THINK TANK THEORIES VS. THE REAL WORLD OF FARMING
How Anti-Farm Policy Proposals Would Hurt the United States at Home and Abroad

CRITICS SAY:
“Agricultural risk is not a significant issue for most farmers.”

CRITICS SAY:
“U.S. Farmers have the financial means to manage without a safety net.”

In 2015, 46% of midsized family farms and 36% of large family farms were deemed “high risk” by the USDA. And farmers and ranchers have sustained two more years of depressed prices since.

Net farm income has fallen by 52% over the past 3 years. Over the past 18 years, farmers have essentially had to pay to produce our top 4 crops. According to the USDA, they make a profit less than 30% of the time.

“The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways.”
– President John F. Kennedy
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*How Anti-Farm Policy Proposals Would Hurt the United States at Home and Abroad*

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**CRITICS SAY:**

"Eliminating farm policy would give the U.S. moral authority to demand more of its trading partners."

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"Trade negotiations proceed in a uniquely transactional environment. Member countries give defensive concessions in order to secure offensive gains. To succeed in this environment, the United States needs bargaining power – tangible, offensive leverage that will convince other countries to come to the table."

– John Gilliland, *The Heritage Foundation’s Farm Policy Proposals: Harmful to U.S. Farmers and Ranchers and Ineffective in Advancing Free Trade*, June 2017

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While the United States has significantly reduced its support for American cotton growers in the farm bill, China ramped up “massive subsidization and stock-building programs” that created a glut in the global market, depressing cotton prices “to the detriment of farmers in the United States, Africa, and elsewhere.”

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**BOTTOM LINE**

"Any ‘moral’ high ground U.S. farmers gained from the repeal of their farm support had virtually no impact on China’s willingness to devote billions of dollars in new subsidies for its own cotton industry."

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**CRITICS SAY:**

"U.S. Farmers are heavily protected from foreign competition."

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- **United States**: 4.8% / 5.2%
- **European Union**: Over 10%
- **Mexico**: Over 16%
- **Canada**: Over 15% (up to 45%)
- **Major Developing Countries**: Generally, much higher

In a single year, China over-subsidized just three crops by as much as $100 billion. Put in perspective, it would take the entirety of U.S. farm policy about 8 years to rack up a tab equal to a single year’s illegal, excess spending by China.

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**BOTTOM LINE**

Foreign countries are more heavily protected than the United States. And rising tariffs and subsidies in major developing countries show they are spending more just as we are scaling down.