

Farm Bills, Oil Spills and Budget Cuts – Where Does Conservation Fit?

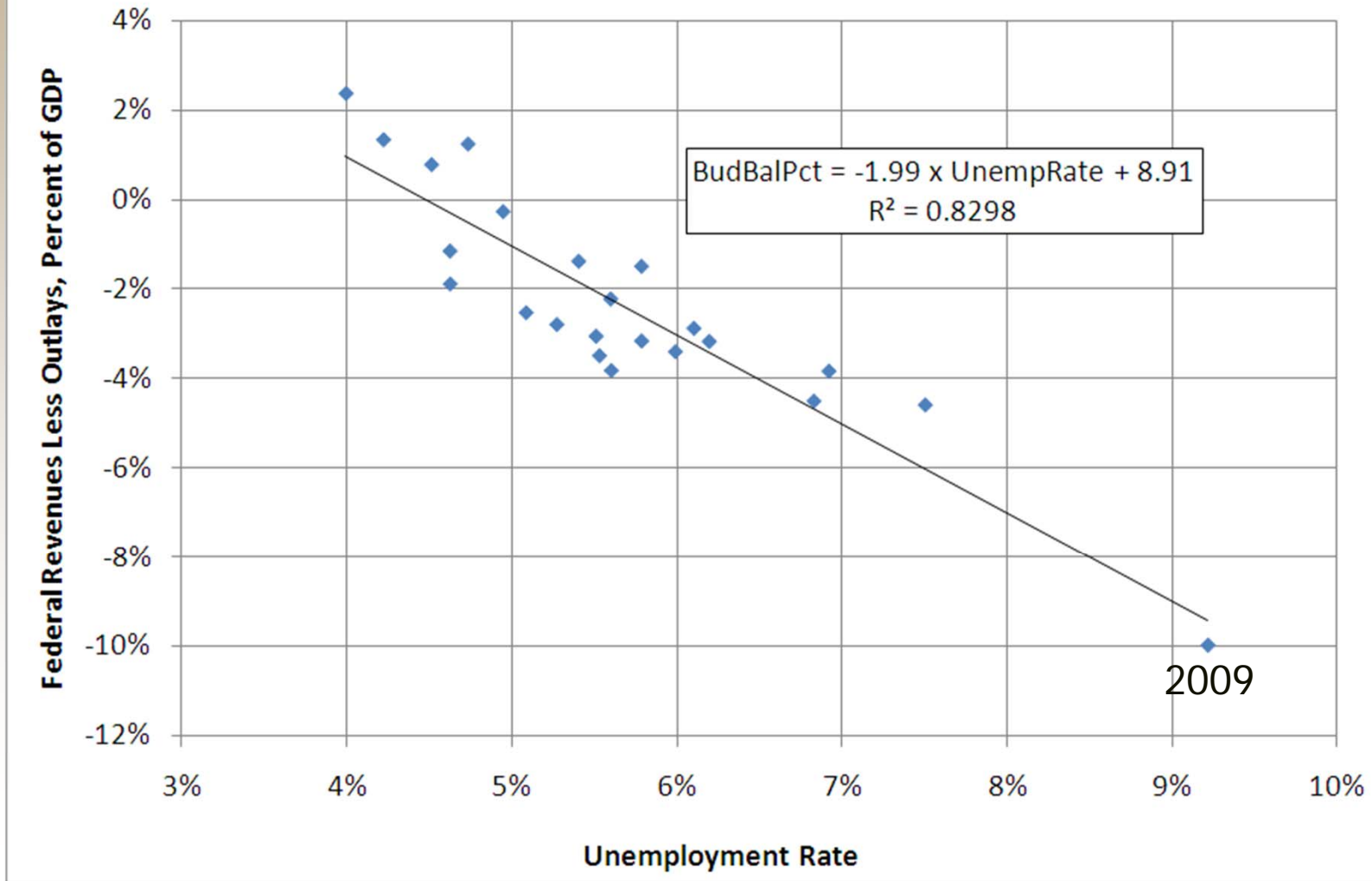
Otto Doering

Where we are today:

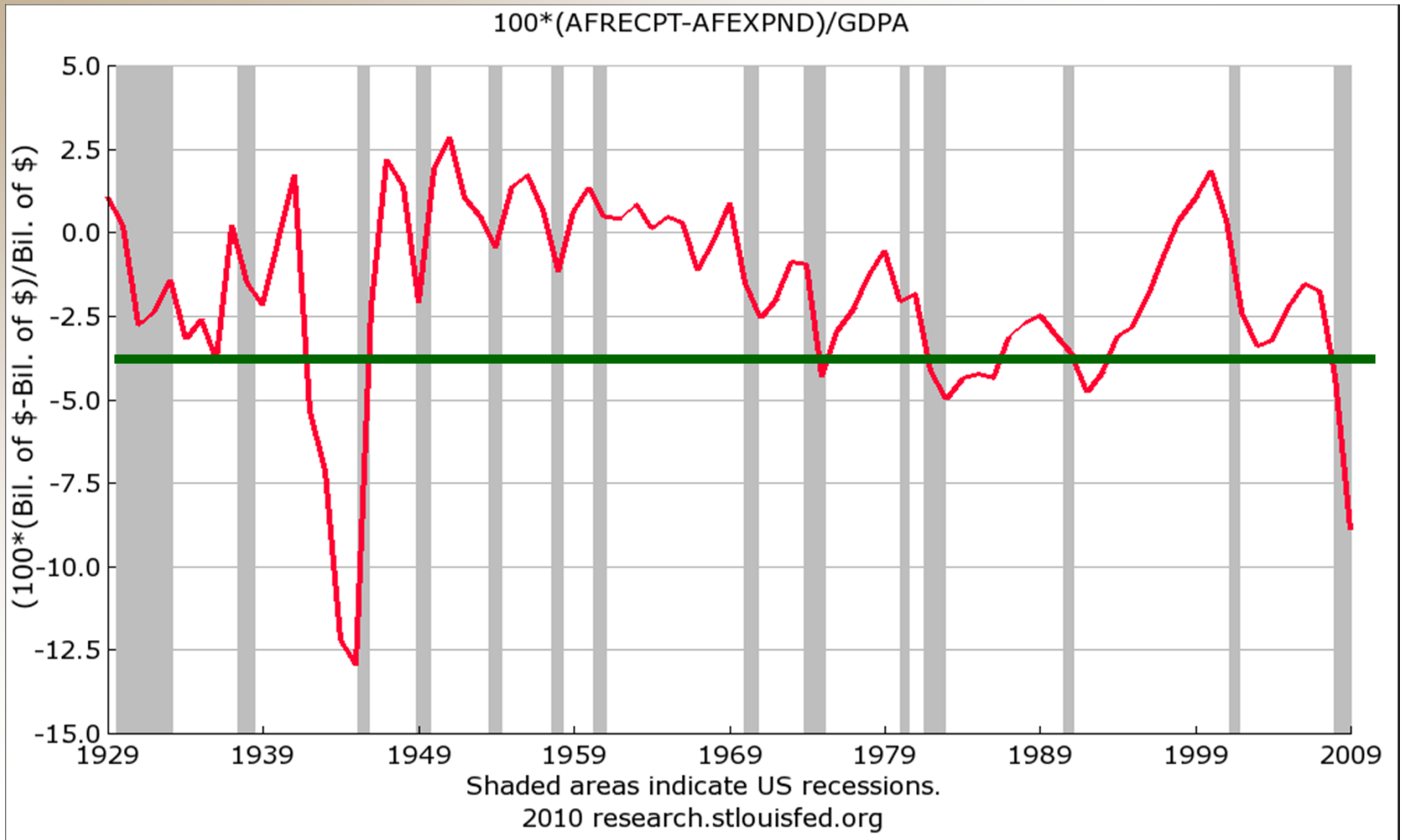
Recession

**Attempts to “Prime the Pump”
Congress or the Federal Reserve?
Key Difference from Past Recessions**

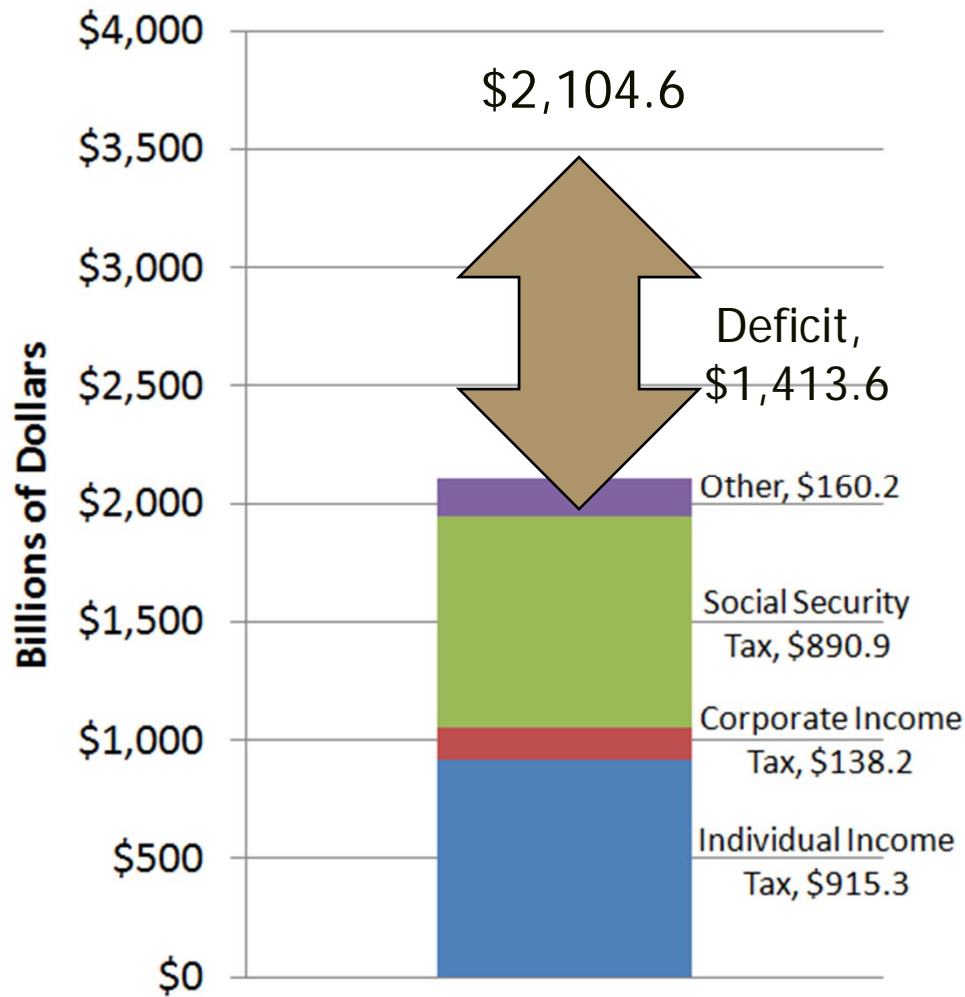
Federal Budget Balance as Percent of GDP and Unemployment Rate, 1987-2009



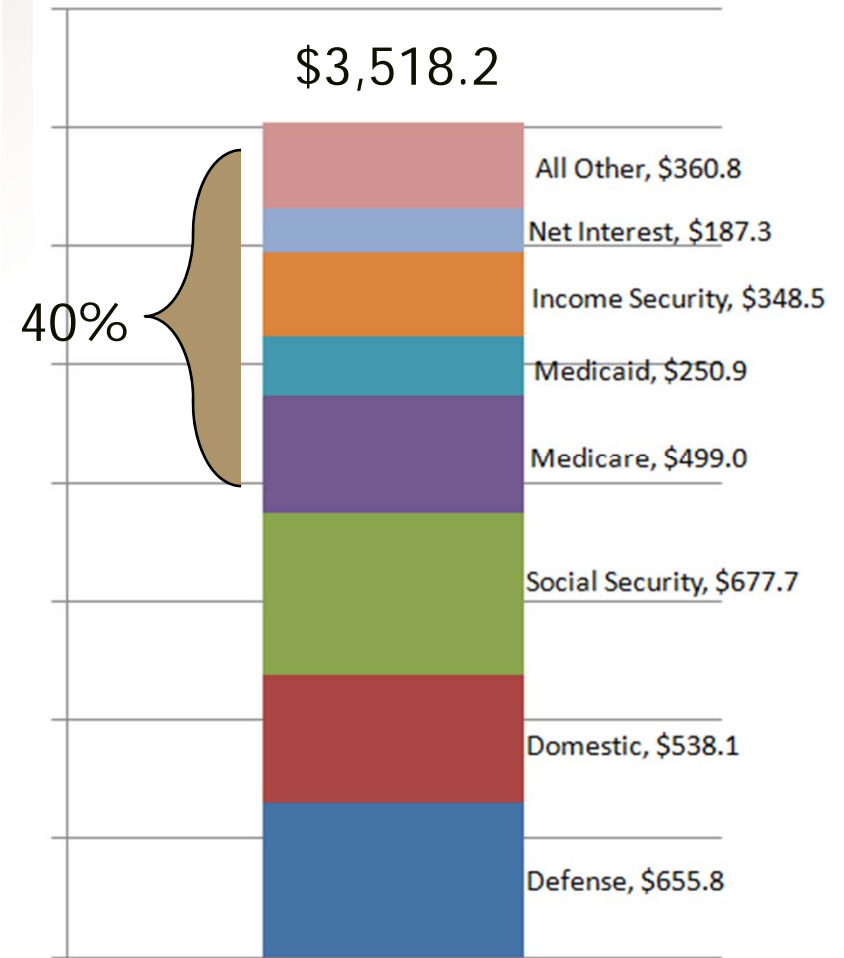
Federal Budget Balance as Percent of GDP



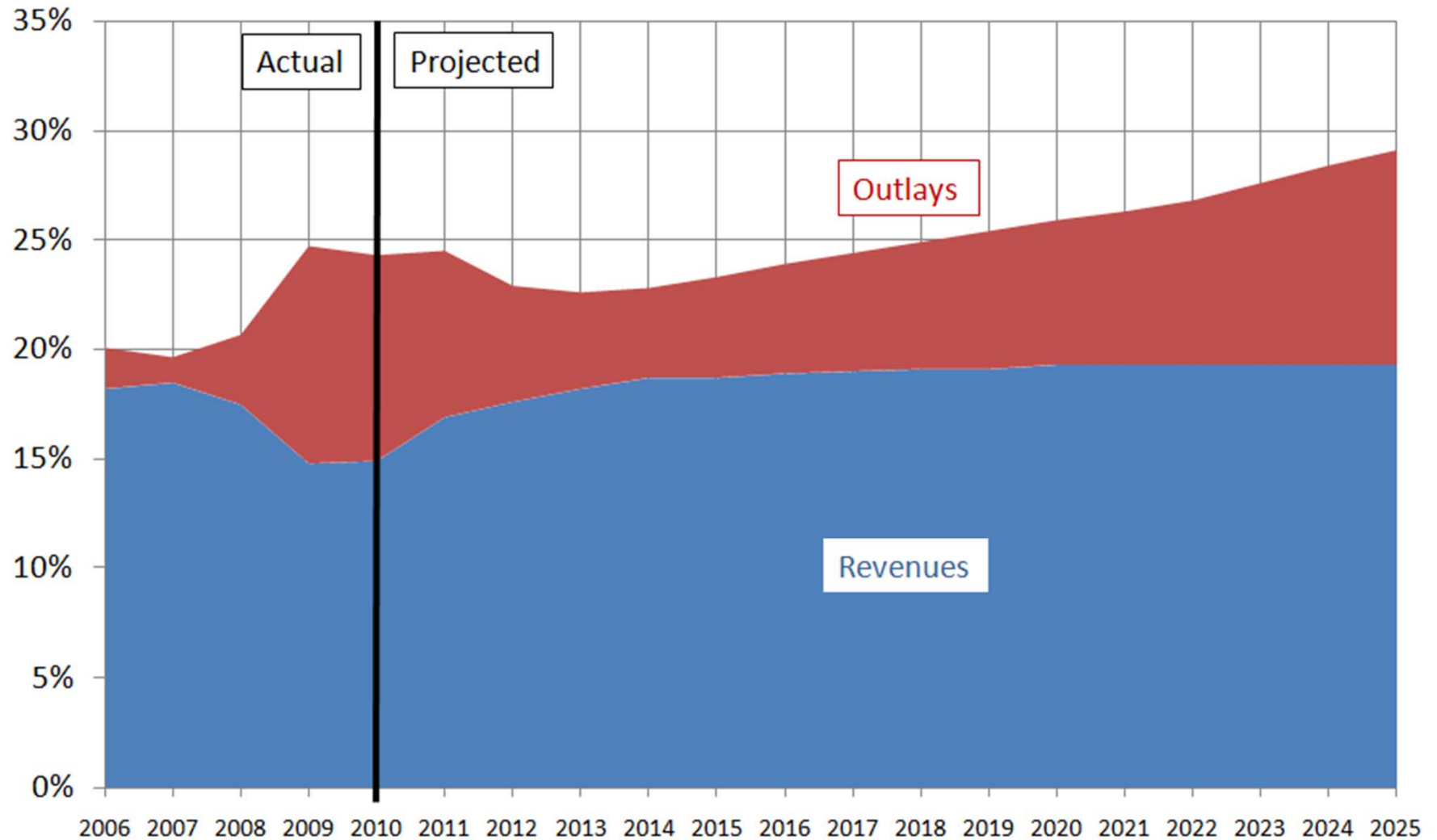
Federal Revenues, 2009



Federal Expenditures, 2009



Federal Budget Revenues, Outlays and Deficit as Percent of GDP, Actual 2006-10 and Projected 2011-2025 (CBO)



The basic Farm Program Shift

1933-1996

Counter Cyclical (Loan Rates/Target Prices)

1996-2000

Direct Payments (Freedom to Farm)

2000-Today

Direct Payments and Counter Cyclical

The Rational for Conservation Programs

Pre WWII

Getting cash to Rural Areas

Soil Erosion and the Conservation Ethic

1985- Today

Protecting the Environment

Sustainability

(But also, “So All Our Good Folks Can Participate”)

Why the History?

Competition for Political Support

Competition for Dollars

What does the Election Mean?

Clarity and Transparency versus opaque programs

The Dairy Program until the last decade

CSP - muddying the water

What Do Agricultural Programs Face Today?

The Budget (Cutting 100 Billion)

Distrust of Washington

**Distrust of Government Generally and
Government Employees Specifically**

Which Wagons Get Circled?

Some Examples of the Jockeying for Support

Tradition of the Aggies hanging together (the 1996 Farm Bill)

The World for the next couple years

High Commodity Prices

High Land Prices

A Limited Land Base

Food, Feed

and Fuel Demands Growing

Politics of biofuels

The Impact on Conservation???

What Future for Conservation Programs

Is that the right Question?

Maybe Better;

What Future for Conservation?

Believers versus Rationalists

**Religion versus the discount rate
for the future**

**Change in the Notion of
the “Public Good”**

**Can we Effectively Be
Both Believers and Rationalists?**

Why State and Local are Key

BELIEVE
ENLIST ALLIES
BE RATIONAL
CELEBRATE SMALL VICTORIES