

For Immediate Release

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*National Black Farmers Association • Environmental Working Group*

**Widening Farm Subsidy Gap  
Is Leaving Black Farmers Further Behind  
House Agriculture Committee's Farm Bill Will Lock In  
Inequity**

**Washington, DC, July 25**—Black farmers receive between one-third to one-sixth of the benefits under major federal crop subsidy programs that other farmers receive, and the “subsidy gap” has widened over the past decade. **The gap will become more inequitable if a bill reported by the House Agriculture Committee passes the House later this week**, researchers said.

The farm subsidy gap is documented in a study to be released in a **telephone news conference at 2 p.m. ET today (July 25)** by the National Black Farmers Association (NBFA) and the Environmental Working Group. Their report is **based on USDA subsidy payment records for individual farm subsidy recipients and farm businesses that previously have not been available to outside researchers**. The two organizations collaborated on a 2003 analysis, *Obstruction of Justice*, that reignited the debate over the injustices tens of thousands of black farmers have experienced in the settlement of the Pigford vs. USDA case involving discrimination in government farm lending.

Analysis of payments to individual farmers and farm businesses shows that a subsidy gap between black farmers and all others has expanded dramatically in the past decade from \$2,225 per recipient in 1995 to nearly \$10,000 per recipient in 2005. The analysis compares black recipients with all other recipients, including individual subsidy recipients who are predominantly white, and farm businesses, which are predominantly white-owned.

More detailed data that allows comparisons between individual subsidy beneficiaries for 2003 and 2005 shows that fewer than 8,000 blacks collected crop subsidies each year over that period. The total amount was just over \$23 million per year. In every single category of aid, and for every crop, black beneficiaries received a fraction of the aid that other beneficiaries received.

•**Black beneficiaries of federal farm subsidy programs averaged \$7,363 each in subsidy payments between 2003 and 2005 according to the latest USDA data, an average of \$2,454 per beneficiary per year. This is one-third the amount received on average by all other beneficiaries--\$22,506 over the 3 program years, or about \$7,502 per beneficiary per year.**

•All but a few black farm program beneficiaries fall in the bottom rung of farm subsidy payments nationally. **Eighty (80) percent of black beneficiaries during the years 2003-2005 (7,680 individuals) shared less than \$6 million, which amounted to less than \$260 per person per year. By comparison, the bottom 80 percent of all other beneficiaries collected six times that amount, an average of \$1,628 per year.**

**Direct Payments.** These payments are rigidly formulaic and are determined by past production—acreage and per acre yield histories registered with local USDA offices for the specific crops that are eligible. *Any factor that served to reduce either acreage or yields for a farmer during that historical base period would serve to lower direct payments.* Those factors would include any unfair, inequitable or discriminatory treatment black farmers may have experienced in applying for the programs or program benefits.

Direct payments to black beneficiaries averaged \$3,206 on average between 2003 and 2005, just over \$1,000 per year. Direct payments to all other beneficiaries were over three times higher--\$10,346 per year.

Most of the subsidies that will be paid under the House Agriculture Committee's proposed farm bill would be direct payments. As a result, the black-white inequity will be locked in for five more years.

Review of agriculture census data indicates that disparities in subsidy assistance between black and white farm operators cannot be fully explained by the fact that blacks operate smaller farms or tend to grow 'non-program' crops. More important is the question of the degree to which discrimination against black farmers by local USDA offices has been a long-term factor in limiting the ability of black farmers to expand their operations or discouraging them from growing subsidized program crops.

[Click here for the full report - http://www.ewg.org/files/shortcrop.pdf](http://www.ewg.org/files/shortcrop.pdf)

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*The EWG is a nonprofit research organization based in Washington, DC that uses the power of information to protect human health and the environment. The group's farm subsidy database can be found at [www.mulchblog.com](http://www.mulchblog.com)*