2020 USDA Farm Spending News, Subsidies

In 2020, the USDA spent at least \$52 billion on farm programs.

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$45,687,724,000 direct government payments
+ $6,318,773,649 crop insurance premium subsidies
= $52,006,497,6491
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US Farm Spending was less than 3% for Fruits and Vegetables

Based on publicly available data, AFA estimates that supports for fruits and vegetables, not including soy or peanuts2, totaled \$1.2 billion, or 2.5%. If the USDA ever clarifies what portion of CFAP2 spending went to fruit and veg producers, that number could potentially double to \$2.4 billion or 5%.

Fruit total: \$688 million (1.3%)

- \$278 million Crop Insurance
- \$95 million Market Facilitation Program
- \$290 million CFAP1
- \$0 million CFAP2 (most fruit & veg marked as 'sales commodities' and can't be traced.)
- \$25 million SCBGP research (estimate)

Vegetables total: \$625 million (1.2%)

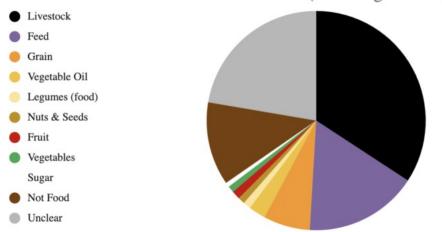
- \$201 million Crop Insurance
- \$30 million ARC/PLC
- \$372 million CFAP1
- \$0 CFAP2 (veg marked as 'sales commodities' so it's impossible to trace.)
- \$25 million SCBGP research (estimate)

US Farm Spending just 5-11% for Foods Containing Fiber

The foods that contain fiber benefited the least from federal farm spending in 2020, receiving just 11%:

Nuts and Seeds 1.0%; Legumes for food 1.1%; Vegetables 1.2%; Fruits 1.3%; Grains for food 7% ... (note: grains often get stripped of dietary fiber before ending up in the American food supply)

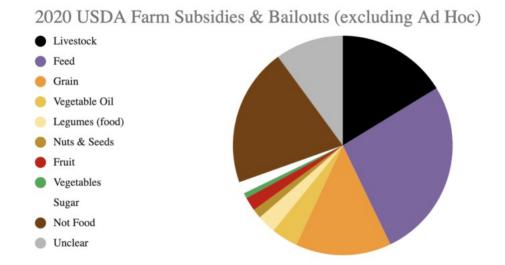




LIVESTOCK	\$18,102,858,009
ANIMAL FEED	\$8,858,189,688
Grain	\$3,651,401,508
Vegetable Oil	\$1,337,948,871
Legumes	\$498,835,043
Nuts & Seeds	\$533,885,463
Fruit	\$664,006,705
Vegetables	\$605,002,624
Sugar	\$351,172,797
NOT FOOD	\$6,517,230,440

Unclear	\$11,649,641,285	
Total	\$52,770,172,433	

Note: Not Food - Industrial Oil, Cotton, ethanol derived from corn, other biofuels



A large Category is "Uncategorized"

So far, we've been unable to trace about \$11.8 billion in spending on particular end products.

The following are amounts we were unable to trace in each program:

- \$261 million Crop Insurance
- \$816 million Environmental Quality Incentives Program (EQIP)
- \$1.1 billion Conservation Stewardship Program (CSP)
- \$2.4 billion Market Facilitation Program
- \$650 million Coronavirus Food Assistance Program (CFAP1)
- \$2.3 billion Coronavirus Food Assistance Program 2 (CFAP2)
- \$4.2 billion Other programs

Land Use Reflects Federal Farm Priorities

Roughly 77 million acres of American cropland are used to grow plant foods, while 128 million acres grow crops for livestock.3

Consumption Reflects Federal Farm Priorities

In a 2016 study from the CDC in conjunction with Emory University,4researchers found that the modern subsidy breakdown isn't as healthy as it could be:

Among US adults, higher consumption of calories from subsidized food commodities was associated with a greater probability of some cardiometabolic risks. Better alignment of agricultural and nutritional policies may potentially improve population health

Furthermore, according to the USDA₅, Americans aren't meeting their daily intake recommendations for fiber. Yet plant foods, the only foods containing fiber, are underrepresented in farm spending.

The good news is that the USDA knows how to advance the production of foods it favors. In the seventies, the Agriculture Secretary set a priority to grow corn and soy for animal feed. The result is that now, half of the American cropland grows corn and soy. Federal farm policy is powerful. If the USDA set its sights on helping American farmers to produce a diversified array of vegetables and fruits, they would likely do so.

- 1. Since data was initially published at the end of 2020, the totals found at https://data.ers.usda.gov/reports.aspx?ID=17833 have decreased. However, underlying data reports seem to have either not changed, or risen. As a result, when we add up the underlying data it totals just under \$55 billion. We base the percentages on \$52 billion. This means that the percentage values we report may be higher than actual.
- 2. Vegetables are in the culinary sense and thus do not include soy or peanuts. Most soy is processed into animal feed meal, cooking oil, biofuel, or processed foods, (Soy Checkoff Fact Sheet PDF) none of which would be considered vegetables for human consumption. In our analysis, peanuts are broken out into two categories: "nuts and seeds" and "food oils"
- 3. https://www.bloomberg.com/graphics/2018-us-land-use/
- 4. https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2530901
- https://www.ars.usda.gov/ARSUserFiles/80400530/pdf/DBrief/12_fiber_intake_0910.pdf

The United States Federal Government subsidized animal-based agricultural commodity production at the highest level in recorded history during the 2020 calendar year. Due to the social crisis triggered by the COVID-19 pandemic, the federal government, in response to the embedded and cumulative economic, political, and social power of animal agriculture-associated industries in the United States, subsidized animal agriculture at cumulative levels far beyond those of earlier years.

Direct coronavirus food assistance payments (CFAP) to cattle producers exceeded 7 billion dollars in 2020. Cattle-based milk producers received over 3.5 billion dollars in direct payments in 2020 through CFAP, the Paycheck Protection Program (PPP), the Market Facilitation Program (MFP), and the Dairy Margin Coverage (DMC) program. Hog producers received over 1 billion dollars in direct coronavirus food assistance payments. "Other livestock" producers received over 5 billion dollars through the PPP and conservation-associated programs like Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP).

Regarding indirect animal feed production subsidies, soybean growers (who sell most of their product as animal feed [just under 80 percent for soybeans]) received just under 2 billion dollars in direct coronavirus food assistance payments while corn producers (who also typically sell roughly 45 percent of their product as animal feed more recently) received just over 5 billion dollars!

When the most obviously-transparent *major* elements of direct and indirect federal subsidy to animal agriculture (noted above) are considered collectively, the federal tax dollar subsidies that most obviously and *transparently* went to animal agriculture exceeded 20 billion dollars in 2020. When added together with another approximate 1 billion dollars in subsidies to other transparently *minor* elements of direct and indirect federal subsidy to animal agriculture, the likely cumulative value of the major and minor elements of federal animal agriculture subsidy in 2020 was approx 21.4 billion dollars, conservatively speaking.

[Transparent *major* animal ag subsidy elements, cumulative: 7+3.5+1+5+1.5+2.4 =20.4 billion, approx; Transparent *minor* animal ag subsidy elements: Eggs/Chicken/Sealife/Sheep/Lambs-0.3, cumulative; Sorghum/Forage/Alfalfa-0.65, cumulative; Oats/Barley/Millet-0.1, cumulative ... approximately 1 billion+, combined ...]

[Major + Minor transparent animal ag subsidy elements (combined) add up to 21.4 billion dollars, approximately ...]

<u>USDA ERS - Feedgrains Sector at a Glance</u> Corn SoyCheckoffSoyStats.jpeg (1978×2560) (agriculturefairnessalliance.org) Soy

[From 2020EndProductsBreakdown Spreadsheet]

Livestock Direct 17,546,864,000 Dairy Margin 150,592,000 CFAP1 6,978,199,000 4,675,150,000 CFAP2 PPP 3,400,000,000 Conservation* 2,106,997,000 **MFP** 135,581,000 100,000,000 Grz Fee Discnt Crop Insur (??) 345,000

[*From Conservation Spreadsheet]

EQIP (Tech) 265,059,520 EQIP (Finan) 732,223,525 CSP (Tech) 153,256,950 CSP (Finan) 956,457,500

[From 2020 Animal Ag and 2020 Breakdown Spreadsheets]

Livestock Direct 17,470,447,000

Dairy 3,546,960,000 [CFAP+PPP]

Cattle 7,256,960,000 [CFAP+Discounted Grazing Fee]

Hogs 1,172,424,000 [CFAP+MFP]

Other Lvstck ** 5,192,997,000 [PPP+Conservation+AFRI]

 Chicken [approx]
 14,000,000

 Lamb
 " 50,000,000

 Sealife
 " 81,000,000

 Sheep
 " 102,000,000

 Wool
 " 4,000,000

 Eggs
 " 50,000,000

[** From 2020 Animal Ag Spreadsheet]

PPP 3,000,000,000 Consvtn 2,106,997,000 AFRI 86,000,000

Appendix C: Animal Feed Subsides in 2020 (Federal dollars spent) AFA

[From EndProductsGraph Spreadsheet]

Animal Feed 8,858,189,698

[From 2020 EndProductsBreakdown Spreadsheet]

Livestock Feed

CFAP 1 958,995,000 CFAP 2 2,913,328,000 MFP 1,057,990,000 Crop Ins. 2,549,53-, ---

[From ARC/PLC Spreadsheet]

ARC/PLC 699,901,637 (78%)

[soybeans]