

HOME (/)
ABOUT
JOURNAL (/ABOUT)
MASTHEAD (/NEW-PAGE)
PROSPECTIVE MEMBERS (/PROSPECTIVE-MEMBERS)
SUBSCRIBE (/SUBSCRIBE)
STAFF RESOURCES (/STAFF-RESOURCES)
PUBLICATIONS
PUBLICATION ARCHIVE (/PUBLICATION-ARCHIVE)
VOLUME 1 (2009) (/VOLUME-1-2008-2009)
VOLUME 2 (2010) (/VOLUME-2-2009-2010)
VOLUME 3 (2011) (/VOLUME-3-2010-2011)
VOLUME 4 (2012) (/VOLUME-4-2011-2012)
VOLUME 5 (2013) (/VOLUME-5-2012-2013)
VOLUME 6 (2014) (/VOLUME-6-2013-2014)
VOLUME 7 (2015) (/VOLUME-7-2014-2015)
VOLUME 8 (2016) (/VOLUME-8-2015-2016)
VOLUME 9 (2017) (/VOLUME-9-2016-2017)
VOLUME 10 (2018) (/VOLUME-10-2018)
SYMPOSIUM
INFORMATION (/SYMPOSIUM)
BLOG
FULL BLOG (/FULL-BLOG)
BLOG ARCHIVE (/BLOG-ARCHIVE-1)

SUBMISSIONS (/SUBMISSIONS)

September 11, 2013 (/full-blog/2013/09/tis-season-to-discuss-subsidy.html)

Tis' The Season to Discuss the Subsidy (/full-blog/2013/09/tis-season-to-discuss-subsidy.html)



(<https://static.squarespace.com/static/53fe85a0e4b0516a0c4fed1a/54002444e4b0123f9872f024/5400244ae4b0123f9872f0ca/1409295434547/1000w/>)

Image Source (<http://www.acton.org/pub/commentary/2007/12/05/farm-subsidies-sustaining-dependency>)

By: Rebekah McKinney, Staff Member

This time of year for rural Americans is corn-harvesting season, and this year is sure to be a big harvest. After last year's historically bad drought across the Midwest, this year has been remarkably pleasant, especially for corn farmers.[1]

(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202020%20Corn%20Subsidies.docx#_ftn1)

With droughts wreaking havoc on last year's corn crop, corn prices steadily rose, with prices closing at \$8.49 per bushel last August.[2]

(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202020%20Corn%20Subsidies.docx#_ftn2)

The hopes of witnessing a repeat of the 2012 corn prices is evident as we draw closer to harvest time, with every spare parcel of land planted with the popular crop.

These hopes and dreams are not likely to come to fruition since this summer's temperate climate coupled with the high expectations of last year's corn prices resulted in an overabundance of the popular crop, with a forecasted yield of around 14 billion bushels.[3]

(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202020%20Corn%20Subsidies.docx#_ftn3)

Currently, the United States Department of Agriculture estimates the average price per bushel will range from \$4.50 to \$5.30 per bushel, a far cry from last season's prices.[4]
(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn4)
The corn supply over the last two years demonstrates the high risk and uncertainty involved in the corn market.

With many House Representatives voting for an increase in farm subsidies in the 2013 Farm Bill and the obvious uncertainty regarding crop yields, many commentators argue these subsidies actually cause overproduction of subsidized crops.[5]
(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn5)
Furthermore, agricultural subsidies may also cause the unintended effect of increased erosion, pollution of waterways due to increased use of fertilizers and pesticides, and release of greenhouse gases.[6]
(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn6)
Finally, tax dollars do not go to the poor farmer as we imagine, but in fact go to the "wealthy" farmers who can shoulder the potential economic loss of a bad year.[7]
(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn7)
With \$84.4 billion tax dollars spent on corn subsidies between 1995 and 2012, which does not include money spent on remedial measures aimed at addressing the unintended negative effects of corn subsidies, a thorough examination and understanding of the entire picture is necessary. [8]
(file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn8)

[1] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn1) NOAA, An Interpretation of the Origins of the 2012 Central Great Plains Drought 1. http://cpo.noaa.gov/sites/cpo/Reports/MAPP/drought/2012%20drought%20report/DTF_Interpretation_of_2012_Drought_FINAL_2-pager.pdf (March 20, 2013).

[2] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn2) USDA, U.S. Drought 2012: Farm and Food Impacts, Economic Research Service <http://www.ers.usda.gov/topics/in-the-news/us-drought-2012-farm-and-food-impacts.aspx#U3Zld7pZUQ>, (July 26, 2013); Jeff Wilson, Corn Future Jump Most Since June on Unexpected U.S. Supply Drop, Bloomberg News, <http://www.bloomberg.com/news/2012-09-28/u-s-corn-stockpile-unexpectedly-drops-sparks-price-rebound-1.html>, (Sept. 28, 2012).

[3] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn3) Gil Gullickson, No Surprise: Expected Lower Corn and Soy Bean Prices for 2013-2014, Agriculture, Market Analysis http://www.agriculture.com/markets/analysis/corn/no-surprise-expected-lower-corn-soy-be_9-ar32512, (July 15, 2013).

[4] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn4) USDA, World Agriculture Supply and Demand Estimates 2, <http://www.usda.gov/oce/commodity/wasde/latest.pdf> (August 12, 2013).

[5] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn5) See James B. Stewart, Richer Farmers, Bigger Subsidies, The N.Y. Times, http://www.nytimes.com/2013/07/20/business/richer-farmers-bigger-subsidies.html?pagewanted=all&_r=0 (July 19, 2013); Jordan Ballor & Ray Nohrstone, Farm Subsidies: Sustaining Dependency, Acton Institute, <http://www.acton.org/pub/commentary/2007/12/05/farm-subsidies-sustaining-dependency> (Dec. 5, 2007); Chris Edwards, Agricultural Subsidies, http://www.downstatinggovernment.org/sites/downstatinggovernment.org/files/pdf/agriculture-subsidies_0.pdf (June 2009).

[6] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn6) Norman Myers & Jennifer Kent, Perverse Subsidies: How Tax Dollars Can Undercut the Environment and the Economy 4 (Island Press, 2001), available at http://books.google.com/books?hl=en&lr=&id=mA-t1xAJDDUC&oi=fnd&pg=PR13&q=farm+subsidies+and+economy+Scotts+A+UrbhbEXC&sig=EtXqW5EawYs1eXGqY_QRjevA+&onepage&q=farm%20subsidies%20and%20economy&f=false.

[7] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn7) Id.

[8] (file:///C:/Users/Jeremy/Downloads/McKinney%20Blog%202%20Corn%20Subsidies.docx#_ftn8) Environmental Working Group, Corn Subsidies (last visited Sept. 4, 2013) <http://farm.ewg.org/progdetail.php?lps=00000&progcode=corn>.

♥ 0 Likes ← Share

COMMENTS (0)

Newest First Subscribe via e-mail

[Preview](#) [POST COMMENT...](#)

Newer Post

[How Will the Federal Decision Not to Prosecute Recreational Marijuana Use Affect Kentucky? \(/full-blog/2013/09/how-will-federal-decision-not-to.html\)](#)

Older Post

[How Do You Like Them Apples? \(/full-blog/2013/08/how-do-you-like-them-apples.html\)](#)

[SEARCHABLE ARCHIVE \(/PUBLICATION-ARCHIVE-1\)](#)

631 SOUTH LIMESTONE, LEXINGTON, KY

40508 (859) 257-4747 [BLOG.KJEANRL@GMAIL.COM](mailto:blog.kjeanrl@gmail.com) ([MAILTO:BLOG.KJEANRL@GMAIL.COM](mailto:blog.kjeanrl@gmail.com))