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THE ENVIRONMENT OF THE NEXT FARM BILL DEBATE

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This article is part of a series of Policy Issues articles on the 2012 Farm Bill. You can also find articles on <u>External Factors That Will Drive the Next Farm Bill Debate</u>, <u>Farm Bill Stakeholders: Competitors or Collaborators?</u>, <u>Trade</u> Issues in the 2012 Farm Bill, and Food and Nutrition Programs in the Next Farm Bill as part of this theme.

As is always the case, the approaching end of a farm bill brings many questions. At this stage—with the 2012 crop year still covered under current legislation—the pressing questions revolve around: When? When will the debate begin in earnest? Will the House or Senate Ag Committee lead the way? Will the debate start and conclude in time for a policy to be in place before farmers make 2013 crop decisions? Or, will an extension of current legislation be necessary? Should we call it the 2012 Farm Bill, or will it not happen until 2013? Certainly, the congressional turnover of the 2010 elections has had an impact on the farm bill debate process. New leadership in both the Senate and House Agricultural committees requires the development of leadership priorities, agendas, committee staffing, and engaging stakeholders. How quickly these get off the ground will dictate how soon the committees can seriously take up the next farm bill. What we know for certain is that the current farm bill will expire after the 2012 crop year, and we will not plant the 2013 crop under 1949 permanent legislation provisions. So, ready or not, the debate begins.

Moving beyond "when" and into the more interesting question of "what" opens many more questions about the appropriate direction of U.S. farm and food policy. Agricultural economists over the years have played various key roles in farm policy. Some have been involved in developing ideology and/or specific programs to implement a set of policy ideals. Others are heavily involved in teaching or facilitating appropriate policy development processes. Traditionally, a large number of agricultural economists have filled the position of unbiased analyst. The analyst role stretches from evaluating potential impacts of policy options to providing impartial education for a wide range of stakeholders and policy decision makers. In the spirit of the latter role, this theme of four articles analyzes the environment in which the next farm bill will be developed. Rather than offering specific solutions, the articles lay out the key factors that will drive the farm bill debate.

Providing a first-hand perspective of policy development from within the U.S. legislature, Mercier describes the factors that will most influence the coming farm bill. She illustrates the political environment including issues of committee leadership, partisanship, and the longer term changing influence of agriculture and rural America. Included in the article is a glimpse of the landscape specific to a few key farm bill program areas. Finally, she concludes with a discussion of how the limited budget will impact both the process and content of the next farm bill.

An article by Outlaw, Richardson, and Klose presents a discussion of the traditional objectives of agricultural policy and the various stakeholders involved. Stakeholder influence fluctuates as the political environment changes and interest groups' goals evolve. The article describes the influential stakeholders and the critical issues that will direct policy development in five major categories of farm legislation: food policy, farm policy, energy policy, natural resources and the environment, and rural development. Among stakeholder groups there is always an interaction of ideals when it comes to formulating policy. That interaction can either be collaborative or competitive in nature, but rarely are the interests of different groups independent, especially in a limited budget environment where competition for funding is a given. The article highlights the current situation, where collaboration may be of critical importance.

Another significant factor in the landscape of debating farm policy is the extent to which existing trade agreements, current trade negotiations, and participation in the World Trade Organization (WTO) will influence domestic policy

programs. While trade agreements and farm policy can develop independently, the results of either can have inseparable implications for the other. Josling reviews the general environment of agricultural trade in today's global economy, and the factors that may impact the future of U.S. agriculture exports. The article outlines the status of WTO Doha negotiations and various bilateral and regional trade agreements. Finally, he discusses the resolution of trade conflicts, and the potential implications for domestic farm policies.

Many people within traditional agriculture interests pay little attention to food policy, but those heavily involved understand its significance. The societal goal of reducing food insecurity has a strong and broad appeal, and therefore has become an important political complement in farm legislation. The final article in the theme is written by Paggi, who describes the current environment of food and nutrition programs that have recently evolved to consume the lion's share of farm bill funding. He presents the status of U.S. food insecurity as well as health issues that impact food supplement and nutrition programs. He also highlights the very difficult issue of evaluating the impact of food programs in light of budget pressures that will inevitably scrutinize all aspects of the federal farm bill spending.

The next farm bill debate will be a difficult one with the ever changing landscapes of agriculture and food markets, along with the federal budget situation. The four articles of this *Choices* theme present the broad spectrum of issues that will impact debate over the next farm bill and the future direction of U.S. farm and food policy.

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