Billions for farm bill flow into agribusiness pockets

By Victor Davis Hanson

The House in July passed another five-year, multibillion-dollar farm support bill. The Senate now has its own version under discussion. And we can probably expect that the compromise bill that passes will be at least the $286 billion allotted by the House.

Here we go again with pay-outs to well-off Americans that have neither logic nor morality.

The farm subsidy program currently in place pays out over $7 billion directly to larger farmers for a few select crops like corn, cotton, rice, soy and wheat. But it pays nothing to most other - often smaller - farmers of fresh fruits and vegetables. Yet the former group of farmers is hardly in more need of welfare than the latter. And soy or rice isn't more critical to the American diet than fresh fruit and vegetables.

Federal farm bills originated in Depression-era America when commodity prices crashed, forcing tens of millions of bankrupt small farmers to turn to the federal government to survive.

But that's ancient history. Today's corporate farm is about as similar to a 1930s homestead as a massive air-conditioned tractor combine is to a team of horses.

In the last two years, both farmland and produce prices have soared. They are likely to remain high as newly affluent populations in India, China and much of Asia have the cash to import American food on a massive scale.

These farm giveaway bills are always justified by promising to ensure Americans inexpensive food, the survival of family farmers, and national agricultural independence. But the opposite has occurred. Consumer food prices are rising each year. There have never been fewer family farmers. And in terms of gross sales, the nation is importing almost as much food as it exports.

Recall the embarrassing history of recent farm bills. The 1996 "Freedom to Farm" act made a deal with subsidized farmers: They still got federal crop support money regardless of how much acreage they planted or the market prices they received for their harvests. But in exchange, growers finally agreed to be weaned off government money over seven years.

That promise was broken. Once the cutoff date neared, big producers panicked that they might have to live up to their end of the 1996 bargain.

In the general anxiety following Sept. 11, 2001, fresh excuses for farm subsidies were cooked up - with the buzzword word "security" included in the title of the new bill. So the "Farm Security and Rural Investment Act" passed in 2002, and now a new farm bill is once again up for consideration.

What will be the excuse for passing this 2008 bill? More promises to quit in several years? Increased worries over terror?

Apparently, this time the angle is ensuring "alternate fuels" in the form of grain-based ethanol. But ethanol isn't the panacea it's made out to be. Along with the energy consumed to make...
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