Weighing Farm Bill Impact

The World According to Flinchbaugh

The 1996 Farm Bill will soon come under official scrutiny. Not only by a multitude of farmers, bureaucrats and ag advisors, but by the Commission on 21st Century Production Agriculture. The Commission was mandated by the Federal Agricultural Improvement and Reform Act (FAIR) to review the impacts of the legislation and to make recommendations for future agriculture policy.

According to Barry Flinchbaugh, a Kansas State Research and Extension economist, “the commission will assess the ways in which production flexibility contracts have served American farmers; the economic risks that small, medium and large farm operators face; the security of the nation’s food supply; farmland values and farm income; the success of ag regulatory relief and tax relief for farmers; and federal interference in ag export markets.

“Our first analysis will set the stage for our second mission,” said Flinchbaugh. “That mission is to review the past, present and future of U.S. production agriculture and assess and determine the proper role for the federal government.”

Initially, the Commission will consider five options:

1. continuing Freedom to Farm beyond 2002 with a $4 billion baseline budget,
2. ending federal farm programs altogether,
3. reverting to a 1990 style farm bill,
4. installing a completely new farm program that likely would be based on revenue based insurance plans, and
5. reverting to the 1949 Agricultural Act.

“We won’t really know how to judge Freedom to Farm until 2000, when program payments decline significantly,” Flinchbaugh said. “This Commission isn’t going to focus strictly on Freedom to Farm. We are going to conduct an analysis of all available farm policy options. This isn’t going to be a political road show.

“A $4 billion ag budget won’t buy a large farm program. Producers must come to grips with this reality, and acquire the skills needed to manage risk.”