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NO NEW FARM BILL IS BETTER!

HERE'S WHY:

Calling the 2012 Ag legislation a "farm bill" is like calling a campaign promise "the truth." Only 15.4% of the money to be expended by this legislation has anything to do with farm price or income "supports." That portion is the *actual* "farm bill." Let's talk about what this "farm bill" does and doesn't do.

"Price and income support programs" have not supported farm prices or incomes for decades. Crop insurance programs certainly support insurance company incomes and price supports may contribute to bank incomes and farm credit company incomes, but when it comes to farm incomes and profitability, the "farm bill" tells farmers that the loan rate on a bushel of corn is $1.95 and on a bushel of wheat it's $2.94. Even our rigged commodity markets know that's too low to make a profit growing corn or wheat. The reason for these particular loan rate numbers is that they *minimize government inventories* of these necessary staples. In other words, our policy is to hold *no* strategic surplus against short harvests.

As harmful as this policy is to our national security, the grain traders have bought and paid for this change, enabling them to profit on an artificial market. Strategic reserves interfere with their ability to manipulate prices. Nothing in this policy serves the farmers or the public interest. It should be noted that the policy established in all farm bills since 1949 follows campaign contributions.

In fact, virtually all farmers must have taxpayer subsidized insurance in order to obtain their needed annual operating capital. The necessity of this borrowing should make us press for an honest explanation, "Why?" Crop insurance has more to do with removing risk from banks than it does with sound ag policy. Money interests (banks and insurance companies) won that battle long ago.

You can call *actual* "farm bill" spending many different names but you can't call it "subsidy." **Farmers have been subsidizing our economy for 60 years** resulting in the forced elimination of small farm operators and the gutting of rural America despite "farm bill" spending. Small farmer elimination is the actual intentional policy we pursue in our nation. In order to implement top-down, centralized control of the economy the small farmer MUST be eliminated. Even the Bolsheviks discovered that truth; their result being an economic collapse 70 years later. We've only been at it for 60 years, and in a much "nicer" way. Every "farm bill" we enact keeps *their* result in *our* crosshairs, regardless of Federal Reserve "quantitative easing," "free trade" agreements, economic development "grants" or deficit spending.

Failure to pass a "new farm bill" would mean the provisions of the 1949 Agriculture Act would prevail automatically. Although the '49 statute was a corruption of the policies that brought us to victory in WWII and avoided an expected depression afterward, it would still be an improvement over what farmers have experienced and what our nation has had to endure since 1952. It dealt with the things a "real farm bill" must handle: the connection between production, price and National Income as evidenced in the domestic purchasing power of our money and our industrial capacity and employment.

No matter what monetary or fiscal policies we employ, our financial system depends on our physical economy, the production of something. When our physical economy is crippled, as today, our financial system *cannot* function properly. The cause of our physical economic disability comes straight off our farms where, during prosperous periods, 70% of the annual raw materials needed to create our standard of living are produced. Finance cannot fix our problems because it deals with debt creation not wealth creation. Debts can only be paid by creating new wealth and properly pricing it to assure that the exchanges necessary to process, distribute and consume that wealth do not require debt. *That* is "sustainability." Does anyone else savor the irony of lobbying for federal grants to support sustainability while bad farm policy effects continue to undermine it?

A REAL farm bill would result in moving toward national solvency by paying farmers the proper, legal price for their marketed production. USDA calculates and publishes those prices every month. The Secretary of Agriculture *still* has the legal obligation to regulate the markets so that farmers receive not government checks, but legal prices in the marketplace. (7 U.S.C. 602) The current "farm bill," even with its conservation program spending, does nothing to assure the continued ability of the actual stewards to conserve soil, air, water or community. That result will come only from profitable farmers and ranchers producing the highest quality, freshest, most nutritive items we can desire, along with each of *us* earning the necessary income to pay properly for what we consume.

A REAL farm bill would move our national policy in that direction. Toward equity of exchange and away from exploitation; toward higher quality local foods and away from processed industrial production shipped thousands of miles for "convenience." Any farm legislation such as "food safety," "animal traceability," "free trade" agreements or "farm bills" must favor labor over capital, health over convenience, solvency over debt, man over money. This "farm bill" doesn't see such things even in its rear view mirror.

What? No new farm bill? I feel better already.

Randy Cook, President
Tom Asbridge, former President
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