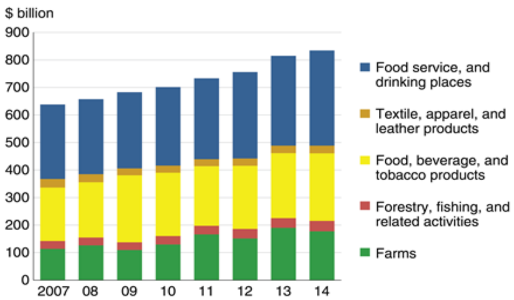
Value added to GDP by agriculture and related industries, 2007-14



Note: GDP refers to gross domestic product.
Source: USDA, Economic Research Service using data from U.S. Department of Commerce, Bureau of Economic Analysis, Value Added by Industry series.

Agriculture and agriculture-related industries contributed $835 billion to the U.S. gross domestic product (GDP) in 2014, a 4.8-percent share. The output of America's farms contributed $177.2 billion of this sum—about 1 percent of GDP. The overall contribution of the agriculture sector to GDP is larger than this because sectors related to agriculture—forestry, fishing, and related activities; food, beverages, and tobacco products; textiles, apparel, and leather products; food service and drinking places—rely on agricultural inputs in order to contribute added value to the economy. USDA.gov

Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country." – William Jennings Bryan

RanchingTruth.org

About Us

We at Ranching Truth are a collection of ranchers, cowboys and agriculture professionals who have turned our passions into livelihoods to earn a living for our families and feed the world.

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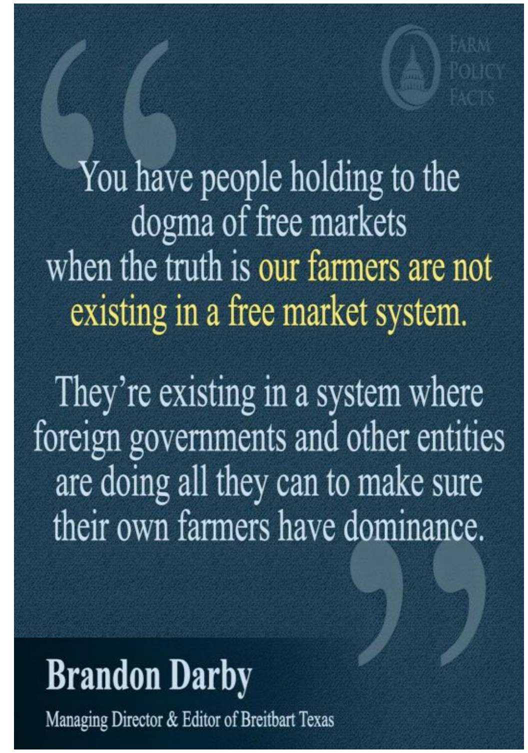
Among his mainstream media brethren, Brandon Darby, the managing director and editor of Breitbart Texas, noticed that farmers and the importance of them are largely overlooked and dismissed. "You have to think about the people that this country really depends upon and whether or not they're given any kind of voice and farmers don't have one," he explained to Farm Policy Facts during a recent interview.

Agriculture Safety Nets in a Modern World



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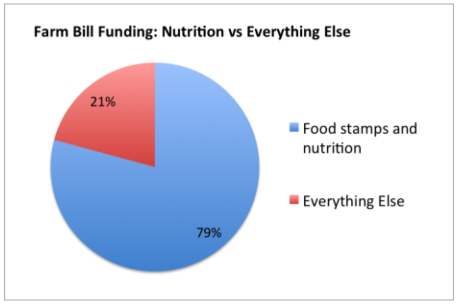
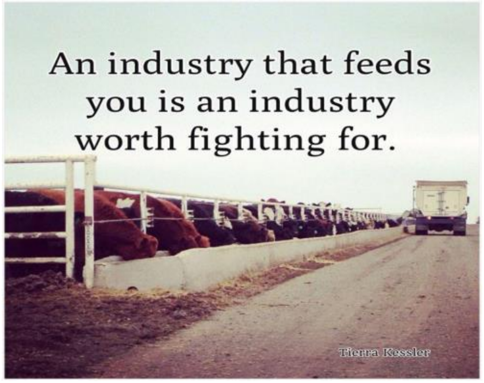


Today the loudest voices advocating policy re-evaluation at present are fringe groups, left and right, which imagine agriculture policy without a farmer. The left wing back-to-prairie lobby, headed up by the Environmental Working Group, peddles a pretension of free-range chickens and organic gardens replacing the domestic food industry. Simultaneously, the right wing markets-fix-everything lobby, headed up by the Heritage Foundation knows the invisible Smithian hand guiding agriculture markets is composed of Chinese, Brazilian and Indian interests. But Heritage and its articulators pretend food and fiber will be just as accessible and affordable when such basic national security items are handed over to foreign food cartels. The left seeks to rid the prairies of overpopulated Joe Bobs in order to restore the buffalo. Moreover, when 98-percent of American turn rows are family-owned, there's a chuckle when the left and the right start sounding the same. Cruz sounds like U.S. Sen. Bernie Sanders (D – Vermont) and the Environmental Working Group, arguing that farm policy "fails to fully target assistance to those most in need" because it "subsidizes massive agri-businesses." If historic agricultural crisis is typified by debt acceleration, price drops and misguided federal policy, America is in the midst of such a crisis.

American agriculture is a perpetual crisis of farmers and ranchers fighting forces too big to fight alone. High foreign subsidies, tariffs and non-tariff trade barriers. Trade cheating abroad, the Environmental Protection Agency's overreaches at home. The boll weevil and the freightliners 100 years ago; the sugar aphid, careless weed and fringe political action committees today. Sometimes there are two or three fights simultaneously—in the midst of a hurricane, drought or blizzard

The American consumer is the primary beneficiary of the Farm Bill Programs. The mechanical revolution of the early 1900s revolutionized the world market for staple crops, and also gave farmers the ability to multiply their output by farming more ground. In the United States, as prices for goods plummeted, farmers plowed more ground to try to make up for lost income. This reality, coinciding with a terrible drought affecting the Heartland and the Great Depression affecting our cities, set the stage for the first farm bill: the Agricultural Adjustment Act of 1933. Realizing that the land was our most precious resource and the economic incentive for any single farm family was to produce more, the original farm bill provided incentives for individual farmers not to over-produce, thereby seeking to stabilize the marketplace. The Agriculture Stabilization and Conservation Service was established in virtually every county in the nation to catalog our nation's farmland, and work with farm families to increase productivity and take care of the land. Today, Title I is designed to provide specific forms of income assistance without interfering with the market, and is compatible with our free trade goals and obligations under the World Trade Organization. Crops covered include barley, corn, pulse crops, rice, sorghum, soybeans, wheat, and minor oilseeds. Dairy and sugar also have provisions under Title I. Under the most recent 2014 Farm Bill, several significant changes were adopted. Income assistance is only provided in cases of significant yield losses in an area or deep price-based losses. Cotton was eliminated as a program crop. Dairy was transitioned to a margin protection program, and livestock producers were given additional protections. Spending on Title I programs is far less than it has been historically and for the last 10 years has been less than one-quarter of percent of our federal budget. Americans enjoy the most stable and least expensive food supply of any people in the history of mankind, and have not experienced a major disruption in the food supply in our history.



Bought and paid for Insurance is not a Subsidy. The Federal Crop Insurance Act permanently authorized Federal crop insurance. But due to its increasing prominence as the primary risk management tool for farmers, crop insurance policy has been amended in both the 2008 and 2014 farm bills. More than 100 crops are insurable under the 2014 Farm Bill with the adoption of two new programs. Since cotton is no longer included as a program crop under Title I, a policy called Stacked Income Protection Plan (STAX) was made available to cotton producers. Additionally, Supplemental Coverage Option (SCO) was introduced to address a portion of losses not covered by individual crop insurance policies. A provision to help beginning farmers and ranchers have access to crop insurance was also included. Federal crop insurance remains a crucial tool for farmers to protect against losses in yield, crop revenue, and whole farm revenue. Without federal involvement, multi-peril crop insurance would not be affordable for producers. Without multi-peril crop insurance, many farmers would be unable to gain the financing needed to operate. The miscellaneous title of the 2014 Farm Bill contains provisions to address various issues such as livestock production, job training to socially-disadvantaged and limited-resource producers.