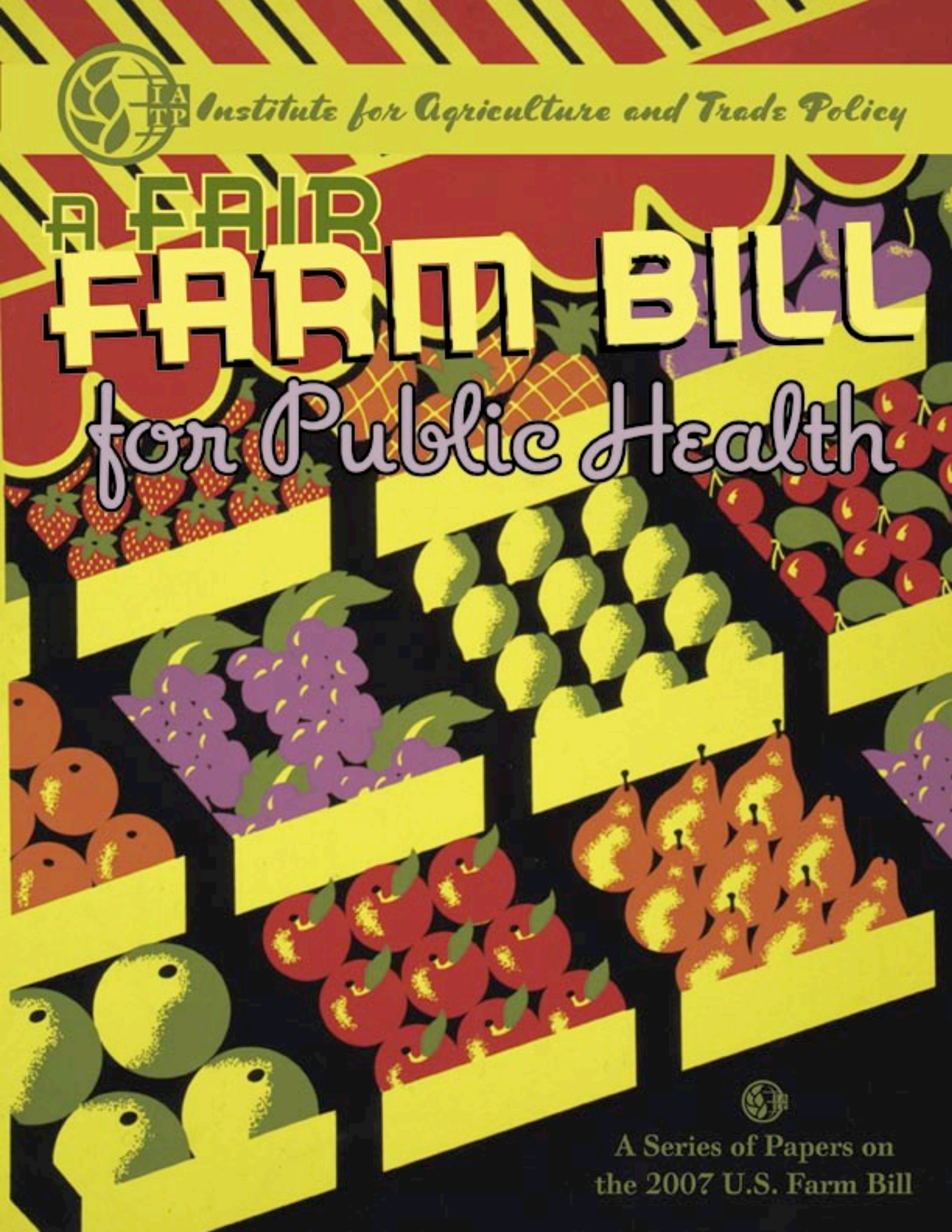
Institute for Agriculture and Trade Policy
A FAIR
FARM BILL
for Public Health
A Series of Papers on
the 2007 U.S. Farm Bill

The Institute for Agriculture and Trade Policy promotes resilient family farms, rural communities and ecosystems around the world through research and education, science and technology, and advocacy.

2105 First Avenue South
Minneapolis, Minnesota 55404 U.S.A.
Tel.: (612) 870-0453
Fax: (612) 870-4846
iatp@iatp.org
iatp.org
agobservatory.org
tradeobservatory.org

About this publication
A Fair Farm Bill for Public Health

Written by Heather Schoonover,
IATP Environment and Agriculture Program

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Connecting farm policy to public health

Public health organizations play an increasingly important role in crafting agricultural policy. For evident reasons, their primary focus has been on nutrition programs such as food stamps and child nutrition. But agricultural policy's effect on public health goes far beyond these nutrition programs.

Federal agricultural policies have contributed to dramatic changes in the U.S. food supply, leading to public health concerns including obesity, malnutrition and diet-related disease; access to and affordability of healthy foods; and health effects from particular animal and crop production methods. Agricultural policies determine which crops the government will support. This support influences which crops U.S. farmers produce, those crops' prices and, subsequently, which products food processors, distributors and retailers ultimately will get onto our plates and into our mouths.

In particular, United States farm policy has encouraged overproduction of commodity grain and oilseed crops such as corn and soybeans, thereby driving down prices—often below the cost of production. This has significant implications for public health. Food companies are able to purchase these commodities at artificially cheap prices, fueling their rise in our food supply in the form of added fats and sugars. Livestock producers are able to obtain below-cost feed, encouraging the production of grain-fed livestock over healthier grass-fed meat and dairy and driving the development of confined, industrial livestock facilities that themselves pose public health risks.

Government support for grain and oilseed crops comes in many forms, from research dollars to infrastructure investments to subsidy payments that mitigate low prices to promises of future export markets. As a result, more grains and oilseeds are produced than are necessary in a properly functioning agricultural economy. Healthier fruits, vegetables and other specialty crops, in contrast, receive little government support.

Farmers, too, have been devastated by a broken agricultural system that favors production of low-value bulk commodities over higher-value, healthier food crops. In fact, the same reforms that could make our farm policy healthier would also be better for family farmers.

The problems with U.S. farm policy are systemic. But every five to seven years we have an opportunity to change the system through the federal Farm Bill. The 2007 Farm Bill offers an opportunity to shift U.S. agricultural policy in a direction that enhances public health while benefiting farmers, rural communities and the environment.

This briefing paper outlines some of the ways agricultural policy affects public health and proposes policy solutions to support a healthier and more sustainable food and farming system.

Obesity and the prevalence of unhealthy foods

The current obesity crisis has increased the focus on the prevalence of high-fat, high-sugar foods in the U.S. diet—and on the commodities used to make them. Although the relationship between commodity prices and use of these commodities in the U.S. food system is not completely clear, low-priced commodities have become ubiquitous in food processing.[1]

Many food industry companies have developed successful business models based on current agricultural policies and existing cropping systems. Corn, soybeans and other low-cost commodities have proliferated in the U.S. food system, likely because the food industry has found using these crops to be very profitable. For example, high fructose corn syrup and hydrogenated vegetable oils—products that did not even exist a generation ago—are now prevalent in foods, probably due to inexpensive corn and soybeans.

By keeping prices for these crops artificially low, U.S. farm policy allows food processors to purchase commodities at a fraction of their true cost. This market deviation has dramatically increased the amount of cheap, processed and fast food in the U.S. diet and put healthier foods like fruits and vegetables at a competitive disadvantage.

The gains of these industries come at the direct expense of traditional meals. Effectively reducing the consumption of fast foods and other unhealthy options cannot be done without creating a level playing field for healthier foods. The 2007 Farm Bill provides an opportunity to ensure that food companies pay a fair price for their ingredients and thereby remove some of the perverse incentives that encourage the production of high-calorie, low-nutrition foods over healthier foods.

Food prices and access

Several studies have shown that price plays a major role in people's food purchases.[2] For many people, purchasing cheaper foods is not a matter of choice. But even for those who can afford more expensive food purchases, price often drives their choices.

The relative price of food items has changed significantly over the past 40 years. But not all food items have been equally affected: the price of fresh fruits and vegetables has increased dramatically while the price of meat products, soft drinks and fats and oils has remained much more stable.[3] Similarly, research has shown that on a per-calorie basis, high-calorie, low-nutrition foods on average tend to be cheaper than healthier foods such as fresh produce.[4]

While numerous factors figure into the price of food, some of this price difference is likely due to U.S. farm policy. U.S. farm policy makes sugars and fats some of the cheapest food substances to produce. It has also helped to make less healthy foods cheaper at the consumer level, thereby inducing more consumption than would occur in a less distorted market.

It also means that for many people, food choices are often not an issue of nutrition, but of economics. U.S. farm policy helps to make unhealthy diets an economically sensible choice. This is especially worrisome in low-income communities, whose residents not only face limited food budgets but also often have limited options for purchasing healthy foods in their neighborhoods.[5] It is perhaps not surprising that low-income communities also face disproportionately high levels of obesity, malnutrition and diabetes and other diet-related disease.[6] The 2007 Farm Bill provides an opportunity to help ensure that the healthiest foods are also the most economically sensible options and to address disparities in food access, nutrition and health.

Healthy livestock

Pasture-raised, grass-fed meat, eggs and dairy products have been shown to be higher in health-promoting qualities than products from grain-fed livestock. For example, beef and milk from grass-fed cattle are higher in health-promoting nutrients, omega-3 fatty acids and cancer-fighting conjugated linoleic acid (CLA) and lower in saturated fats than meat and milk from cattle fed grain.[7]

U.S. agricultural policy, however, works against these healthier livestock production systems. By keeping the costs of corn and soybeans artificially low, U.S. farm policy promotes the production of grain-fed, industrially raised livestock over grass-fed, pasture-raised livestock.

The confinement livestock industry has benefited tremendously from low-priced corn and soybeans. Today, meat and dairy producers are the largest end users of soybeans and corn.[8] Feed costs represent a significant proportion of livestock production costs and thus, under-priced feed grains provide a substantial indirect subsidy to these industries. Between 1997 and 2005, for example, the broiler chicken industry was estimated to have saved a total of $11.25 billion by purchasing feed at prices an average of 21 percent below the cost of production. Similarly, the hog industry saved an estimated $8.5 billion with feed prices 26 percent below production costs.[9] Both of these industries were able to reduce overall operating costs by an estimated 13 percent over what they would have been had the companies purchased feed at prices equal to production costs.

Diversified farms that grow their own feed or raise their animals on pasture do not enjoy these indirect subsidies. By enabling the production of below-cost feed grains, U.S. farm policy creates an unfair market advantage to centralized, industrialized livestock facilities over diversified, healthier, sustainable livestock production. In addition, while the relationship between meat production costs and supermarket costs is unclear, cheap feed may also promote more meat– and saturated fat–consumption by keeping prices to consumers low. The 2007 Farm Bill provides an opportunity to support more diversified, healthier and environmentally sustainable livestock production.

Federal food assistance and nutrition programs

The Farm Bill authorizes some of the most important domestic food and nutrition assistance programs, including the Food Stamp Program. In fiscal year 2006, $32.8 billion was expended on the Food Stamp Program alone.[10] The Farm Bill also authorizes the Emergency Food Assistance Program and the Commodity Supplemental Food Program, both of which distribute food to those in need.

Ironically, many of the federal food distribution programs administered by the U.S. Department of Agriculture (USDA) fail to meet the agency's own dietary guidelines. Part of the challenge is that many of these programs rely on donated commodities, including surplus commodities that are already abundant in the U.S. food supply.

Funding food assistance and nutrition programs is also an issue. Several of the programs are not funded at levels that allow all eligible persons to participate. And for those who do participate, benefit levels are often insufficient to purchase the foods necessary for a healthy diet. For example, the benefit levels for the Food Stamp Program are based on USDA's Thrifty Food Plan, a model diet that many feel is not sufficient for a healthy diet.[11] For all federal food assistance and nutrition programs, limited funding makes purchasing more expensive, healthier foods cost-prohibitive.

While many federal nutrition and food assistance programs need more funding, simply putting more money into these programs does not address the need for them in the first place. U.S. farm policy needs a comprehensive approach to ensure that people have access to healthy foods and therefore do not need to rely as much on food assistance programs. The 2007 Farm Bill provides an opportunity to ensure that all people are able to access and afford healthy foods and that federal nutrition and food assistance programs provide adequate quantities of healthy foods to those who need them.

Local food systems

Agricultural policy's emphasis on expanding yields and developing markets for commodity crops has come at the expense of research and development that encourages local, diversified food systems. Although the benefits to public health from a more local, sustainable food system need further research, local food systems appear to provide multiple benefits, from boosting local economic development to reducing greenhouse gas emissions to expanding markets for and access to fresh produce. Some research suggests that fruits and vegetables that have traveled long distances contain fewer nutrients than the same fruits and vegetables picked fresh and used locally.[12]

Health institutions are making the link between local foods, diet and health. For example, a number of health institutions have already incorporated locally produced food into their cafeterias.[13] Health care organization Kaiser Permanente sponsors farmers markets on the grounds of many of its medical centers, providing fresh produce to patients, staff and the surrounding community.[14] Physicians Plus health insurance company subsidizes the purchase of Community Supported Agriculture (CSA) shares, which deliver a box of fresh produce to customers every week.[15] And more than 50 hospitals across the country have signed a "Healthy Foods in Health Care" pledge "to support the procurement of local, nutritious, sustainably produced food" at their facilities.[16]

Encouraging the purchase of locally produced foods can benefit health, farmers and the environment. The 2002 Farm Bill included language "encourag[ing] schools participating in the National School Lunch and School Breakfast Programs to purchase locally produced foods,"[17] but confusion over subsequent regulations has stymied some efforts to do so.[18] The 2007 Farm Bill provides an opportunity to encourage local food procurement by all institutions, as well as to develop the infrastructure necessary to support local foods systems.

Public agricultural research

Public agricultural research, much of which is authorized in the Farm Bill, tends to support current agricultural systems rather than promote more sustainable, diverse and healthier systems. Research into meat, dairy, grains and oilseeds, for example, is almost three times greater than research into fruits and vegetables.[19] Research into organic production indicates that organic may provide significant health benefits including lower levels of pesticide residues and higher levels of cancer-fighting antioxidants,[20] although much more research is needed.[21]

Historically, most agricultural research has focused on pest management and enhanced production. Only comparatively recently have federal agricultural research programs addressed issues such as natural resources and rural economic development. Unfortunately, much of our public agricultural funding still goes to underwrite research for agribusiness as it tries to address management issues in part created by the shortcomings of the current food and farming system.

Publicly funded research best serves the public when it is directed toward activities that can further public interest goals, such as public health, a clean environment, or community development. The 2007 Farm Bill offers opportunities to invest in research that furthers these goals.

Environmental health

In addition to affecting diet, current U.S. farm policy has significant environmental health impacts. For example, current farm policy encourages a model of agriculture that is highly dependent on pesticides and herbicides, both of which have known adverse health effects.[22] Farmworkers are particularly vulnerable to exposure from these chemical inputs.[23]

Confined livestock facilities, which thrive largely because of artificially cheap corn and soybeans, pose additional health risks, including the increase of antibiotic-resistant bacteria as well as health impacts resulting from air and water pollution in surrounding communities.[24,25]

The 2007 Farm Bill provides an opportunity to support a healthier and more environmentally friendly system of agriculture.

Recommendations

The U.S. Farm Bill contains numerous programs that impact public health. Public health professionals and others can best support a healthier food system by not only championing the federal nutrition and food assistance programs but also helping to shift the overall direction of farm policy toward a healthier and more sustainable food and farming system. Policy recommendations that would better benefit public health include:

- **Reform commodity programs** to establish a fair market price floor. Fair prices for crops would benefit farmers and rural communities, support diversified cropping systems, and likely curtail the proliferation of cheap sweeteners, added fats and oils, and industrially raised meat in the food system.
- **Increase food access by supporting local food production, processing, distribution and retail infrastructure** that both provides more fresh fruits, vegetables and other healthy foods to, and creates economic development opportunities for, communities—especially including lower-income communities.
- **Increase access to healthy foods through the federal nutrition and food assistance and programs**, such as by requiring that certified farmers' markets in low-income areas be equipped to redeem Food Stamp benefits through Electronic Benefit Transfer, strengthening the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and Senior Farmers' Market programs, expanding the programs that bring fresh farm products into schools and ensuring that all of the programs are sufficiently funded to be able to provide healthy, nutritious foods.
- **Revise the commodity portion of the food assistance and nutrition programs.** As the commodity programs distribute commodities purchased by USDA from excess stocks, they likely provide foods already abundant in the American food supply. The foods provided to those who need them should make it easier, rather than more challenging, to consume a healthy diet and to meet the federal dietary guidelines.
- **Shift federal research dollars toward healthy foods** that are under-consumed by Americans and production methods that provide more health benefits. Curtail research that promotes overproduction of already abundant commodities, contributes to artificially low commodity prices and perpetuates an industrial model of agriculture.
- **Promote local food systems and healthy food production by keeping smaller, more diverse farmers on the land.** Possible strategies to do so might include giving new farmers greater access to land and credit for small-scale operations, or expanding "green payments" programs to reward farmers for growing healthy foods.
- **Encourage local procurement policies by schools and other institutions** to increase access to healthy foods, create new markets for farmers and encourage the development of healthier, community-based food systems.

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Institute for Agriculture and Trade Policy

2105 First Avenue South
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