



# Backgrounders

## Executive Summary

No. 1534

April 9, 2002

## AGRICULTURE LOBBY WINS BIG IN NEW FARM BILL

*BRIAN M. RIEDL*

The House and Senate are now in conference and are close to agreement on legislation reauthorizing most farm programs for the next 10 years, incorporating elements from the Farm Security Act (H.R. 2646) and the Agriculture Conservation and Rural Enhancement Act (S. 1731). Both of these bills abandon the reforms initiated by the 1996 Freedom to Farm Act, the goal of which was to phase out mistargeted and counterproductive crop subsidies. In fact, both bills would escalate farm subsidies to a scale never before witnessed in America.

Although this legislation will cost the average American household nearly \$4,400 in taxes and government-inflated food prices over the next decade, taxpayer and consumer groups have failed to play a role in the farm policy debate that is on a par with that of the leadership offices of several farm organizations. As a result, the farm bill that emerges from the House and Senate conference committee is expected to include record farm subsidies, and these subsidies will be tilted to the largest and wealthiest farms, including many of the most politically active agribusinesses.

Producers of the five largest subsidized commodities—wheat, corn, cotton, rice, and soybeans—have been responsible for much of the nearly \$70 million that has been donated by agricultural inter-

ests to federal candidates since 1999. Leaders of organizations such as the American Farm Bureau Federation, which have also been multimillion-dollar campaign donors, were appointed to federal commissions where they proposed several new expensive farm programs to Congress. Not surprisingly, nearly all of the recommendations made by these organizations ended up in the House and Senate bills.

The sugar industry donated \$4.3 million to federal political candidates in hopes of retaining federal sugar supports that triple the price American consumers pay for sugar. One-fourth of these donations came from just one company—Flo-Sun, Inc., a sugar empire located in Florida and the Dominican Republic and owned by brothers Alfonso (Alfie) and Jose (Pepe) Fanjul. Although this corporation is scarcely in need and the Fanjuls' sugar fortune has been conservatively estimated to be worth \$500

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million, the government's sugar program provides them with approximately \$125 million per year in federal benefits. In December 2001, a Senate amendment that would have saved consumers \$1.9 billion per year by eliminating the federal sugar program was defeated by a vote of 71–25.

Likewise, the peanut industry sought assurance that it would not be harmed by the elimination of price supports. Organizations including the Western Peanut Growers Association and the National Peanut Growers Group donated nearly \$250,000 to candidates for national office and testified before Congress several times in favor of replacing peanut price supports with generous federal subsidies. Both the House and Senate voted to include \$3.5 billion in peanut subsidies over 10 years, thereby shifting the cost of the peanut program from consumers to taxpayers.

Meanwhile, dairy farmers have been defending milk price supports that impose a “milk tax” costing consumers \$2.7 billion per year. Organizations such as the National Milk Producers Federation (NMPF), which told Congress that these milk tax policies are actually good for consumers, were responsible for much of the \$3.3 million that has been donated by the dairy industry to federal politi-

cal candidates. While Congress did allow one dairy price support program—the Northeast Interstate Dairy Compact—to sunset in 2001, the Senate voted to provide a new \$2 billion golden parachute payment for dairy farmers across the country.

Many political scientists no doubt would consider agriculture policy a classic case of special-interest politics. The beneficiaries of farm subsidies may be few in numbers, but they have dedicated substantial resources to influencing the debate on farm policy because its outcome will result in massive gains or losses for them.

On the other hand, while the vast majority of Americans are harmed by subsidy policies, they have not felt a pressing call to action, given that the effects of subsidies on an individual level are relatively small and are hidden in food prices and tax bills. Consequently, the more active and impassioned farm lobby has succeeded in preserving its special-interest subsidies.

—Brian M. Riedl is Grover M. Hermann Fellow in Federal Budgetary Affairs in the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation.

## AGRICULTURE LOBBY WINS BIG IN NEW FARM BILL

*BRIAN M. RIEDL*

The House and Senate are close to agreeing on legislation reauthorizing most farm programs for the next 10 years. Although both the Farm Security Act (H.R. 2646) and the Agriculture Conservation and Rural Enhancement Act (S. 1731) would take a toll on the finances of most American families for years to come, the most active citizen participants in the development of the farm bill have not been representatives of taxpayers and consumers, but the leaders of several large farm organizations.

Not coincidentally, most analysts agree that the farm lobby will be the largest beneficiary of legislation that will increase farm subsidies to \$191 billion over the next 10 years.<sup>1</sup> These subsidies, combined with an additional estimated \$271 billion in government-inflated food prices, will cost the average American household nearly \$4,400 over the next decade.<sup>2</sup> Given that the nation's farm legislation will have such a large impact on all Americans, it is important to identify the farm policy's winners and losers, and to examine the role agricultural interests have played in crafting it.

### WHO REALLY WILL BENEFIT?

Current agriculture policies are designed to concentrate farm subsidies among large farms and agribusinesses. Rather than being awarded with regard to need, subsidy payments are based on the types of crops that are grown. More than 90 percent of all farm subsidies are allocated to farms that produce just five of the United States' 400 domestic agricultural products. In addition, subsidies to farmers increase with crop production, guaranteeing that the largest and most profitable farms receive the largest federal subsidies.

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1. This figure was calculated by removing the expenditures in the \$171 billion farm bill that are not direct subsidies to farmers and adding other farm subsidy programs, such as crop insurance, which are funded in other bills, resulting in a total of \$191 billion.
2. For a statistical breakdown of these totals, see Brian M. Riedl, "The Cost of America's Farm Subsidy Binge: An Average of \$1 Million Per Farm," Heritage Foundation *Backgrounder* No. 1510, December 10, 2001.

In addition to subsidies, assistance is given to farmers in the form of price supports, through which crop prices are artificially increased. The lion's share of this assistance, likewise, goes not to farmers who are most in need, but to large farms that grow the most crops.

In a system that is more accurately classified as corporate welfare than as income-support for struggling farmers, two-thirds of all farm subsidies go to just 10 percent of farms, most of which earn over \$250,000 annually. At the same time, 60 percent of the nation's farmers, regardless of need, are left out of the farm subsidy system altogether.<sup>3</sup>

Because the largest agribusinesses are the chief beneficiaries of agriculture policy, they have both the incentives and resources necessary to invest heavily in maintaining the current flow of subsidy dollars. Through representative organizations, they have served on federal commissions, testified before Congress, and donated millions of dollars to federal political candidates. Not surprisingly, the House and Senate farm bills include many of the provisions that these groups support, including massive farm subsidies and price supports.

## THE WINNERS

**Producers of Subsidized Commodities.** Producers of subsidized commodities have been the chief beneficiaries of farm policy. The 1996 Freedom to Farm Act<sup>4</sup> was an important attempt to reform farm policy and would have initiated a gradual phaseout of nearly all farm subsidies. However, this impetus toward reform was countered by emergency agriculture spending bills that were passed by Congress every year between 1998 and 2001, resulting in a record high of \$29.8 billion in farm subsidies in 2000.<sup>5</sup>

The farm bill that is developed this year will be critical in setting the direction of farm policy for the next decade. Congress will decide whether to recommit to the Freedom to Farm goal of phasing out crop subsidies or to abandon Freedom to Farm altogether and return to an era of massive government subsidies to farmers.

Of the \$64.2 billion in direct subsidies paid to farmers between 1999 and 2001, over 90 percent went to producers of just five crops—wheat, corn, cotton, soybeans, and rice.<sup>6</sup> With millions of dollars at stake, the farm lobby has been actively involved in the current farm bill debate through both policy advice and generous donations to political candidates.

Organizations representing the farmers of the subsidized crops are responsible for much of the \$69.6 million that agribusinesses have donated to congressional and presidential candidates since 1999.<sup>7</sup> Several of these organizations were also represented on the 11-member Commission on 21st Century Production Agriculture, which was established under the Freedom to Farm Act to review its performance and recommend changes. In January 2001, the commission released a report calling for the complete abandonment of Freedom to Farm through (1) the extension and expansion of Production Flexibility Contract (PFC) subsidies that were supposed to be phased out, (2) the creation of a new “counter-cyclical” farm subsidy program, and (3) the continuation of policies targeting subsidies to the largest farms and agribusinesses.<sup>8</sup>

American Farm Bureau Federation President Bob Stallman, a commission member, reiterated these policy prescriptions before the House Agriculture Committee on February 28, 2001<sup>9</sup> and later called

3. Data provided by the Environmental Working Group at [www.ewg.org](http://www.ewg.org).

4. Public Law 104–127.

5. U.S. Department of Agriculture, “FY 2002 Budget Summary,” at <http://www.usda.gov/agency/obpa/Budget-Summary/2002/2002budsum.htm>.

6. The \$64.2 billion figure is taken from U.S. Department of Agriculture, “Budget Summary,” 2000, 2001, and 2002 editions, and the breakdown of subsidies by crop is from U.S. General Accounting Office, *Farm Programs: Information on Recipients of Federal Payments*, GAO–01–606, June 2001, p. 23.

7. All political donation statistics are from [www.opensecrets.org](http://www.opensecrets.org), through October 1, 2001.

8. *Directions for Future Farm Policy: The Role of Government in Support of Production Agriculture*, Commission on 21st Century Production Agriculture, January 2001.

9. For a summary of Mr. Stallman's testimony, see [www.fb.org/issues/farm\\_bill/](http://www.fb.org/issues/farm_bill/).

Table 1						B1534					
<b>Farm Subsidy Scorecard</b>											
<b>Fortune 500 Companies, Members of Congress, and Other Winners</b>											
<b>Listed by Farm Subsidy Totals, 1996–2000</b>											
National Median Farm Subsidy, 1996–2000: \$4,675											
All Fortune 500 Companies Receiving Subsidies		Amount of Subsidy	All Members of Congress Receiving Subsidies		Amount of Subsidy	Other Notables Receiving Subsidies		Amount of Subsidy			
Westvaco Corporation		\$268,740	Rep. Marion Berry (D-AK)		\$750,449	David Rockefeller		\$352,187			
Chevron		\$260,223	Sen. Blanche Lincoln (D-AK)		\$351,085	Ted Turner		\$176,077			
John Hancock Mutual Life Insurance		\$211,368	Rep. Calvin Dooley (D-CA)		\$306,902	Scottie Pippen		\$131,575			
DuPont		\$188,732	Rep. Tom Latham (R-IA)		\$286,862	Sam Donaldson		\$29,106			
Caterpillar		\$171,698	Rep. Doug Ose (R-CA)		\$149,000	Bob Dole (living trust)		\$18,550			
International Paper		\$75,393	Sen. Charles Grassley (R-IA)		\$110,936	Birch Bayh		\$13,937			
Georgia Pacific		\$37,156	Sen. Mike DeWine (R-OH)		\$50,000	Benjamin Bradlee		\$3,500			
Archer Daniels Midland		\$36,305	Sen. Richard Lugar (R-IN)		\$48,464	John Ashcroft (trust)		\$1,620			
Mead Corporation		\$15,115	Rep. Charles Stenholm (D-TX), his wife, and a trust		\$39,298	Total		\$726,552			
Deere & Company		\$12,875	Rep. Bob Stump (R-AZ)		\$20,798						
Boise Cascade Corporation		\$11,024	Rep. Dennis Hastert (R-IL)		\$17,214						
Kimberly–Clark		\$8,495	Sen. Sam Brownback (R-KS)		\$16,913						
Eli Lilly Co.		\$2,315	Sen. Phil Gramm (R-TX)		\$12,571						
Pfizer		\$2,011	Rep. Philip Crane (R-IL)		\$7,397						
Navistar		\$1,980	Total		\$2,167,889						
Total		\$1,303,430									

Note: These tables represent direct subsidies only. Price supports, which are paid by consumers at the supermarket instead of by taxpayers, are excluded because the federal government does not keep records of their exact cost.  
Source: Data provided by the Environmental Working Group, at [www.ewg.org](http://www.ewg.org)

any vote against them a “slap in the face.”<sup>10</sup> The Washington, D.C., office of the American Farm Bureau Federation backed up these calls for increased farm subsidies with political donations of a steady \$4.5 million per year.

Similarly, a member of the National Cotton Council’s board of directors, claiming to represent the entire cotton industry, testified in favor of subsidy increases before the House Agriculture Committee on July 18, 2001. His suggestion was given added weight by \$304,422 in political donations that the council contributed to federal political candidates since 1999.<sup>11</sup>

The unprecedented farm subsidy increases proposed by these agriculture industry representatives were quickly written into farm legislation, and on October 5, 2001, the House of Representatives voted overwhelming to pass the most expensive

farm bill in history. The 10-year, \$171 billion bill contains virtually the same PFC expansions, new counter-cyclical farm subsidies, and further tilting of farm subsidies toward the largest farms that were proposed by the farm lobby. The Senate followed suit by passing an equally expensive bill with most of the same policy prescriptions.<sup>12</sup>

If these bills become law, the biggest winners will be pro-farm subsidy organizations such as the Washington office of the American Farm Bureau Federation, which made large investments to promote expanded farm subsidies and will be able to claim credit for increased government payments to their membership. Winners will also include numerous Members of Congress, *Fortune* 500 companies, and other notables listed in Table 1 as well as large farms and agribusinesses listed in the Appendix.<sup>13</sup>

10. Cited at [www.opensecrets.org](http://www.opensecrets.org).

11. Mark Williams, before the Committee on Agriculture, U.S. House of Representatives, July 18 2001, at [www.cotton.org/gov/testimony/Williams-House-Testimony.cfm](http://www.cotton.org/gov/testimony/Williams-House-Testimony.cfm).

12. While the Senate bill reduces the maximum annual subsidy a farmer can receive from \$500,000 to \$275,000, it retains the numerous loopholes that make these limits irrelevant. See Brian M. Riedl, “How Farm Subsidies Became America’s Largest Corporate Welfare Program,” Heritage Foundation *Backgrounder* No. 1520, February 25, 2002.

**Sugar Growers.** Currently, the federal government provides benefits to sugar growers through price-setting policies that artificially raise the prices that consumers pay for sugar, rather than through direct subsidies. These price-setting policies contain the following elements: (1) strict tariffs (import taxes) and import limits to prevent competition from cheaper foreign sugar; (2) non-recourse loans to sugar processors, which revert to the status of grants if the price of sugar drops below a certain level; and (3) domestic limits on how much sugar can be processed.

All told, the sugar program artificially increases the price of sugar to three times the world market price and costs American consumers \$1.9 billion per year in higher food prices.<sup>14</sup> Despite its harm to consumers, however, the federal sugar program was left untouched by the 1996 Freedom to Farm Act.

Since 1999, \$4.3 million has been donated to federal politicians by the sugar industry, nearly all of which has come from organizations representing farmers who benefit from these price supports and want to continue them. Among such pro-price support organizations are the American Sugar Cane League, which has donated \$414,898 to federal candidates since 1999, and American Crystal Sugar, which has donated \$795,235. In December 2001, an amendment offered by Senator Judd Gregg (R-NH) to eliminate the federal sugar program and shift the savings to the food stamp program was defeated by a vote of 71–25.<sup>15</sup>

The largest beneficiary of continued government price-fixing in the sugar industry, however, will be Florida's Flo-Sun, Inc. Owned by brothers Alfonso (Alfie) and Jose (Pepe) Fanjul, the Flo-Sun sugar

empire includes several sugar mills and 410,000 acres of land in Florida and the Dominican Republic. Despite a fortune conservatively estimated at \$500 million, the Fanjuls receive a huge annual sugar benefit from the federal government: roughly \$65 million for their Florida-grown sugar and an additional \$60 million for the Dominican sugar they sell in the United States.<sup>16</sup> Profiting from Congress's misguided policies, the Fanjuls have purchased a 7,000-acre luxury resort with 14 swimming pools, several mansions, and world-class golf courses.<sup>17</sup>

It is not unreasonable to assume that Flo-Sun may well have had substantial influence on the current farm policy debate on Capitol Hill, given that it has donated \$1,136,900 to federal politicians since 1999. Overall, the sugar industry continues to be a major beneficiary of price-support policies that have cost American consumers billions of dollars.

**Peanut Producers.** While the sugar industry has been actively lobbying to maintain its price supports, the peanut industry has dedicated its resources to promoting a shift from price supports to taxpayer subsidies for peanut production. Currently, peanut prices are increased to artificially high levels through import restrictions and non-recourse loans.

Prices are also kept high through domestic shortages that have been created by limiting permission to grow peanuts for domestic sale to those who possess marketing quotas—licenses to grow a specific amount of peanuts. These government-created shortages raise the price of peanuts sold in the United States to double the world price and cost American consumers over \$400 million annually.<sup>18</sup>

13. Members of Congress defend their votes for farm subsidy programs that benefit themselves by pointing out that they are financially affected by many policies, such as tax policy, and still vote on those policies. The conflict of interest, however, is in the degree to which farm policy affects these Members. While marginal tax policy changes have a minor financial affect that is distributed more or less evenly across taxpayers, a vote to continue farm subsidies can transfer as much as \$750,000 in direct payments to a single Member of Congress—a benefit 99.9 percent of other Americans would not be given.

14. U.S. General Accounting Office, *Supporting Sugar Prices Has Increased Users' Costs While Benefiting Producers*, GAO/RCED-00-126; June 2000, pp. 3–5.

15. Senate roll call vote no. 364, December 11, 2001.

16. "Sugar's First Family," Center for Responsive Politics, at [http://www.opensecrets.org/pubs/cashingin\\_sugar/sugar08.html](http://www.opensecrets.org/pubs/cashingin_sugar/sugar08.html).

17. Donald L. Barlett and James B. Steele, "Sweet Deal: Why Are These Men Smiling? The Reason Is in Your Sugar Bowl," *Time*, November 23, 1998.

18. U.S. General Accounting Office, *Peanut Program: Changes Are Needed to Make the Program Responsive to Market Forces*, GAO/RCED-93-18, February 8, 1993.



For years, Congress has talked about eliminating peanut price supports, and the peanut industry has worked actively to ensure that any such change will preserve government benefits to the peanut industry. In testimony before the House Agriculture Committee on June 18, 2001, Western Peanut Growers Association (WPGA) President Doyle D. Fincher proposed replacing the current peanut price support system with direct government subsidies to peanut growers and called for massive government payments to compensate holders of peanut quotas for the loss of the value of their quotas.<sup>19</sup> The National Peanut Growers Group (NPG), a coalition of state and local peanut organizations, also provided congressional testimony in favor of moving away from price supports and toward government subsidies.<sup>20</sup>

Adding weight to these proposals are hefty political donations made by these organizations. Since 1999, the Western Peanut Growers Association has donated \$107,000 to federal candidates, and the National Peanut Growers Group has donated \$138,000.

The wishes of the WPGA and NPG were granted when the House's Farm Security Act included a provision to replace peanut price supports with a new a 10-year, \$3.5 billion peanut subsidy program. The Senate bill contains similar provisions. In effect, the new program shifts the cost of peanut subsidies from consumers to taxpayers.

According to the U.S. General Accounting Office, the biggest winners will be the peanut growers who had not previously owned a peanut quota but would now be granted permission to grow peanuts for domestic sale. Not only will they now be able to grow peanuts without restrictions, but they will also be eligible for federal subsidies. Not to be denied, quota holders will also benefit, since both

the House and Senate bills award grants averaging \$125,000 to each quota holder as compensation for losing the value of the quota.<sup>21</sup>

**Dairy Farmers.** The House and Senate farm bills also benefit the dairy industry. Current law is based on the perception that Midwest dairy farmers produce milk too efficiently, resulting in milk prices that are considered to be too low.

In response to this situation, the federal government allows states with less efficient dairy farmers to establish local milk cartels to keep less expensive Midwest milk off the market and sustain artificially high prices for milk produced in those states. Under this Depression-era program, the further a participating state is away from Eau Claire, Wisconsin, the higher its milk prices are increased. Each year, this "milk tax" costs supermarket customers approximately \$2.7 million.<sup>22</sup>

Much of the \$3.3 million donated to federal candidates by the dairy industry since 1999 has been from dairy farmers who support continuing the current price-fixing scheme. In testimony before the House Agriculture Committee on April 5, 2001, Jerry Kozak—CEO of the National Milk Producers Federation (NMPF), which represents a majority of the nation's 83,000 dairy farmers—declared that the current milk policy, which raises the price of milk as much as 20 cents per gallon, benefits consumers and should be continued.<sup>23</sup> The policy prescriptions of the NMPF were buttressed by the \$120,500 in donations it has made to federal candidates since 1999.

In a step toward reform, the Northeast Interstate Dairy Compact, which had allowed New England states to set milk prices *even higher* than federal regulations permitted, was allowed to sunset in October 2001. However, this move was countered by a stipulation in the Senate bill, which awards \$2 bil-

19. Doyle D. Fincher, testimony before Committee on Agriculture, U.S. House of Representatives, July 18, 2001, at <http://www.go-peanuts.org/jul18b.htm>.

20. Dykes Adkison, testimony before the Subcommittee on Specialty Crops and Foreign Agriculture Programs, Committee on Agriculture, U.S. House of Representatives, June 13, 2001, at <http://agriculture.house.gov/hearings/h010613w4.pdf>.

21. U.S. General Accounting Office, *Peanut Program: Potential Effects of Proposed Farm Bill on Producers, Consumers, Government and Peanut Imports and Exports*, GAO-01-1135R, September 26, 2001.

22. Data from U.S. Department of Agriculture, Economic Research Service, as cited at [www.cato.org/pubs/regulation/reg19n4-cur.html](http://www.cato.org/pubs/regulation/reg19n4-cur.html).

23. Jerry Kozak, testimony before Committee on Agriculture, U.S. House of Representatives, April 5, 2001, at <http://agriculture.house.gov/hearings/h10405w1.pdf>.

lion in golden parachute payments to assist dairy farmers who will lose the benefits of this second tier of price inflation and provides additional aid to other dairy farmers nationwide. An amendment by Senator Michael Crapo (R-ID) to delete this funding was strongly opposed by the farm lobby and failed by a vote of 51 to 47.<sup>24</sup>

As written, both the House and Senate bills will continue current price-altering milk policies. Federal policies that increase milk prices appear to be here to stay, and dairy farmers—especially those far away from Eau Claire, Wisconsin—will continue to be the beneficiaries.

## THE LOSERS

**Consumers and Taxpayers.** The House and Senate farm bills create many winners—first and foremost the producers of corn, wheat, cotton, rice, soybeans, sugar, peanuts, and milk. Specifically, the 241,000 farms that are awarded two-thirds of all farm subsidies, the 57,500 farms that each receive more than \$100,000 annually, and those that benefit from government-inflated food prices will benefit greatly under the record-high subsidies and price supports included in H.R. 2646 and S. 1731.<sup>25</sup>

The bills' losers include the 270 million Americans who will be forced to pay high taxes and inflated food prices to subsidize this special interest. While the final bill has yet to be written, it is currently estimated that the House and Senate bills will increase total agriculture subsidies to \$191 billion and that inflated prices will cost consumers another \$271 billion over the next 10 years.

Within the next decade, these special-interest programs will cost the average American household \$1,805 in taxes and \$2,572 in inflated food prices, for a total of \$4,377.<sup>26</sup> Furthermore, these inflated prices will disproportionately hurt low-income families, who spend a higher percentage of their income on food.

If the \$462 billion in benefits over the next decade were to be divided among the nation's 456,000 full-time farms, each would receive an average benefit of more than \$1 million in direct subsidies and inflated prices. In light of the fact that approximately two-thirds of the \$69.6 million in political donations given by agribusinesses was given by entities that favored increased subsidies and price supports, this indicates quite a good return on the dollar. Their \$46.4 million investment brought home a \$462 billion bounty.

## CONCLUSION

Many political scientists no doubt would consider agriculture policy a classic case of special-interest politics. Agricultural policy has very few beneficiaries, but the stakes are high and the benefits are great for those who could be among the winners. These beneficiaries therefore have great incentive to invest their time, expertise, and money to ensure that the current system is perpetuated and expanded.

On the other hand, though the cost of these special-interest policies is in the billions, it is diffused over 270 million Americans, most of whom do not notice the slow trickle of dollars being transferred from their pockets to agribusinesses and farms with incomes that dwarf their own. They therefore feel little incentive to counter the farm lobby.

Thus far, the beneficiaries of subsidies and price-fixing practices have been successful in their efforts to influence the crafting of farm policy that will be in place for the next decade. Consumers and taxpayers should keep this in mind every time they go to the supermarket and every time they pay their taxes.

—Brian M. Riedl is Grover M. Hermann Fellow in Federal Budgetary Affairs in the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation.

24. Senate roll call vote no. 362, December 11, 2001.

25. Data provided by the Environmental Working Group at [www.ewg.org](http://www.ewg.org).

26. For a statistical breakdown of these totals, see Riedl, "The Cost of America's Farm Subsidy Binge."



APPENDIX

**Top Five Farm Subsidy Recipients by State, 1996–2000**

	Location	Subsidy		Location	Subsidy
<b>ALABAMA</b>					
Martin Farm	Courtland, AL 35618	\$3,058,966	Cure Brothers	Burlington, CO 80807	\$3,999,120
Benton Farms	Benton, AL 36785	\$2,782,896	Schutte Farms Partnership	Burlington, CO 80807	\$3,549,303
Driskell Cotton Farm	Grand Bay, AL 36541	\$2,397,210	Horse Creek Farms	Springfield, CO 81073	\$2,814,401
Newby Farms	Athens, AL 35613	\$2,336,422	Kramer Feedlot Group	Holyoke, CO 80734	\$1,572,089
Darden Bridgeforth and Sons	Tanner, AL 35671	\$2,142,438	TT & G Farms Ptn.	Brandon, CO 81071	\$1,452,103
<b>ALASKA</b>					
Schultz Farms Inc.	Delta Junction, AK 99737	\$437,370	<b>CONNECTICUT</b>		
Dennis Green	Delta Junction, AK 99737	\$364,374	Logue Farm, Inc.	Woodbury, CT 06798	\$540,398
Philip E. Driver	Anchorage, AK 99508	\$305,417	Laurel Brook Farm	East Canaan, CT 06024	\$476,458
Eagles' Ridge Ranch	Delta Junction, AK 99737	\$276,504	Bahler Farms, Inc.	Ellington, CT 06029	\$340,133
Theuringer Farms	Delta Junction, AK 99737	\$267,099	Oak Ridge Farms	Ellington, CT 06029	\$332,936
			Valley Farms	Vernon Rockville, CT 06066	\$312,470
<b>ARIZONA</b>					
Barkley Seed, Inc.	Yuma, AZ 85366	\$5,276,141	<b>DELAWARE</b>		
Arizona Grain Company	Casa Grande, AZ 85230	\$4,959,411	Rutkoske Farms	Middletown, DE 19709	\$1,249,348
Colorado River Indian Tribes Farm	Parker, AZ 85344	\$4,730,562	Schiff Partnership	Harrington, DE 19952	\$1,123,479
Gila River Farms	Sacaton, AZ 85247	\$3,745,731	Murray Brothers	Selbyville, DE 19975	\$701,959
Martori Family Gen. Ptn.	Scottsdale, AZ 85260	\$3,720,240	Baker Farms, Inc.	Middletown, DE 19709	\$664,607
			Townsend Farms, Inc.	Millsboro, DE 19966	\$660,766
<b>ARKANSAS</b>					
Riceland Foods, Inc.	Stuttgart, AR 72160	\$49,055,516	<b>FLORIDA</b>		
Tyler Farms	Helena, AR 72342	\$23,826,794	Melton Brothers	Altha, FL 32421	\$1,034,923
Producers Rice Mill, Inc.	Stuttgart, AR 72160	\$19,865,841	Griswold Farms	Pace, FL 32571	\$966,102
E and V Farms	Poplar Grove, AR 72374	\$4,701,793	Diller Farms	Walnut Hill, FL 32568	\$876,234
Haywire Farms	Wabash, AR 72389	\$4,067,791	Walker Farms	Mc David, FL 32568	\$815,082
			White and White	Chiefland, FL 32644	\$550,051
<b>CALIFORNIA</b>					
Farmers Rice Coop	Sacramento, CA 95851	\$38,226,413	<b>GEORGIA</b>		
Dublin Farms	Corcoran, CA 93212	\$5,427,800	MTTA Partnership	Leslie, GA 31764	\$2,895,832
R. Gorrill Ranch Enterprises	Durham, CA 95938	\$3,931,129	John M. Mobley & Sons	Moultrie, GA 31768	\$2,437,658
Buttonwillow Land and Cattle Co.	Buttonwillow, CA 93206	\$3,871,459	T & T Farms	Leesburg, GA 31763	\$2,120,396
Boeger Land Company	Gridley, CA 95948	\$3,537,661	Three S Farms	Doerun, GA 31744	\$1,547,712
			S O S Farms	Ashburn, GA 31714	\$1,406,600

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Appendix Table 1

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**Top Five Farm Subsidy Recipients by State, 1996–2000 cont.**

	Location	Subsidy	Location	Subsidy
<b>HAWAII</b>				
John Cox	Kaunakakai, HI 96748	\$270,408	KANSAS	
Perry L. Widhalm	Kailua Kona, HI 96740	\$149,630	Clawson Farm Partnership	Satanta, KS 67870
Martin Farms Ltd.	Mountain View, HI 96771	\$148,928	Winger Farms	Johnson, KS 67855
Kapapala Ranch	Hilo, HI 96721	\$80,400	Whit-crop	Leoti, KS 67861
S & S Dairy, Inc.	Naaalehu, HI 96772	\$78,043	Smith Flying V	Sharon Springs, KS 67758
			Mckinney Farms	Weskan, KS 67762
<b>IDAHO</b>				
Thompson Farms	Pingree, ID 83262	\$2,332,116	<b>KENTUCKY</b>	
Double C Farms	Burley, ID 83318	\$2,088,474	Bickett Farms	Central City, KY 42330
Cranney Bros	Oakley, ID 83346	\$2,053,919	Cundiff Farms	Cadiz, KY 42211
Barker Ag	Soda Springs, ID 83276	\$1,649,115	Arnold Enterprises	Hopkinsville, KY 42241
Larry Boyer Land & Cattle Company	Culdesac, ID 83524	\$1,647,978	Double M Farms	Russellville, KY 42276
			Tim Lusk & Associates	Fulton, KY 42041
<b>ILLINOIS</b>				
Walker Place	Danville, IL 61832	\$5,682,950	<b>LOUISIANA</b>	
Pat Scates & Sons	Shawneetown, IL 62984	\$2,899,605	Franklin Farms	Newellton, LA 71357
Valley View Farm	Saint Anne, IL 60964	\$2,413,577	D & B Farms	Jones, LA 71250
Sauk Valley Farms	Dixon, IL 61021	\$1,967,588	Black River Grain	Jonesville, LA 71343
Rubenacker Farms	Dahlgren, IL 62828	\$1,831,607	Kellick Farming Co.	Mer Rouge, LA 71261
			Woodland Farms Ptn.	Monroe, LA 71201
<b>INDIANA</b>				
Crossroad Farms	Williamsport, IN 47993	\$2,963,056	<b>MAINE</b>	
White Oak Farms	Cloverdale, IN 46120	\$1,596,322	Maxwell Farms	Lee, ME 04455
Anson Farms	Vincennes, IN 47591	\$1,516,987	Penobscot Nation	Old Town, ME 04468
Graham Creek Farm	Commisskey, IN 47227	\$1,437,753	Williams Farms, Inc.	North Anson, ME 04958
Mills Brothers Farms	Ladoga, IN 47954	\$1,426,816	Gold Top Farms	Knox, ME 04986
			George & Bill Flood	Clinton, ME 04927
<b>IOWA</b>				
Dvorak Brothers	Riceville, IA 50466	\$2,083,019	<b>MARYLAND</b>	
H & J Buseman Farms	Belmond, IA 50421	\$1,289,000	Pleasant Valley Farm	Brookeville, MD 20833
Danielski Farms	Bedford, IA 50833	\$1,149,052	Pcn Farms	Easton, MD 21601
Berghoefer Livestock & Grain	Hampton, IA 50441	\$1,131,037	Hunt Ray Farms	Centerville, MD 21617
Pilling Farms Partnership	Carson, IA 51525	\$1,094,477	Clear Meadow Farm Ptn.	White Hall, MD 21161
			Chino Farms, Inc.	Chestertown, MD 21620

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**Top Five Farm Subsidy Recipients by State, 1996–2000 cont.**

	Location	Subsidy	Location	Subsidy
<b>MASSACHUSETTS</b>				
V. H. Rogers Farms	Weston, MA 02493	\$314,308	MONTANA	
Bar Way Farm, Inc.	Deerfield, MA 01342	\$228,755	DNRC Trust Land Management	Helena, MT 59620
Allard's Farms, Inc.	Hadley, MA 01035	\$225,577	Montana Board of Investments	Bozeman, MT 59772
Louis Aragi	Sheffield, MA 01257	\$191,873	Neil Johnson Farms	Cut Bank, MT 59427
Marini Farms	Ipswich, MA 01938	\$180,993	Singleton Farms	Miles City, MT 59301
			Windancer Farms General Partnership	Cohagen, MT 59322
<b>MICHIGAN</b>				
Berrybrook Enterprises	Dowagiac, MI 49047	\$1,944,679	NEBRASKA	
Totzke Farms	Baroda, MI 49101	\$1,654,123	C.J. Farms Gen. Ptn.	Oxford, NE 68967
Golden Grain Farms	Hamilton, MI 49419	\$1,562,226	Kaliff Farms	York, NE 68467
Tri-acre Farms	Davison, MI 48423	\$1,352,555	Bartlett Partnership	Bartlett, NE 68622
Vangilder-Grain	Fowlerville, MI 48836	\$1,341,954	Danielski Harvesting	Valentine, NE 69201
			Niobrara Farms	Atkinson, NE 68713
<b>MINNESOTA</b>				
Harvest States Cooperatives	Saint Paul, MN 55164	\$28,145,535	NEVADA	
Oberg Farms Partnership	Moorhead, MN 56560	\$2,429,954	Margo, Herman, Jr., Deanna and Richard De	Reno, NV 89505
Peterson Farms	Wendell, MN 56590	\$2,400,250	Hebert Farms, Jr., Estate	Smith, NV 89430
Mattson Farms Partnership	Lake Park, MN 56554	\$1,702,188	Penco of South Dakota, Inc.	Reno, NV 89509
Hector Farms Partnership	Hector, MN 55342	\$1,679,895	Brinkerhoff Ranch, Inc.	Lovelock, NV 89419
			Nevada Nile Ranch, Inc.	Lovelock, NV 89419
<b>MISSISSIPPI</b>				
Mitchener Planting Co	Sumner, MS 38957	\$6,380,286	NEW HAMPSHIRE	
Colby Company V	Yazoo City, MS 39194	\$5,679,023	Putnam Farms, Inc.	Charlestown, NH 03603
Dixie Farms	Vance, MS 38964	\$5,094,239	Forbes Farm Partnership	Lancaster, NH 03584
Tackett Farms	Schlater, MS 38952	\$5,052,190	Highway View Farm	Boscawen, NH 03303
Due West	Glendora, MS 38928	\$4,866,948	Chickering Farm	Westmoreland, NH 03467
			Scrutons Dairy, Inc.	Farmington, NH 03835
<b>MISSOURI</b>				
Missouri Delta Farms	Sikeston, MO 63801	\$14,987,439	NEW JERSEY	
Ddab Farms	Caruthersville, MO 63830	\$3,559,346	Marino Brothers Partnership	Swedesboro, NJ 08085
Colorado Farms	Chillicothe, MO 64601	\$1,916,330	Durr Farms, Inc.	Bordentown, NJ 08505
Level Land Farms	Bernie, MO 63822	\$1,868,985	Rustin Farms	West Windsor, NJ 08550
Heartland Farms	Dexter, MO 63841	\$1,780,358	Robert A. Santini	Phillipsburg, NJ 08865
			Good Farms, Inc.	Vincentown, NJ 08088

Appendix Table 1 Cont.

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**Top Five Farm Subsidy Recipients by State, 1996–2000 cont.**

	Location	Subsidy		Location	Subsidy
<b>NEW MEXICO</b>					
Napi	Farmington, NM 87499	\$7,470,342	Hitch Farms Partnership	Guymon, OK 73942	\$2,117,306
Rex and Kathy Rush	Melrose, NM 88124	\$1,079,649	Wood Family Joint Venture	Hobart, OK 73651	\$1,972,205
Double E Ranch Co.	Clovis, NM 88101	\$895,536	Hitch, Lee & Co.	Guymon, OK 73942	\$1,236,069
Enchanted Farms	Clovis, NM 88102	\$868,512	Long Family Farms Ptn.	Optima, OK 73945	\$1,139,875
Rancho La Frontera	Columbus, NM 88029	\$852,103	Okie Acres	Hooker, OK 73945	\$1,110,331
<b>NEW YORK</b>					
Kludt Farms	Kendall, NY 14476	\$961,895	Bureau Of Indian Affairs	Pendleton, OR 97801	\$7,415,620
McCollum Farms Partnership	Gasport, NY 14067	\$950,531	Nolin Farming Company	Pendleton, OR 97801	\$2,908,421
Austic Farms	Trumansburg, NY 14886	\$924,009	Larson Skyline Farm	Ontario, OR 97914	\$1,815,667
Panek Coatings	Albion, NY 14411	\$905,857	Martin Underhill Farms	Dufur, OR 97021	\$1,312,748
Flevie and D. Jean Danielewicz	Sanborn, NY 14132	\$845,431	3S Land Company	Pendleton, OR 97801	\$1,304,914
<b>NORTH CAROLINA</b>					
Cox Brothers Farms	Monroe, NC 28112	\$1,898,388	Wehry Brothers Hog & Grain Farms	Dornsife, PA 17823	\$791,545
AMD Farms	Hobgood, NC 27843	\$1,663,442	Star Rock Farms	Conestoga, PA 17516	\$615,472
The Williamson Farm	Mount Gilead, NC 27306	\$1,594,475	Noah W. Kreider & Sons	Manheim, PA 17545	\$565,100
Howard Farms	Deep Run, NC 28525	\$1,455,598	Keifer & Son Farms, Inc.	Dornsife, PA 17823	\$557,856
Fann Farms	Salemberg, NC 28385	\$1,435,770	Stanley Auen	Saltsburg, PA 15681	\$547,361
<b>NORTH DAKOTA</b>					
Johnson Farms	Walhalla, ND 58282	\$3,413,198	Confreda Farms & Produce	Warwick, RI 02888	\$239,900
Weinreis Bros	Golva, ND 58632	\$2,026,494	Pilgrim Farm Dairy, Inc.	Cumberland, RI 02864	\$160,368
Kohler Farms Ptn.	Valley City, ND 58072	\$1,859,272	Alfred P. Defazio	Cranston, RI 02921	\$132,050
FSD Partnership	Fairmount, ND 58030	\$1,777,341	Tomaquag Valley Farm	Bradford, RI 02808	\$103,542
Williams Farms	Arthur, ND 58006	\$1,618,075	Southpaw Crofters	Block Island, RI 02807	\$86,591
<b>OHIO</b>					
Blanton Farms, Partnership	Middletown, OH 45042	\$2,235,987	Connelly Farms	Ulmer, SC 29849	\$1,842,307
Hendren Farms	Johnstown, OH 43031	\$1,833,156	Rogers Brothers	Hartsville, SC 29550	\$1,474,385
Niese Farms	Crestline, OH 44827	\$1,731,178	Oneal Bros.	Blenheim, SC 29516	\$1,324,308
Heintz Farms	Belle Center, OH 43310	\$1,703,525	Chappell Farms	Barnwell, SC 29812	\$1,292,643
Carraher Farms Partnership	Sardinia, OH 45171	\$1,550,649	McColl Brothers Farms	Little Rock, SC 29567	\$1,254,600

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### Top Five Farm Subsidy Recipients by State, 1996–2000 cont.

	Location	Subsidy		Location	Subsidy
<b>SOUTH DAKOTA</b>					
1st National Bank Sioux Falls	Sioux Falls, SD 57117	\$17,652,375	VIRGINIA	West Point, VA 23181	\$1,473,808
River View Farms	Platte, SD 57369	\$2,957,026		St. Stephens Ch., VA 23148	\$1,115,309
Diamond Ring Farms	Midland, SD 57552	\$2,431,581		Center Cross, VA 22437	\$1,009,100
LNL Partnership	Pierre, SD 57501	\$2,201,395		Mechanicsville, VA 23116	\$910,154
Ken R. Huse & Sons	Onida, SD 57564	\$2,110,848		Manakin Sabot, VA 23103	\$778,138
<b>TENNESSEE</b>					
McArmour Enterprises Ptn.	Halls, TN 38040	\$2,520,668	WASHINGTON	Ellensburg, WA 98926	\$5,340,503
H. E. Jordan Farm Ptn.	Gates, TN 38037	\$2,257,014		Colfax, WA 99111	\$3,473,465
Quad Farms Partnership	Dyersburg, TN 38024	\$2,117,074		Dayton, WA 99328	\$3,416,221
Sunflower Farms	Memphis, TN 38120	\$1,918,339		Coulee City, WA 99115	\$2,452,697
Lindamood Planting Co.	Tiptonville, TN 38079	\$1,903,840		Prosser, WA 99350	\$2,112,154
<b>TEXAS</b>					
San Sebastian Farms	Sebastian, TX 78594	\$4,670,608	WEST VIRGINIA	Beckley, WV 25802	\$906,608
The Henderson Liberty Farms	Devers, TX 77538	\$3,886,307		Apple Grove, WV 25502	\$422,689
Ocho Farms	Brookshire, TX 77423	\$3,703,205		Charles Town, WV 25414	\$403,672
Gertson Farms Partnership	Lissie, TX 77454	\$3,633,251		Charles Town, WV 25414	\$375,986
Cover Farms	Dalhart, TX 79022	\$3,240,174		Buffalo, WV 25033	\$314,078
<b>UTAH</b>					
Weston Family Partnership	Logan, UT 84321	\$1,086,485	WISCONSIN	Janesville, WI 53546	\$2,160,996
Garr Farms	Fielding, UT 84311	\$855,297		Edgerton, WI 53534	\$1,688,049
Cedar Valley Farms	Lehi, UT 84043	\$754,348		Sharon, WI 53585	\$1,449,491
N D Or R Grover Ptn.	Brigham City, UT 84302	\$716,256		Mauston, WI 53948	\$1,246,877
Hamilton Triple C Farm	Herriman, UT 84065	\$599,827		Bristol, WI 53104	\$1,177,622
<b>VERMONT</b>					
Jeff Boissonault	Saint Albans, VT 05478	\$264,409	WYOMING	Recluse, WY 82725	\$736,194
Bess-View Farm	Swanton, VT 05488	\$262,945		Cheyenne, WY 82009	\$619,110
Westminster Farms, Inc.	Westminster Station, VT 05159	\$242,146		Wheatland, WY 82201	\$592,170
Knoxland Farm, Inc.	Newbury, VT 05051	\$222,051		Pine Bluffs, WY 82082	\$590,761
David and Cathy Montagne	Swanton, VT 05488	\$218,272		Gillette, WY 82718	\$569,954

Note: These tables represent direct subsidies only. Price supports, which are paid by consumers at the supermarket instead of by taxpayers, are excluded because the federal government does not keep records of their exact cost.

Source: Data provided by the Environmental Working Group, at [www.ewg.org](http://www.ewg.org)