



Written by [Jack Kenny](#) on August 14, 2012

Down On the Farm, Obama Knocks Ryan, Buys More Pork

On the first day of a three-day bus tour of Iowa, President Barack Obama blamed Mitt Romney's new running mate, Paul Ryan, for blocking a federal farm bill in the House and promised farmers \$170 million in government meat and poultry purchases to offset the devastating drought that has resulted in crop failures and higher grain prices through much of the Midwest.



"We're not just talking about a few strips of bacon here," Obama [said](#) as he announced Department of Agriculture plans to buy up to \$100 million in pork, \$50 million worth of chicken, and \$10 million each in lamb and farm-raised catfish. Traveling the state with Secretary of Agriculture Tom Vilsack, the president visited a family farm and repeated comments he made earlier in the day at a campaign rally in Council Bluffs.

"It turns out that the federal government buys a lot of meat for military bases, hospitals, colleges, food banks and cafeterias," Obama said. "And because of the drought, there are a lot of folks out there that are trying to sell meat right now. So just like you might buy more chicken when it's on sale and freeze it, we are going to stock up. Prices are low; farmers and ranchers need help; so it makes sense."

By accelerating the purchase of meat products, Obama is offering a temporary boost in sales to an unspecified number of breeders and sellers of livestock, plagued by a spike in feed prices caused by the drought. At the same time, however, the sales will reduce the demand for corn and other crops, at a time when growers have suffered some of the worst crop failures in decades. Adding \$170 million to the demand for meat products, meanwhile, would likely add to the rising costs of meat to consumers nationwide, while storing the meat for future use will reduce demand and may depress food and livestock prices in the near future.

The president also called on Congress to act on a farm bill left behind at the start of the August recess and singled out Rep. Paul Ryan, Mitt Romney's recently announced choice as Republican vice presidential candidate, in blaming Republicans for keeping the bill stalled in the House. Calling Ryan, who chairs the House Budget Committee, "one of the leaders of Congress standing in the [way](#)," of the legislation, Obama asked Iowans to deliver a message to the congressman from Wisconsin.

"So, if you happen to see Congressman Ryan, tell him how important this farm bill is to Iowa and our rural communities," Obama told the crowd in Council Bluffs. Ryan, the House Budget Committee chairman, was also in Iowa August 13, appearing at the State Fair in Des Moines, while Romney campaigned in Florida.

The summer drought, the worst in 50 years, has destroyed an estimated one-sixth of the U.S. corn crop, resulting in record-high prices and a projection by the Department of Agriculture of the lowest corn



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yields per acre since 1995. Iowa is the nation's top corn-producing state, but nearly half the corn crop and more than a third of the soybean crop is in poor or nearly poor condition, Obama told reporters, following a visit to the 2,200-acre McIntosh family farm in Missouri Valley. With Vilsack at his side, the president visited the four brothers and saw first hand the withered corn and soybean crops.

"Crops and livestock are a \$30 billion business in Iowa, and that's a huge chunk of the economy that's being put at risk," the president said. "And states all across the heartland have it just as bad." The president used the occasion to again call on Congress to act on farm legislation.

"Now, the best way to help these states is for Congress to act," he said. "They need to pass a farm bill that not only helps farmers and ranchers respond to natural disasters, but also makes necessary reforms and gives them some long-term certainty."

Farm bills usually come up for renewal every five years, but this year's bill has yet to reach the House floor. Sponsored by Reps. Frank Lucas (R-Okla.) and Collin Peterson (D-Minn), the bill won approval of the House Agriculture Committee, but went no further, as Democrats and conservative Republicans deadlocked over proposed cuts in food stamps and some farm aid programs. The Senate passed its version, but refused to consider a short-term drought relief measure passed by the House.

The [Environmental Working Group](#), a farm organization that opposes what it calls "wasteful subsidies to big agribusinesses," claims the subsidies put smaller, family farms at a competitive disadvantage. An article on the group's web site argues the Lucas-Peterson bill "would give every big subsidized grower a raise in the form of higher price guarantees for their crops — at a time when large commercial farms have average household incomes of more than \$200,000 a year and net farm income has nearly doubled in recent years." The largest 10 percent of subsidized growers collect roughly three-fourths of federal farm subsidies, the group says, "so the Lucas Peterson farm bill will give mega-farms even more tax dollars to drive out small family farmers."

The bill expands insurance subsidies by more than \$9 billion, according to the Environmental Working Group, which reports that last year 26 farms collected more than \$1 million each and the top ten thousand growers received more than \$100,000 each.

Rather than suffering from government neglect, the farming industry, like so many others, is a target of "crony capitalism," with the well-off and well-connected receiving favors from government officials convinced that some farms, like some investment firms, are "too big to fail" and require the protection of the taxpaying public. Neither the Congress nor the president has any more authority to be choosing winners and survivors on the farm than it does on Wall Street. The Constitution contains no grant of power for the federal government to be using taxpayers' money to set farm prices and manipulate agricultural markets to benefit some farming interests at the expense of others.

The supervision of agriculture, and "other concerns of a similar nature," wrote Alexander Hamilton, while "proper to be provided for by local legislation, can never be desirable cares for a general jurisdiction. It is therefore improbable that there should exist a disposition in the federal councils to usurp the powers with which they are connected; because the attempt to exercise those powers would be as troublesome as they were nugatory." ([Federalist Papers, No. 17](#))

Hamilton surely underestimated the disposition for usurpation that would arise in "federal councils," but he was right in his assessment of how troublesome they would be — especially in an election year.



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