

The FAIR Act of 1996: Party, Production and Practicality in the Passage of a Farm Bill

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ABSTRACT

This study extends the research done by Winders (2001) and Orden *et al.* (1999) on the passage of the 1996 farm bill, the Federal Agriculture Improvement and Reform Act (FAIR). Using both quantitative and qualitative methods, I argue that Democrats and Republicans were affected differently by a number of influences. Democratic members of Congress appear to have been influenced most by state or district dependence on federal agriculture payments and the timing of the farm bill debate. Party control, on the other hand, seemed to have had a greater impact on Republicans.

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Chapter 1: A “Revolution” in Agriculture Policy

I. Introduction

In *American Trade Politics* (2005) I.M. Destler argued that the more or less progressive liberalization of U.S. trade policy during the 20th century stemmed from the “1934 system,” a system whereby the Congress delegated much of its constitutional power to “regulate commerce with foreign nations” to the executive branch. Destler claims that the Smoot-Hawley tariff of 1930 convinced legislators not only of the folly of protectionism but also of the difficulty of resisting protectionist pressures. In order to avoid making bad policy while at the same time remaining electable in home districts, members of Congress initially diverted pressures for protection to the president via the Reciprocal Trade Agreement Act of 1934. This act authorized the president to enter into bilateral negotiations aimed at lowering tariff barriers on a quid pro quo basis. But just giving the president power to negotiate reciprocal trade agreements was not enough to keep protectionist pressure off of the Congress. If threatened by foreign imports, domestic interest groups could still ask Congress to enact legislation granting relief, and free traders feared that such demands would turn into a protectionist free-for-all like Smoot-Hawley.

The solution to this political puzzle was the creation of a “quasi-judicial” process in which producers damaged by import competition could appeal for relief without seeking new trade-restricting legislation. For the most part, this system has been successful in helping to create and maintain an environment of relatively open industrial trade.

Yet a very different story can be told about American agricultural policy during the 20th century. First, unlike American trade policy more generally, “[s]ince the original AAA [Agriculture Adjustment Act] of 1933...change in U.S. agricultural policy has yet to be determined by the executive rather than the legislative branch of government” (Orden, Paarlberg, and Roe 1999, 195). Secondly, despite the old adage that the uncompetitive worry about policy while the competitive worry about business, American agriculture has on the whole outpaced both the efficiency gains of the non-agricultural economy and the latter’s calls for protection (cf. Gardner 2002 for a discussion of agriculture's efficiency gains; cf. Orden *et al.* 1999 for a discussion of agriculture's efforts, and successes, in seeking government assistance). Although some scholars dispute the direction in which American agricultural policy has been moving—some seeing it “sliding towards the free market” (e.g. Winders 2004) while others see agricultural liberalism as America’s “stunted crop”(e.g. Orden 2002)—it is clear that the history of U.S. agriculture, indeed the history of world agriculture, is more protectionist than its industrial analog. For better or worse, the recent failure of the Doha Round stems in large part from this history.

This study does not answer why American agriculture has, on the whole, remained more closed than industry in the 20th century. On the other hand, I do seek to explain one small piece of this policy puzzle: why U.S. agricultural policy changed so radically in 1996 with the passage of the Federal Agriculture Improvement and Reform (FAIR) Act, even if these policies were largely reversed in 2002. The 1996 legislation eliminated two pillars of American farm policy that had existed since the 1930s: price

supports tied to market prices and annual supply controls.¹ Before the farm bill passed, most informed observers predicted policy continuity rather than policy change (see Orden *et al.* 1999; and Schertz and Doering 1999 for a discussion of some of the predictions). What accounts for such an unexpected change? Could the change have been predicted or, as Schertz and Doering (1999) would argue, were there too many contingencies involved?²

Several general theories, or at least explanations, exist to account for policy continuity and change in U.S. agricultural policy (Browne 1995; Destler 2005; Gardner 1995; Gardner 2002; Hanson 1991; Schertz and Doering 1999). An investigation of each would be useful. But given the limited resources available for the present project, I focused on two alternative explanations for the passage of the 1996 farm bill in particular, those of Winders (2004; 2001) and of Orden *et al.* (1999). The reason for choosing the theories and perspectives elaborated in the works of these scholars was largely practical but, it should be noted, not at all arbitrary. The decision is practical because, as will be shown in the elaboration of this study's conceptual foundations, the theories of Winders and Orden *et al.* are similar enough to facilitate comparison while at the same time different enough to establish which better captures the dynamics of agricultural policy during the period in question. At the same time, my choice is not arbitrary in that I have not just picked two among many explanations for agricultural policy change, the way one would pick raffle numbers out of a hat. Rather, these theories

¹ It is actually not 100% accurate to say that the FAIR Act eliminated price supports tied to market prices. In 1996 the Commodity Credit Commission (CCC) still offered non-recourse loans to producers of certain commodities. These loans provide a level of price support; yet it is substantially less support than what was first provided by the "parity" concept and then more recently by target prices and deficiency payments.

² "Many key events, economic circumstances, political settings, and relationships among participants, which in retrospect were important, were simply not predictable in the fall of 1995" (1999, 61).

capture, each in its own way, many of the dynamics seen as important to the agricultural policy process— for example, party unity and party fragmentation, agriculture lobby access to Congress, and coalition building among various segments of American agriculture itself. They thus represent microcosms of a larger debate over agricultural policy. Moreover, as will be seen below, each theory focuses respectively on one of two forces that Schertz and Doering highlight in their account of *The Making of the 1996 Farm Act* (1999): Congressional leadership and commodity groups.³ It seems then that mediating between these two perspectives may yield fruitful analysis.

Essentially, this study builds upon the works of Winders and Orden *et al.* and investigates a number of different influences on the farm bill process, including those that each sees as primary. As will be discussed below, Winders focuses heavily on the role that commodity groups played in the debate surrounding farm legislation. On the whole, the study here provides evidence to support arguments that center on commodity interests,⁴ while at the same time demonstrating that other factors were also important. In this regard, Orden *et al.* seem to be correct in arguing for the importance of party in the

³ Schertz and Doering argue, for example, that “[i]n the House, Congressman Pat Roberts, R-Kans., as chairman of the House Agriculture Committee, was forced to walk a tightrope between the House leadership and farm commodity groups, the mainstay of his political support. During this season he emerged as a cooperator on budget matters with the House leadership, but in the end even more as a shrewd defender and promoter of income transfers to commodity producers and farmland owners” (1999, 21). Roberts wished to save certain agricultural programs from Congressional budget hawk cuts, and his success in doing so is evident from this passage, also from Schertz and Doering: “House of Representative farm-related activities during the summer of 1995 reflected the skill and tenacity of Congressman Roberts, the chairman of the House Agriculture Committee. Roberts argued strongly against the agriculture budget cuts (‘marks’) that were initially presented to him by the House Budget Committee. He persuaded the House leadership to reduce the size of the cuts and to ‘back load’ the agreed-to seven-year cuts by applying the larger proportion of the cuts to the later years” (26).

⁴ When speaking about the influence of commodity interests, I assume that members of Congress frame their decisions in terms of constituent interests, and such an assumption is supported in the floor debates discussed in Chapter 4. Therefore, I often use the terms agriculture interest groups, agriculture lobby, and constituents synonymously in the following pages. Although I realize that these terms are not in fact identical, I think that the context of my discussion makes clear who I am referring to. For instance, when I claim that Rick Santorum of Pennsylvania responded to his constituents’ interests by criticizing the peanut provisions of the FAIR Act, I mean that he responded to the interests of the peanut processors in his state, groups made up of many individuals who are in many instances constituents of Santorum.

farm bill debate. Despite the disparate agricultural production profiles of their districts, the unity of Republican members of Congress was high, and it is unlikely that a FAIR-like proposal would have come from Democrats. Overall, the following pages support the general conclusions of Winders and Orden *et al.*, while pointing out that different variables influenced the two parties in alternative ways.

Beyond providing support for some of Winders and Orden *et al.*'s conclusions, this study identifies a key influence that neither discussed. Party and production were no doubt central to the farm bill debate, but *practicality* played a substantial role as well. Neither Winders nor Orden *et al.* discuss the timing of the farm bill debate: namely that when the FAIR Act was passed, the nation's farmers were desperate to know what, if any, federal agricultural programs would be in effect for that year. By the time FAIR passed, the 1990 farm legislation had long expired, and, for Democrats especially, voting for FAIR represented the only way to give farmers the knowledge that they needed to begin the spring planting. Many, it will be shown, voted for the FAIR Act despite their reservations simply because the hour was late. It seems that any farm bill was better than no farm bill at all.

II. A brief history of U.S. agriculture policy

To understand the significance of changes made to agriculture policy in 1996, it is important to understand how these policies developed in the United States. American farmers, unlike their European analogs, traditionally were free traders. During the 19th century, an era of expanding world trade, American farmers exploited their country's comparative advantage and wished for trade to remain open (cf. Rogowski 1989 for a

discussion of how comparative advantage shapes trade preferences). The spasms of the world economy in the wake of World War I, however, led to, or at the very least happened concomitantly with, a dramatic decline in farm prices (cf. Frieden 2006 for a discussion of the role that adherence to the gold standard played in the decline of farm prices; Schertz and Doering 1999). As a result of overall economic hardship and agricultural hardship in particular, U.S. agriculture policy become much more interventionist in the 1930s. The farm programs that emerged as a part of the New Deal revolutionized American agriculture and continued to do so for over 60 years.

The early New Deal farm programs did not cover all commodities; however, the major crops at the time (e.g., corn, wheat, cotton, peanuts, rice and tobacco) were covered by a range of price supports and supply controls (Schertz and Doering 1999, 135). It would not have been sufficient to simply raise the prices that farmers received for their crops through government purchases or some other mechanism without simultaneously limiting supply. This strategy had been tried during the 1920s but resulted in the expansion of production by profit-maximizing farmers, a move that negated the price increases that would have resulted from government purchases (Schertz and Doering 1999, 134). As a result, policymakers offered farmers a variety of supports if they chose to limit their production. The Agricultural Adjustment Act of 1933 originally made such production controls mandatory, but when that provision was struck down by the Supreme Court Congress made the programs voluntary (Schertz and Doering 1999).

The new approach to U.S. agricultural policy was based on counter-cyclical support. When prices went below a preset level, farmers received government help. When prices were high, little help was forthcoming. Most farmers chose to take part in

these new programs, and similar programs existed until the FAIR Act largely did away with price supports and production controls.

Over the course of 60 years, policymakers adjusted the New Deal programs but, for the most part, the countercyclical programs based on supply controls and price supports remained largely intact. If the overall structure of American farm policy remained constant since the 1930s, however, the particular programs become increasingly complex and difficult to navigate. When Congress debated a new direction for farm policy in 1995-1996, there were numerous calls to simplify farm programs, and not just one lawmaker or advocate referred to farm policies as “byzantine.” Before turning to the details of the study here, then, it might be helpful for the reader to receive a quick introduction to some of the policies used by the federal government at the time of the 1995-96 farm bill debate. This introduction will help the reader follow the basic contours of the debate the following chapters describe.

The most basic element of American agricultural policy in the 1990 farm bill was the target price-deficiency payment system. For the commodities covered by this policy (wheat, corn, barley, oats, sorghum, cotton and rice), farmers received a “deficiency payment” from the federal government when the market price was below the commodity specific “target price.” When prices were low, farmers received greater deficiency payments than when prices were high; when prices went above the target level, they received no payments at all. In addition to these price supports, many commodity producers could also qualify for “nonrecourse loans” wherein “[a] farmer could receive a loan from the government at a designated per-unit rate (the loan rate) by pledging the commodity as loan collateral and storing it” (Young and Shields 1996 ,7). The loans

were considered “nonrecourse” since in the event that the farmer could not repay the loan, he or she would simply forfeit the crop to the federal government. In some cases, the loan could be repaid at a lower rate.

In many instances, participation in the programs outlined above required farmers either to comply with environmental regulations or to take some of their acreage out of production. This acreage idling occurred in two principal ways. First, the Acreage Reduction Program (ARP) allowed the Secretary of Agriculture to restrict “the acreage that participants [in federal programs] could plant to any single program crop” (Young and Shields 1996, 8). The ARP served both to reduce supply in order to increase price and to decrease federal budget pressures by reducing the amount of paid acres. Secondly, the Conservation Reserve Program (CRP) allowed farmers to take environmentally sensitive land out of production and receive a rent for these acres. Like the ARP, the CRP served both as a supply control measure and as a budget reduction tool.

Although many other popular, and contentious, federal farm programs were discussed during this period, the most debated were those listed above. When necessary, brief background information on additional programs will be provided in footnotes.

III. Significance

As the 110th Congress begins to formulate and debate the next U.S. farm bill, one might wonder about the importance of revisiting the legislative history of a bill passed some ten years ago, legislation that while revolutionary at the time, now seems like more of an aberration than a new direction in American agricultural policy.⁵ Yet it is exactly

⁵ Although FAIR 1996 did away with price supports linked to market prices and annual supply controls, subsequent legislation largely re-erected these fallen pillars of New Deal farm legislation.

because so little has changed that this study is important. Although the primary significance of the research is the contribution that it makes to knowledge of U.S. agricultural policy making, it has some broader implications. Although for the most part my investigation avoids many of the questions that dominate the literature on agricultural policy making, most notably questions of efficiency and equity, it is clear that this project's findings may contribute to the studies of scholars asking these tough questions, and ultimately the policies that they influence. Therefore, this study should not be read solely as an exercise in quantitative and qualitative analyses, but rather as a work that ultimately may contribute to the ongoing debate surrounding how the U.S. government should design its agricultural programs.

In particular, the final chapter attempts to understand the dynamics outlined below in terms of the larger literature on American policy making in part because efforts to change the world require an understanding of it. When structures limit outcomes but one is nonetheless interested in radical policy change, it is important to recognize the conditions under which success is most likely occur.

IV. Outline of the following chapters

This thesis is divided into five chapters. Chapter 2 introduces the conceptual foundations of the study and discusses the methodological approaches that I used to study the 1996 farm bill. I also discuss some preliminary data that convinced me of the value of my approach. Chapter 3 extends the preliminary quantitative analysis of Chapter 2 and elaborates on the differential effects that political party and regional production had on Republicans and Democrats. Chapter 4, based on content analysis of congressional

hearings, floor debates, and *CQ Weekly* articles, provides further evidence to support the conclusion that Republican and Democratic members of Congress were affected differently by a number of factors. Finally, Chapter 5 summarizes the study's findings and attempts to understand them in terms of two theoretical orientations, punctuated-equilibrium theory and the advocacy coalition framework. With the insights gained from the study of the 1996 farm bill debate and these two perspectives, I conclude with a prediction about the direction that two important agricultural negotiations—one in the U.S. and one international—may take.

Chapter 2: Conceptual Foundations, Methodological Approaches and Initial Analysis of the 1995-1996 Farm Bill Debate

In this chapter, I discuss the conceptual foundations of this study and the methodological approaches used to compensate for the shortcomings of previous studies of the 1996 farm bill. I also discuss some initial findings that suggested my approach might yield certain insights not addressed in earlier studies. Section I of this chapter describes the works of Winders and Orden *et al.* and some limitations of their studies. Section II describes the study's quantitative methods, and Section III outlines the qualitative methods.

I. Conceptual Foundations

In a compelling, but ultimately flawed, dissertation and article, William Winders (2004; 2001) argues that the changes in agricultural policy throughout the 20th century were not imposed on agriculture by outside forces but originated within agriculture itself. He is not alone in this respect (cf. Hanson 1991 for a discussion of how in the years after the New Deal much of U.S. agricultural policy was written by major farm organizations). The originality of Winders's work comes rather from his dissection of a singular "American agricultural class" into a distinct, if often overlapping, set of agricultural class fragments. His argument is simple: the shift towards more liberal farm policies⁶ during

⁶ Winders, unlike some other scholars of American agricultural policy, sees that policy becoming more liberal between 1933 and 1996. For Winders, "liberal" is synonymous with market-oriented. Thus as the U.S. moved away from various forms of price supports and production controls for agricultural products, its policy was "liberalized." There is significant disagreement among scholars, however, over the extent to which newer, more "market-oriented" agricultural policies were "liberal" (cf. Orden *et al.* 1999 and Gardner 1995 for arguments in opposition to the one forwarded by Winders).

the 20th century was enabled by 1.) shifting farm interests that supported such changes through coalitions among competing class fragments and 2.) the ability of these fragments to embed their interests in the state.

Conceptually, Winders hypothesizes that two independent variables— *interest-embeddedness within the state* and *coalition-formation* —impact a dependent variable— *the nature of farm policy*. His theory predicts that when unity of class fragments is high and this agricultural coalition can embed its interests effectively in the state (as Winders argues southern planters did in the Democratic Party until the 1960s), agricultural policy will conform to the interests of this broad coalition. When changing economic interests crack the coalition’s unity, however, the diminished cohesion will permit greater realization of the interests of that agricultural class fragment most able to embed its interests in government.

Others that have looked at agricultural policy change have taken a different approach, however. Working in the sub-section of this literature that deals with American agricultural policy, for example, Orden *et al.* explain in *Policy Reform in American Agriculture: Analysis and Prognosis* that, though many factors appear to have influenced the historic passage of the 1996 Farm Bill (e.g., new ideas about fiscal responsibility and small government, federal budget pressure, agricultural modernization, the Uruguay Round Agreement on Agriculture), it was the unique combination of Republican party control of Congress and the concomitant rise in agricultural commodity prices that ultimately made the bill’s radical policy changes palatable to the agriculturists in Congress and their constituents. Orden and his colleagues do, like Winders, note the importance of commodity-based differences among farmers: “Inside the Agriculture

Committees of Congress whenever narrow commodity issues are at stake, party differences tend to be trumped by regional loyalties. Members will often be identified as advocates for certain commodities, rather than as Republicans or Democrats. This commodity identity partly reflects personal background, but more often it reflects regional constituent interests” (1999, 177). But unlike Winders who focuses almost exclusively on these class-fragments, Orden *et al.* argue that the representatives of commodity interests are too few to push agricultural legislation through a Congress that represents more than just farmers. Only with the aid of a party united in opposition to the general philosophy of another party could farm legislation be pushed through a partisan and divided Congress. Yet in the mid-1990s, they argue, even a Republican-controlled Congress was only a necessary, not a sufficient, condition for agricultural policy change; the Republican “revolution” complete with House manifesto—the Contract with America— was not enough to yield the results the Republican congressional leadership sought.⁷ Orden *et al.* point out that Republican leaders in Congress were not able to maintain unity initially in the face of opposition within their own party. If it had not been for a second enabling condition, high and rising commodity prices in late 1995, there would have been little hope for radical agricultural policy change.

How did I design a study to determine which of these explanations, if either, was the more cogent? It will be useful to first look at the evidence that Winders and Orden *et al.* marshal in defense of their conclusions and the problems that each encountered along the way.

⁷ Orden *et al.* point out that the Contract with America did not include a section on agriculture, perhaps because Republicans knew that there was too much division over agricultural policy within the party to make bold claims about how to reform it.

a. Winders: compelling theory, insufficient method

Winders's study of the 1996 farm bill debate was primarily a qualitative analysis of testimony of myriad farm organizations in 22 hearings before the agricultural committees of the House and Senate between February and June 1995 (2001, 209). Winders explains that "[a]fter collecting, reading, and analyzing most of these hearings (one hearing dealt solely with the dairy industry, three hearings focused on conservation, and one hearing examined rural development and credit), [he] discerned the interests of class segments on three central issues: production controls, price supports, and export subsidies" (2001, 210). On the basis of this analysis, he ultimately concluded that the FAIR Act's elimination of annual supply controls and price supports coupled with market prices took place because doing so was in the interest of key agricultural class fragments: "Part of the difficulty in retaining the price support and production control policies forged during the New Deal was the absence of a political coalition with adequate power (or interest) to do so" (2001, 228). In other words, changes in the international economy of agriculture along with high prices, and thus the payment windfall that would accompany FAIR, led class fragments traditionally opposed to reform of New Deal-style programs—e.g., wheat and cotton producers—to support their elimination, or at least to not oppose it. "Despite Orden, *et al.*'s claim that 'party control of Congress and changing market conditions' were 'decisive' variables," Winders contends,

class conflict underlay the political context permitting a shift in agricultural policy. Clearly, party politics and market conditions are important to understanding agricultural policy, but the class coalitions operated on an important level between these two factors. That is, market conditions in the world economy shaped the economic interests of class segments, which then tried to influence state policy. Shifts in coalitions of class segments were fundamental to changes in agricultural policy. (2001, 230)

Unfortunately, Winders's research methodology provides insufficient empirical justification for his theoretically compelling explanation of commodity group influence on the FAIR Act. First, even assuming that his data analysis was replicable, his sampling procedures are problematic; thus, he faces validity issues before he even starts due to selection bias. As noted above, his data come from 22 Congressional hearings held between February and June 1995. Yet FAIR was not signed into law until April of 1996, and much political maneuvering occurred *after* June 1995 (Orden *et al.* 1999; Schertz and Doering 1999). Moreover, the spike in commodity prices that made FAIR so attractive to many commodity groups happened after June as well. At the outset, then, Winders restricts his analysis to a pool of hearings not representative of the entire policy process.⁸

Besides this sampling issue, however, he also runs into problems with his data analysis. He gives little explicit consideration to issues of coding, and his reader is thus left wondering how he made the analytical decisions that are so necessary to qualitative analysis. In this regard, Winders creates some problems for replicability.

Even with these difficulties, however, Winders's study has such strong face validity—many scholars do suggest that economic imperatives often yield political outcomes—that it is useful to see if there is a strong relationship between a state's primary agricultural commodities and the votes cast by that state's senators and representatives. Although I explain below the difficulties of finding such a relationship using regression techniques, this study is able to provide evidence to support Winders's

⁸ I should be clear that Winders did not fail to survey Congressional hearings after June of 1995; no hearings took place. Yet it is problematic given the rise in commodity prices that he did not come up with a measure of commodity group interests later in the policy process, since his explanation for policy change rests upon what may have been outmoded interests.

general claim that commodity producers influenced the farm bill debate, even if the details of his explanation are found wanting.

b. Orden *et al.*'s journalistic method

Orden *et al.*'s argument, like Winders's, is based on qualitative analysis. And like Winders, they give little explicit attention to questions of method. The chapter on FAIR in *Policy Reform in America* provides rich detail into main elements of the 1995-1996 debate, but never discusses the issue of replicability. Orden *et al.* do not reveal how accounts of the policy process were selected or on what basis these documents might be seen as representative of the policy process as a whole, or if not representative, so significant as to justify their selection. Rather, the details of the FAIR debate are recounted in a journalistic way. Journalism is, of course, highly informative, but Orden *et al.*'s lack of systematic observation does give their reader reason to pause while simultaneously creating problems for researchers wishing to recreate or expand their study.

The great advantage of their study, however, is that it provides evidence to suggest that a number of rival hypotheses for the policy change in April 1996 are unconvincing. For example, Orden *et al.* argue that while some analysts claim that the changes embodied in FAIR, such as eliminating price supports tied to market prices, resulted from the "emergence of newly dominant ideas" about fiscal responsibility, the spending increases that accompanied FAIR are inconsistent with such a conclusion. Likewise, Orden *et al.* contend that the Uruguay Round, federal budget pressure, the

cumulative structural modernization of agriculture, and the diminished potency of the farm lobby do not adequately explain the policy changes in 1996.⁹

Often qualitative analysis, since it lacks widely accepted measures of reliability, requires the researcher to weave a convincing yarn. In this respect Orden *et al.*'s chapter on the passage of the FAIR Act is a success. The value of the present study stems, in part, from its more systematic and replicable investigation of the processes that Orden *et al.* treat in their work. The details of this investigation are outlined below, and in the pages that follow the reader will see that the general findings of Orden *et al.* are supported.

II. Method for quantitative data collection and analysis

In this section, I will describe the quantitative techniques that I used to build upon and expand the studies of Winders and Orden *et al.* as well as an important technique that I did not use.

a. Commodity data and the problem of multicollinearity

The USDA is a rich source of data on all aspects of agricultural production and when trying to weed out various “causes” of a farm bill’s passage, the researcher is certainly tempted to use these data to the fullest. For example, it would be useful to see whether or not the senators and representatives of different states and districts systematically voted in accordance with the interests of the commodity producers dominant in their respective areas. It also would be helpful to note the effect of party on

⁹ Although it is unnecessary to go into the details here, Orden *et al.* looked at the timing and content of the FAIR Act to determine whether these factors may have played a significant role in the process. In terms of the Uruguay Round, for instance, the authors point out that the ministerial meeting actually did very little to liberalize agricultural trade and thus did not create a precedent to be mirrored in subsequent legislation.

voting, since Orden *et al.*'s analysis suggests that being a Republican or Democrat would have the largest independent impact on the FAIR Act vote of members of Congress. To measure the importance of such variables, one could use logistic regression to estimate the influence of political party and commodity production on the likelihood of a senator or representative voting "yea" on the farm bill, controlling for the impact of each in turn. Data on commodity production are readily available from the USDA at the state-level and could be calculated at the congressional district level in most instances. The resulting regression results would enable the researcher to say with a fair amount of accuracy just what effect each variable has on the odds of a member voting "yea" on the farm bill.

Yet a number of problems with this approach make it inappropriate for the present research project. First, there is the serious risk of misspecifying the regression equation. For example, using government farm receipt data (ERS/USDA 2006a) and data on Gross Domestic Product by State (BEA, GSP 2006), the following regression equation could be used to estimate the effect of the variables outlined above on the votes of U.S. Senators on the 1996 farm bill:

$$\begin{aligned} \text{Logged odds (vote)} = & a + b_1(\text{Party}) + b_2(\text{BarleyGSP}) + b_3(\text{CornGSP}) \\ & + b_4(\text{CottonGSP}) + b_5(\text{OatsGSP}) + b_6(\text{SorghumGSP}) \\ & + b_7(\text{SoybeanGSP}) + b_8(\text{OtherOilseedsGSP}) + b_9(\text{WheatGSP}) + b_{10}(\text{DairyGSP}) \\ & + b_{11}(\text{RyeGSP}) + b_{12}(\text{HoneyGSP}) \end{aligned}$$

where:

Vote = Yeah or Nay vote on passage of conference report by individual Senator (coded 0 for Nay; 1 for Yeah)

Party = political party (coded 0 for Democrat; 1 for Republican)

BarleyGSP = % of a state's GSP accounted for by barley production
CornGSP = % of a state's GSP accounted for by corn production
CottonGSP = % of a state's GSP accounted for by cotton production
OatsGSP = % of a state's GSP accounted for by oats production
SorghumGSP= % of a state's GSP accounted for by sorghum production
SoybeansGSP = % of a state's GSP accounted for by soybeans production
OtherOilseedsGSP = % of a state's GSP accounted for by other oilseeds production
WheatGSP = % of a state's GSP accounted for by wheat production
DairyGSP = % of a state's GSP accounted for by dairy production
RyeGSP = % of a state's GSP accounted for by rye production

This model includes commodities directly affected by the farm bill with the exception of rice, peanuts, sugar beets, and sugar cane, since these commodities are produced in very few states, too few to be included in the regression. Excluding these commodities, commodities that *were* significant to the farm bill debate despite their limited geographical production, is a willful misspecification of the regression equation for the sake of having sufficient cases for each variable; as such it carries with it all the problems associated with misrepresenting an analytical model. Yet the complexity of congressional voting—its “black box” character—assures that other relevant variables also will have been excluded. Region, competitiveness of seat, number of terms in office, general political mood of the times and, as this study will demonstrate, timing, all could have potentially influenced voting as much as party or a state’s production profile.

Yet even given the almost certain under-specification of the equation, the model above could be somewhat useful for noting the direction of influence that a number of different variables had on congressional voting when coupled with the other aspects of this project. Alas, for statistical reasons, the variables used to estimate the regression coefficients are unusable.

Table 2.1—Correlations between the Amount of Different Commodities Produced as a Percentage of GSP

CommodityGSP-CommodityGSP Relationship	Pearson Correlation Coefficient
Wheat-Barley	.944
Wheat-Honey	.881
Wheat-Oats	.814
Wheat-Sugar Beets	.802
Honey-Barley	.836
Rice-Cotton	.760
Soybean-Corn	.862
Sugar Beets-Barley	.909
Honey-Oats	.974
Rye-Honey	.814
Rye-Oats	.885

Source: Author’s calculation based on USDA data (ERS/USDA 2006a).

Table 2.1 reveals the severe multicollinearity problems affecting the variables that would be used to estimate the effects of party and production profile on the Senate farm bill vote.¹⁰ Even if honey were eliminated from the equation—honey is produced in almost every state but always in very small quantities relative to other commodities—the regression estimates would still be affected by high inter-commodity correlations. Eliminating sugar beets and rice also would fail to solve the problem. Unfortunately, two of the other most common approaches to handling multicollinearity problems—obtaining a larger sample and merging variables—are not wholly appropriate for this project (Manheim *et al.* 2006). No more than 100 Senators, 435 Representatives and 50 states

¹⁰ These commodity production data are state-wide and would be used along with voting data of Senators. There is no reason to believe, however, that congressional district data would be any less affected by multicollinearity and could be used to avoid the associated problems.

are available, and I do not have theoretical justification for merging the offending variables into single indicators. This project had to find other ways to estimate the effects of production profile and party on congressional voting.

b. Measuring the effects of government payments on congressional voting

When thinking about the effect of different state or district production profiles on the likelihood of a member of Congress voting a certain way on a farm bill, it springs to mind that differences in a state's or district's dependence on federal agricultural programs might influence the vote of its elected representative; farm bills after all primarily, but not exclusively, provide support to farms through various support mechanisms. One could argue that states or districts more "dependent" on government farm payments would seek to maintain or increase those payments more than less "dependent" states or districts. An article that ran in *CQ Weekly* (*CQ Weekly* staff, "Agriculture: Share of Gross Cash Farm Income," 4/28/1995) during the farm bill debate of 1995-1996 provides some initial data to test this hypothesis.

Using USDA data, *CQ Weekly* placed states into four categories, those for which direct government agricultural payments¹¹ represented less than .1% of gross farm income, between .1% and 5% of gross farm income, between 5% and 20% of gross farm income, and more than 20% of gross farm income. What was the effect of government payments on the votes of senators from each state, controlling for party?

¹¹ Direct government agricultural payments refer to payments made through the various commodity programs supported by the federal government.

The data reveal an interesting pattern as can be seen in Table 2.2.¹² For Republican senators, government payments did not seem to affect the senators' vote; indeed only one Republican senator, John McCain of Arizona, voted against the farm bill.

Table 2.2—Relationship between % of State Gross Farm Income and Vote on FAIR Act
Federal Government Agricultural Payments as a % of Gross Farm

Income

Vote on HR2854	<i>.01 – 5%</i>	<i>5 – 20%</i>	<i>More than 20%</i>
<u>Democrat</u>			
Nay	10 (43.5%)	9 (56.3%)	5 (83.3%)
Yea	13 (56.5%)	7 (43.8%)	1 (16.7%)
Total	23 (100%)	16 (100%)	6 (100%)
<u>Republican</u>			
Nay	1 (3.7%)	0 (0%)	0 (0%)
Yea	26 (96.3%)	16 (100%)	8 (100%)
Total	27 (100%)	16 (100%)	8 (100%)

Source: Author's calculations based on *CQ Weekly* data (*CQ Weekly* staff, "Agriculture: Share of Gross Cash Farm Income," 4/28/1995)

For Democrats, however, an increase in farmers' dependence on government payments corresponded with a decrease in votes for the farm bill. In the category of states in which between .1% and 5% of gross farm income came from government payments, 43.5% of Democratic senators voted nay on the farm bill, while 56.5% of Democratic senators voted yea. In states with more than 20% of gross farm income derived from of

¹² Only one state, Alaska, received less than .01% of gross farm income in the form of direct government payments. Alaska was not included in the calculations for Table 2.2

government payments, however, 83.3% of Democratic senators voted against the farm bill, while only 16.7% (Max Baucus of Montana) voted for it. In short, the data reveal an interactive relationship wherein Republican votes were not affected by level of government support, while these differences did affect Democrats, although weakly.

These preliminary results make sense conceptually and indicate that the role of political party and production profile were different for Republicans and Democrats. Republican senators voted almost unanimously in favor of the farm bill despite representing constituencies with very different dependencies on government payments; it appears that factors other than production profile influenced the voting of these Republican senators. I will ultimately argue that this influence was party control.

In contrast to Republicans, however, Democratic senators appear to have been influenced by their farmer constituents' dependence on direct government payments, and as this dependence increased, so did their opposition to the farm bill. Such opposition is logical given both the nature of the proposed law and typical Democratic objections to it. First, the FAIR Act proposed to eliminate the traditional price support system in which support was inversely related to price. In place of such programs would be a set of fixed, yet declining, payments made to farmers regardless of market conditions or production decisions. The high market prices of the day meant that the FAIR Act would result in "windfall" payments to commodity producers since under the old legislation they would not have normally received payments. Yet many Democrats worried that the fixed payments would provide an insufficient "safety net" for farmers in the case of low prices. The voting data indicate that perhaps the Democratic representatives of states with only a marginal dependence on federal payments were more willing to take a risk on the new

support system than were those from states with more significant dependence. After all, while the additional government payments in times of high prices would be a nice bonus to farmers marginally dependent on government support, such payments would be wholly inadequate to more government-dependent farmers in hard times.

Within the context of the farm bill debate, these data make sense. But what is the possibility that the above frequencies resulted by chance and do not reflect the actual influence of either party or a state's overall dependence on federal payments?

Unfortunately, the answer to this question is indeterminate. Chi-square as a measure of statistical significance does not work well when there are very few cases in some cells of the crosstabulation (Pollock 2005, 144). In this case, only one Democratic senator out of six in the "more than 20%" category voted for the farm bill. The standard prescription for addressing this problem is to collapse categories of a variable to populate each cell with a higher number of cases (Pollock 2005, 144); yet the categories of the *CQ Weekly* data are already large in range and collapsing categories would likely cover up, rather than enhance, the relationships in question. To compensate for this problem, I used USDA data to calculate my own measure of state dependence on direct government payments (ERS/USDA 2006b). As will be seen in the following chapter, however, these new data support the conclusions based on the *CQ Weekly* findings, although the problem of statistical significance was not resolved.

While the approach outlined above provides insights into the effects of aggregate agricultural production on Senator voting, its usefulness for the present project is limited in two ways. First, the statewide data are not fully appropriate for measuring the effect of payments on the votes of U.S. House members. Second, it is impossible to tell which

particular commodities in a state, if any, influenced the vote of a particular senator. Both of these limitations are compensated for, however, with the qualitative methods outlined in part III below.

c. A measure of party unity

The analysis outlined above allowed me to begin to get at the apparent influence of farm production on the votes of members of Congress and to a certain extent the influence of political party. But there is another way to measure the effect of party on congressional voting on the 1996 farm bill.

According to *CQ Weekly*, a party unity vote is one in which a majority of one party votes in opposition to the majority of the other party. In 1996, a majority of Republicans in both chambers voted against a majority of Democrats 87% of the time, down slightly from 91% of the time in 1995. Democrats in both chambers, however, only voted as a majority against a majority of Republicans 80% of the time in both 1995 and 1996 (*CQ Weekly Online*, "Party Unity Definitions," 12/21/1996). Thus in general, Republicans in both houses voted together more consistently than did Democrats. An important element of this study was to extend this type of analysis and compare House and Senate voting on the farm bill conference report with the general patterns of party unity voting during this period. I hypothesized that if party unity was higher for the farm bill vote than for other votes, then political party played a more significant role than other competing influences, such as production profile. If, however, party unity was lower than average, other influences on voting might better explain the final voting outcome.

What does a cursory look at the farm bill vote in the House and Senate reveal? First, in the Senate, FAIR was passed on a classic party unity vote—final vote: 74-26, with Republicans voting 52-1 and Democrats voting 22-25. In contrast, the House passed the FAIR conference report with a majority of both Republicans and Democrats voting “yea”— final vote: 318-89, with Republicans voting 221-17 and Democrats voting 106-72.

In order to assess the extent of differences in party unity between the final vote on the FAIR Act and other votes during the 104th Congress, I used the Rice Index. The Rice Index is a score between 0 and 100, with 100 indicating unanimous agreement among voting members of a party and 0 indicating complete disagreement, e.g. 50% yeas and 50% nays. The Index is calculated as “the absolute difference between the percentage of party members voting yea and nay” (Hiscox 2002, 39).

Specifically, I used *CQ Weekly*’s list of “key votes” in the House and Senate to measure the general level of party cohesion among Republicans and Democrats in 1996.¹³ After calculating the Rice Index score for Democrats and Republicans in each chamber on each key vote, I calculated a mean cohesion score and compared this score with the Rice Index score on the final conference report that became the 1996 FAIR Act. Again, my inference was that if the cohesion scores on the farm bill were significantly lower than average, some factor other than party control was at work. Regional differences, I argue, were this factor for Democrats.

¹³ *CQ Weekly* notes (*CQ Weekly* staff, “Key Votes,” Dec.14, 1996) that in 1996 Republicans, in an effort to avoid the label of a “do-nothing” Congress, somewhat softened their confrontational stance and worked more closely with the White House. This change in strategy was accompanied by a slight reduction in party cohesion as indicated above. Since the final vote on the FAIR Act took place in this slightly more cooperative environment, I compared the Rice Index score for FAIR with the average Rice Index score for 1996, rather than the 1995-1996 period as a whole.

d. Summary of initial quantitative findings

Essentially, the quantitative methods of this study aim to determine the influence of state commodity production and political party on the votes of members of Congress. The initial data analysis elaborated above indicates that Republicans and Democrats were affected differently by these two influences. Republicans, it seems, responded more to political party influences than to farmer dependence of federal agricultural payments. Democrats, on the other hand, seemed to have been influenced in the opposite manner. Chapter 3 will show that more substantial quantitative data analysis corroborates this conclusion. In addition, these findings are supported by qualitative findings. The next section discusses the methods by which these data were gathered and analyzed.

III. Method for qualitative data collection and analysis

In many respects, congressional voting is a black box. There is little way of knowing for certain why exactly members of Congress vote the way they do. I should be clear that this study does not provide an exception to this rule. However, I have hoped to ascertain generally if members of Congress appear in their statements to be closer to the expressed interests of their chamber's leadership or to the interests of key constituents or interest groups. How did I determine these "interests"?

a. Interests

Judith Goldstein (1993) makes clear that calculations of interests are made in a world of imperfect information, and it is difficult, if not impossible, to calculate "objective" interests. Rather than use an economic approach to determine commodity

producer interests, I simply looked at the words of the groups themselves. While it may be the case that a certain policy could end up hurting the competitive position of a set of commodity producers, as agricultural economists are apt to argue, it also is the case that interest groups pressure members of Congress to further what the groups *consider to be* in their interest at any given point in time. This was the crucial point for this study.

Likewise, the interests of members of Congress were not “calculated” on the basis of supply and demand in the political “market.” Their interests were tapped based on their public words, keeping in mind all the time that these words may be obfuscating.

Ascertaining which explanation of the 1996 farm bill’s passage seemed to be more cogent required an understanding of, first, commodity producer “interests” and, second, the position of the chamber leadership and rank-and-file vis-à-vis proposed farm bills. These positions were determined largely through the analysis of testimony before congressional committees by agricultural interest groups, articles in *CQ Weekly* related to the farm bill debate and statements by members of Congress during various congressional proceedings.

The farm bill process was long and complex. It would not be incorrect, in fact, to argue that an understanding of the FAIR Act of 1996 requires an understanding of policies enacted in the midst of the Great Depression. Yet such an expansive time frame would be impossible to study given the time and resources available for this project. Instead, Orden *et al.* (1999) argue that the story of the 1996 farm bill debate began soon after the electoral gains of Republicans in November 1994. Taking this as the start of the process and April 29, 1996 (the day the House agreed to the conference report approved by the Senate the day earlier) as the end, one has a period of 18 months. Within this time

period, in which almost innumerable utterances were made regarding American farm policy, how did I select a sample of these utterances?

I was interested in the opinions and interests of three main groups: commodity producers, congressional leadership, and rank-and-file members of Congress. Moreover, because price increases during the farm bill debate significantly impacted the positions of interested parties (Schertz and Doering 1999), it was important to obtain data in pre-price increase *and* post-price increase periods. Although there was not a specific date when prices increased dramatically, I followed Orden *et al.* and Schertz and Doering in taking the summer of 1995 as the period separating lower and higher prices. Thus utterances prior to the August 1995 congressional recess were used to tap pre-price increase opinions, and comments subsequent to this recess were taken to represent post-price increase opinions. Obviously, such a categorization is imperfect since prices increase gradually rather than suddenly, and it may have taken time for price increases to result in changes in constituency or congressional opinion. Yet by analyzing data that span these two periods, I was able to get a broad sense of how producers and members of Congress felt about farm programs in two analytically distinct periods.

b. Sample Characteristics

i. Commodity producers

Winders, as I noted above, analyzed the testimony of producer groups at hearings before the House and Senate agricultural committees between February and June 1995. Yet because he undertook his analysis only in terms of “Corn,” “Cotton,” and “Wheat” class fragments, I could not rely on his analytic work if I hoped that my qualitative research would help me to gain insights into a greater range of commodity producer

opinions.¹⁴ Ideally, I would have ascertained the interests of these commodity producers by reading, coding, and analyzing all the hearings before Congress between February and June 1995 as Winders did. Unfortunately, I did not have time or resources to undertake such a task. However, two sets of hearings, one in the House and one in the Senate, provided me with an overview of a wide variety of producer interests. In the House I examined the “Formulation of the 1995 Farm Bill (Cotton, Feed Grains, Wheat, Rice and Oilseeds), Part 3,” hearings before the Subcommittee on General Farm Commodities, Committee on Agriculture, House, April 18, 20, 27, 28, May 25, June 13, 15, 1995. In the Senate, I examined two hearings: “Commodity Policy,” hearings before the Committee on Agriculture, Nutrition, and Forestry, Senate, June 13, 1995; and “Commodity Policy,” hearings before the Subcommittee on Production and Price Competitiveness, Committee on Agriculture, Nutrition, and Forestry, June 15, 1995.

Although analyzing these hearings myself, rather than relying on Winders’s analysis, did ensure that I got the information I was after, it did not solve the problem of obtaining data prior *and* subsequent to price increases. Unfortunately, no easy source of data, like hearings before congressional committees, was available after June 1995. To compensate for this problem, I used *CQ Weekly*’s “browse by topic” search tool to obtain articles related to the farm bill during this period. This specialized publication, while not as rich a source of data as field hearings, did provide a general sense of the variety of producer interests

¹⁴ Analysis of this study’s qualitative data reveals why Winders may have undertaken his analysis in terms of Corn, Cotton, and Wheat class fragments rather than narrower commodity producer groups; much more information was available on the former commodities. Still, restricting analysis to corn, cotton, and wheat a priori seems inappropriate and where I could I collected data on a wider range of producer groups.

ii. Congressional leadership and rank-and-file¹⁵

I focused on the comments of members of Congress at two points in time, prior to and subsequent to the large increases in commodity prices. But in contradistinction to the challenge of finding easily accessible sources of data on commodity producer interests after June 1995, I faced the challenge of ascertaining the opinions of members of Congress prior to the fall of 1995, for it was during the fall that House and Senate agriculture committees began to debate actual farm bill proposals, albeit within the context of the budget reconciliation process that dominated the 104th Congress.

One source of pre-price increase views was the hearings before the Agriculture Committees mentioned above, although these hearing were only of limited use. My main source of data came from *CQ Weekly* articles obtained through the procedures outlined earlier.

In the post-price increase period I focused my analysis on two floor debates relating to H.R. 2854, the FAIR Act of 1996: Senate agreement to the conference report on H.R. 2854 on March 27 and 28, and House agreement to the conference report on H.R. 2854, also on March 28. Although these floor debates obviously did not encompass the whole of debate that occurred in the post-price increase period, I was able to gauge the general opinions of congressional leadership and the rank-and-file on the issues outlined below. These data also were supplemented by *CQ Weekly* articles. Table 2.3 provides a schematic of my data sources.

¹⁵ While I am interested in the opinions of two analytically distinct groups of congressional leadership and rank-and-file members of Congress, I do not have two distinct samples from which to ascertain these opinions. Rather, I follow the coding procedures described here to pull out the opinions of both groups from one sample.

Table 2.3— Key Actors’ Views: Data Sources

Key Groups	Pre-price Increase Period	Post-Price Increase Period
Commodity producers	Congressional hearings before House and Senate Agriculture Committees April, May, June 1995	Articles relevant to agriculture obtained through <i>CQ Weekly</i>
Congressional leadership	Same hearings as above; Articles relevant to agriculture obtained through <i>CQ Weekly</i>	Floor debates in House and Senate surrounding H.R. 2854, FAIR Act, March 1996
Congressional rank-and-file	Same hearings as above; Articles relevant to agriculture obtained through <i>CQ Weekly</i>	Floor debates in House and Senate surrounding H.R. 2854, FAIR Act, March 1996

c. Coding the data

In examining the data obtained using the sample outlined above, I aimed to find out if members of Congress appeared in their public statements to show more deference to the interests of their agriculturally-interested constituents or to their party leadership.¹⁶

Let me unpack this statement into its component parts.

First, party leadership is somewhat of a nebulous concept, especially in an institution with leadership at so many different levels. Yet for the purposes of this study, I defined “party leadership” as members of Congress, Republican and Democratic, who occupied influential formal positions (for the farm bill). For the Senate, these positions included the Majority and Minority leaders, Chair of the Agriculture, Nutrition and Forestry Committee and ranking Democratic Member. For the House, these positions included the Speaker of the House, the Majority and Minority leaders, as well as Chair of

¹⁶ Obviously, I also looked out for signs that members of Congress showed no deference to either group, but rather showed signs of something that might be called political “entrepreneurship.”

the House Committee on Agriculture and the ranking Minority Member. The comments by the individuals occupying these positions were coded “leadership” in a three category system of data organization and served as a benchmark of sorts against which the positions of other members of Congress were compared. Within the leadership category, each relevant comment was recorded along with the name, position, chamber and state of the person that made it.

The second analytical category is more straightforward. All relevant comments of members of Congress not coded “leadership” were coded “rank-and-file.” Likewise, these comments were recorded along with the name, position, chamber and state of the person that made it. Although I was unable to collect data on all rank-and-file members of Congress, the comments of many support the conclusions drawn from the quantitative analysis thus adding some reliability to my sample.

The third and final category of comments were those made by representatives of commodity organizations themselves, or comments attributed to these organizations by reporters. These comments were coded “commodity organization” and were recorded along with the name of the commodity organization and the principal commodity that it represented if it was a single commodity organization. All relevant comments were divided into these three categories.

The final version of the FAIR Act was a complex mix of commodity provisions, nutrition programs, and conservation measures. Yet it was the commodity programs that changed so dramatically in 1996. Therefore, I limited my analysis to those comments made by the above actors about commodity programs. In his analysis, Winders (2001) focused on those comments related to three broad classes of commodity programs: export

subsidies, supply controls, and price supports. He argued that the majority of the controversy in the 1995-1996 debate was over whether and how to change these broad categories of programs. My own analysis, however, reveals that while debate over price supports and supply controls was fierce, there were fewer disagreements about export policies. Rather than fully recreating his analysis, therefore, I limited my coding to comments relating to price supports and production controls.

IV. Limitations

In addition to some of the challenges of data analysis outlined above, this project has a number of limitations. Although no one limitation invalidates the entire project, taken together they do suggest the need to remain modest in my claims.

The most obvious limitation concerns the inability of this study to fully answer the question “Why did members of Congress vote the way they did on the 1996 farm bill?” Even if I had been able to analyze the entire population of utterances by representatives of commodity producers, congressional leadership and the rank-and-file, I still would not be able to say why this or that member of Congress voted the way he or she did. As David Abler (1989) points out in his article “Vote Trading on Farm Legislation in the House,” congressional votes do not take place in a vacuum. What may seem like a counterintuitive vote on one bill might make perfect sense when one considers other bills that were up for consideration in the same Congress. The fact that my sample of these utterances was relatively small makes my conclusions even more tenuous.

Beyond the mere size problem, my sample was a bit of a patchwork, and this may affect the validity of my conclusions. For example, I relied on *CQ Weekly* to provide data on commodity producer opinions during the post-price increase period. Using these reports, which tended to be general in nature, did not provide me with the depth of insight obtained through observing testimony before congressional committees. Moreover, these reports did not give me the breadth of coverage obtained in the pre-price increase period. Nevertheless, the absence of congressional hearings in the post-price increase period and the need to tap opinions during this latter time necessitated the use of this imperfect sample. While problematic, however, I do not have any reason to believe that my large sample of *CQ Weekly* reports gave me a systematically unreliable account of producer opinions, thus creating problems of validity. That said, I obviously was not so enamored with these articles to forego the more time consuming task of observing commodity group testimony before congressional committees. While I could have gotten a sense of where major commodity organizations stood during the farm bill debate by relying solely on *CQ Weekly*, I would have failed to gain a full understanding of why they felt the way they did, at least early in the debate.

A third limitation of this study involves not having analyzed data on direct and measurable interest group influence on members of Congress. B. Delworth Gardner (1995) points out in his book *Plowing Ground in Washington* one way commodity organizations influence members of Congress. Through PAC contributions, commodity organizations arguably are able to “buy” influence in the House and Senate. It would have been interesting to include PAC contributions as a measure of commodity group influence in the 1996 farm bill debate. Including commodity organization PAC

contributions to individual members of Congress would have given me a concrete measure of possible political pressure. But the inclusion of this measure could not be justified for two reasons. First, one must pick his or her battles and collecting the data on PAC contributions would have proven to be time-consuming and ultimately would have taken away from the qualitative aspects of this study. Second, including PAC contributions in a regression equation would likely have produced serious multicollinearity problems since presumably producers in states most dependent on agricultural production would also contribute most to members of Congress through various PACs. Like my attempt to measure commodity production and use it as a predictor of congressional voting, measuring PAC contributions potentially would have led nowhere.

Despite these limitations, the following chapters provide insights into the farm bill process of 1995-1996. I will begin with an analysis of quantitative data.

Chapter 3: Estimating the Effects of Production and Party on Members of Congress: Quantitative Analysis

This chapter begins the empirical analysis of the influences on votes on the FAIR Act, focusing on the quantitative data described in Chapter 2. First, I examine the relationship between Congressional votes on the FAIR Act and state dependence on federal agricultural payments. These data allow me to draw some initial conclusions about the role that disparate regional agricultural production played in the farm bill debate. Second, I examine Republican and Democratic party cohesion scores during the second half of the 104th Congress. The levels of party cohesion on a range of votes help me to determine whether Orden *et al.* seem to be correct in arguing for the importance of party during the time that the FAIR Act was being debated.

I. Voting and state dependence on federal agricultural payments

a. The effect of government payments on Senators' votes

As the preceding chapter indicated, some evidence suggests that a state's dependence on federal agricultural payments has an effect on the voting patterns of its Senators, at least when the vote in question is a farm bill. This type of evidence is consistent with Winders's emphasis on the importance of production in farm policy debates. However, the ranges into which the *CQ Weekly* data were categorized were so large as to produce a rather imprecise measure of this influence. The USDA, on the other hand, provides numerous data on the basis of which other measures of state dependence on government payments can be calculated.

For this study, I have chosen to operationalize “state dependence on government payments” as the ratio of aggregate direct federal payments to a state to aggregate state net farm income.¹⁷ For example, Arizona’s ratio on this measure is .10, which means that, on the whole, farm income after production expenses have been paid would be 10% less without government commodity payments. In actuality, the farmers of a state are not so “dependent” on government payments that their net incomes would necessarily be reduced by such an amount. Under the system of American agricultural subsidies, farmers make production decisions with government payments in mind, often producing less than they would otherwise. If farmers knew in advance of the planting season that government payments would not be forthcoming, they most likely would make up a portion of the lost income with additional acreage or a more market-based mix of commodities.¹⁸ The ability to make these kinds of decisions varies greatly across regions and between farms, but the point is that absent government payments, net farm income would not *necessarily* drop by the amount of non-forthcoming payments. Still, the ratio of government payments to net farm income does give a sense of the variability that exists among states in their reliance on the federal government for farm income assurance. For instance, while Arizona farmers got, on average, 10% of their net income from the government between 1990 and 1994, Montana farmers received a full 51% of

¹⁷ The federal government supplies farmers with many kinds of assistance. Here, however, I am interested only in direct payments associated with the major commodity programs since these payments are easily quantifiable and state specific, unlike, say, spending on agricultural research that may take place in one state but benefit the farmers of all states.

¹⁸ Chapter 4 will discuss the role that timing played in the passage of the farm bill. It is important to remember that as the spring planting season of 1996 began, Congress had still not passed the farm bill, and the 1990 farm law had expired. Farmers could make decisions to plant more to compensate for absent government programs, but they would do so at their own risk since if programs were subsequently offered, they might be declared ineligible. No doubt, these kinds of concerns would be greater in states more dependent on federal agriculture payments.

their income from the government. I hypothesize that these differences affected the voting behavior of U.S. senators and probably representatives.

Table 3.1—FAIR Act Vote in Senate, by State Dependence on Government Payments and Party

Vote on HR2854	.00-.09%	.10-.19%	.20-.29%	.30-.39%	.40-.49%	.50-.59%	.60-.69%
Democrat¹							
Nay	11 (45.8%)	2 (33.3%)	4 (100%)	5 (71.4%)	1 (100%)	0 (0%)	2 (100%)
Yea	13 (54.2%)	4 (66.7%)	0 (0%)	2 (28.6%)	0 (0%)	3 (100%)	0 (0%)
Total	24 (100%)	6 (100%)	4 (100%)	7 (100%)	1 (100%)	3 (100%)	2 (100%)
Republican²							
Nay	0 (0%)	1 (5.6%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	
Yea	16 (100%)	17 (94.4%)	6 (100%)	5 (100%)	7 (100%)	1 (100%)	
Total	16 (100%)	18 (100%)	6 (100%)	5 (100%)	7 (100%)	1 (100%)	

1. Chi-square = 11.976; p=.062; lambda = .318

2. Chi-square = 1.982; p= .852; lambda = .000

Source: Author's calculations based on USDA data (ERS/USDA 2006)

The data in table 3.1 are consistent with the general pattern observed in the *CQ Weekly* data: for Democrats, higher levels of government payments as a percentage of farm income correspond with increased nay votes on the FAIR Act; for Republicans there does not seem to be a relationship between these two variables.¹⁹ Importantly, these data

¹⁹ This differs from the previous analysis in two ways. First, while the *CQ Weekly* data were a measure of federal agricultural payments as a percentage of *gross* farm income, I have instead measured payments in comparison to *net* farm income. Although this change results in a higher percentage of income accounted for by federal payments, it does not affect the inferences using either measure. Second, I broke states up into narrower categories in order both to more precisely measure the effects of government payments on voting and to address the statistical problem of having expected frequencies of less than five in some cells of the crosstabulation, a problem that makes chi-square tests of statistical significance unreliable. While dividing states into more categories did enable me to see that, for Democrats, the relationship between government payments and senator vote generally holds across a wide range of payment to income ratio

reveal that for Democrats, knowing the payment to income ratio of a Senator's state improves one's ability to predict his or her vote by 31.8% compared to not having that information.

As with the *CQ Weekly* data, the relationship between the independent variable "state dependence of direct federal agriculture payments" and the dependent variable "senator's vote on FAIR" is an interactive one when controlling for the political party of a state's senator. All but one Republican senator voted for FAIR despite states' varying levels of dependence on federal payments. For Democrats, senators from states whose farmers received smaller percentages of net farm income from the government voted for FAIR more frequently than senators from more agriculturally dependent states. As before too, this relationship suggests that while party control played a greater role for Senate Republicans, aggregate production profile was more influential for Senate Democrats.

One last point about these Senate data can be made before looking at the House. Consider the argument put forward in Chapter 2 about why Democrats from highly dependent states voted against the farm bill more than Democrats from states with lower dependence. I suggested that for the former, the risks associated with a radical policy change were greater than for states with lower dependence. This risk served to decrease the likelihood of Democratic senators from dependent states voting for the FAIR Act, a bill that represented just such a radical change. For Republicans, I suggested that party control accounted for the overwhelming support of the farm bill and that this party control outweighed the chilling effect that risk might have had on Republican senators.

increments, it did not solve the statistical problem, since even with more narrowly defined categories, many cells of the cross tabulation had expected frequencies of less than five.

Might it be, however, that Republicans and Democrats, on the whole, represented states with different levels of dependence? Might the differences in voting be accounted for by their constituents' different needs? Perhaps Republicans voted yea because they come from states with lower dependence, while Democrats voted nay because they represent more highly dependent states. Table 3.1 shows that such an interpretation is incorrect; political party is a poor predictor of state dependence on federal agricultural payments. There is virtually no consistent pattern wherein one party represents one type of state (in terms of dependence) more frequently than the other. Indeed, lambda for the relationship between party and state dependence on federal payments is .033.

b. The effect of government payments on Representative voting

As Chapter 2 discussed, the USDA reports data on direct government payments at the state level, but not lower. So it is problematic to draw inferences about the voting behavior of U.S. House members, representatives of *congressional districts*, based on *state-level* data. However, since one is always tempted use the data one has available to the fullest, I constructed a crosstabulation using state dependence on direct federal agriculture payments as the independent variable and the vote of the representatives on HR2854 as the dependent variable. Interestingly, although notably weaker, the same general pattern emerges from these data as did for senators. For Republicans, knowledge of state dependence on federal payments does not increase one's ability to predict the vote ($p = .19$). For Democrats, on the other hand, knowledge of a state's dependence on federal payments does provide one with a small amount of predictive leverage—lambda equals .113 ($p=.038$). Nevertheless, the relationship between state dependence and representative voting is weak and because of the ecological problem, these data can

neither make nor break any theoretical explanation. Judgment will be reserved until the qualitative data are analyzed in the following chapter.

II. Party Cohesion in the second half of the 104th Congress

Not surprisingly given the *CQ Weekly* voting data presented in Chapter 2, analyses of Rice Index scores in the House and Senate indicate that just as Republicans were more likely than Democrats to vote along party lines in the 104th Congress, Republicans had higher mean Rice Index scores in both houses. Taking a closer look at these data, it is possible to make some preliminary inferences about the role that party played in the passage of the FAIR Act.

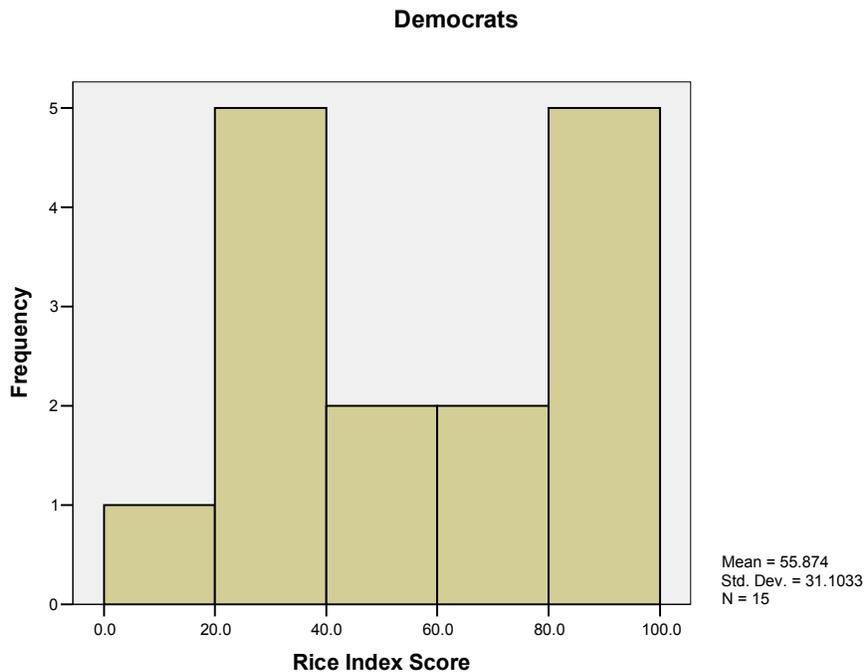
a. Party Cohesion in the House of Representatives

Looking first at the House, Democrats had a mean Rice Index score of 55.87 on *CQ Weekly*-identified key votes. The relatively high standard deviation of 31.01, however, indicates that this mean does not describe the data very well. In fact, a graphical representation of the data indicates a bi-modal distribution (Figure 3.1); in general House Democrats were either highly cohesive or highly split in their yeas and nays.

House Republicans were, in general, less divided in their voting. Even given the legislative set-backs of 1995 and negative public perceptions leading some to question their all-or-nothing strategy, GOP members still maintained a fairly high and consistent level of party cohesion on key votes. Figure 3.1 shows that the mean Rice Index score for House Republicans of 79.69 (standard deviation = 31.1) is a much better measure of central tendency than the Democratic mean.

How did party cohesion on the final vote on the FAIR Act compare to that on key votes? As seen in Table 3.2, for Republicans the Rice Index score on the farm bill conference report—HR2854—was slightly higher than their mean Rice Index score on all key votes. Certainly, the difference between these two scores is too small to suggest that party control played a much greater role on this vote than on the others, yet the fact that it is close to the key vote mean suggests that *if* other competing influences on the votes of Republican representatives were active (e.g., district production profile), they were not able to weaken the willingness of Republicans to pass the farm bill into law overwhelmingly.²⁰

Figure 3.1—Party Cohesion on Key Votes, U.S. House (1995-1996)



²⁰ *CQ Weekly* did not include the House’s final passage of the FAIR Act in its key votes of 1996. However, it did include the House passage of a farm bill that ultimately went to conference and with some changes become the FAIR Act. Interestingly, the Rice Index score on the conference report and the House bill were almost identical—85.09 and 83.83 respectively.

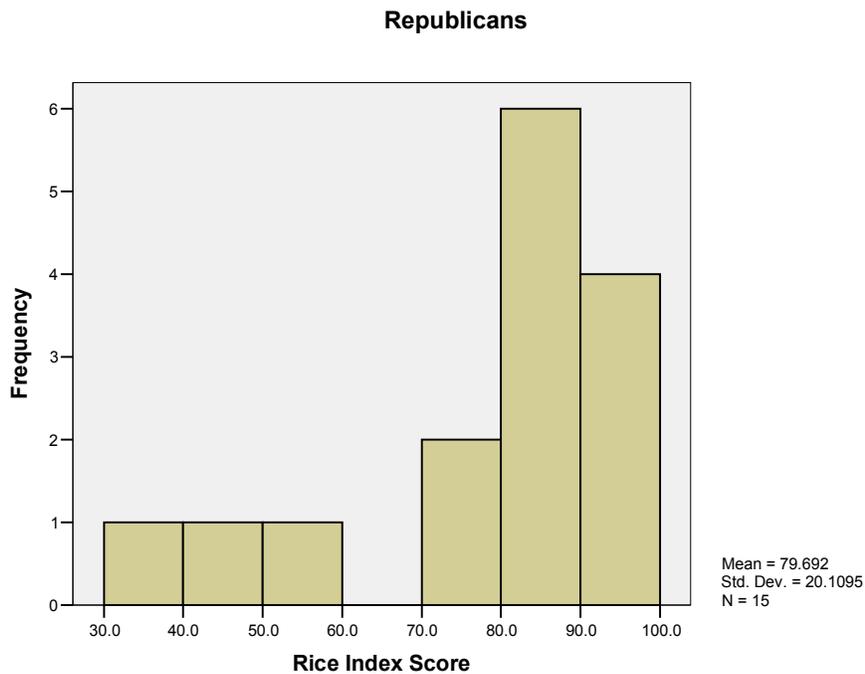


Table 3.2— Party Cohesion in the U.S. House on Key Votes and HR2854

	N	Mean	Standard Deviation
Key Vote Rice Index Score for Democrats	15	55.874	31.103
Key Vote Rice Index Score for Republicans	15	79.692	20.110
Rice Index Score for HR2854-Democrats	1	19.101	n/a
Rice Index Score for HR2854-Republicans	1	85.088	n/a

The data on House Democrats (also Table 3.2), on the other hand, reveal a party with greater divisions, in general and on the farm bill. The Rice Index score on the final conference report was almost a full 37 points lower than the mean Rice Index score for all key votes—a score that was already over 23 points lower than that of Republicans. In

fact, on only one key vote—welfare reform—did Democrats score lower on the Rice Index than on the FAIR conference report. This lower than average cohesion indicates that something other than party affiliation was influencing Democratic members of the House. The analytic work on which this thesis is based suggests that this influence could be related to distinct production profiles. Although these particular data cannot support such a conclusion, they do provide me with reason to look for the causes of such low cohesion through other means.²¹

In reading a summary of these voting data, the skeptical reader may be inclined to argue that *CQ Weekly*-identified key votes do not provide a valid measure of party cohesion for the 104th Congress and thus that comparisons between this measure and the final farm bill vote are misguided. To this little can be said except that *CQ Weekly* is a respected publication and that key votes cover a wide range of topics, both national security and non-national security related. If the skeptic can accept the validity of the measure, he or she will be pleased to learn that a t-test for independent samples reveals with 98% confidence that the differences in Rice Index scores for Republicans and Democrats did not occur by chance ($t_{(28)} = -2.491, p = .019$).²² Moreover, beyond simply attaining statistical significance, calculating the effect size of the differences between the mean Rice Index scores of House Republicans and Democrats—Cohen's $d =$

²¹ Although the Rice Index scores for House Republicans were almost identical for the passage of the conference report and the House version of the farm bill, Democratic scores differed greatly. Although, as noted above, Democrats scored 19.01 on the Rice Index on the passage of the farm bill conference report, the Rice Index score for their vote on the House version of the farm bill was almost double, at 42.56. This was the result of increased Democratic support for the conference report (from 54-135 to 106-72) but more overall disagreement between members. The qualitative data presented in Chapter 4 suggest that a reason for this increased support came from the timing of the farm bill process; some Democrats voted for the conference report because they felt obliged to provide farmers with some kind, any kind, of farm policy before the start of the planting season.

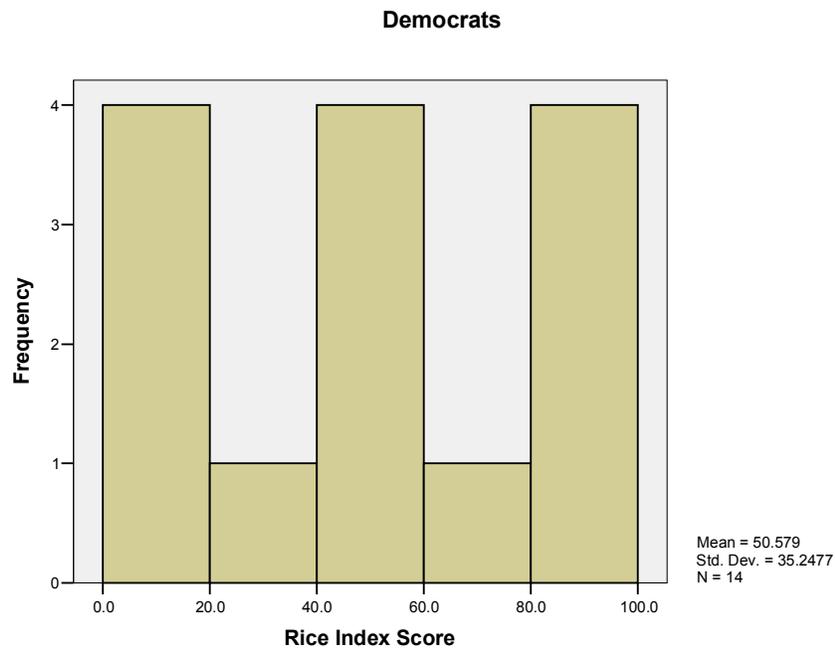
²² I chose to use a t-test for independent samples because I am interested in “comparing the sample means of a dependent variable that differ on an independent variable” (Pollock 2005, 110).

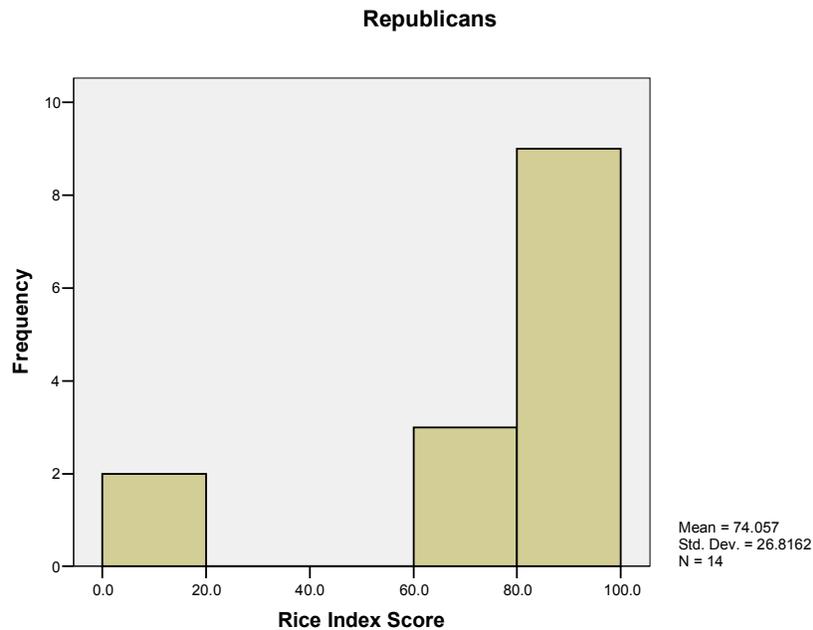
0.9—reveals what is conventionally referred to as a “large” effect (Salkind 2005, 169). In more meaningful terms, an effect size of 0.9 means that if the distributions of Rice Index scores for Republicans and Democrats were overlaid on top of each other, over 50% of those distributions would not overlap (Becker 2000).

b. Party Cohesion in the Senate

For both Republicans and Democrats, party cohesion as measured by the Rice Index is lower in the Senate than in the House. However, the differences between parties remain relatively large.

Figure 3.2—Party Cohesion on Key Votes, U.S. Senate (1995-1996)





Although the mean House and Senate Rice Index scores are not directly comparable since they are based on different samples, the mean Rice Index score for Democrats in the Senate, as in the House, is not a very good measure of central tendency. In fact, there is even more variation in the cohesion of Democrats among the various key votes as evidenced by the tri-modal nature of the data (see figure 3.2). In contrast, the distribution of Republican Rice Index scores across key votes in the Senate (also figure 3.2) is heavily skewed; the mean of 74.057 on the Rice Index gives a good indication of the consistently high levels of party cohesion that accompanied Republican voting during this period.

How did Senate Democrats and Republicans vote on the conference committee report of the farm bill in contrast to their voting on key votes? Table 3.4 includes both mean scores on the Rice Index for Democrats and Republicans as well as the scores for

their votes on the conference report. For Republicans, the Senate data are similar to those in the House; there was a higher than average level of party cohesion on the conference report vote, but on the whole party cohesion stayed relatively stable across the entire sample of votes. And as in the House, these data lead me to believe that though party control might not have played a more important role than usual in deciding the outcome of the final farm bill vote, it appears that other competing influences were not able to creep in either.

A different story can be told about the votes of Senate Democrats. Like their colleagues in the House, these legislators were more divided than usual over the final version of the farm bill; they only scored a 6.38 on the Rice Index for this vote. While the tri-modal nature of Senate Democrat voting makes a direct comparison of this score to the key vote mean score of 50.58

Table 3.4—Party Cohesion in the U.S. Senate on Key Votes, HR2854

	N	Mean	Standard Deviation
Key Vote Rice Index Score for Democrats	15	50.579	35.248
Key Vote Rice Index Score for Republicans	15	74.057	26.816
Rice Index Score for HR2854-Democrats	1	6.383	n/a
Rice Index Score for HR2854-Republicans	1	96.226	n/a

problematic, 6.38 is the second lowest Rice Index score when compared with the 14 key votes, only slightly higher than the score on a controversial budget resolution (2.1) and slightly lower

than the score on a welfare reform bill (8.7). Thus consistent with the House data, Senate Democrats were more split than usual about how to vote when it came to the final version of the farm bill.

A t-test for independent samples reveals that the null hypothesis that Democrats and Republicans did not differ in their level of party cohesion cannot be rejected at the 95% confidence level ($t_{(26)} = -1.984$, $p = .058$). However, at a somewhat less stringent level of significance, 90% for instance, one can reject the null. There is some reason to accept a less rigorous standard in this case. First, a higher statistical significance level, while limiting the chance of falsely rejecting the null hypothesis, increases the chances of failing to reject the null when appropriate. Since this thesis is mainly an exploratory study with few if any direct policy implications, I am willing to accept the risk of falsely rejecting a true null hypothesis in hopes of using these data to uncover the “causes” of senators’ votes on the farm bill.

Finally, just as the effect size in the House was “large,” so is the effect size in the Senate: Cohen’s $d = 1.1$. In substantive terms this means that there is a “non-overlap” of over 58% for Senate Democratic and Republican Rice Index scores (Becker 2000).

III. Some preliminary conclusions

This chapter’s analysis suggests that the influences of production and party on the final FAIR vote differed for Republicans and Democrats. Democrats seem to have been more influenced by aggregate agricultural production than Republicans. Higher levels of dependence on direct federal payments led to, or at least were associated with, increased likelihood of voting against the FAIR Act. The following chapter will provide additional

evidence to support this conclusion. The flipside of being highly influenced by production is that Democrats appear to have been less influenced by party control than Republicans. Not only did Democrats score lower on the Rice Index in both houses of Congress than Republicans, their party cohesion on the farm bill conference report also was lower than the key vote average, while Republican Rice Index scores stayed largely the same. Although party cohesion was the norm for Republicans in both houses during this period, Democrats were more susceptible to competing influences, especially on the farm bill. This study argues that one of these influences was production profile, a position that Chapter 4 explores further.

Chapter 4—Views of Farm Bill Stakeholders During Two Periods: Qualitative Analysis

The analysis presented in the preceding chapter would be incomplete without additional data, evidence that because of limitations noted above, could not be analyzed using statistics. This chapter presents a summary and analysis of findings obtained from a sample of congressional hearings, *CQ Weekly* articles and House and Senate floor debates occurring during what I have termed the pre-price increase and post-price increase periods. This information is consistent with earlier data indicating that Republicans and Democrats were influenced by state production profile and political party in alternative ways. I will first present my findings on commodity producer and legislative opinions during *the pre-price increase period*, followed by the opinions of these same groups in the *post-price increase period*.

I. *Pre-price increase period*

a. Commodity producer opinion during the pre-price increase period

Representatives of a large variety of single commodity and multi-commodity organizations testified before the House and Senate agriculture committees between April and June 1995. By studying these hearings, I was able to tap the publicly expressed interests of numerous types of commodity groups during the period prior to dramatic increases in farm prices. However, there is no question that some commodities were better represented than others. For instance, in all the hearings I examined, the interests of corn producers were specifically addressed by five separate speakers representing local or national corn organizations (e.g., the National Association of Corn Growers, the

American Corn Growers Association). On the other hand, only one speaker represented the interests of rice producers, Tommy Hillman of the USA Rice Federation, albeit on two separate occasions. Furthermore, since the House hearings did not deal with dairy or sugar programs, the interests of these influential producers could not be assessed using these data sources.

Still, these hearings are a rich source of information on what many classes of agricultural producers, handlers and suppliers were thinking about during the early stages of the farm bill debate. This survey also points out the appropriateness of Winders's analytic strategy: breaking agricultural producers into corn, cotton and wheat segments rather than more narrowly into all classes of commodities covered by federal farm programs. Of the 44 different times single commodity organizations testified before the congressional agriculture committees in my sample, corn, wheat and cotton groups testified 20 times. If Winders understood the difficulty of assessing the interests of each type of commodity producer, however, he seems to have misunderstood the interests of those segments that he did study. Importantly, no single commodity *producer* organization or multi-commodity *producer* organization advocated decoupling federal agricultural payments from market prices—the central feature of the FAIR Act. In terms of causal explanations, it is interesting to note how difficult it would be for commodity producer interests to drive legislative change as Winders argues if the expressed interests of the commodity producers at the time of the first FAIR-like proposal were inimical to these types of policies. So at least initially, it seems that the impetus for FAIR did not come from the commodity producers themselves, but rather from some other source, perhaps the political entrepreneurship of Pat Roberts himself. Only two speakers

advocated the kinds of radical changes to price supports accomplished by FAIR. The organizations they represented did not represent producers, but rather grain processors and handlers. Both the Coalition for a Competitive Food and Agricultural System, represented by the North American Export Grain Association's chairman Frank Sims, and the National Grain and Feed Association and the National Grain Trade Council, represented by Carroll Brunthaver, advocated a system of income supports that was price and production neutral (Senate, June 13, 160; House, June 15, 900). Yet, as Chapter 5 will explain in more depth, it seems unlikely that it was these few organizations that drove policy change since the original FAIR proposal came from Pat Roberts of Kansas, primarily a wheat, not a corn, producing state.

Of course, Winders could be wrong about the source of the idea for FAIR but still correct about why it passed. More evidence will be needed to make this assessment. So what were the specific commodity groups thinking during the pre-price increase period?

- i. Corn

The National Corn Growers Association (NCGA) was the best represented corn organization at the House and Senate hearings surveyed. Of the five corn organizations present during these hearings, three were associated with the NCGA in some way. The other two presenters were from the American Corn Growers Association (ACGA). These two organizations, although they represent the same commodity, had different visions about what an ideal farm bill would include. The NCGA hoped to eliminate the Secretary of Agriculture's authority to take acreage out of production as part of the Acreage Reduction Program (ARP), while the ACGA wanted the secretary to keep this

authority (House, April 18, 83 and 93).²³ The NCGA hoped to keep the target price for corn stable, reducing payment acres to achieve necessary budget savings. In contrast, the ACGA wanted to eliminate the target price-deficiency payment system, replacing it instead with a more generous marketing loan program wherein farmers would be guaranteed a price for their crop—equal, incidentally, to the old target price—even when prevailing market prices were low (House, May 25, 693; House, April 18, 95). Both organizations argued for greater planting flexibility, although the NCGA advocated more than the ACGA (House, April 20, 210; House, May 25, 693).

For this project, the key finding is that none of the corn organizations surveyed advocated anything like the decoupling policy found in FAIR, a policy that Winders argues the corn segment supported based on his examination of congressional hearings during this period. While the ACGA wished to eliminate the target-price deficiency payment system, something that FAIR indeed accomplished, it wished to replace it with a more generous non-recourse loan system that would have kept the support system essentially the same and guaranteed farmers more support in times of low prices, hardly a decoupling plan like that found in FAIR. And though the NCGA hoped to eliminate the Secretary of Agriculture's Acreage Reduction Program authority, also an accomplishment of FAIR, it did not advocate a reduction, let alone the elimination, of deficiency payments to corn farmers. It seems that if corn producers, on the whole,

²³ Even the NCGA wanted the Secretary to be able to retain some flexibility in annual set asides, although unlike the Acreage Reduction Program (ARP) these set asides would be paid. Richard Plock, President of the Nebraska Corn Growers Association and a director on the National Corn Growers Association board, stated that “[w]e... believe that if supply, bolstered by over-production in other countries, leads to depressed prices, the government should institute a paid land diversion” (U.S. House 1995, 83).

supported the policy prescriptions of the 1996 farm bill, they did so *after* their testimony at the April-June 1995 congressional hearings.

ii. Wheat

As with corn farmers, there was some disagreement among wheat growers about the best possible farm bill package. However, it is sufficient to note that based on their statements, a FAIR-style plan would have been categorically rejected had it been on the table during the pre-price increase period. The National Association of Wheat Growers (NAWG), for instance, advocated the continuation of the target price-deficiency payment system, the very system that FAIR replaced with fixed, yet declining payments over seven years (Senate, June 15, 89). And while it opposed the use of the Acreage Reduction Program (ARP) as a mechanism for budget savings, NAWG did support retaining the Secretary of Agriculture's authority to use such a program to realign supply and demand if needed. It is also interesting to note that though both the NAWG and the NCGA advocated increased flexibility for farmers to make production decisions based on market signals, wheat growers generally were less supportive than corn growers of plans that would totally remove the government from intervening in supply markets. As before, the most important finding from this survey of producer opinion is that although very real differences existed between producers of the same commodity, as well as between producers of different commodities, no producers advocated the kinds of sweeping policy reforms instituted by FAIR. While they may have supported it during

the post-price increase period, they certainly did not during the earlier stages of the farm bill debate.

iii. Cotton

It is easy to imagine how the interests of commodity growers and commodity processors can be at odds as is often the case when it comes to corn, peanuts and sugar.

The cotton industry in the United States, however, does not face this problem, at least not publicly. *CQ Weekly* notes that

[t]he secret of the cotton lobby's power is so simple that it can be summarized in a single word: unity. The National Cotton Council represents all seven segments of the domestic cotton industry—from farms to mills. While other industries such as peanuts and sugar are fractured by competing demands of farmers and manufacturers, representatives of each segment of the cotton industry hash out their differences in private board meetings, then come to Washington with a unified agenda (Hosansky 1995d).

Hosansky's perception is supported in the testimony I examined; of all the commodity groups surveyed, only the representatives of the cotton industry spoke with one voice, a voice that said "If we could have just what we want in the new farm law, we would simply ask you to change the date on the current law" (House, April 27, 535).

Cotton producers and processors, more than any group during the pre-price increase period, were dedicated to the preservation of the current system of price supports and production controls. Wiley Felty, president of the Oklahoma Cotton Improvement Association and alternate delegate to the National Cotton Council, explained the position of his fellow producers well:

While we are opposed to farm programs which place a priority on supply management, we are not in favor of denying **all** Secretarial authority for announcing ARPs. I know you have heard the increasingly loud calls for an end to ARP authority, I cannot fully understand some of these arguments, given the relatively conservative use of ARPs since the passage of the 1990 farm bill. Cotton just produced a record crop even though we have a 7.5 percent ARP in place...[W]e

support authority for ARPs as long as it is based on a market oriented stocks-to-use ratio where the priority is on producing enough commodity to satisfy demand, rather than budget management. We believe ARP authority is preferable to the inflexible and permanent alternative of lower target prices or higher unpaid acres for the purposes of cost cutting (House, April 27, 536-7, emphasis in original).

Yes to production controls.²⁴ No to decreased price supports. In short, no to FAIR.

iv. The others

The 1990 and 1996 farm bills covered a wide range of commodities. Not only did the bills have provisions for corn, cotton, and wheat; soybeans, rice, sugar, dairy, “minor” oilseeds, barley, oats, sorghum and a few other commodities also were treated in the pages of the legislation. To what extent should this study have assessed the interests of the producers of these commodities?

As noted above, cotton, corn and wheat producers testified more frequently than any other commodity producers so it seems justified to focus more heavily on these groups. Indeed, when it came to dividing up the money for the 1996 farm bill, corn, cotton and wheat producers would receive an estimated 84% of production flexibility contract payments—the direct payment system that replaced price supports and deficiency payments (Young and Shields 1996, 2); it is little wonder that corn producers testified six times during the hearings surveyed and oat producers only twice. Yet it is important to note the interests of some of these smaller producers, if only to show that

²⁴ Felty did note that if “money were no object” the cotton industry would probably support the elimination of the ARP. However, since government payments are made on planted acres and taking a portion of the nation’s acres out of production reduces costs, eliminating the ARP would *increase* government costs that would have to be offset with decreases elsewhere. Thus the cotton industry opposed ending supply controls (U.S. House 1995, 537).

none of them supported FAIR-style policies during the pre-price increase period.

Soybean producers, represented by the American Soybean Association, for instance, wanted to be included in the 1990 farm bill system, and they noted that “[s]oybeans are the largest, most valuable, and most important crop in the U.S that does not receive income support under the farm program” (House, June 15, 900). While soybean producers were not, in general, happy with government restrictions on production, they wished to either become eligible for deficiency payments or have the soybean loan rate increased. Incidentally, Winders argued that soybean farmers tended to align themselves with the interests of corn farmers. He is correct in that both groups were interested in more planting flexibility, and both had the same general feeling towards the price support system. He is incorrect, however, in his assessment that corn and soybean growers “opposed” such a price support system.

As for a few other commodity groups that testified at the hearings I examined, rice (House, June 15, 900) and beet sugar (House, April 18, 131) producers were adamant about retaining their programs. Bill Kubecka, vice president for legislation of the National Grain Sorghum Producers, argued on behalf of raising the target price for grain sorghum and setting a zero-APR for sorghum while allowing the Secretary of Agriculture to retain the authority to increase idled acres from this level (House, May 25, 705-6). Oat producers also wished for an increase in target price (House, May 25, 702-4).

Farmer-ranchers and agribusiness generally were united in their opposition to the idling of productive land through the ARP. For example, Joe Hampton, Executive Vice President of the Oklahoma Grain and Feed Association and the Oklahoma Fertilizer and Chemical Association, was expressing much more than the opinions of his organizations

alone when he spoke of “the critical need for our farm policy to eliminate acreage idling programs.” Such programs, he said, “have outlived their purpose and no longer apply to a world marketplace environment” (House, April 28, 613).

There was slightly more disagreement over the role that price supports should play in the farm bill, however. Lew Meibergen, President of Johnston Enterprises, Inc. (a grain handling organization in Oklahoma), for example, expressed concern about a plan to lower price supports to farmers: “I have read reports that Senator Lugar of Indiana is proposing that both price supports and the EEP [export enhancement program] be eliminated. I can assure you that this type of farm policy would be disastrous to my farmer customers and my business operation as well” (House, April 28, 622). In general, however, both ranchers and agribusiness firms wished to see a farm policy emerge that did not distort markets yet that provided an income safety net for farmers. Nevertheless, it should be noted that while FAIR meets these demands, FAIR-style programs were not advocated by most representatives of agribusiness. William Hocraffer of the Agriculture Retailers Association, for instance, argued that

[t]raditional commodity programs should shift from supply-side adjustments to more market-based solutions. An income safety net for farmers should and must be retained but should be price and production neutral. Alternatives such as a whole farm base program or the Iowa Revenue Assurance Plan, which allows increased planting flexibility, would encourage production and prices to react to signals in the marketplace and not government programs (House, April 20, 257).

Neither the whole farm base programs nor the Iowa Revenue Assurance Plan decoupled supports from prices, however, and so fell short of changes made by FAIR.

v. Summary

If one had to sum up the disparate positions of commodity producers, handlers, and processors in only a few sentences, one would be faced with a significant challenge, for as described above, the image of an “ideal” farm policy shifted with the changes in crop and position along the commodity chain. However, it is overwhelmingly clear that with only a few exceptions, organizations testifying at the hearings surveyed did not wish to decouple direct government payments from market prices. During the pre-price increase period, FAIR did not fare well.

b. Congressional leadership and rank-and-file opinion in the pre-price increase period

While the congressional hearings held by the House and Senate agricultural committees were a rich source of data on commodity producer opinion during the pre-price increase period, they were not as useful for assessing the opinions of congressional rank-and-file members or leadership. Not only did few of the 100 senators and 435 representatives take part in the hearings, but most of those who did were noticeably reticent when it came to expressing their opinions on farm programs. In general, members of the agricultural committees asked questions rather than gave speeches and so a richer source of data—*CQ Weekly* articles—a was needed to assess where they stood vis-à-vis prospective farm policies.

i. The House leadership

It is no surprise that the leaders of a Republican House who ran in 1994 on a platform of reducing spending and cutting entitlements would, in general, oppose many of the New Deal-era farm programs that made up American agricultural policy at the time. Speaker of the House Newt Gingrich (R-GA), for instance, though from a state that produces peanuts, was committed to cutting taxes and reducing spending, goals inimical to farm programs if the budget were to be balanced in seven years as he hoped (Camia 1994b). House Majority Leader Dick Armey (R-Texas) also opposed farm subsidies and assailed them using free market arguments (Hosansky 1995e).

Not all members of the House leadership opposed farm programs, however. If one has a penchant for the dramatic, the hero of the 1995-96 farm bill process was Pat Roberts, chairman of the House Agricultural Committee who, according to *CQ Weekly*, was “willing to stand up to House Republican leaders in order to protect farm interests” (*CQ Weekly* Staff 1995a). Roberts, from the primarily wheat growing state of Kansas, played an extraordinary role in the farm bill process as noted by Schertz and Doering in *The Making of the 1996 Farm Act* (1999). During the pre-price increase period, Roberts mainly tried to limit cuts that would have to be made by the agricultural committees, but in early June scholars of the FAIR Act (e.g., Schertz and Doering 1999) believe that he circulated a three-page memo outlining the central element of the 1996 farm bill, the elimination of deficiency payments and their replacement with fixed but declining payments. Little is said about the memo in the pages of *CQ Weekly*, although Hosansky does note that Bill Barrett (R-NE), chairman of the General Farm Commodities Subcommittee of the House Agricultural Committee, seemed enthusiastic about the

proposal. Several months later and just before the summer recess, in fact, Roberts and Barrett officially introduced legislation, the Freedom to Farm plan, outlining the new farm policy approach, an approach that they would try to “sell” over the summer (*CQ Weekly* Staff 1995c). Orden *et al.* note, however, that Roberts made little progress during the summer and that while the Kansas Farm Bureau endorsed the proposal, “[n]either the American Farm Bureau nor any of the national commodity associations endorsed his decoupling proposal” (1999, 138). It is somewhat surprising, in fact, that a proposal that received such a cool reception ultimately would become the law of the land. According to *CQ Weekly*,

the so-called Freedom to Farm proposal has gotten a mixed reception from Democrats, some of whom want to put more emphasis on helping small farmers. Southern lawmakers are concerned that the proposal would saturate the booming cotton market because it would lead to near-total planting flexibility. The proposal does not touch on price-support programs for peanuts and sugar, two other important Southern crops. Rice and wheat interests generally oppose the type of flexibility envisioned in the Freedom to Farm proposal, while growers of feed grains such as corn support elements of it (*CQ Weekly* Staff 1995b).

Such a summary describes neither overwhelming condemnation nor overwhelming support.

On the Democratic side of the aisle, ranking Democratic member on the agriculture committee, E. “Kika” de la Garza (D-Texas), had a reputation of “putting the farmer first” (Camia 1994a). In particular, de la Garza “tries to take care of sugar farmers—the primary crop in his district” (*CQ Weekly* Staff 1995a). Comments on the farm bill by House Minority Leader Dick Gephardt (D-MO) were noticeably absent from *CQ Weekly* coverage of the pre-price increase period. While it is possible that Gephardt took a strong position on the bill but was not covered by the congressional publication, it is perhaps more likely that he did not stake out as strong a position as his Republican

counterpart, Dick Armey.²⁵ When thinking through the role of party in the final vote, it seems relevant that the House Democratic leadership took a less vocal stand on the farm bill than Republicans, at least early in the process. This reticence may have contributed to, or reflected, more intra-party divisions.

ii. The Senate leadership

While Senate Republicans did not base their campaigns on the “Contract with America,” they also were concerned about cutting spending. Senate Majority Leader Bob Dole (R-KS), for instance, said “We’ve got to find a way to save some money... When we say everything from A to Z, except Social Security, is on the table, agriculture is pretty high up there” (Fraley 1995). Yet if in response to such calls Pat Roberts went on the defense, chairman of the Senate Agriculture Committee Richard Lugar (R-IN) took the opportunity to advance a bill that would lower the amount of federal agricultural payments farmers received.²⁶ “Under Lugar’s plan, the [3%] reductions [in target prices per year would] after five years... put target prices just above likely market prices. This means that, unless there were a protracted rural depression, it would be less profitable for farmers to dedicate a portion of their land every year to subsidized crops than to target potential foreign markets” (Hosansky 1995e). Even Dole, however, who expressed concern about the budget showed some opposition to Lugar’s plan, a plan which finally

²⁵ Gephardt’s district has the third fewest farms of any Missouri district (NASS/USDA 1992). Perhaps his apparent silence during the farm bill debate reflected the limited importance of agriculture in his district.

²⁶ Lugar’s opposition to farm programs is interesting. On the one hand, he was a farmer, growing corn and soybeans, while most corn farmers did not want the target price to be reduced. On the other hand, as a former mayor of Indianapolis, he also had a background in more urban settings.

did not even make it out of his own committee (Hosansky 1995e).²⁷ As for Democrats, Minority Leader Tom Daschle (D-SD), like Dole, expressed concern over Lugar's proposal. In August of 1995, Daschle even put forward a sketch of a farm bill that would provide greater support for smaller producers, a theme that received support among some, but not all, Democrats during the farm bill debate (Schertz and Doering 1999, 59). Ranking Democratic member of the Senate Agriculture Committee Patrick Leahy (D-VT) was also concerned that the budget cutting environment in Congress would result in cutting farm bill money to non-farmers, e.g. children who benefited from nutrition programs (Hosansky 1995j).

In general, although the Senate leadership was concerned about cutting spending and balancing the budget, an analysis of *CQ Weekly* articles reveals fewer "budget hawks" ready to swoop down and grab agricultural payments from farmers, the notable exception being Richard Lugar. Perhaps most significant, no FAIR-like proposals were proffered or supported by Senate leaders as even Lugar's plan only reduced target prices without eliminating them.

iii. House rank-and-file

In June of 1994, Representatives Dick Zimmer (R-NJ) and Charles Schumer (D-NY) introduced a plan to phase out subsidies to a wide variety of commodities and eliminate acreage restrictions through the ARP. According to *CQ Weekly*,

[t]he two have joined forces in an attempt to phase out the Depression era subsidies program, saying it is outdated and ineffective. The goal of the legislation, Zimmer said, is "a competitive farm sector, not an archaic, dependent one." The Zimmer-Schumer proposal emphasizes what

²⁷ Indeed, *CQ Weekly* described Dole as "one of the biggest defenders of farm programs (Hosansky, "In Farm Debate, GOP Risks Cultivating Enemies" 6/23/1995).

they view as a greater need for free-market principles in farming. Under the measure, subsidies would be phased out over five years for wheat, corn, rice, cotton, barley, grain sorghum and oats. Restrictions under acreage reduction programs would also be eliminated. Zimmer and Schumer propose saving taxpayers \$29 billion over seven years by placing a cap on farm entitlement programs. (*CQ Weekly* Staff 1995d).

If FAIR can be seen as a substantial departure from traditional American agriculture policy, the Zimmer-Schumer proposal went even further. The so-called Farm Freedom Act received little attention, however, as a survey of *CQ Weekly* reveals no additional articles written about it. Such a cool reception is not surprising when one considers the widespread support that farm programs received in the House *even from Republican freshmen who ran on the “Contract with America”- platform*. For example, when House Majority Leader Dick Armey (R-TX) criticized the peanut program and proposed its elimination, freshman Republican Saxy Chambliss (R-GA) responded that he was “infuriated that this (Armeys proposal) would come out when we haven’t had the opportunity to consider cooperative revisions” (Hosansky 1995g). Chambliss along with nine of his colleagues also signed a “Dear Colleague” letter criticizing Armey for his position. According to *CQ Weekly*, the “freshman’s reaction [Saxy Chambliss] was a clear sign that Republican unity, evident in near-unanimous support of much of the House GOP leadership’s ‘Contract With America’ in the first 100 days of this session, may disintegrate during debate over parochial issues such as farm legislation” (Hosansky 1995g).

In another article, this time entitled “Freshman Republicans Attempt To Fence Off Farm Subsidies,” David Hosansky of *CQ Weekly* explains the impact that some other freshman Republicans had on the farm bill debate during the pre-price increase period:

Early in the process, with dozens of their freshman colleagues, they [Republicans Ray LaHood (R-Ill) and Greg Ganske (R-IA)] launched intense and sometimes public lobbying of senior

Republicans. On March 7, 26 freshmen wrote a letter to House Speaker Newt Gingrich, R-Ga., saying, "It is important to ensure that any additional spending cuts not adversely impact the ability of U.S. agriculture to meet the food and fiber needs of consumers at home and abroad. . . . By any measure, U.S. farm programs have been extremely cost-effective." Then Nethercutt [freshman Republican from Washington] organized a meeting in early May between rural Republicans and House Majority Leader Dick Armey, R-Texas, an outspoken critic of farm programs. Armey said after the meeting that he would tone down his criticism, since the majority leader is perceived as speaking for the entire party, rather than just a single district. The freshmen, some of whom won their seats by narrow margins last year, also are warning that deep cuts to farm programs could spark a backlash at the polls in 1996, endangering the narrow Republican majority in the House (Hosansky 1995h).

The opposition of rank-and-file Democrats to large reductions in the federal payments to farmers also seemed to be great; however, *CQ Weekly* devoted less space to its coverage. This comparative lack of coverage probably was because such opposition was unsurprising, rather than minor. Republican opposition to spending cuts was to a certain extent a "man bites dog" story, Democratic opposition the more banal "dog bites man" version. Although there were Democrats such as Charles Schumer (D-NY) and Sam Gibbons (D-FL) who wished to eliminate some major farm programs, these individuals seemed to have been in the minority. In general, the attitude of the House Democratic rank-and-file during this period appeared to be to wait-and-see. It was not until President Clinton vetoed the Republican budget that the farm bill became stand-alone legislation, so during the pre-price increase period Democrats as well as Republicans were concerned mainly with larger budget issues, of which agricultural programs were only one small piece.

iv. Senate rank-and-file

Perhaps because Richard Lugar's farm bill proposal garnered little support from other Senate leaders, Thad Cochran (R-MS), chairman of the Senate Agriculture Appropriations sub-committee sponsored his own bill that would have cut spending less

than either Lugar or Roberts. “Sen. Thad Cochran’s, R-Miss., office signaled that the senator was not accepting Congressman Roberts’s proposed Freedom to Farm legislation and stated that he was opposed to decoupling of payments from commodity prices” (Schertz and Doering 1999, 56-57). Cochran’s Agricultural Competitiveness Act, cosponsored by David Pryor (D-AR), would have kept the general structure of American agricultural policy the same while increasing planting flexibility to create budget savings by increasing the number of unpaid acres (Schertz and Doering 1999, 58). Of all the potential farm bills proposed, the Cochran-Pryor bill was most similar to existing farm policy. It should be noted that both Cochran’s Mississippi and Pryor’s Arkansas are major producers of cotton, the commodity group most interested in keeping the 1990 farm bill.

v. Summary of pre-price increase period

In general, the pre-price increase period was not a hospitable environment for FAIR-like proposals. Commodity groups were largely opposed to decoupling federal agriculture payments and many Republican members of Congress did not support the proposals of their leaders. It is little wonder that experts did not predict radical agricultural policy change to come from the 104th Congress. As prices rose, however, many of the interests and opinions of key agricultural policy stakeholders would change. The following section documents some of these shifts.

II. Post-price increase period

a. Commodity producer opinion during the post-price increase period

On the floor of the House, the day the FAIR Act was passed, Pat Roberts was not shy about noting the support that his Freedom to Farm concept of decoupled payments had received in all corners of the country:

Never before has a farm program proposal enjoyed such broad and diverse support as this one. From the Ivory Towers of academia and the think tanks to the editorial board rooms of our nation's newspapers to a broad spectrum of farm, commodity and agribusiness groups, support for this proposal is strong. Most importantly, Freedom to Farm enjoys widespread support among individual farmers across the country who are fed up with convoluted government programs, and exploding government debt. The following [farm and trade] groups or individuals have endorsed either the Freedom to Farm Act or that concept as contained in H.R. 2854...:

American Farm Bureau Federation, National Corn Growers Association, National Grain Trade Council, National Grain & Feed Association, American Cotton Shippers, Iowa Farm Bureau Federation, Iowa Corn Growers Association, Iowa Cattleman's Association, Kansas Farm Bureau, Kansas Association of Wheat Growers, Kansas Bankers Association, Kansas Grain & Feed Association, Kansas Fertilizer & Chemical Association, North Dakota Grain Growers Association, the Minnesota Association of Wheat Growers, the National Turkey Federation, the National Sunflower Association, National Food Processors' Association, Agricultural Retailers Association, American Feed Industry Association, American Frozen Food Institute, Biscuit & Cracker Manufacturers' Association, National Oilseed Processors Association, Millers' National Federation, and the Coalition for a Competitive Food and Agricultural System (representing 126 members) (Congressional Record, March 28, H3151-H3152)

He also noted that his proposal gained widespread support from myriad county newspapers and agricultural economists, but it is the proposal's support by farmers that is most important for this project. While the Freedom to Farm concept never achieved universal acclaim among farmers—there was simply too much regional variability even among producers of the same commodity—one can observe that support for the proposal's measures dramatically increased during the post-price increase period. Overall, farm organizations that once lobbied to maintain the structure of the 1990 farm

programs endorsed a new concept, decoupled payments and fewer production restrictions. A brief outline of some major commodity groups' opinions follow.

i. Corn

As Roberts noted, the National Corn Growers Association (NCGA) officially endorsed the farm programs contained in the FAIR Act, programs that eliminated the target price-deficiency payments system and replaced it with fixed, but declining payments. The NCGA is the same organization that opposed Senate Agriculture Committee chairman Richard Lugar's earlier plan to reduce target prices by 3% a year. Why such a change?

First, from the beginning corn producers favored increased planting flexibility. The "freedom" in "Freedom to Farm" refers to the ability of commodity producers to make production decisions based on market signals, not government program requirements. As corn is a major American agricultural export, growers wished to be able to expand production to meet growing world demand. As *CQ Weekly* reports, the farm proposal's "emphasis on planting flexibility and doing away with land-idling programs could spur production and help American farmers take advantage of booming export markets" (Hosansky 1995f).

Secondly, corn growers were excited by the prospect of receiving federal payments even during periods of high prices: "Several farm organizations, such as the Farm Bureau and the National Corn Growers Association, favor the [Freedom to Farm] legislation - in part because of the planting flexibility, and in part because it would give farmers \$5.6 billion in subsidies this year, even though market prices are unusually high" (Hosansky 1995c).

It appears that corn producers' original desire to increase production flexibility along with the prospect of receiving payments even during times of high prices were enough to encourage the principal national corn organization to support FAIR. What about wheat growers who were generally opposed to both increased flexibility and lowering target prices?

ii. Wheat

Although Pat Roberts did not mention the National Association of Wheat Growers (NAWG) in his speech on the House floor, NAWG, like its corn-producing analog, both supported the Freedom to Farm concept in the end and opposed it in the beginning. According to "World Wide Wheat Daily Report," delegates to the NAWG annual convention in February of 1996 endorsed some key elements of the FAIR Act. The "Report" wrote that the "National Association of Wheat Growers endorsed a package of federal farm program components aimed at setting a market-oriented price and income safety net for America's farmers. According to NAWG President Chuck Merja, the organization's farm bill proposals provide *support for the concept of a guaranteed fixed payment* to provide financial stability and the opportunity to react to global market conditions" (emphasis added) (1996). NAWG also endorsed "total production and planting flexibility."

In August of the previous year, however, *CQ Weekly* noted that "wheat interests generally oppose the type of flexibility envisioned in the Freedom to Farm proposal" (*CQ Weekly Staff* 1995b), and as late as December of 1995, NAWG still was opposed to decoupling: "Although Kansans generally support the Roberts approach - preferably at

higher funding levels than in the budget-reconciliation bill - growers in the West have been more critical. 'We have preferred a market-based approach, a counter-cyclical payment,' said Ross Hansen, a Colorado farmer who is president of the National Association of Wheat Growers. 'We're concerned about a safety net at low prices'" (Hosansky 1995a).

Despite NAWG's later reversal, however, some wheat growers remained opposed to the new farm policies. *CQ Weekly* noted that while many national farm organizations had endorsed FAIR, wheat farmers in dry regions such as the Dakotas and the Texas Panhandle were more skeptical. "For the most part, these growers are heavily dependent on government subsidies, and, in many cases, can plant only a few crops. 'For the next three or four years, this Freedom to Farm is pretty good, but you get after that (sic) and it's not such a good program to be in,' said David Cleavinger, a farmer of wheat and other crops in the Texas Panhandle" (Hosansky 1996a).

CQ Weekly concurs with Orden *et al.*'s argument that the support of FAIR would not have been possible without higher than usual commodity prices: "The proposal has picked up the endorsements of most major farm groups, in part because commodity prices are currently so high that many farmers otherwise would receive no subsidies at all. The proposal would issue an estimated \$5 billion more in direct payments in the next two years than the traditional system, although the payments would drop thereafter" (Hosansky 1996b). Wheat growers, it seems, were harder to convince than corn producers, but ultimately the national organization endorsed FAIR. Cotton growers and processors were another story.

iii. Cotton

It is no surprise that the commodity producers most tied to the 1990 farm bill policies were the hardest to bring around. Indeed, the National Cotton Council is conspicuously absent from Roberts's long list of commodity organizations supporting FAIR, although the American Cotton Shippers Association did endorse the new programs. From the beginning, "Southern lawmakers," presumably representing the cotton industry, "[were] concerned that the [Freedom to Farm] proposal would saturate the booming cotton market because it would lead to near-total planting flexibility" (*CQ Weekly Staff* 1995b). Indeed, Roberts's Freedom to Farm proposal did not even make it out of his own committee, in large part because some southern members of the House Agriculture Committee opposed the proposed farm policy structure.²⁸ According to *CQ Weekly*, "[w]hen negotiations hit an impasse, two senior Republicans on the Agriculture Committee with cotton in their districts - Larry Combest of Texas and Bill Emerson of Missouri - introduced a rival bill, Sept. 14 (sic) that would retain the structure of farm programs, while meeting budget-reconciliation targets" (Hosansky 1995b).

Ultimately, a majority of southern Democrats in both houses of Congress voted for FAIR. Yet my research indicates that their opposition lessened only after the legislation included "marketing loan provisions" wherein cotton producers could, in essence, sell their supply to the government in times of low world prices. Phillip Burnett, executive vice president and CEO of the National Cotton Council of America explains:

²⁸ Despite not having made it out of the House agriculture committee, something that Democrats did not fail to mention during floor debates, the House Republican leadership took Roberts's proposal and inserted it into a budget reconciliation bill that was sent to the president and subsequently vetoed. Chapter 5 will discuss more about the role of party leadership in keeping Freedom to Farm alive long enough for it to gain popularity.

The original Freedom to Farm bill considered in the House could have been disastrous for the U.S. cotton industry. In 1984-85 and 1992-93 when nonmarket countries dumped raw cotton on international markets and drove prices well below anyone's cost of production in the world, the marketing loan provisions of the U.S. cotton program saved the U.S. industry. The original Freedom to Farm did not contain that crucial safety net (Burnett 1996).

So when *CQ Weekly* states that "Southern cotton planters are cool to the [Freedom to Farm] concept, although they haven't mounted an all-out lobbying campaign to stop it" (Hosansky 1995a), one may infer that cotton producers were willing to accept FAIR, albeit hesitantly, if they were given a more substantial safety net, a net provided by the nonrecourse loan provisions of the 1990 farm bill. Such acceptance may help to explain the large numbers in which southern Democrats voted for the bill.

iv. The others

Besides Roberts's list of the organizations that endorsed the FAIR Act, there is not much data in my sample on other commodity producing groups during the post-price increase period. A notable exception is agribusiness. The most vocal supporter of eliminating production restrictions during the pre-price increase period, agribusiness organizations were equally enthusiastic when prices increased. According to *CQ Weekly*, "Agribusinesses...are supportive because the bill would probably increase grain production, spurring trade. 'With surging global food demand and shrinking world food stocks, the opportunities for U.S. agriculture are unprecedented, provided farmers are freed up to produce far more of what world markets want,' said Robert Petersen, president of the National Grain Trade Council" (Hosansky 1996b). *CQ Weekly* also points out that, generally, soybean farmers in "the heartland" were supportive of the legislation, since the soil conditions enabled multi-crop plantings (Hosansky 1996a). As for some other commodities, sugar and peanut producers presumably favored the

legislation, since it extended their programs with only a few changes in a very budget-driven environment.

Overall, it seems that the idea of decoupling supports from market prices went from a non-starter in the pre-price increase period to a widely accepted proposal in the late winter of 1996. According to *CQ Weekly*, “[t]he proposal has picked up the endorsements of most major farm groups, in part because commodity prices are currently so high that many farmers otherwise would receive no subsidies at all” (Hosansky 1996b). How did this commodity producer support affect the opinions of members of Congress?

b. Congressional leadership and rank-and-file opinion in the post-price increase period

i. House leadership

Without the willingness of key Republicans to insert Roberts’s Freedom to Farm approach into the budget reconciliation bill without it first having made it through the Agriculture Committee, the 1996 farm bill would have looked much different. According to *CQ Weekly*,

[t]hrowing their muscle behind the bill, Gingrich, Majority Leader Dick Armey, R-Texas, and Majority Whip Tom DeLay, R- Texas, sent a letter to Roberts on Sept. 14 that warned: “If the committee fails to report such reforms [as contained in Robert’s farm bill proposal] . . . we would consider bringing a farm bill to the floor within the next two weeks under an open rule.”

Alternatively, the leadership would have the ability to replace the committee’s legislation with true reforms before reconciliation is considered on the floor (Hosansky 1995i).

Gingrich, Arme y, and DeLay's letter was a threat to Roberts. It said, in effect, "give us a farm title that meets your committee's budget reduction responsibilities or we will come up with our own farm bill." Nevertheless, when Roberts's agriculture committee failed to pass any of the proposals that it debated, the leadership inserted the Freedom to Farm proposal into its budget reconciliation bill, stating in an earlier letter that the proposal was "consistent with the goals of the new Republican Congress" (Schertz and Doering 1999, 67). Although President Clinton ultimately vetoed the bill, Freedom to Farm was given a second wind, and the price increases during the fall of 1995 and winter of 1995-96 did the rest.

The House Republican leadership played a key role in the passage of the FAIR Act. Despite their support for Roberts's farm plan, however, neither Dick Arme y nor Newt Gingrich spoke during the House floor debate that I studied on March 28, 1996. On the other hand, *CQ Weekly* articles during the post-price increase period, as well as Schertz and Doering's study, discuss the important role that the House Republican leadership played in the farm bill process. Roberts's new farm policies may have fallen short of the reforms envisioned by Arme y early in the debate, but, on paper at least, Freedom to Farm did create budget savings and won the support of House leaders.²⁹

The House Democratic leadership played a lesser role in the farm debate. In fact, neither *CQ Weekly* articles surveyed from November 1994 to April 1996 nor Schertz and Doering's study of the 1996 farm bill ever mention House Minority leader Dick

²⁹ Schertz and Doering explain why the House leadership supported Freedom to Farm as such: "The primary reason why the House leadership endorsed Congressmen Roberts and Barrett's proposed Freedom to Farm bill seems to have been associated with a characteristic of the proposal—*change*—instead of any great analysis of its advantages or disadvantages, for there was no such analysis. The proposal did constitute change. Further, the House leadership had concluded, rightly or wrongly, that this particular change constituted reform" (1999, 68).

Gephardt. And although both sources mention Kika de la Garza (D-TX), the ranking Democratic member on the House Agriculture Committee, his role in the farm bill process is over-shadowed by the coverage that Roberts's received in both sources. Like many other Democrats, de la Garza hesitantly supported Roberts's new approach to farm policy. Of the farm bill conference report, de la Garza said, "this is not perfect legislation, but I feel that we should approve it because it addresses all of the areas of concern to rural America; from feeding the poor to making affordable improvements out in the rural areas" (*Congressional Record*, March 28, H3161). He did express more adamant opposition during an earlier debate; however, his opposition was to the *process* under which the farm bill was considered, rather than its *substance*.

Notably, the House Republican leadership was united in its support of the FAIR Act; Roberts, Arme, and majority whip Tom Delay (R-TX) all voted for the conference report.³⁰ On the other hand, the Democratic leadership was split, with de la Garza voting for and Gephardt voting against.

ii. Senate leadership

Just as in the House, the Republican leadership in the Senate was united in support of the FAIR Act. While Bob Dole (R-KS) originally had been hesitant about supporting farm proposals that reduced the support farmers received from the government, he enthusiastically backed the farm bill conference report. During the Senate floor debate over the conference report, Dole said "[t]he legislation before us will transition America's farmers into the 21st century without disrupting the farm economy or land values, and farmers, as other Members in the Chambers have said, finally are

³⁰ As is usual on a vote not expected to be close, Speaker of the House Newt Gingrich did not vote on bill.

going to plant for the market and not for the Government” (*Congressional Record*, March 28, S3088), a theme that echoed through both the House and Senate over the course of the farm bill debate. Likewise, Richard Lugar (R-IN), chairman of the Senate Agriculture Committee, was an eager supporter of the final version of the farm bill, offering many of the same arguments on its behalf as Dole. He even supported the legislation is a personal way:

I come before this body, as all Members know, as one who has 604 acres of land--about 250 acres, average, in corn; about 200 acres, average, in soybeans, each year. It is not a hobby farm. It is a productive farm, a profitable farm. It is a farm that has made a profit for many, many years. I come to this debate not as someone who is arguing on behalf of constituents entirely--although my constituents produce a lot of corn and beans in Indiana--but as somebody who has actually filled out the forms every year, who has had to comply with the rules of the game, who understands how farms might be more profitable, who attends every meeting of the Indiana Farm Bureau annually and, in the counties, talks to farmers to understand precisely what is at hand (*Congressional Record*, March 27, S2998).

If the Republican leadership was united, however, the same thing could not be said of Democrats. Senate Minority Leader Tom Daschle (D-SD) adamantly opposed the FAIR Act, unlike the ranking member of the Senate Agriculture Committee, Patrick Leahy (D-VT). Daschle, like many Democrats and even some Republicans, began his speech on the Senate floor with a lengthily diatribe concerning the tardiness of the farm bill (*Congressional Record*, March 27, S2999). Criticizing more than just the timing, however, Daschle elaborated what would be the two most common Democratic arguments against FAIR: the elimination of the “safety net” and paying farmers even when prices were high.

Perhaps the most significant disadvantage I find in the legislation before us tonight is that it fails to provide the safety net we have always guaranteed farmers in those times when they found themselves in extraordinary circumstances, whether they be economic or natural. Loan rates are capped.³¹ There is no opportunity for loan rates to go up. We all know what an important

³¹ As noted earlier, the traditional “safety net” of deficiency payments was eliminated under the FAIR Act. Earlier farm legislation had provided non-recourse loans to farmers as well that also served as a form of

financial and economic tool the loan rate system has been in farm legislation for a long time. There is no opportunity now for loan rates to go up. They can go down. They will never go up...Finally, Mr. President, of all the flaws, the one that I have alluded to in a couple of my comments tonight, the fact that producers, regardless of price, regardless of need, regardless of production, will receive a payment is something that I think is just unconscionable. We should not be in the business of doing that. It will come back to haunt us. It will come back to undermine the credibility of farm programs in the long run (*Congressional Record*, March 27, S2999).

In contrast to Daschle's vitriolic criticism of the FAIR Act, Leahy was more balanced in his assessment of the bill, expressing "disappointment" that "the conference report does not provide a better safety net for farmers" while at the same time observing that he was "glad that Secretary [of Agriculture] Glickman has said that he will recommend that the bill be signed" (*Congressional Record*, March 28, S3040 and S3043). Leahy also spoke at length about the dairy programs included in the farm bill, programs that directly benefited Vermont dairy farmers: "I also want to mention dairy. Let me speak not as the ranking member of the committee, but as a Vermonter...I am pleased this bill includes an issue very important to my region, the Northeast Interstate Dairy Compact" (*Congressional Record*, March 28, S3040). The Northeast Interstate Dairy Compact proved to be a very contentious topic in the farm bill debate and given the amount of space Leahy dedicated to it in his speech, I do not think that one should underestimate the impact that this program had on his willingness to vote for FAIR.

Regardless of the reasoning behind the votes of Daschle and Leahy, however, it seems important that the Democratic leadership did not provide a unified front behind which rank-and-file could stand. One wonders if the differences in Rice Index scores

protection from low prices. FAIR retained this more minimal protection while at the same time eliminating deficiency payments. Daschle pointed out that in the event of rock bottom prices, though, loans rates could not be raised to provide some form of relief.

between Democrats and Republicans were, at least in part, the result of united Republican party leadership on one hand and divided Democratic leadership on the other.³²

iii. House rank-and-file

Of 228 voting Republicans in the House, only 17 voted against the FAIR Act; as seen in chapters 2 and 3, party cohesion on the Republican side of the aisle was high. Indeed, of the 17 Republicans who voted against the farm bill, over half came from only two states—New Jersey and Florida.

Representatives Porter Goss (R-FL) and Dan Miller (R-FL)—voted against the bill because it failed to reform agriculture enough. Both men, in particular, were critics of federal sugar programs. While Goss of Florida spoke several times during the final House debate on FAIR, none of the representatives from New Jersey did. However, it is reasonable to assume that the New Jersey delegation agreed with Dick Zimmer’s (R-NJ) earlier stated position that Freedom to Farm-style programs did not reform farm policy enough; in the end only two representatives from New Jersey voted for FAIR, one Democrat and one Republican.

The really interesting data on House rank-and-file come from the Democratic side of the aisle. Chapter 3 showed that Democratic senators (and to a lesser extent representatives) from states with higher levels of dependence on federal agriculture payments were less likely to vote for the FAIR Act. I suggested that this finding was consistent with arguments Democrats typically made regarding “safety nets.” Often,

³² Although it is possible that the Senate historically has been more independent than the House, the difference between Republicans and Democrats in the Senate is important.

Democrats complained that FAIR, or in its earlier version, Freedom to Farm, took away an important protection against low prices, counter-cyclical payments. In states with higher dependence on government payments, I argued, the risks associated with FAIR simply were too great. My survey of the House floor debate over FAIR on March 28, 1996 provides evidence to support this conclusion.

Victor Fazio (D-CA) voted for the FAIR Act:

I rise in reluctant support of the conference report to the...farm bill...In moving to a market-oriented economy, we effectively have eliminated a safety net program for our program crop farmers that is linked to prices. Prices are high now, and trade is booming. But not every future year will turn out that way, and there are always special problems that arise affecting individual commodities. I am concerned that trade wars or other unpredictable events in future years will wash away farmers who otherwise might have weathered the storm if a safety net program were in place (*Congressional Record*, March 28, H3149).

Earl Pomeroy (D-ND) voted against the FAIR Act:

I do not deny for a minute that the guaranteed payments, especially in the early going under the so-called freedom to farm bill we will be passing tonight, will be helpful to the farmers of North Dakota and across the country. It is what the farmers have been asked to give up for these early upfront payments that give me the most heartburn about this bill. For decades we have preserved the safety net for family farmers, recognizing that they expose enormous amounts of capital, but have their fate turning largely upon market prices over which they have no control whatsoever. We have provided a backstop when prices collapsed. We have given farmers a floor so that we do not drive them off their land, and this bill eliminates that hallmark of traditional family farm programs maintained by past Congresses (*Congressional Record*, March 28, H3154).

The speeches the congressmen made were very similar, yet their positions vis-à-vis the conference report were different. The data used in chapter 3 to measure the effect of government payments on senator and representative voting help to understand why this might be. Fazio's California, as a whole, received only 6% of net farm income from direct government payments.³³ Pomeroy's North Dakota, on the other hand, received a

³³ Although California is a major agricultural state, many of the crops grown in California are not "program" crops and thus do not qualify for government payments. Given that the 1992 Census of Agricultural counted the number of farms producing a variety of commodities in each congressional district, but not the amount produced, it is difficult to say how much agricultural production in Fazio's district was eligible for federal payments. Even if many of the crops produced in Fazio's district were

full 62% of its farm income from the federal government. Both representatives were concerned about removing farmers' safety nets, but for California farmers as a whole, the risks of such a move surely were less than for farmers in North Dakota. It appears that such a rationale played into the voting of each representative.

Nevertheless, and despite opposition from such representatives as Earl Pomeroy, the FAIR Act passed the House of Representatives with the backing of a majority of Democrats (106-72). Much of this support came from southern Democrats who voted 46-9 in favor of the legislation (northern Democrats were almost equally split on the measure, 60-63). No doubt, much of this southern support came from the representatives of cotton producers happy to have had nonrecourse loan provisions extended in the 1996 bill.³⁴ Some southern members of Congress also were happy to have seen the peanut program extended: Eva Clayton (D-NC), for example was "pleased to see that the peanut program was not abolished, but instead reformed substantially" (*Congressional Record*, March 28, H3160).

The reason that some Democrats supported the farm bill, however, points to the probable role not of party or production profile but of necessity in FAIR's passage. The 1990 farm law had expired at the end of September 1995 and farmers faced the problem of making planting decisions without knowing what, if any, government programs would be in place in 1996. Charles Stenholm's (D-TX) speech concerning the FAIR Act is illustrative:

"program crops" and not fresh fruits and vegetables, the hospitable climate in the Central Valley distinguishes this district from North Dakota where farmers have very few choices about what to plant. Therefore, even if farmers in Fazio's district were "dependent" on federal payments, this dependence is much more of an illusion than in more marginal parts of the country, such as North Dakota.

³⁴ Winders argues that FAIR would not have been possible without these important southern votes. Yet even if all of those that *CQ Weekly* identified as "southern" Democrats had voted nay on the farm bill, the bill still could have passed; nonetheless, FAIR certainly would have faced more fierce opposition than it did.

At this stage in the game, with planting and credit decisions still in limbo, we must believe that any further delay only imperils the livelihoods of millions of people. Even with all its (sic) potential shortcomings and pitfalls, I have to accept this legislation as the best we can provide at this time. I would not have authored it, but the majority's views prevailed. Although I believe many of the aspects of this bill will come back and haunt us, our debate, limited as it was, is over for now. We must move forward and provide some degree of predictability and assurance to our agricultural producers (*Congressional Record*, March 28, H3157).

Representatives Clayton (D-NC) and Kennelly (D-CT) expressed similar views. These data point to the importance not only of material interests and party discipline, but also of context. Had farmers not been facing planting decisions in an information-less world, Democrats might have been able to mount a more forceful resistance. Again, Stenholm is illustrative:

Today's vote is for American farmers and the communities who sustain them. If this were March 1995 and we were debating future farm policy, but had functional farm laws in place, I would be adamant in my opposition to this legislation because it removes the safety net from under these peoples' lives. Unfortunately, we don't have the luxury today (*Congressional Record*, March 28, H3157).

The importance of context helps to explain why there was such a dramatic decrease in Democratic party cohesion between the *CQ Weekly* key vote on the House version of FAIR (Rice Index score 42.85) and the final vote on the conference report (Rice Index score 19.01); a majority of Democrats voted for the FAIR Act in the second instance, although not as large a majority as had voted against the House version.

Representative Clayton (D-NC) explained her decision to vote for FAIR:

Mr. Speaker, I voted against this bill the first time it came before the House of Representatives and voted against it in committee. I had serious reservations then and still I have some reservations now. But, I will take comfort in the fact that this conference report is the *best legislation for our farmers and ranchers that we can achieve at this point in time*. I am certain though that we will revisit this topic in the near future. (emphasis added) (*Congressional Record*, March 28, H3160).

iv. Senate rank-and-file

While party cohesion was high among Republicans in the House, it was even higher in the Senate (Rice Index scores of 96 compared to 85). In fact, as has been mentioned, only one Republican senator voted against the FAIR Act, John McCain (R-AZ). Unlike his colleagues who overall were admiring of the bill, McCain thought that the reforms found in FAIR did not go far enough.

A Senate that is split between Members dedicated to fiscal responsibility, and those equally dedicated to preserving virtually every aspect of Federal largesse, is not a promising forum for a boldly reformist farm bill. For those of us that were hoping for a significantly less costly, less expansive farm bill, this is deeply regrettable. I cannot support a massive new farm bill that does little to lighten the heavy burden that price supports and farm programs have long placed on taxpayers, and I will oppose this conference report (*Congressional Record*, March 28, S3076).

Within the context of the farm bill debate, it is hard to see which senators fell on the side of fiscal responsibility; perhaps it was only McCain and John Kerry (D-MA), the sole Senate Democrat that I observed who like McCain criticized the farm bill for fiscal irresponsibility. Some Republicans did criticize particular programs contained in FAIR, even if these were not problematic enough to vote against it. Rick Santorum (R-PA), for instance, spoke out against the peanut program that FAIR modified and extended; Pennsylvania, the home of Hershey, is a large user of peanuts, an input into the production of candy made more expensive by federal restrictions on peanut imports and domestic production. Overall, however, Republican rank-and-file spoke highly of the increased “flexibility” FAIR provided and the ability of farmers to “plant for the market and not for the Government” (*Congressional Record*, March 28, S3088).

As can be imagined based on the significantly lower Rice Index scores of Democrats, there was more difference of opinion on the other side of the aisle. Senate

Democrats were about evenly split on the farm bill conference report (22-25). However, it might be incorrect to interpret these numbers to mean that about half of Senate Democrats supported the Freedom-to-Farm-style commodity programs in the bill and about half opposed them. It turns out, much as in the House, evidence suggests that some Democrats who opposed the new commodity programs nevertheless voted for the bill because of the late date. Senator Carol Moseley-Braun's (D-IL) comments are characteristic:

The new commodity programs are designed on the belief that it is important to reduce Government interference with planting decisions. These new programs have been fashioned to provide farmers with the simplicity, flexibility, and certainty that they seek. I have great reservations about some aspects of this new approach, however. Farmers still need a system in place to help moderate risk, and provide a financial safety net. In this regard, the Market Transition Act falls profoundly short. And that is a very serious flaw we must revisit as quickly as possible...*But it is time to enact a law.* My vote for the 1996 farm bill was a vote to end debate, pass a farm bill, and provide farmers with the certainty they need for this crop year (emphasis added) (*Congressional Record*, March 28, S3067).

Senators Max Baucus (D-MT) and Patty Murray (D-WA) expressed very similar views concerning the reason for their votes. It is of note that Moseley-Braun also expressed satisfaction that the loan rate of soybean had been raised, though. Soybeans, she told her audience, were a major Illinois commodity.

As in the House, however, there were Senators who would not vote for FAIR even if the hour was late. Senator J.J. Exon (D-NE), for instance, stated that he would vote against the farm bill conference report because of it removed farmers' safety net but that he would not recommend the president veto the legislation because it would result in bad outcomes for farmers left even longer without knowledge of federal programs (*Congressional Record*, March 27, S3001). Like Exon, the majority of Democrats who voted against the farm act and whose speeches I read did so because the bill took away farmers' "safety nets" or gave them payments even in times of high prices, a practice

often referred to by Democratic members of Congress in both chambers as “welfare.” Indeed, I was able to observe 15 out of 25 Democratic senators who voted against the farm bill, and only two—Senators Russ Feingold (D-WI) and John Kerry (D-MA)—failed to mention either the elimination of safety nets or decoupling as reasons for voting against the bill. Kerry, as noted above, voted against the bill because its reforms did not go far enough. Feingold, a senator from the dairy state of Wisconsin, on the other hand, opposed the Northeast Dairy Compact provisions of the bill, which put Midwestern producers of milk at a disadvantage.³⁵

v. Summary

Chapter 3 presented evidence to suggest that the influences of production and party differed for Republicans and Democrats. Using qualitative data, I extended this analysis in the present chapter and found that, consistent with the previous findings, Republicans and Democrats appear to have been affected to varying degrees by party control and regional production. In addition, I presented evidence that suggests a third factor influenced the farm bill debate: practicality. Finally, this chapter pointed out several problems with Winders’s analysis of commodity producers; contrary to his observations, few, if any, commodity producers favored FAIR-style commodity programs during the pre-price increase period. Ultimately, this finding challenges his view that commodity producers themselves were the driving force behind the FAIR Act. Nonetheless, commodity producer support of the legislation, or at least the absence of motivated opposition to it, appears to have been influential. In the following chapter, I

³⁵ Feingold was not alone in this respect. Senators Paul Wellstone (D-MN), Herb Kohl (D-WI), Carl Levin (D-MI), and John Glenn (D-OH) also spoke about against the Compact.

will discuss the role that these important influences appear to have played and explore some implications of this research for further study.

Chapter 5: Conclusions and Implications

Both the theoretical underpinnings of this study and the research they guided indicate that the 1996 farm bill had multiple causes. Orden *et al.*'s argument concerning the role of political party and market prices is supported by the findings of Chapters 3 and 4, and Winders's emphasis on the importance of production also is well founded, even if his methodology led to some serious problems. These scholars did not consider one important influence on the passage of the FAIR Act, however. For Democrats at least, the timing of the policy process seemed critical, and the FAIR Act may not have passed had the final vote been taken at an earlier date.

In this chapter, after summarizing the study's key findings and speaking briefly about the role of structure and agency in the passage of the FAIR Act, I attempt to understand the monumental agriculture policy changes of 1996 and their subsequent reversal within the context of a broader literature on American policymaking. In particular, the theory of punctuated-equilibrium and the advocacy coalition framework seem to capture many of the dynamics that were so important to the passage of the 1996 farm bill. As for the former, the 1996 farm bill was an event that clearly broke with the incremental policy changes that had more or less marked American agriculture policy since the 1930s.³⁶ At the same time, the advocacy coalition framework alerts researchers to the broad coalitions of policy makers, administrators, interest groups and academics that influence policy and to some important societal conditions that increase the likelihood of large-scale policy change. Finally, with the help of an understanding developed using these perspectives, I draw upon the insights developed from this study of

³⁶ The title of Winders's dissertation, "*Sliding Towards the Free Market*," captures this dynamic well (emphasis added).

the 1996 farm bill debate to make some predictions about the direction that important domestic and international agriculture policy negotiations might take.

I. The role of production, party and practicality in the farm bill process

The data presented in Chapter 4 indicate that few commodity organizations supported the kinds of reforms contained in FAIR until after commodity prices dramatically increased. Even then, some organizations, those representing cotton for instance, were only lukewarm to the idea. In the end, however, FAIR had the support of many of the major single commodity and multi-commodity organizations, such as the National Corn Growers Association, the National Association of Wheat Growers, and the Farm Bureau. What then can one say about the role of production profile on the passage of the farm bill?

Although the importance of the production of particular commodities should not be underestimated—time and time again, members of Congress expressed worry or joy about this or that program important to producers in their state or district, it is not easy to precisely measure its relative influence on the 1996 farm bill process. It appears, for instance, that the overwhelming support that the FAIR Act received from southern Democrats was the result of successful inclusion of marketing loan re-authorization for cotton and rice producers. The data from *CQ Weekly* presented in Chapter 4 indicate that it was only the inclusion of such provisions that kept the cotton segment from lobbying against the bill.

Beyond these generalizations, however, it is difficult to assess the relative influence of production profile on the farm bill's passage. It may be seen as confirming

the obvious and no more to say that senators and representatives responded to the requests of their constituents. The preceding chapter showed, for instance, that some Democratic members of Congress from Wisconsin voted against the farm bill because the Northeast Dairy Compact authorized by the legislation hurt the interests of dairy farmers in their state. Interestingly, there is an important instance in which a member of Congress seemingly went against the interests of those commodity producers in his district; despite the policy preferences of the national wheat organizations and the importance of wheat production to Kansas, the idea for Freedom to Farm originated with Pat Roberts (R-KS). In many ways, Roberts's proposal is an important piece of evidence countering claims about the importance of both production—wheat growers certainly did not back it when it was first put forward—and party—Lugar's more radical proposal was closer to the desires of the newly elected House and Senate Republican leadership. Overall, however, considerable evidence suggests that members of Congress fought for the interests of their constituents and Roberts's entrepreneurship was a rare exception rather than a pervasive rule.

Yet since the overwhelming majority of Republican members of Congress voted for the FAIR Act, regardless of the kinds of commodities produced in their districts and states or the extent of their production, the influence of production appears to have been more significant for Democrats. Chapter 4 noted, for example, that despite his displeasure over the extension of the peanut program, a program that hurt the confections industry of his state, Rick Santorum (R-PA) voted for the FAIR Act. Other Republicans noted unhappiness with particular programs but the vast majority voted with their leadership nevertheless.

The quantitative data presented in the preceding pages revealed this interesting and unexpected difference between Republicans and Democrats, namely that there seems to have been an interactive relationship between production and support for FAIR when one controls for party. Although data on the ratio of direct government payments to net farm income did not reveal the importance of particular commodities in the farm bill process, the evidence did indicate that, for Democrats, higher levels of dependence on government payments were associated with a greater likelihood of no votes. For Republicans, this ratio did not appear to have an effect.

Moreover, the qualitative data presented in chapter 4 provided further evidence for the existence of such a relationship. Of all the arguments Democrats made against the passage of the FAIR Act, the most common centered on the removal of the “safety net” for farmers. Regardless of this argument’s validity, it clearly played a major role in the reasoning of Democratic senators and representatives. The statements of Representatives Fazio (D-CA) and Pomeroy (D-ND) were particularly instructive. Although these members of Congress represented states with very different agricultural relationships to the federal government, they made essentially the same argument against the FAIR Act. I contended, however, that Fazio voted for the bill and Pomeroy voted against it because of the differential risks involved in authorizing decoupled farm payments. Essentially, farmers in Pomeroy’s North Dakota would be more negatively affected by FAIR in times of low prices, an inevitable occurrence in agriculture, than Fazio’s California growers.

Although Winders focused on the influence that particular commodity producers had on the farm bill process, these data reveal that regardless of a state’s or district’s mix of commodities, Democrats from areas with greater dependence on direct federal

payments were more likely to vote against the FAIR Act. Again, the testimony of members of Congress suggests that the risks to farmers associated with FAIR's passage, namely the removal of the safety net, were too great for many Democrats from areas more highly dependent on the federal government for farm income.

If agricultural production was a key influence on Democrats during the farm bill debate, party affiliation was an important influence on Republicans. Not only did the Republicans of both houses achieve consistently high levels of unity on *CQ Weekly*-identified key votes, they did so even on topics that commentator after commentator said were dominated more by regionalism than by partisanship. Republican unity in both houses on the final vote on the farm bill was a far cry from the rancorous divisions that were the focus of so many *CQ Weekly* articles towards the beginning of the farm bill process.

Of course, Orden *et al.* contend that the high level of Republican unity was enabled by the high commodity prices. It appears, however, that other factors contributed to unity as well. Towards the beginning of the process, Republican leaders in both chambers had not achieved consensus over the direction that farm policy should take. In the Senate, Agriculture Committee chairman Lugar advocated large reductions in support, while Senate Majority Leader Dole was wary of cutting back supports too much. In the House, Majority Leader Armev was an outspoken critic of contemporary farm policy, while Pat Roberts was its most skilled defender. As the Republican-led Congress faced off against the Democratic President, however, consensus was reached, and Roberts's Freedom to Farm plan became the Party's plan.

Although it appears that a unified Republican leadership impacted the final vote on the FAIR Act, it is difficult to say how much independent effect this party consensus had on Republicans when one controls for the effect of high prices. One can note, however, that farmers in Democratic districts also were enjoying high prices, and in this sense prices were a constant in the later part of the farm bill debate. Against this backdrop, Democratic leaders never reached consensus, and this lack of unified support or opposition may have contributed to lower than average cohesion. Add the effect of production profile, with some Democrats voting against the bill because of their constituents reliance on the very programs eliminated, and the differences between Democratic and Republican unity becomes that much easier to explain.

If neither Winders nor Orden *et al.* accounted for the disparate effects of production profile and party control on Republicans and Democrats, the general importance of each of the two variables was a central focus of their works, respectively. My analysis of floor debates dealing with the farm bill conference report, however, reveals an unexpected influence, one that neither Winders nor Orden *et al.* treated in their works.

Call it practicality. Call it necessity. For some Democrats, perhaps many, a vote for the FAIR Act was not a vote in support of a new direction in American agriculture. This is important to remember lest one misinterpret the reason that a majority of House Democrats voted for the final conference report. Rather, some Democratic members of Congress expressed remorse for the new direction farm policy was taking, while at the same time stating that they voted in support of the farm bill only to give direction to the nation's farmers; any farm bill, they argued, was better than no farm bill at all.

I have suggested that Democrats appeared to have been more influenced by their state's or district's production profile than Republicans. It seems likely that had the vote on the final conference report been taken earlier, the effects of this influence would have been even greater. Indeed, Chapter 4 noted that the cohesion score of House Democrats on the final conference report was significantly lower than for an earlier version of the bill precisely because more Democrats ended up voting for the measure. Rather than reflecting a significant change in party control or agricultural production, this difference appears attributable to the necessity of providing farmers with the knowledge needed to begin spring planting.

II. Structure and Agency in the debate over the FAIR Act

To a large extent, the discussions above point to structural sources of change in U.S. agriculture policy. Yet agency also appears to have played a significant role. Indeed, Schertz and Doering's *The FAIR Act of 1996* (1999) cited so frequently in this thesis was in many ways the story of Pat Roberts much more than it was the story of the FAIR Act.

Noting the importance of Roberts in Schertz and Doering's narrative, I asked David Orden in a personal interview (February 2007) if he thought the FAIR Act could have been passed without Roberts. He explained to me that he and his colleagues had spent a good amount of time discussing just how much space they should devote to Roberts in their book. In the end, they decided to focus more on structure and less on agency. Roberts, he told me, responded to a problem that his constituents were having, notably, having to repay advance deficiency payments because of high prices even

though they did not have high crop yields to take advantage of the prices; if he had not acted, another member of Congress might well have.

Like Orden, I ultimately believe that focusing on structures contributes more to our understanding of complex events than does an emphasis on individual action. As Hanna Arendt argued so persuasively, the human condition involves the interminable capacity to act in novel ways. The agents described in the preceding pages were not puppets without will, blindly pushed by the force of circumstance. Yet they also were not completely free either, if by “free” one understands acting without constraints. So in keeping with the importance of structural influences, in the following pages I discuss two theoretical perspectives that describe some additional structural “pushes” at the backs of the actors already introduced.

III. A brief reflection on some alternative explanations of the passage and revision FAIR Act

One of the questions guiding this study was whether the outcome of the FAIR Act debate could have been predicted, or as Schertz and Doering suggested, there were just too many contingencies. Having studied the complex farm bill debate that unfolded in 1995-1996, I think that Schertz and Doering were correct. Most importantly, perhaps, the role that Roberts played was by most accounts extraordinary. Not only did he come up with a farm plan that was by and large inimical to the expressed interests of the major commodity producers of his state and the Republican leadership in Congress, he sold it to each. High prices, of course, played their part, but Roberts’s political entrepreneurship should not be downplayed, although as just noted it may be a mistake to place too much emphasis on it. In any case, no one imagined the direction that Roberts

would take farm policy and so predicting FAIR would have been difficult, if not impossible, even if one had understood the disparate way in which production and party affected Republicans and Democrats.

Yet despite the highly contingent nature of the policy process under study, two theoretical perspectives appear well suited to explaining the circumstances surrounding the passage and revision of the FAIR Act, even if they could not have predicted these outcomes. First, by focusing on the location of the agenda-setting process, the theory of punctuated-equilibrium provides insights into the nature of policy stasis and change and may help explain why 1996 proved to be the magic year for radical agricultural policy revision and why these changes were largely undone a few years later. Second, the advocacy coalition framework (ACF) emphasizes the role that technical information plays in the policy process and provides insights into the ways that the traditional “iron triangle” incorporates academics to bolster the position of “advocacy coalitions.” As will be seen below, the events of 1996 and the eventually reversal of FAIR Act policies can be understood initially using these two perspectives. A number of questions remain, however, and after discussing the general tenets of the punctuated-equilibrium theory and ACF, I will offer my assessment of some areas for future research.

a. Punctuated equilibrium theory

True, Jones and Baumgartner explain that “[p]unctuated-equilibrium theory seeks to explain a simple observation: Political processes are often driven by a logic of stability and incrementalism, but occasionally they also produce large-scale departures from the past” (1999, 97). In the American context, whether changes in policy are marginal or large-scale depends on the interaction of political subsystems (e.g., committees and

subcommittees in Congress, administrative agencies, interest groups) and the macro-policy environment (e.g., the Congress as a whole, the presidency, the national media).

From a structural standpoint, True *et al.* argue that American political institutions are “conservatively designed” and that arrangements such as federalism and separation of powers make it difficult for large scale changes in policy to occur (1999, 99); the structure of American political institutions limits policy outcomes. On the other hand, the force with which new ideas must burst through the multiple layers of the policy making apparatus to produce large-scale changes increases the chances of such a change if the proponents of these ideas are able to circumvent or take over the “policy monopolies” typically responsible for marginal policy adjustments. “[M]obilizations are often required to overcome entrenched interests, but once under way, they can engender large-scale changes in policy” (True, Jones, and Baumgartner 1999, 99).

Closely linked to these structural elements of punctuated-equilibrium theory is the “agenda-setting process.” Typically, True *et al.* argue, policy making is dominated by “issue-oriented policy subsystems,” often called “iron triangles, issue niches, policy subsystems, or issue networks” (1999, 99; emphasis excluded). In times of flux, however, the nexus of the policy process can shift from these subsystems to the macro-system and larger scale changes are easier to achieve.

Although True *et al.* note the predictive shortcomings of the theory, with the benefit of hindsight punctuated-equilibrium does appear to help explain some of the events described in the preceding chapters, and the subsequent reversal of the 1996 farm bill programs.

b. The theory applied

As Section IV will describe, there is a structural push-pull of the legislative and executive branches over U.S. trade and agriculture policy. This tension functions parallel to another struggle, this time between the agriculture committees in Congress (important actors in True *et al.*'s issue-oriented policy subsystem) and the chambers of Congress as wholes (important actors in the macro-system). These tensions between and within branches of government help to explain the relative continuity of U.S. agriculture policy between the 1930s and 1996 and then from 2002 to the present. Although the agricultural policy "revolution" of 1996 can be seen, ultimately, as an aberration rather than a sustained change, punctuated-equilibrium theory can help one understand why the countervailing pressures between and within branches of government were not sufficient to prevent the monumental changes of 1996. Here I will focus on tensions within the legislative branch, reserving my discussion of the tensions between legislators and the president for below.

Fundamentally, True *et al.* argue that large-scale policy change is more likely to occur when agenda-setting shifts from the "policy monopolies" in the subsystem to the macro-system. The 1996 farm bill debate is a clear instance of such a shift. Recall that Roberts's Freedom to Farm plan did not even make it out of his own committee. Speaker Gingrich and Majority Leader Armey unilaterally inserted the proposal into their budget bill. While the ranking Democratic member of the House Agriculture Committee, Kika de la Garza, ultimately voted for the farm bill in the spring of 1996, he reminded the members of the House during a floor debate that he strongly objected to the fact that his

committee had been circumvented in the process. Other Democratic members of the House echoed his objections about the atypical policy-making process.

True *et al.* describe the policy sub-system as operating “out of the spotlight,” but “within the spotlight of macropolitics,” they argue, “some issues catch fire, dominate the agenda, and result in changes in one or more subsystems” (1999, 99). The Republican takeover of Congress in 1995 was the impetus for agricultural policy being brought out from under the committees’ jurisdiction and into the light of the national media, Congress as a whole and a range of other agriculturally-interested groups.

What is often called the “iron-triangle” in agricultural policy making was broken, or at least, circumvented in 1996. This iron-triangle that was largely responsible for making U.S. farm policy led to incrementalized rather than monumental change policy change. In the case of the agricultural iron triangle, members of the agriculture committees, the USDA and the agriculture lobby created farm policy paying little attention paid to political party or other concerns. The polarizing effects of the Republican revolution, however, led to the increased salience of party and helped to throw agricultural policy making onto a larger stage dominated by party leadership, at least in the House. As the Republican Congress faced major challenges to its ambitious agenda, however, the ability of Republican leaders to guide the agricultural policy debate evidently lessened, and in the years after the 1996 farm bill, the center of the policy process again appeared to be in the agricultural committees of Congress, committees that were oriented to respond to the interests of farmers calling for the return of the programs.

In addition to the increased likelihood of large-scale policy change that results from agenda-setting taking place in the macro-policy environment, and the difficulty of

sustaining these changes when the policy nexus reverts back to the political subsystem, punctuated-equilibrium theory predicts that large-scale changes may occur more readily when “there is disagreement over the proper way to describe or understand a policy” (True *et al.* 1999, 101). Traditionally, U.S. farm programs were understood as important “safety nets” against the vagaries of a market over which farmers had little control over. As neoliberalism and its market-oriented focus began to dominate the American political landscape, however, the discourse on farm programs started to shift as well. Many, especially those in the Republican Party, began to argue for a reduction in farm support in order to increase the efficiency of the American economy. In 1996 at least, the new discourse won out, and many supporters of the FAIR Act defended it using free-trade and open-market arguments.

As farm prices rose, of course, the arguments were convincing to a wide variety of agriculturally-interested groups, and the winners in an economic struggle accepted the value of markets. As prices declined in the post-1996 period, however, markets seemed less hospitable and the consensus that the government should help farmers in hard times re-emerged. This consensus was ultimately re-expressed in the passage of the 2002 farm bill, legislation that brought U.S. agriculture policy back to its New Deal roots.

Thus it appears initially that punctuated-equilibrium theory may give researchers some theoretical resources to explain the monumental policy change that occurred in 1996, even if it could not have predicted the outcome. Yet although punctuated-equilibrium theory discusses the centrality of interest groups to the policy making process, the core of the theory gives little attention to how these groups interact with each other, administrative agencies and members of Congress. Moreover, because the theory

conceptualizes policy making in terms of interest groups, administrative agencies, and Congress, it pays little formal attention to the role played by academics,³⁷ a group that appears to have had an influence of the passage of the 1996 farm bill. The advocacy coalition framework (AFC) compensates for some of these shortcomings and, as discussed below, may increase substantive understanding of policy continuity and change.

c. The Advocacy Coalition Framework

Paul Sabatier and Hank Jenkins-Smith define an advocacy coalition as “actors from a wide variety of institutions who share policy core beliefs and coordinate their behavior in a variety of ways” (Sabatier and Jenkins-Smith 1999, 130). These coalitions, including actors in the traditional iron triangle but also academics, journalists and “actors at *all* levels of government active in policy formulation and implementation” (Sabatier and Jenkins-Smith 1999, 119; emphasis in original), are centrally important to both policy continuity and change and constitute the unit of analysis in the advocacy coalition framework (ACF).

Sabatier and Jenkins-Smith argue that coalitions are held together by shared beliefs in a “policy core.” This core is made up of “fundamental policy positions concerning the basic strategies for achieving core values within the [policy] subsystem” (1999, 133). The policy core is contrasted with a deep core, composed of “fundamental normative and ontological axioms” similar to religious beliefs, and “secondary aspects” that entail how particular policy visions should be operationalized (1999, 133).

³⁷ This judgment is based on a reading of True *et al.*'s article (1999) about punctuated-equilibrium theory and does not fully reflect work by other scholars working in this research program.

Advocacy coalitions, the authors argue, remain relatively stable, often for a decade or more, because the policy core beliefs that animate them are resistant to change; it is unlikely, for example, that individuals and groups that emphasize environmental stewardship will alter their beliefs frequently. Significant disturbances in the macro-policy environment, to borrow a term from punctuated-equilibrium theory, however, *can* lead to changes in the policy core, especially when there is a change in the power distribution among competing coalitions. When societal, economic, and political variables are relatively stable, it is unlikely that proponents of major change will be able to overcome the inertia of policy stasis. As with punctuated-equilibrium theory, there is some evidence to suggest that American farm policy is well described by many of ACF's hypotheses.

First, ACF has been applied most readily to policy areas requiring large amounts of technical information, such as environmental policy and energy legislation (Sabatier and Jenkins-Smith 1999, 126). The importance of technical information in influencing policy in certain areas brings many academics into the policy process. The hearings before the agriculture committees of Congress surveyed for this study were replete with both testimony from university-affiliated economists and references to academic studies by various interest groups. The importance of "objective" technical information to the process suggests both that the iron triangle may in fact be an iron quadrangle and that ACF may be an appropriate lens through which to view U.S. agricultural policy.

Second, the notion of a "policy core" and its tendency to remain relatively stable except during periods of dramatic change give researchers a language to talk about the fallout from the Republican revolution. Clearly, the end of the farm bill debate pitted one

coalition supportive of “safety nets” against another supportive of “markets,” and both had their supporters in Congress, academia and the USDA.³⁸ Whether or not this change was the immediate result of the Republican takeover is difficult to say, however. It is important to remember that early in the farm bill process many Republicans continued to support a robust federal agricultural program; free traders like Gingrich and Arme y met with fierce opposition within their own party to attempts to scale back some federal agriculture programs. So when Sabatier and Jenkins-Smith hypothesize that “the policy core attributes of a governmental action program are unlikely to be changed in the absence of significant perturbations external to the subsystem, i.e., changes in socio-economic conditions, public opinion system-wide governing coalitions, or policy outputs from other subsystems (1999, 124),” the most salient “perturbation” in the United States in 1995-1996 may not have been a new Republican Congress but the higher-than-average commodity prices that changed the short-term interests of key coalition actors. If this hypothesis of ACF is accurate, it places Orden *et al.*’s suggestion that Republican party ideology was allowed to operate as a unifying force during the farm bill debate only in light of high prices within a broader theoretical context. High prices were important to the farm bill debate because they shifted the interests of key actors, bringing many groups into the advocacy coalition that was lobbying for less government intervention in agricultural markets, a position consistent with Republican ideology.

Additionally, I would argue that high prices gave many groups with agricultural interests less reason to dispute the analyses provided by agricultural economists as to the

³⁸ Sabatier and Jenkins-Smith (1999) argue that, often, administrative agencies strike positions that are more moderate than either interest groups or members of Congress. This was true in the case of the USDA; the Secretary of Agriculture did not fully support FAIR but did not advise President Clinton to veto it either, possibly because he was concerned, like many Democrats in Congress, about the negative impact of postponing the legislation any further.

efficiency gains that could be achieved by eliminating many U.S. farm subsidies.

Ultimately, however, it seems that temporary high prices were not able to permanently alter the policy preferences of key agricultural interests groups, as demonstrated by the fact that when prices fell in the post-1996 period, farmers began once again lobbying for government protection.

Whether the passage of the FAIR Act is understood historically as the result of high commodity prices that led to wind-fall payments or theoretically as the result of “perturbations” outside of the “policy subsystem” might appear to matter little as both explanation focus on the role that commodity prices played in the policy process. There may be a benefit to the analyzing the passage of the FAIR Act in more theoretical terms, however, since ACF assumes that *any* significant perturbation external to the policy subsystem might result in large scale changes to the agricultural policy core, a proposition that is more widely applicable to future agricultural policy studies than conclusions based on prices alone. Such a conclusion does nothing to diminish the importance of Orden *et al.*’s finding, but rather enhances it by placing their conclusion in a broader theoretical context.

In conclusion, both ACF and punctuated-equilibrium theory provide analytic tools to help understand the passage and eventual revision of the FAIR Act. In retrospect, ACF’s emphasis on the stability of policy core preferences helps to explain the shift from New Deal farm policy to the FAIR Act in 1996 and then back to New Deal policy in 2002. As many observers in the anti-FAIR camp pointed out during the FAIR Act debate, what goes up must come down, and the commodity price increases of 1995 did not last long. In the end, neither the brief price increases nor the Republican take-over of

Congress was sufficient to fundamentally alter the interests of an advocacy coalition supportive of federal intervention in agricultural markets. Moreover, punctuated-equilibrium theory helps explain the ebb-and-flow of American agriculture policy in terms of the shifting locations of the agenda-setting process. In 1995-1996, farm policy took to the national stage as the Republican Congress attempted to pass sweeping reforms in a number of key policy areas. As they encountered problems passing their agenda and as commodity prices dropped, the congressional agriculture committees appear to have regained their policy monopoly.

Additional research would be needed to assess how well each of these perspectives explains the changes in American agriculture policy from 1996 to 2002 beyond the general observations just outlined. Given the face validity of each orientation, it would be useful to critically apply them to U.S. agriculture policy making during the last decade. A number of questions that could be addressed by such an undertaking stand out. Which perspective, if either, is better able to explain the dynamics of U.S. agriculture policy making? Who is involved in the advocacy coalitions that animate American farm policy debate, if such coalitions exist, and are the coalitions crop-based, regionally-based, party-based, or some combination of the three? Does the make up of the coalitions change frequently with changes in commodity prices? What role did rhetoric and imagery play in the readoption of New Deal farm policy in 2002? Since most agricultural economists supported policies that eliminated or reduced subsidies, did technical information play a lesser role in the push to reinstate many of the policies eliminated by the FAIR Act?

One final and related question stands out for particular attention. This thesis focused in part on the efforts of agricultural interest groups to lobby members of Congress. It would be interesting to study these groups in an effort to determine if the structure of the agricultural economy itself played a role in the efficacy of interest group lobbying; one might explore if advocates of particular crops were more likely to garner congressional support than others, or if some agricultural groups simply were more skilled at lobbying than others. For instance, it appears that cotton interest groups were especially able to influence their members of Congress from the beginning to the end of the farm bill debate. Why? David Hosansky of *CQ Weekly* noted the unity of the cotton lobby, and this unity no doubt helped a diverse set of producers and processors overcome some barriers to collective action. But what accounted for their unity? Winders argued that the southern cotton industry was united very early on by its common political concerns, i.e. free trade and slave labor. Could the efficacy of the cotton industry be the outcome of centuries of organizational learning?

This possibility seems more cogent than the idea that cotton occupies a special place in the contemporary national economy. Moving forward, we could see that congressional response to *corn* interests increases as the country tries to become increasingly independent of foreign energy supplies. No doubt, tensions will emerge between corn growers and corn processors as increases and decreases in supply and demand make the business more or less profitable to different industries. I hypothesize, however, that if corn growers and their organizations can position ethanol production as an issue of national security, they may be able to increase their leverage in the policy process. As in punctuated-equilibrium theory, it appears initially that issue framing could

play a significant role in the ability of interest groups to successfully push for policy change, and in line with ACF, changes in economic variables could alter the policy preferences of key interest groups.

IV. Some predictions about the future of domestic and international farm policy

At present, two significant debates over agricultural policy are underway. In the United States, Congress is beginning to consider what form the 2007 farm bill will take. In the international community, member states of the World Trade Organization are trying to negotiate a conclusion to the Doha Round of trade talks, a round that has stalled largely as a result of disagreements among nations over agriculture policy. It might seem presumptuous, or at least foolish, to make predictions concerning these debates, especially given my earlier statements regarding the difficulty surrounding such efforts. Nevertheless, and with what Peter Gourevitch called a healthy appreciation of the contingent, I will offer a brief analysis of U.S. and international agricultural policy expectations, if only to apply the insights gained in the previous pages.

I wrote in the introductory chapter that my research is significant because so little has changed in American agricultural policy and policy making since the Republican revolution in 1996. Despite the grand historical narratives uttered on the House and Senate floor about the triumph of markets in 1996, the exigencies of governance and electoral politics led but a few years later to the stop-gap re-adoption of many of the farm programs deemed so outmoded only a few years earlier. Finally, in 2002, Congress reinstated more permanently much of the New Deal farm policy it had undone in 1996, namely it re-adopted the system of counter-cyclical farm support.

Now as the 2007 farm bill debate begins to unfold, policy makers are largely in the same position as they were in 1996: free traders abhor subsidies, growers claim that they need them to survive. The final outcome is again not at all clear, although the evidence discussed below suggests that American agriculture policy remains on the path of continuity rather than change.

The previous pages outlined the importance of the agricultural lobby to the passage of the 1996 farm bill. Yet as the efficiency of American agriculture continues to increase, and as a result fewer and fewer farmers and voters are required to till the soil, one might argue that the influence of agricultural interest groups will decline and thus that one of my main conclusions might not apply to more current farm bill debates. Yet a recent article in *CQ Weekly* stresses that despite a decline in “rural” communities, the number of groups with something to say about American agriculture actually is increasing (Richert 2007); on the program of the next House Agriculture Committee field hearing may be groups such as Oxfam, the Humane Society and the American Heart Association. While this thesis focused on the influence of “traditional” commodity groups—corn, cotton, wheat, sugar, the upcoming farm bill will see new actors attempting to influence their members of Congress in many of the ways outlined here. As more urban and suburban-based groups continue to enter the fray, more members of Congress may find that their farm bill votes will be scrutinized as closely by their active constituents as their votes on welfare, health care and the environment. Of course, interest groups can influence policy in any number of ways. It appears, however, from news reports such as those in *CQ Weekly* that the “new” agriculture players are not

seeking to eliminate the system of farm subsidies but to get either a larger pie or at least a larger piece.

So it is clear that agricultural interest groups, albeit untraditional ones, will play a role in the newest farm bill debate, but the previous pages also discussed the importance of political party. How might the Democratic control of Congress play out in the 2007 farm bill debate?

The *cohesion* of the Republican Congress in 1996 was as important as the fact that the Congress was Republican when thinking through the causes of monumental policy change. As noted above, agriculture policy making normally is divided along regional, not party, lines, and the unity of the Republican Congress on the 1996 farm bill was remarkable. It is unlikely that a similar outcome will occur for Democrats in 2007. Subsidies to biofuels, a hot topic in the current agriculture policy debate, will pose a particular challenge to party cohesion as different parts of the country, and different industries, are affected differently in the short-run and perhaps over the longer term by these subsidies. Increased demand for ethanol, for instance, has led to an increase in the price of corn, a major input into the production of pork and beef. Republican or Democrat, members of Congress will hear from cattle and hog producers, and party leaders will have a hard time being heard over the groans of these still influential producers.

Perhaps if the Democratic electoral gains of 2006 had been based on economic issues, rather than the war in Iraq, we might expect them to remain relatively cohesive during the upcoming farm bill debate as the new Republican Congress was in 1995. The differing contexts, however, lead me to believe that both parties will be more fragmented

than they were in 1996 and that party affiliation will play a lesser role. Given these factors, it does not appear that the stage is set for monumental change in American agriculture policy. The farm bill process seems to be squarely in the policy subsystem and with Democratic leaders occupied with the war and other issues, it seems unlikely that the bill will get the same kind of attention that the 1996 farm bill did from top Republicans.

In this instance, policy stasis will result largely from divisions within the legislative branch. In the other agriculture debate of importance to Americans, the Doha Round of the World Trade Organization, the executive branch is the principal actor. Again, however, the structure of American government and current policy preferences make it unlikely that the United States will unilaterally liberalize its agricultural markets, a move that might persuade other states and unions of states that heavily subsidize their agricultural producers to follow suit.

As the introductory chapter noted, world agriculture markets are much more closed than those for industrial products. I would argue that, in part, the difference can be explained in terms of the structure of American trade-policy making. When the Congress delegated much of its authority to “regulate commerce with foreign nations” to the president through the Reciprocal Trade Agreement Act of 1934, this resulted mainly in the elimination of tariff-based trade barriers through the General Agreement on Tariffs and Trade (GATT) and later the World Trade Organization. Agriculture has largely been exempt from this trend towards liberalization, in part because so many “barriers to trade” in agriculture are not tariffs but instead domestic subsidies. Moreover, because Congress did not also delegate its authority to create domestic farm policy, much of the executive’s

power to negotiate reciprocal trade agreements runs up against congressional desire to support the domestic farm sector through a variety of mechanisms. Eliminating these “non-tariff” barriers has proven difficult as outward-looking presidents and inward-looking legislators argue about the role of domestic farm policy and international trade policy.³⁹ Ultimately, Congress must approve treaties negotiated by the president, and it is unlikely that President Bush could get an agreement past a skeptical Democratic Congress, even if such an agreement could be negotiated, a difficult proposition to begin with given the history of agricultural liberalization.

As in the domestic arena, the stage appears to be set for international policy continuity rather than change. But with so many in developing countries dependent on agricultural production for their livelihoods, I hope that my predication is wrong. If the previous pages have demonstrated anything, it is that it just might be.

³⁹ In her book *The Travels of a T-Shirt in the Global Economy*, Pietra Rivoli outlines how every president since Eisenhower, no matter their free-trade stance, has made protectionist concessions to the textiles industry, an industry tied very closely to cotton. Often, a president’s desire to liberalize markets in general runs up against the political reality that their election or re-election requires the support of import-competing regional interests, interests represented by the legislative branch.

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