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## Congressional Briefing

### Historical Perspectives on Federal Agricultural Policy

Monday, August 20, 2018 at 10:00am

#nhcbriefing

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**Sarah Phillips** is assistant professor of history at Boston University. She is the author of *This Land, This Nation: Conservation, Rural America, and the New Deal*, and, with co-author Shane Hamilton, *The Kitchen Debate and Cold War Consumer Politics*. She has written essays and articles on environmental history, antebellum reform, transatlantic agricultural developments, the interwar economy, and the conservation and environmental policy of state governors. Her current book project, *The Price of Plenty: From Farm to Food Politics in Postwar America*, examines the domestic politics sustaining the massive farm surpluses of the post-World War II era that established the United States as the predominant and most problematic of the state actors in the international food regime.

**David Hamilton** is associate professor of history at the University of Kentucky. He studies twentieth-century U.S. political and policy history. His book *From New Day to New Deal: American Farm Policy from Hoover to Roosevelt, 1928-1933* was awarded the Theodore Saloutos Prize. He has published articles in the *Journal of American History*, the *Journal of Southern History* and *Agricultural History* as well as essays in edited collections. He edited *Problems in American Civilization: The New Deal*. His current projects include a biography of the economist Mordecai Ezekiel, a study of the Hoover presidency, and a study of early twentieth-century American state-building.

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Why do we have a farm bill every five years?

#### Impact of the Great Depression, the New Deal, and World War II

- Early 20<sup>th</sup> century farm economy was inefficient, with stagnant productivity and little capacity for managing economic and environmental risks.
- The Great Depression was a mammoth shock to the farm economy, causing a collapse of asset values, vanished liquidity, and retreat from the market.
- New Deal programs rescued farm economy with subsidies, protection, and supply management, but also created a new politics of agriculture.
- World War II food/fiber demands leveraged by farm interests to create more heavily regulated and restrictive programs that kept US agriculture detached from global markets from 1945 to 1965.
- Challenge of enhancing food security while maintaining rural communities unresolved.

#### Origins of the Modern “Farm Bill”

- New Deal/WWII farm program in crisis by end of 1950s: commodity surpluses had made agricultural expenditures the third largest item in federal budget behind defense and debt.
- Kennedy administration effort to impose agricultural production controls by administrative fiat opposed by Congress.
- Starting in 1964, Congress passes a series of agricultural bills that shifted commodity support from price or parity guarantees to market-based compensatory payments.
- Urban interests won over by coupling food aid for poor (food stamp program) to agricultural legislation.
- A new and enduring budgetary bargain takes shape in Congress: the agricultural committees rolled crop programs into a single bill with added money for food assistance.

#### Evolution of Federal Agricultural Policy since 1970

- World crop shortages in 1970s expanded demand for US agricultural products and led to greater flexibility in system of price supports.
- Weather and trade-related crises in the late 70s and early 80s brought increased focus on risk management policies.
- The Farm Crisis of the 1980s, with its sharp decline in small farmers and rural populations, led to reorganization of farm credit system and new rural economic development policies.
- Concerns about environmental degradation of farm land led to new programs to improve land, water, and air quality, and support for organic farming.
- The issue of nutrition and food access became increasingly contentious, threatening to break up the bargain between rural and urban interests that has sustained the omnibus farm bill consensus for the past fifty years.