

Commodity policy is an important 2020 issue, but other issues are of importance as well

Over the last three weeks, we examined the agricultural and rural policies set forth by the three leading candidates for the 2020 Democratic nomination for President. Of the three, Warren has the most detailed plan for commodity policy, though both she and Sanders support supply management policies which is consistent with the New Deal history of the Democratic party. All three have also set forth a number of policy issues to address the challenges faced by rural residents.

The remaining candidates in this historically large field have generally addressed issues consistent with the personal experiences and political philosophies they bring to the campaign.

Rather than try to make our way through the policies of the full roll of the dozen-and-a-half remaining Democratic candidates, we are using this column to lay out a range of rural and agricultural issues apart from commodity policy that we think 2020 presidential candidates, without regard to party affiliation, will be asked to address by small town and rural voters.

Consolidation in agricultural markets on both the input side and the marketing side needs to be addressed. Farmers are forced to purchase their inputs from a small number of firms who have pricing power. Farmers also face the same problem when they go to sell their non-niche products—corn, soybeans, wheat, and cattle. In many locations, single firms often have a stranglehold on the market, with the cost of transportation to a more competitive market eating up most of the gain.

One might be tempted to think that this is a recent issue, but it is not. In response to the stranglehold on farmers that railroads and major packers had in the late 19th and early 20th centuries, Congress passed major legislation like the Interstate Commerce Act of 1887 and the Packers and Stockyards Act in 1921. Over the last century the players have changed, but farmers who number over a million still buy from and sell to firms where fewer than 7 or 8 control 50 percent or more of the market. Anti-trust legislation needs significant attention.

Another area where farmers have lost leverage in the marketplace is vertical integration. This is particularly true in poultry and pork markets where the open market has so few players that price discovery is virtually nonexistent. Early in the Obama administration the United States Department of Agriculture and the Department of Justice held hearings on the experiences of farmers in the vertically integrated meat industry and began to develop regulations to deal with the problems that were identified. Congress, under Republican leadership, then deleted the funding for the writing of these regulations that would have protected small growers with production contracts.

While there are segments within the agricultural population that don't believe in or don't want to believe in climate change and the role that humans play in that process, candidates for public office cannot avoid discussing policy plans to address the issues of climate change, care for the environment, and sustainability. Rural and agricultural areas can be an important part of the solution.

Rural health care, rural broadband, rural employment and the need for good paying jobs for youths who grow up in and want to remain in rural areas are all important issues that need to be addressed by anyone—Democrat, Republican, Libertarian, Green, and all others—who wants to be President of this country.

To this list we could add ethanol, E-15, ethanol blending exemptions, rural roads and bridges, rural schools, the funding of programs on tribal lands that are almost exclusively located in rural areas, and the support of African-American farmers who have faced discrimination by USDA and some of its programs.

We hope that the candidates will take the opportunity to listen to rural residents and develop policy proposals that address the concerns they hear.

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Dr. Harwood D. Schaffer: Adjunct Research Assistant Professor, Sociology Department, University of Tennessee and Director, Agricultural Policy Analysis Center. Dr. Daryll E. Ray: Emeritus Professor, Institute of Agriculture, University of Tennessee and Retired Director, Agricultural Policy Analysis Center.

Email: hdschaffer@utk.edu and dray@utk.edu; <http://www.agpolicy.org>.

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