as Beneficiaries?](#)
- [In Minnesota, Farmers Break Law by Planting to the Water's Edge](#)
- [Dead Zones Kill Fish and Common Sense](#)

SEARCH

Search this blog:

ARCHIVE

select month

Therefore, we shouldn't have a climate change bill.

However, if you think about it, participating in a commodity program will depend to a great degree on where the producer is located, what crops his or her soil and climate enables them to grow, and if his or her business decisions about crop rotations allow them to take advantage of the program.

Not every farmer can afford GPS corn planters. Not every farmer lives in a region where cotton or rice are an option. Not every farmer can take advantage of soybeans. And not every farmer has enough land to sustain a family by raising wheat.

Therefore we shouldn't have commodity programs.

Posted by Don Carr at 1:10 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [farm subsidy](#)

SEPTEMBER 14, 2009

Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies

On Friday Vanessa Carmichael posted on the Huffington Post a piece entitled [The Payoff Patriots](#).

The CBO estimates the House's health care bill, H.R. 3200, would cost approximately \$239 Billion over 10 years, so it seems remarkable that our country's rural constituency and their government representatives are raising so much hullabaloo over the cost of public option health care when they accepted \$177 billion in farm subsidies in ten years. Again more than half of that money went to the benefit of just eight states. Meanwhile national health care is an expenditure that would benefit all states. The central issue of the conflict over health care becomes a matter of priorities when one considers the difference between the farm subsidies budget and the estimated national health care budget is \$70 billion over ten years -- that's \$7 billion a year, substantially less than what California spends annually on its prisons.

Local growers, small and medium-sized farms that produce fresh produce and meat don't make the cut for big money subsidies. American taxpayers subsidize commodity crops not so we can eat

healthier but so that traders on Wall Street have something to play with and corporate farmers can keep prices so low on these crops that they underbid farmers in developing countries. It appears this is one aspect of socialism that heartland America can agree with Europe on.

lead it all here.

Posted by Don Carr at 10:01 AM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under: congress, farm subsidy, subsid

SEPTEMBER 9, 2009

Pass the Popcorn: Monsanto vs. Dupont

Special to Mulch from EWG Communications Director Alex Formuzis.

I couldn't resist. When agribusiness's version of The Death Star accuses a competitor of being '*dishonest, disingenuous and downright deceitful*', it's too rich to let it go.

On Monday, August 17, Monsanto Chairman, President and CEO Hugh Grant sent a letter to his counterpart and competitor, DuPont board Chairman, Charles O. Holliday, Jr. claiming that the chemical giant's actions "*were misleading to the public and a serious breach of business ethics far beyond honest competitor behavior*." You can find Mr. Grant's letter along with other documents [here](#).

Mr. Grant went on to demand that DuPont's board investigate its own tactics in its efforts to chip away at Monsanto's near-stranglehold of the genetically altered seed business, which helped Monsanto net over \$2 billion in 2008 alone.

Chuck Neubauer, a reporter for the Washington Times, [reported that](#)

An attorney for Monsanto said the tactics used against his company included forged letters to Congress, misinformation, attempts to improperly influence public officials and support for a special interest group which opposed Monsanto.

This is not the first time a Big Ag black ops scheme has been exposed.

In the May 2008 edition of Vanity Fair, journalists Donald Bartlett and James B. Steele [reported:](#)

As interviews and reams of court documents reveal, Monsanto relies on a shadowy army of private investigators and agents in the American heartland to strike fear into farm country. They fan out into fields and farm towns, where they secretly videotape and photograph farmers, store owners, and co-ops; infiltrate community meetings; and gather information from informants about farming activities. Farmers say that some Monsanto agents pretend to be surveyors. Others confront farmers on their land and try to pressure them to sign papers giving Monsanto access to their private records. Farmers call them the "seed police" and use words such as "Gestapo" and "Mafia" to describe their tactics.

Some other highlights of Monsanto's storied history:

'65-'72: Monsanto contractors illegally dumped tons of toxic chemicals in landfills throughout the United Kingdom. As a result, UK government researchers have found components of Agent Orange, dioxins and PCBs in groundwater testing.

'05: Monsanto paid \$1.5M for bribing a top official in the Indonesian government in an effort to side step environmental and safety assessments for the company's genetically altered cotton.

The cottonseed subsidiary of Monsanto based in India employed children.

...around 17,000 children work for Monsanto and their Indian subsidiary Mahyco. These children get no education, earn less than 40 Eurocents (Rs. 20) a day and are exposed to poisonous pesticides like Endosulphan during their work.

According to a report by [The Center for Food Safety](#), Monsanto has gone after at least 112 farmers with lawsuits accusing each of "seed patent violations". From the CFS report: "many innocent farmers settle with Monsanto because they cannot afford a time consuming lawsuits".

And, of course we can't leave out Anniston, Alabama, where local farmers were urged by Monsanto to use soil the company knew was contaminated with PCBs.

Posted by Don Carr at 3:41 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [agribusiness](#)

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). [Read more about Ken.](#)



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water

Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the

University of Maryland (UMD) and is finishing up a PhD in agricultural-environmental policy at UMD.

SEPTEMBER 30, 2009

California Climate Change Policy Leaves Out Agriculture *State Action Needed to Motivate Vulnerable Sector to Address Emissions*

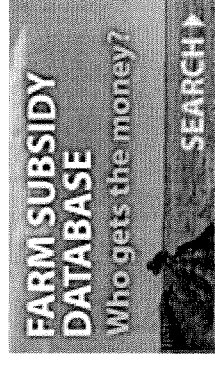
OAKLAND September 30 - California agriculture, which grows roughly 40 percent of America's food, faces grave threats spurred by climate change, including volatile weather, crippling drought and assaults by growing hordes of pests. It also directly generates about 6 percent of California's greenhouse gas emissions.

In spite of agriculture's vulnerability and contribution to global warming the sector was practically left out of the state's climate change implementation strategy mandated by the Global Warming Solutions Act (AB32), according to a new report released today, *California's Climate Change Policy Leaves Agriculture in the Dust*, from the Environmental Working Group (EWG).

"California agriculture has a lot to lose with climate change," said EWG senior analyst Kari Hamerschlag, author of the report. "It's unfathomable that a state with a \$33 billion a year agriculture industry and a history of leadership on climate change is demonstrating such an acute lack of institutional capacity and leadership on the issue."

The report finds that AB 32's implementation strategy failed to establish meaningful emission reduction targets and present an effective action plan for agriculture, missing an urgent opportunity to motivate skeptical farmers to take steps that will both curb their own emissions and help them to better cope with a changing climate.

Hamerschlag's report finds that careful studies have shown that several underused farm management practices, such as cover cropping, conservation tillage and organic fertilization, have the potential to deliver significant carbon sequestration benefits



FARM SUBSIDY RESOURCES

[Farm Subsidy Database 1995-2006](#)
(Most recent data)

[Farm Policy Analysis Database 2003-2005](#) (Subsidy data with added "pass through" beneficiaries)

[Automatic Fixed "Direct Payments" Analysis](#)

[Data Used in This Website \(USDA backrounders\)](#)

RELATED EWG REPORTS

[Congress Poised To Cut Conservation Funds That Aided Farm Bill's Passage](#)

[The Unintended Environmental Impacts of the Renewable Fuels Standard](#)

[Biofuels and Bad Weather: America's Food-to-Fuel Gamble](#)

[Trouble Downstream: Upgrading Conservation Compliance](#)

Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

Sign-up to receive email updates about the latest farm news and farm policy updates. [Privacy policy]

enter email here

zip here

BLOGROLL

[The Westerner](#)

[Blog for Rural America](#)

[FarmPolicy.com](#)

[Fresh Talk](#)

[More Deliberate Every Day](#)

[Sustainablog](#)

[US Food Policy](#)

[John's World](#)

[Chews Wise](#)

[Ethicurean](#)

[Rudd Sound Bites](#)

[I Heart Farms](#)

[Gristmill](#)

[Whiskey Burn](#)

[Frankly Green](#)

while helping farmers conserve water, maintain yields and resist weeds and pests in the face of climate change.

The report makes ten specific recommendations for addressing the inertia that has prevented California from taking effective action on agriculture and climate change and calls on policy makers to develop programs of targeted research, outreach, technical assistance and financial incentives for farmers.

"As a first step towards swifter action," Hamerschlag said, key state agencies "should establish an inter-agency working group on agriculture and climate change. Federal agencies, NGOs and farm groups all have critical roles to play and should also be actively involved."

Go [here](#) for the full report:

##

Posted by Don Carr at 1:32 PM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [california](#), [conservation](#)

SEPTEMBER 24, 2009

Mandate More Ethanol or We'll Shoot This Dog

FEED



[Subscribe in a reader](#)

MULCH VIA EMAIL

Subscribe

Delivered by FeedBurner

RECENT POSTS

- [Mandate More Ethanol or We'll Shoot This Dog](#)
- [EWG Dead Zone Speech and Reaction to USDA Announcement](#)
- [Today's Congressional Hearing Underscores EWG's analysis: "Facing Facts in the Chesapeake Bay"](#)
- [EP's Grunwald Dispelling the Renewable Myth of Biofuels](#)
- [Gorillas in the Bay: Time to Face Facts in the Chesapeake](#)
- [Therefore, We Shouldn't Have Commodity Programs](#)
- [Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies](#)
- [Pass the Popcorn: Monsanto vs. Dupont](#)

SEARCH

Search this blog:

Search

ARCHIVE

select month

ABOUT THE AUTHORS



Ken Cook is president of Environmental Working Group, a public interest research and advocacy organization known for its Farm Subsidy

Database. The author of dozens of articles, opinion pieces and reports on agricultural, public health and environmental topics, "[Cook's] fingerprints can be found on nearly two decades of U.S. farm law" (*Omaha World Herald*). Read more about Ken.



Craig Cox is EWG Midwest Vice President. He Mulches from EWG's office in Ames, IA. Prior to EWG, Craig served as Executive Director of the Soil and Water Conservation Society and was Acting USDA Deputy Under-Secretary for Natural Resources and Environment, and Special Assistant to the Chief of USDA's Natural Resources Conservation Service.



Michelle Perez is EWG's Senior Agriculture Analyst. She has a BA in Biology from Occidental, a Masters from the University of Maryland (UMD) and is finishing up a PhD in agricultural-environmental policy at UMD.

OCTOBER 7, 2009

We're Putting Mulch to Pasture. Meet EWG's AgMag.

Mulch has served well as a forum for EWG's work on biofuels, conservation, farm subsidies and the impact modern agriculture has on the environment. However, we're proud to announce the launch of our new online property, AgMag.

AgMag is Environmental Working Group's online chronicle of agriculture and the environment. We bring you bullet-proof analysis

FARM SUBSIDY RESOURCES

[Farm Subsidy Database 1995-2006](#)
(Most recent data)

[Farm Policy Analysis Database 2003-2005](#) (Subsidy data with added "pass through" beneficiaries)

[Automatic Fixed "Direct Payments" Analysis](#)

[Data Used in This Website \(USDA backgrounders\)](#)

RELATED EWG REPORTS

[Congress Poised To Cut Conservation Funds That Aided Farm Bill's Passage](#)

[The Unintended Environmental Impacts of the Renewable Fuels Standard](#)

[Biofuels and Bad Weather: America's Food-to-Fuel Gamble](#)

[Trouble Downstream: Upgrading Conservation Compliance](#)

Don Carr is EWG's Press Secretary for agriculture and public lands issues. Prior to EWG, Don worked as a Communications Director for the DNC in his home state of South Dakota and on former Senate Leader Tom Daschle's 2004 reelection campaign.

STAY CONNECTED

Sign-up to receive email updates about the latest farm news and farm policy updates. [\[Privacy policy\]](#)

enter email here

zip here

BLOGROLL

[The Westerner](#)

[Blog for Rural America](#)

[FarmPolicy.com](#)

[Fresh Talk](#)

[More Deliberate Every Day](#)

[Sustainablog](#)

[US Food Policy](#)

[John's World](#)

[Chews Wise](#)

[Ethicurean](#)

[Rudd Sound Bites](#)

[I Heart Farms](#)

[Gristmill](#)

[Whiskey Burn](#)

[Frankly Green](#)

and in-depth investigations into the science and politics of food, water, farming, the environment and the money and politics that make it go. AgMag delivers a clear-eyed and new look at our increasingly complex and global 21st century food system.

The inaugural post for AgMag is on how agriculture has much more to lose with actual climate change than with climate change legislation, detailed in an EWG report entitled [Crying Wolf](#).

This will be the final Mulch post as we move all of our agriculture work to one property. Please update your bookmarks and favorites to AgMag and check the new site for instructions on how to receive updates and posts via email.

Posted by Don Carr at 8:57 AM | [Permalink](#) | [Comments \(0\)](#) | [TrackBacks \(0\)](#)
Filed under [conservation](#)

SEPTEMBER 30, 2009

California Climate Change Policy Leaves Out Agriculture

State Action Needed to Motivate Vulnerable Sector to Address Emissions

OAKLAND September 30 - California agriculture, which grows roughly 40 percent of America's food, faces grave threats spurred by climate change, including volatile weather, crippling drought and assaults by growing hordes of pests. It also directly generates about 6 percent of California's greenhouse gas emissions.

In spite of agriculture's vulnerability and contribution to global warming the sector was practically left out of the state's climate change implementation strategy mandated by the Global Warming Solutions Act (AB32), according to a new report released today, California's [Climate Change Policy Leaves Agriculture in the Dust](#), from the Environmental Working Group (EWG).

"California agriculture has a lot to lose with climate change," said EWG senior analyst Kari Hamerschlag, author of the report. "It's unfathomable that a state with a \$33 billion a year agriculture industry and a history of leadership on climate change is demonstrating such an acute lack of institutional capacity and leadership on the issue."

The report finds that AB 32's implementation strategy failed to establish meaningful emission reduction targets and present an effective action plan for agriculture, missing

FEED



Subscribe in a reader

MULCH VIA EMAIL

Delivered by [FeedBurner](#)

RECENT POSTS

- [California Climate Change Policy Leaves Out Agriculture](#)
- [Mandate More Ethanol or We'll Shoot This Dog](#)
- [EWG Dead Zone Speech and Reaction to USDA Announcement](#)
- [Today's Congressional Hearing Underscores EWG's analysis, "Facing Facts in the Chesapeake Bay"](#)
- [FP's Grunwald Dispelling the 'Renewable' Myth of Biofuels](#)
- [Gorillas in the Bay: Time to Face Facts in the Chesapeake](#)
- [Therefore, We Shouldn't Have Commodity Programs](#)
- [Huffpost: Fiscal Conservatives Down on Health Care Costs But Paradoxically Embrace Farm Subsidies](#)

SEARCH

Search this blog:

ARCHIVE

Once Again, Obama's USDA Less Transparent than Bush's

Posted by [Don Carr](#) in [Subsidies](#) on June 23, 2011 | [no responses](#)

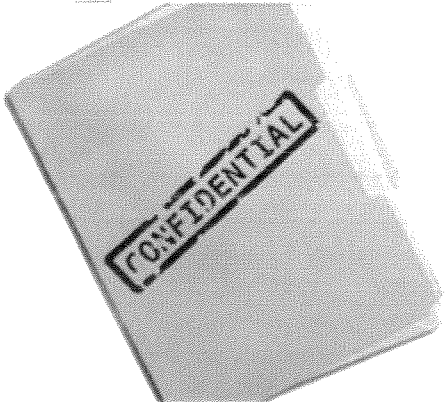
0

Like < 62

Tweet

15

17



The ballooning national debt and Tea Party pressure has members of Congress running in the halls with their budget-cutting scissors in hand. The Senate Agriculture Committee is no exception. This Thursday morning, the senators convened a hearing billed as focusing on:

... measuring the performance of every agriculture program, fighting fraud, eliminating duplication and waste, and cutting red tape for farmers.

It's convenient for the committee that the Environmental Working Group released on the same day [the latest update](#) of its farm subsidy database, which has been searched 250 million times since it debuted in 2004.

We hope they'll notice that despite lawmakers' boasts of enacting major reforms in the 2008 farm bill, the new data clearly show that wealthy absentee land owners and mega farms awash in record income are once again the main beneficiaries of federal farm programs – while struggling family farmers go begging.

And once again, the database shows that many farm subsidy recipients get those fat government checks [at addresses in](#) New York City, Miami, Chicago and Los Angeles – not exactly farm country, and a far cry from the programs' original intent.

Compounding the bad news, under President Obama the US [Department of Agriculture has again sharply limited the data](#) that EWG receives under the Freedom of Information Act in order to assemble the database and identify the real winners of farm subsidy largesse. It's those data that has allowed EWG to follow the money and exposed the gross inequities in federal spending that enable the big agricultural operations to come away with the most generous haul of taxpayer dollars.

In 2007, the USDA under former President Bush released previously unavailable records that allowed EWG's database to uncover nearly 500,000 farm subsidy recipients whose identities had previously been shielded by byzantine mazes of co-ops and corporate shell games. [The database revealed](#), for example, that [Florida real estate developer Maurice Wilder](#), reportedly worth \$500 million, was pulling in almost \$1 million a year in farm subsidies for corn farms he owns in several states.

In 2010 and now 2011, however, the [USDA has refused to release the data](#) that provided this revelatory accounting of just who receives the billions paid out under the maze of federal farm programs.

In preparing for Thursday's hearing, the Senate [Agriculture Committee said](#) that it would be focusing on the accountability and effectiveness of farm programs:

Yesterday the U.S. Department of Agriculture's Office of the Inspector General (USDA OIG) issued a report detailing its fraud prevention efforts in programs under its jurisdiction, including food assistance programs. USDA OIG's report shows that in the

last six months it has conducted successful investigations and audits that led to 516 arrests, 249 convictions, \$47.8 million in recoveries and restitutions, 114 program improvement recommendations, and \$11.1 million in financial recommendations across all initiatives under USDA purview, including 80 convictions and \$7.9 million in monetary results in food assistance programs.

The Agriculture Committee's hearing on accountability will examine all areas in the committee's jurisdiction, including food assistance programs.

Targeting fraud and abuse in any government program is smart policy, and good politics. Federal money is increasingly scarce, and it should go to those that need it – such as poor women and children who depend on federal food and nutrition programs to get enough to eat. But the farm bill's awkwardly assembled family of sibling programs – including nutrition assistance, farm subsidies and agricultural support – makes for intense rivalries, especially in tough economic times. The subsidy lobby that jealously guards the lavish payments to commodity crop growers finds it easy to stand by quietly while nutrition programs suffer sharp cuts while working feverishly to keep the spotlight off of the largesse of farm subsidy payments.

The outcome of these battles is easy to predict. The Senate Ag Committee members are unlikely to benefit personally or politically from federal nutrition programs for the poor. But as the EWG Farm Subsidy Database made clear, the committee's members largely represent states with robust farm subsidy hauls, commodity crop payments to the states represented by the Senate Agriculture committee totaled \$3.38 billion 2010. House Agriculture Committee Member Districts pulled in \$1.99 billion in commodity crop subsidies in 2010.

Speaking of the House side, Agriculture Committee Chairman Frank Lucas (R-Okla.) is also beating the accountability drum.

We will examine how we are spending money, where the money is going, and whether the goals of each program are being met. We will look for duplication within issue areas to determine program overlap. We will scrutinize waste, fraud and abuse, and look for ways to build on the success USDA has already achieved.

We have an obligation to taxpayers to ensure our resources are being spent wisely.

But like beauty, what constitutes wise spending is in the eye of the beholder, and the makeup of the House Agriculture Committee's membership, with its base firmly in states that are home to commodity crop growers, leaves little doubt where its priorities lie.

If the committee takes its cue from the House GOP leadership's budget bill, which took aim at a wide variety of nutrition assistance efforts, programs like Know Your Farmer Know Your Food will be in peril.

The bill forces USDA to report to Congress every time officials travel to promote the department's "Know Your Farmer, Know Your Food" program, which supports locally grown food, and discourages the department from giving research grants to support local food systems. Large agribusiness has been critical of the department's focus on these smaller food producers.

And for those concerned with soil erosion, water quality and the effectiveness of conservation programs authorized through the farm bill, there is a severe lack of transparency there, too.

All sides trumpet their insistence on accountability and “wise” spending, but somehow those priorities never seems to include transparency or equity. It's long past time for America's food and farm programs benefit all citizens, not just a handful of wealthy agribusiness churning out the raw material for an unhealthy food system. If Congress can't manage to take a hard-nosed look at the skewed spending priorities of these programs, as well as the administration's reluctance to identify the biggest winners of the government's largesse, then taxpayers and eaters need to demand it.

Comments are closed.

EWG Farm Bill Platform

Posted by [Sara Sciammacco](#) in [2012 Farm Bill](#) on April 16, 2012 | [3 responses](#)

0

Like 5

Tweet 9

7



This year's effort to renew America's food and farm policy through the farm bill creates an opportunity for Congress to do more to support family farmers, protect the environment, encourage healthy diets and ensure better access to healthy food – all while supporting working families. Environmental Working Group believes that Congress should enact farm and food policy legislation that: provides producers with an effective safety net at a lower cost to taxpayers; creates new

markets for farm products; invests in conservation and nutrition programs that benefit all farmers and consumers; promotes increased consumption of fruits and vegetables; delivers greater transparency and accountability; and meets the nation's deficit reduction goals.

Support Family Farmers

Congress should support family farmers by ending subsidies that flow to the largest farm businesses regardless of need.

In particular, Congress should:

- **End direct payments** – Congress should end direct farm payments, which are provided regardless of need.
- **Replace insurance subsidies with free yield insurance** – Congress should replace costly insurance subsidies for commodity “program crops” such as corn, wheat, soybeans, cotton and rice with yield insurance policies designed to help farmers recover from “deep” losses caused by bad weather.
- **Maintain the conservation compact** – Congress should ensure that farmers implement practices that protect wetlands, grasslands and soil health in exchange for a taxpayer-financed safety net, including farm insurance.
- **Support beginning and socially disadvantaged farmers and ranchers** – Congress should reform farm subsidy programs to level the playing field for all farmers and invest in programs that help beginning and socially disadvantaged farmers by easing access to conservation, crop insurance, credit, loan and grant programs.
- **Expand local and regional markets** – Congress should invest in loan and grant programs that help create local and regional markets for farm products.

Support Stewardship

Congress should invest in research and provide incentives for farmers and ranchers to protect and restore water quality and wildlife habitat.

In particular, Congress should:

- **Reject cuts to conservation** – Congress should reject cuts to voluntary conservation programs and instead provide \$30 billion over the next five years to share with farmers the cost of a clean environment.
- **Promote collaborative partnerships** – Congress should deliver 25 percent of conservation funding in grants selected for their potential for environmental benefit and awarded to groups of farmers and local partners working together.
- **Reform easement and incentive programs** – Congress should reform conservation programs to achieve administrative efficiencies, better target incentive and easement funds and provide loans for infrastructure projects.
- **Support organic food** – Congress should invest in grant and loan programs that help farmers switch to organic food production.
- **Support research** – Support and modify research, education and extension programs to better focus on organic and sustainable crop and livestock production and healthy food.

Support Healthy Diets

Fewer than 5 percent of American adults eat USDA-recommended amounts of fruits and vegetables, and more than one-third are obese, increasing the nation's health care costs by \$127 billion a year.

To support healthy diets, Congress should:

- **Support Feeding Assistance Programs** – Congress should protect and strengthen SNAP and other nutrition assistance programs.
- **Support Nutrition Education** – Congress should support efforts to help Americans eat healthier diets through nutrition education.
- **Promote Fruit and Vegetable Consumption** – Congress should strengthen the Fresh Fruit and Vegetable program and reform specialty crop programs so as to increase consumption of local fruits and vegetables.
- **Increase Access to Healthy Food** – Congress should provide grants for incentive programs that encourage SNAP recipients to buy and consume more fruits and vegetables, including at farmers markets and other food retailers.
- **Support Better School Food** – Congress should allow schools to use more school lunch and breakfast funds to purchase local fruits and vegetables.
- **Maintain funding for research** – Congress should underwrite sound research on nutrition, hunger and food security, and obesity prevention.

Policy Plate: It is not a “reform” bill

Posted by [Sara Sciammacco](#) in [2012 Farm Bill](#) on April 27, 2012 | [no responses](#)

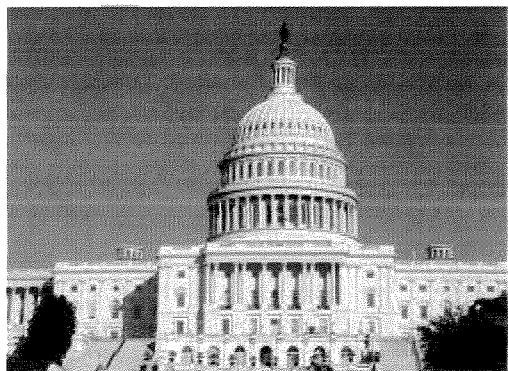
0

Like

Tweet

2

2



Senate Agriculture Committee leaders are calling the 2012 farm bill proposal the Agriculture Reform, Food, and Jobs Act of 2012.

A farm bill that cuts programs for the hungry and the environment to help finance a new entitlement program and unlimited insurance subsidies for the largest and most profitable farm operations doesn't deserve to be called any kind of “reform.”

A real reform bill would have ended direct payments, rejected new farm entitlements and made important reforms to crop insurance subsidies that are slated to cost \$90 billion over the next 10 years.

Lawmakers will have a chance to make it a true safety net when it goes to the Senate floor, which according to Sen. Debbie Stabenow (D-Mich.), chair of the Senate Agriculture Committee, could be in a few weeks.

Table Scraps:

[DTN's Chris Clayton](#) has more from Rep. Frank Lucas (R-Okla.), chair of the House Committee on Agriculture, about the commodity title of the Senate farm bill draft.

[Politico's David Rogers](#) reports on the regional battle line that's being drawn between Southern growers and Midwest farmers in the 2012 farm bill debate.

[Fox 13 News in Tampa](#) has a broadcast piece on the broken farm system, calling attention to the dead farmers and city slickers who have benefited from federal subsidy programs.

Tweet of the Day: [Marion Nestle @marionnestle](#) GAO weighs in on **farm bill** issues. A good intro to the whole thing. <http://1.usa.gov/JG7XUg>

Go here to sign up:

http://action.ewg.org/c/3745/p/salsa/web/common/public/signup?signup_page_KEY=5933

Tips? Email us at policyplate@ewg.org

Like

Add New Comment

[Login](#)

Subsidy Buffet for Agribiz, Table Scraps for Good Food

Posted by [Kari Hamerschlag](#) in [2012 Farm Bill](#), [Food](#), [Subsidies](#) on May 1, 2012 | [one response](#)

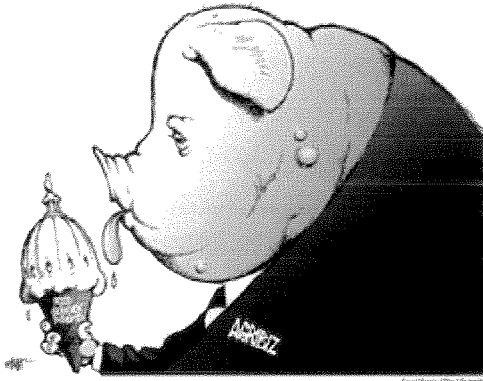
0

Like < 262

Tweet

< 103

24



The farm bill draft released by the Senate Agriculture Committee last week (April 20) falls far short of providing farm and food policies Americans want. In a national poll last year, 78 percent said making nutritious and healthy foods more affordable and accessible should be a top priority in the farm bill. They're going to be sorely disappointed. If it passes, this agribusiness-as-usual proposal will largely perpetuate our broken food and agriculture system, leaving in its wake a long legacy of poor health and degraded soil, water and habitat, especially in the industrial agriculture heartland.

Without the efforts of Sen. Debbie Stabenow (D-Mich.), the chair of the committee, the bill would have been even worse, but as it is, the proposal will continue to give away tens of billions of taxpayer dollars in subsidies to the nation's largest, most profitable and environmentally damaging farm businesses. To pay for this giveaway, the Agriculture committee's proposal would slash programs for conservation, nutrition, rural development and beginning and socially disadvantaged farmers.

That's exactly what Americans in the poll said they *don't* want.

An All-You-Can-Eat-Buffer for the Subsidy Lobby

The committee could simply have ended the widely discredited direct payment program and redirected the money to healthy food or conservation programs that benefit the public and save money in the long run. Instead, legislators created an expensive new entitlement program (called "shallow loss") that guarantees nearly 90 percent of the income of farm businesses already enjoying record profits. It also leaves untouched a bloated \$9-billion-a-year crop insurance program that pays about 60 percent of farmers' crop insurance premiums, no matter how large the farm, and sends billions to crop insurance companies and their agents.

Most of the benefits of these proposed programs would flow to the big five commodity crops (corn, soy, cotton, rice and wheat) that provide feed for livestock, raw material for processed food and corn ethanol fuel for our cars. Not only would these proposals be highly inequitable and wasteful, but the new revenue guarantees, combined with unlimited insurance subsidies and high crop prices, will create powerful new incentives for growers to plow up fragile wetlands and grasslands and erase many of farming's recent environmental gains.

Table Scraps for Good Food

With most of the savings from ending direct payments being poured into even more wasteful programs, there is little left for anything else. When it comes to promoting better food, the bill would provide a few additional important scraps. There's \$20 million a year for promoting local food; \$10 million for Community Food Projects; and \$20 million for the Hunger-free Communities Program to create incentives for SNAP (food stamp) recipients to buy healthy food at farmers' markets. But the committee also cut \$4 million from organic research funding (to \$16 million a year) and cut funding

to support Beginning Farmers in half, to \$10 million. Never mind that we have a serious shortage of young farmers and the average age of all farmers is hovering around 57.

The fruit, nuts and vegetable sector is generally happy with their scraps, which add up to an extra \$75 million a year, mostly for marketing and research. Yet few of the no-cost policy changes outlined in the Local Farms, Food and Jobs Act [introduced recently by Rep. Chellie Pingree (D-Maine) and Sen. Sherrod Brown (D-Ohio)], which would help build local food systems and expand access to healthy and sustainable foods, made it into the bill

Modest Trims to Lavish Subsidies Could Easily Pay For Good Food.

With the full Senate expected to consider the bill later this year, the only real hope for redirecting the ill-considered spending cuts to healthy food programs will be to persuade other senators that there are smarter policy options **if they are willing to pry the needed resources out of the hands of wealthy farm operators.**

According to a recent Government Accountability Office report, simply capping crop insurance premium subsidies at \$40,000 per farm could yield as much as \$10 billion in savings over 10 years. This would be nearly enough to spare conservation and anti-hunger programs from the proposed cuts **while affecting just 4 percent of the subsidy recipients, who currently collect more than 30 percent of the total!**

According to the same report, reducing the average crop insurance premium subsidy by 10 percent might save another \$10 billion over 10 years. This would be *more than enough* to significantly pay down the deficit and cover the modest \$200 million annual cost of the Local Farms, Food and Jobs bill and the Beginning Farmer and Rancher bill.

A portion of that subsidy savings could also be used to not just restore but actually double funding for organic agriculture, reinstate funding for the socially disadvantaged farmer program cut by the committee and double the number of low-income schools participating in the Fruit and Vegetable Snack program.

None of these modest cuts to the crop insurance subsidies would harm the integrity of that program or leave farmers with inadequate coverage.

Watch for the Budget Deficit Smokescreen

In spite of the committee bill's major flaws, outrage from good food advocates has been muted thus far, in part because expectations were exceptionally low.

The overriding message from Congress, meekly accepted by too many, is that the current budget-cutting climate makes it impossible to expect new money for nutrition, conservation, local, organic and healthy food, no matter how valuable (and oversubscribed) these programs are. All we can hope for, they say, is to hold onto current funding or minimize cuts.

But the nation's difficult fiscal situation shouldn't get all the blame. The main culprit is the farm lobby's stranglehold on the majority of Senate and House Agriculture Committee members and the unwillingness of those who would prefer a reform-oriented farm bill to seriously challenge Congress to do better.

Disregard the Coming Spin

As the farm bill moves to the Senate floor, there will be lots of spin-doctors proclaiming that this is the best that can be expected in the current fiscal climate. But if the goal is really to save money and invest wisely, it makes no sense to give away unlimited crop insurance premium subsidies to wealthy farm operators at the expense of feeding hungry people, protecting our water and investing in healthy food.

It will not be easy to break the farm lobby's long-standing grip on Congress. But it is certainly not going to happen if we stay silent. It's time to pick up the phone and let your representative and senators know that you want a fair farm bill that invests in a healthier food system for you and your family.

Like 16 people liked this.

Add New Comment

[Login](#)



Type your comment here.

Showing 1 comment

Sort by popular now



Leila Hirtler

Why are we spending our resources on the already bloated petro chemical corporations, and taking it away from our poor and vulnerable citizens? This is not the behavior of a just society.

[1 day ago](#)

[Like](#) [Reply](#)

M [Subscribe by email](#) S [RSS](#)

Reactions



Trackback URL <http://www.ewg.org/agma>