



## In Industrialized America, Why Do Members of Congress Favor Farm Subsidies?

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A puzzling pattern has caught the attention of scholars who study public policies toward agriculture: as nations grow wealthier and more industrialized, they actually spend more on public supports for shrinking agricultural sectors. The United States is certainly a case in point. There are fewer and fewer American farmers, yet for decades Congress has regularly voted to renew costly subsidies for agricultural producers. The cost is hefty. Under the 2008 Farm Bill, for example, agricultural subsidies cost the average American taxpayer \$635 annually for each of the next five years. In advanced industrial, urbanized America, why do Congressional representatives recurrently support such costly benefits for agricultural producers?

In this era of budget austerity, it is important to understand what determines support for a set of measures decried as wasteful by many experts. Those who want to change current policy need to understand how and why it is made and sustained.

### Looking Closely at Congressional Representatives

Four possible explanations could account for legislative support for what I call “agricultural protection” – the broad array of subsidies to farmers and the taxes and quotas imposed on agricultural imports that help to keep domestic prices for agricultural products higher than they otherwise would be.

- *Legislator preferences*: Lawmakers may have personal reasons to support agriculture.
- *Electoral incentives*: Legislators thinking about their chances for reelection may respond to voters who want special benefits and protection for agricultural producers.
- *The impact of lobbying and campaign contributions*: Interest groups representing agricultural producers may lobby policy makers and contribute to the re-election campaigns of those who support agriculture.
- *Institutions*: Key political arrangements such as electoral districts and the role of Congressional committees may facilitate policy bargains that favor agricultural protection.

Scholars have found evidence to support each of these lines of argument, but researchers have typically focused on just one factor at a time. Most studies have also looked at all legislators in a nation at the same time, even though the first three hypotheses direct our attention to factors influencing the decisions of individual legislators. There has been almost no research on how individual politicians make decisions about agricultural policy. That changes in a working paper I have recently coauthored with political scientist Nicholas Carnes at Duke University. We explore how personal preferences, electoral incentives, and lobbying influence legislative action on agricultural policy in the United States Congress. We focus on the 106th through 110th July 1, 2013

Congresses that held office from 1999-2009, the period when lawmakers passed two of the most significant agriculture bills in the last few decades: the 2002 Farm Security and Rural Investment Act and the 2008 Food, Conservation, and Energy Act. These laws exemplify and continue a long tradition of legislating generous subsidies for America's farmers and agricultural producers.

For each legislator, we tallied votes on the two key farm bills, as well as the score he or she received from the American Farm Bureau Federation, a major interest group that tracks overall support for agricultural protection. We also analyzed three possible explanatory factors. To measure personal interest, we recorded the proportion of a legislator's career spent working as a farmer. To get at electoral incentives, we measured the proportion of a legislator's constituents who are farm owners or managers. And to measure lobbying, we recorded the amount of money a legislator received from the political action committees of agricultural interest groups.

## The Bottom Line and Future Prospects

Our results suggest that electoral incentives primarily drive legislators' decisions on agricultural policy. Legislators whose districts have higher proportions of farm owners or managers are more likely to vote for bills protecting agriculture and are more likely to get high scores from the Farm Bureau. Career experiences in agriculture and campaign money from agricultural groups also push legislators to favor protection, but only a little compared to the much bigger effect of having a lot of farm constituents in the district. Legislators who vote for farm bills clearly have their eyes on the voters who must vote to reelect them.

Farm owners and managers apparently care keenly about special benefits that help sustain their income, and at election time, we can speculate, they take account of how their representatives have voted – giving the representatives a strong electoral incentive to maintain agricultural protection policies. In other districts without many farmers, voters may not pay much attention to farm bill votes, especially given how little the average American understands about their cost.

The study discussed here did not directly address the larger conditions that have sustained costly and generous farm supports in advanced industrial America, but I can offer some informed speculation. Districts with a lot of farmers may not be the majority, yet additional members of the U.S. Congress have been willing to support farm bills not just because their constituents are relatively indifferent, but also because farm bills have combined agricultural subsidies with funds for Food Stamps and other nutritional programs that deliver extra help to urban constituents. Agricultural committees in both the U.S. Senate and House of Representatives have brokered bargains that bridge an urban-rural divide that could otherwise undercut support for bills focused solely on either agricultural protection or nutritional subsidies.

But such Congressional bargains could be starting to break down. House Republicans have recently refused to support a mega farm bill that includes money for Food Stamps, and it remains to be seen if Congress as a whole will put the traditional bargain back together. If not, legislators from districts with many farmers will continue to favor agricultural protection – as our research shows – but skepticism could grow among representatives from urban and suburban districts that are becoming more numerous in advanced-industrial America.

**Read more in Marc F. Bellemare and Nicholas Carnes, "Legislator Preferences, Electoral Competition, or Lobbying: The Political Economy of U.S. Agricultural Policy," Duke University, 2013.**