AGRICULTURE

Researcher: Critics Misuse Statistics To Bash Farm Subsidies

Policymakers, journalists and economists have been misusing statistics from the Agriculture Department and the Environmental Working Group to criticize farm subsidies, a Tufts University researcher has concluded.

In a paper, Timothy Wise, deputy director of the Tufts Global Development and Environment Institute, noted that the misuse of data "can easily lead to mistaken policies."

Wise wrote that "the common refrain that farm incomes are now higher than non-farm incomes so there is little justification from either an equity or a social justice perspective for funding farm programs" and "the oft-quoted statement that 60 percent of farmers and ranchers never get any government support at all" are both "misleading."

After examining data on farm structure and finances from the Agriculture Department Economic Research Service and the listings of individual farmers' subsidies on the often-cited EWG Web site, Wise concluded that the inclusion of part-time retired and "lifestyle" farmers with substantial off-farm income makes it difficult to reach conclusions about "average" U.S. farmers.

Wise concluded the EWG's statement that only 40 percent of all farmers get subsidies is "true," but if part-time farmers are excluded, 44 percent of lower-sales farmers, 82 percent of higher-sales farmers, 78 percent of large commercial farmers and 67 percent of very large farmers get government payments.

Wise also noted that many farmers who do not get subsidies are fruit and vegetable farmers. They have been traditionally outside the program but get an indirect benefit from reduced competition because farmers who receive subsidies cannot plant fruits and vegetables.

"Analyses that lump all farmers together yield misleading conclusions," Wise determined. "These so-called rural residence farmers do not depend on farming to make a living. Full-time family farmers do. The majority are having a difficult time earning a decent living from farming, public perceptions notwithstanding."  

By Jerry Hagstrom