

A Nexus of Negotiations

Farm Bill, Food Stamps and Trade Policy • 2018 Year in Review

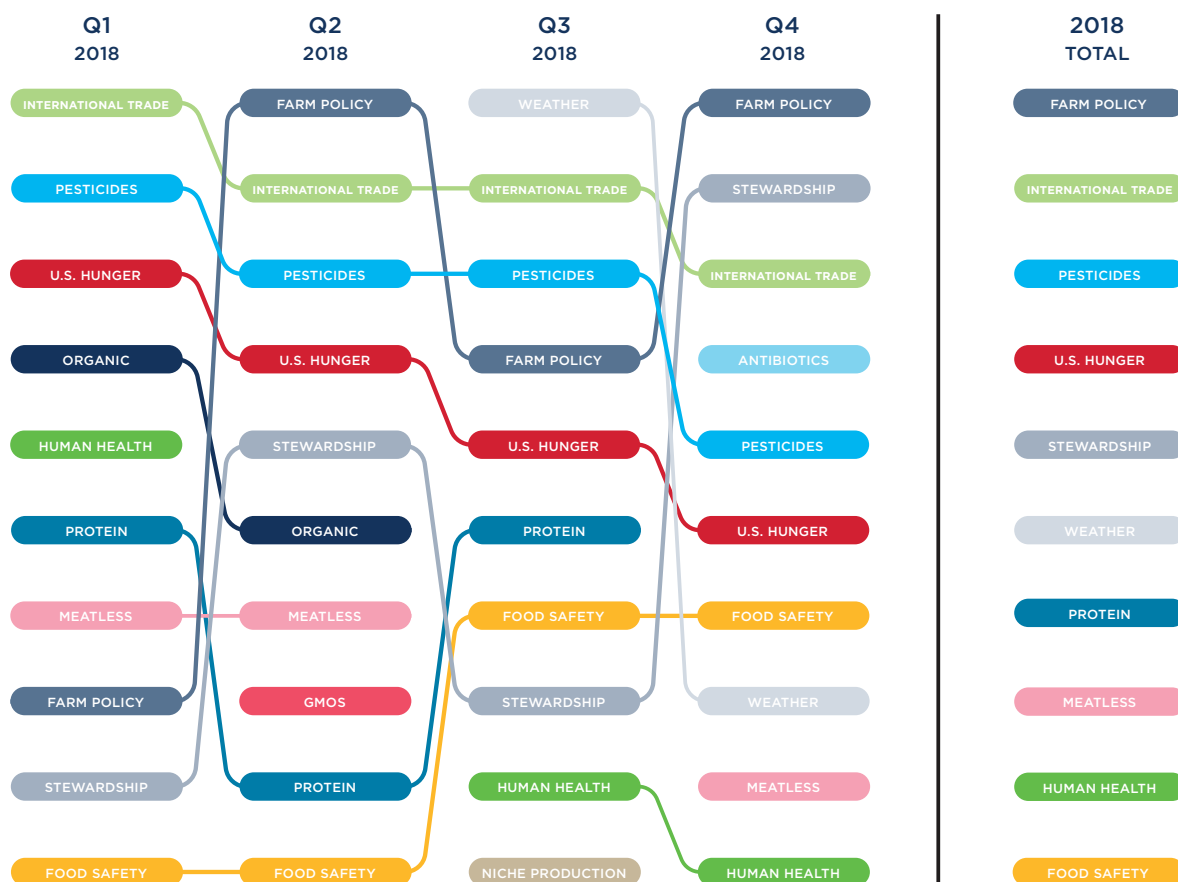
The 2018 Farm Bill governed the direction of conversations among key voices in food production. The law bookended the year, with negotiations beginning in the first quarter and final approval by President Trump arriving in December. In between, Congress worked to balance food and agriculture interests by maintaining funding for both food stamps and farm subsidies. The Trump administration ultimately upset this balance when it announced a separate plan to add work requirements for some food stamp recipients.

Tariffs imposed by the Trump administration brought retaliation from trading partners, frequently punishing U.S. food exporters. As the economic impact for farmers increased, the administration offered relief payments for affected goods. The administration successfully negotiated a successor to NAFTA but did not reach a firm agreement with China.

Activist groups pressured pesticide makers through lawsuits and reports that alleged unsafe residue levels on food. Extreme weather conditions and predictions of climate change stirred discussions of stewardship practices for food producers. And plant-based meat alternatives drew the eyes of regulators.

For the first time in eight years, organic foods fell out of the Influence Center top 10. The niche segment has recently faced division within its own ranks but suffered more from reduced attention to competing production methods — a role held by genetically modified organisms (GMOs) in previous years.

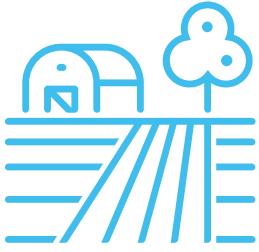
Top Ten Topics - 2018



This historical bump chart compares influential conversations about food and agriculture over time. The team at Bader Rutter tracks a comprehensive list of 1,500 of the most prominent voices in food production from 10 different segments: agriculture and ingredient producers, media, academics, manufacturers, channels, industry organizations, special interest groups, health and nutrition experts, culinarians, and regulators and government leaders. The team cross-tabulates this with a database of food and agricultural topics commonly discussed. Both sources are routinely maintained for accuracy and relevance. Bader Rutter houses data used to create this graphic going back to 2012.

1. Farm Policy

Regulation and legislation related to farms and ranches



Over the course of the year, the 2018 Farm Bill claimed the title of most-discussed topic in influential circles. The U.S. House of Representatives [passed](#) a version of the bill on June 21, including a provision to add work requirements for some recipients of the Supplemental Nutrition Assistance Program (SNAP, aka food stamps). On June 28, the U.S. Senate [approved](#) its own version without such a provision.

Industry organizations and special interest groups weighed in on the policies throughout the negotiation process. Natural Resources Defense Council [championed](#) conservation policies. USA Rice Federation [stressed](#) the role of insurance and subsidy programs during a farm income slump. Kari Hamerschlag of Friends of the Earth [requested](#) increased funding for the National Organic Program. Heading into conference, more groups supported the Senate version of the bill, with the Senate Agriculture

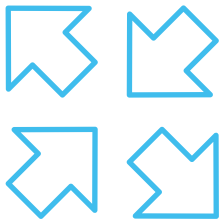
committee [collecting](#) more than 500 endorsements from food and agriculture groups. Sen. Pat Roberts (R-Kan.) [told](#) The Washington Post, “This is not the best possible bill. It’s the best bill possible. And we’ve worked very hard to produce that.”

However, because Congress had to rectify the two bills, it was not until December 20 that President Trump [signed](#) the final Farm Bill — without SNAP work restrictions. [American Farm Bureau Federation](#) and [National Farmers Union](#) welcomed the bill’s passage, and Rodale Institute [lauded](#) the legalization of hemp.

In midterm elections on November 5, voters in California [passed](#) Proposition 12, a measure that expands existing livestock housing requirements for all food sold in the state (The Associated Press). The Humane Society of the United States [cheered](#) the result, while pork producer Ken Maschhoff [explained](#) to NPR that the measure will raise prices for producers and consumers of animal products, such as meat and eggs.

2. International Trade

Imports and exports of food and agricultural products



An action-packed year began with dire concerns from food exporters as the Trump administration risked trade wars with the country’s largest trading partners — Canada, Mexico, China and the European Union (EU). The administration set things in motion by [imposing](#) tariffs on steel

and aluminum imports on March 8, taking effect March 23. [American Soybean Association](#) and [USA Rice Federation](#) warned that the tariffs would result in lost income when farmers already faced tight budgets.

On April 2, China [justified](#) those concerns when it placed retaliatory tariffs on \$3 billion of U.S. goods, including fruit, nuts and pork (Chicago Tribune). While President Trump [pledged](#) progress in negotiations, further [escalation](#) of tariffs on Chinese goods led to China adding additional tariffs on U.S. pork and soybean exports starting in June.

Canada, Mexico and the EU also retaliated after tariffs on steel and aluminum imports went into effect. The EU [applied](#) (PDF) tariffs to orange juice and rice on May 13; Canada [imposed](#) duties on ketchup, maple syrup and yogurt on May 31; and Mexico [added](#) (page in Spanish) tariffs on apples, cheese and pork on June 5.

Seeking to quantify the damage to the industry, The Washington Post [mapped out](#) the areas most affected by Chinese tariffs. The National Pork Producers Council (NPPC) [shared](#) a report from Iowa State University that predicted tariffs would leave pork producers with an



annualized loss of \$2.2 billion. In response to this and similar concerns from other groups, Agriculture Secretary Sonny Perdue [announced](#) \$12 billion of funds available to mitigate the effects of tariffs on food producers through direct

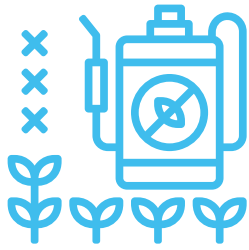
payments, food purchases and stepped-up overseas marketing. While most groups [supported](#) the move, the National Association of Wheat Growers (NAWG) [contested](#) the fairness of fund distribution.

On August 27, the Trump administration [agreed](#) to a preliminary deal with Mexico to restructure the North American Free Trade Agreement (NAFTA). On September 30, Canada [joined](#) the new deal, renamed the United States-Mexico-Canada Agreement. [Grocery Manufacturers Association](#) and [North American Meat Institute](#) thanked the administration for preserving the framework of NAFTA.

On Dec. 2, President Trump and Chinese President Xi Jinping [agreed](#) to delay tariffs to allow the United States and China to negotiate a trade agreement (The Associated Press). Reuters [reported](#) that several shipments of soybeans had been sent to China for the first time in months. However, Farm Journal writer Sonja Begemann [cautioned](#) that exports would be unlikely to recover to levels seen before the implementation of tariffs.

3. Pesticides

Herbicides, fungicides, insecticides and other forms of pest management



The food industry felt reverberations of concerns about pesticide use, primarily revolving around the herbicide glyphosate (the active ingredient in Bayer AG's Roundup). On August 10, a jury [ruled](#) in favor of school groundskeeper Dewayne Johnson in a lawsuit against Monsanto

Company (now owned by Bayer) for damages related to non-Hodgkin lymphoma (The Associated Press). Activist group Pesticide Action Network [cheered](#) the outcome, while Monsanto Vice President Scott Partridge [vowed](#) to appeal the ruling. University of Wyoming weed control professor Andrew Kniss, PhD, [commented](#), "The largest data set we have ... shows absolutely no association between handling glyphosate and developing non-Hodgkin lymphoma." The Wall Street Journal [reported](#) in November that Bayer faces as many as 9,300 additional lawsuits on the matter.

The following week, Environmental Working Group (EWG)

[published](#) "Breakfast With a Dose of Roundup," a report claiming to have found glyphosate residues in 24 out of 29 oat-based foods the group tested. Quaker Oats and General Mills [defended](#) the safety of their products (Fast Company). Food Dive [noted](#) that EWG's threshold was set at just half of one percent of EPA's safety tolerances, but such a disparity did not prevent [CNN](#) and [local Fox affiliates](#) from broadcasting the report. Additionally, USDA's annual Pesticide Data Program report [found](#) (PDF) that "over 99 percent of the products sampled through PDP had residues below the EPA tolerances."

The herbicide dicamba once again proved contentious during the 2018 growing season. In July, University of Missouri [estimated](#) that 1.1 million acres of soybeans had reported damage due to off-target dicamba application, about half the acreage [affected](#) at the same time in 2017. NPR [highlighted](#) the effects of dicamba drift on non-soybean crops. On October 31, EPA [extended](#) registration of products containing the herbicide. The National Cotton Council [supported](#) the move as an effective tool for farmers fighting tough-to-kill weeds.

4. U.S. Hunger

Food-related welfare policy and food insecurity in the United States



In a February 12 proposal, Agriculture Secretary Sonny Perdue [considered](#) (PDF) replacing a portion of SNAP benefits with "America's Harvest Box," a preselected box of nonperishable food items. Politico reported that anti-hunger organizations [objected](#)

to logistical problems in the plan, while United Food and Commercial Workers International Union [worried](#) that the measure would reduce employment of grocery workers.

SNAP took center stage in many Farm Bill debates over the course of the year. The Farm Bill initially [introduced](#) in the House of Representatives included work requirements for able-bodied adults without dependents — reducing the number of SNAP recipients and hence its budget — while the Senate version of the bill did not. As Congress worked to rectify differences, 120 anti-hunger organizations [signed](#) a letter endorsing the Senate's proposed version of the SNAP title. Civil Eats [observed](#) that food stamps are used more often by rural residents, including farmers.

The final bill signed by President Trump did not include the work requirement, but a measure [announced](#) by Agriculture

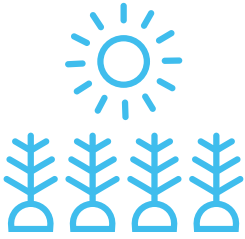
Secretary Sonny Perdue on the same day effectively implemented the policy. Sen. Debbie Stabenow (D-Mich.) [protested](#): "Congress writes laws and the Administration is required to write rules based on the law, not the other way around. ... This regulation blatantly ignores the bipartisan Farm Bill."

Separate from the Farm Bill, DJ and musician Moby [suggested](#) in a Wall Street Journal opinion piece that SNAP would lead to "healthier people, lower health-care costs, and a trimmer budget at the same time" if benefits were linked to nutrition standards. On September 5, the USDA [reported](#) that food insecurity in the United States had dropped to 10-year lows. The report drew applause from [No Kid Hungry](#) and [Bread for the World](#).



5. Stewardship

Environmental management of the land, water and air quality on and around farms and ranches



Many discussions of stewardship practices in food production came down to management of animal waste. Both the [Senate](#) and [House of Representatives](#) introduced bills to exempt livestock and poultry operations from reporting manure emissions under EPA hazardous waste guidelines, [passing](#) the measure as part of an omnibus spending bill on March 23 (Farm Futures). A coalition of poultry interests [praised](#) the move for easing regulatory burden.

In April and June, Smithfield Foods faced — and [lost](#) — several nuisance lawsuits in North Carolina regarding the impact of manure lagoons on neighbors of hog production facilities. Smithfield [argued](#) that the cases “relied heavily on anti-agriculture, anti-corporate rhetoric rather than the real facts.” On October 25, the company [announced](#) it would begin covering lagoons as part of a manure-to-energy effort

that would, in turn, help the company reduce its greenhouse gas emissions by 25% by 2025.

The Trump administration [published](#) the Fourth National Climate Assessment on Black Friday, November 23. The report devoted an entire chapter to the impact of climate change on agriculture. Brenda Ekwurzel, a study author and staff member of the Union of Concerned Scientists, [wrote](#) that climate change has already begun to affect farms. Chris Clayton of DTN/The Progressive Farmer [commented](#) that the report aligns with Farm Bill priorities. University of Illinois agricultural economist Scott Irwin [commented](#) that agriculturalists will adapt.

On December 11, EPA and the Department of the Army [proposed](#) a revised definition of “waters of the United States” (WOTUS) under the Clean Water Act. National Council of Farmer Cooperatives [praised](#) the rule for simplifying the definition, while Earthjustice defended a version of WOTUS proposed during the Obama administration.

6. Weather

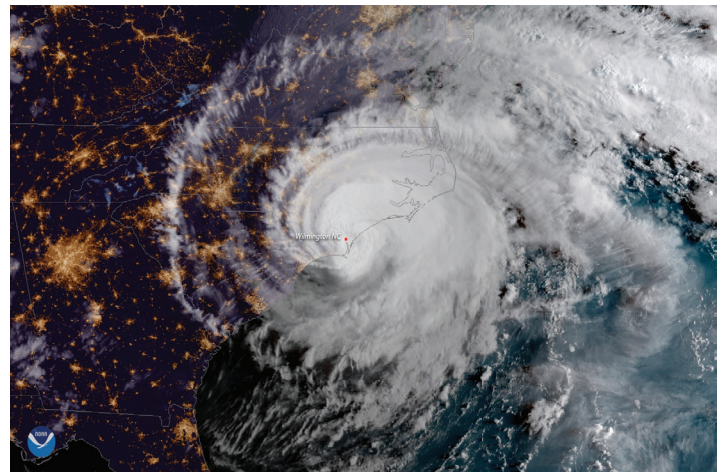
Weather conditions and their effect on farming



Spring planting met with a number of challenges this year. Oklahoma Gov. Mary Fallin [declared](#) exceptional drought in 52 of 77 counties, while wildfires [plagued](#) Arizona, New Mexico and Oklahoma (Agri-Pulse). On the other end of the spectrum, Reuters [reported](#)

that wintry conditions in April delayed planting in the upper Midwest and Plains.

A damaging hurricane season drew attention to food production in the Southeast. On September 14, Hurricane Florence [made landfall](#) near Wilmington, North Carolina, bringing 90-mile-per-hour winds and up to 36 inches of rain to surrounding areas. The Associated Press [reported](#) losses of 5,500 hogs and 3.4 million poultry due to catastrophic flooding. Additionally, The New York Times [floated](#) concerns that several manure lagoons had been inundated and discharged their contents into the surrounding environment. North Carolina Pork Council (NCPC) [advised](#) media outlets regarding proper terminology to discuss the matter.



Hurricane Florence ([NOAA](#))

Hurricane Michael struck the Florida panhandle near Mexico City on October 10, damaging parts of Alabama and southwestern Georgia. University of Georgia Extension [projected](#) that damages would exceed \$2 billion in Georgia alone because of damage to unharvested cotton, peanuts, pecans, peppers, poultry, tomatoes and squash.

7. Protein

Protein as a nutrient and its role in human diets



Protein proved itself as the macronutrient of the year, as it remains a commonly endorsed feature in an ongoing competition between low-carb and low-fat diets. A Journal of the American Medical Association perspective [noted](#) that ketogenic diets show promise for managing weight loss and type 2 diabetes.

Reuters writer P.J. Huffstutter [highlighted](#) growing demand for niche plant-based proteins, an offshoot of higher demand for protein. This has led commodities giants Cargill, Inc., and Archer, Daniels, Midland (ADM) to invest more heavily in sourcing and processing pea proteins.

In a similar trend, cell-cultured (aka lab-grown) meat drew attention as a future means of protein production. On

January 29, Tyson Foods [announced](#) a stake in cell-cultured meat producer Memphis Meats as a means of diversifying the company's protein holdings. Growing business interest also prompted FDA Commissioner Scott Gottlieb to [host](#) a public hearing that kick-started a debate over how to regulate the industry. USDA and FDA [held](#) a joint meeting to discuss sharing oversight on October 23 and 24. Memphis Meats and the North American Meat Institute [supported](#) (PDF) the divide-and-conquer approach, while National Cattlemen's Beef Association [lobbied](#) for USDA-exclusive regulation. The Good Food Institute, an industry group for producers of meat-alternatives, [argued](#), "It's critically important to guarantee all producers are playing on a level playing field." The agencies [agreed](#) to grant FDA oversight of premarket approval, while USDA will be responsible for production and labeling.

8. Plant-Based Food & Beverages

Vegetarianism, veganism and substitutes for animal products



Makers of meat alternatives drew substantial media coverage throughout the year. Soy-based burger maker Beyond Meat [announced](#) a partnership with TGI Fridays in January. In April, Impossible Foods [raked in](#) \$114 million in funding (Food Business

News) and [landed](#) its plant-based burger on White Castle menus in April (White Castle). At the tail end of the year, Quartz [reported](#) that Impossible Foods awaited FDA approval for its burger's soy-based coloring agent that is meant to simulate blood in the patty. The pursuit of such striking resemblance to meat led NYU nutrition professor

emeritus Marion Nestle to [question](#) the benefits of highly processed foods.

Lawmakers in Missouri, on the other hand, sought to head off possible confusion in the marketplace. On May 17, they [passed](#) a bill to define meat as "derived from harvested production livestock or poultry." The rule took effect August 28, only to be met with a lawsuit from Tofurkey [alleging](#) infringement of free speech (The Associated Press). U.S. Cattlemen's Association [petitioned](#) (PDF) the USDA to establish a federal standard similar to Missouri's, including labels for imitation meat products, but Animal Legal Defense Fund [contended](#) that USDA would not have the appropriate authority to regulate plant-based food products.

9. Human Health & Nutrition

Diet-related health conditions, including obesity, diabetes and hypertension



U.S. News & World Report [kicked off](#) the year with its annual review of diet plans on January 3, naming Mediterranean and dietary approaches to stop hypertension (DASH) as the best diets overall. Authors Gary Taubes and Nina Teicholz [rejected](#) the ranking

in a Los Angeles Times op-ed, arguing that the panel's bias against higher-fat options perpetuates obesity and diabetes. In contrast, a study [published](#) in the Journal of the American Medical Association on February 20 did not find a significant weight loss difference between low-fat and low-carb diets. In November, Harvard-based nutrition professor David Ludwig, MD, [weighed in](#) on the matter after The BMJ

[published](#) some of his research on ketogenic diet and weight loss management. Ludwig argued that carbohydrates serve as an additional mechanism in promoting obesity: "All calories are not alike."

Echoing a larger shift away from low-fat foods, analysis [presented](#) on August 28 at the annual congress of the European Society of Cardiology suggested that recommendations to limit dairy fat have failed to reduce heart disease and cancer (ScienceDaily). Adding to this evidence, Dariush Mozaffarian, PhD, of Tufts University co-authored a study that [reached](#) the same conclusion based on dairy fat intake habits measured through bloodwork. James Hamblin of The Atlantic [laid out](#) the history behind dietary recommendations against dairy.

10. Food Safety

Diet-related health conditions, including obesity, diabetes and hypertension



A string of major foodborne illness outbreaks spurred FDA to update its recall processes. On April 10, Centers for Disease Control and Prevention (CDC) [informed](#) the public that romaine lettuce grown in the Yuma, Arizona, region was the culprit in an E. coli outbreak that spanned

36 states. Food safety attorney Bill Marler [criticized](#) CDC and FDA for not issuing names of a specific grower in the recall, particularly in light of new policies [outlined](#) by FDA Commissioner Scott Gottlieb in January. On November 20, CDC [advised](#) Americans to dispose of all romaine lettuce products because of possible E. coli contamination. After discovering that the source of the lettuce was the Central Coast region of California, Gottlieb [announced](#) a voluntary measure whereby packaged produce items will be labeled with harvest date and location for easier identification in future outbreaks.

Several other recalls garnered attention in 2018, inviting commentary on the trend:

- USDA Food Safety and Inspection Service (FSIS) announced a recall of 6.9 million pounds of beef sold by Arizona-based JBS Tolleson, Inc., the largest Salmonella-related beef recall.
- In April, Rose Acre Farms recalled more than 200 million shell eggs because of Salmonella Braenderup contamination.
- In July, McDonald's Corporation recalled salads from roughly 3,000 Midwest locations because of a 500-person outbreak of cyclosporiasis.
- Rep. Rosa DeLauro (D-Conn.) questioned why other companies supplied by Fresh Express took until August to reach the same conclusion.
- An April 16 report from Johns Hopkins University suggested that, when linked to restaurant chains, such outbreaks could cost as much as \$2.5 million and are generally more costly than allowing an employee a day off.
- The Chicago Tribune explained that a surge in recalled products could be tied to better detection of contaminants.

Events That Shaped 2018

The biggest events of 2018 were often at the center of the loudest conversations, but not every event fell neatly into a broader category. The timeline below showcases events that catalyzed larger movements among influential circles.

Mar. 8	President Trump imposes tariffs on steel and aluminum imports
Mar. 12	USDA withdraws its proposed update to the organic livestock and poultry practices rule
Apr. 2	China retaliates with tariffs on apples, nuts and pork
Jun. 5	Mexico imposes tariffs on apples, cheese and pork
Jul. 12	Danone, Mars, Nestlé and Unilever form the Sustainable Food Policy Alliance
Jul. 24	Agriculture Secretary Sonny Perdue announces \$12 billion in funds for tariff relief
Aug. 10	A jury fines Monsanto \$289 million in damages for glyphosate's role in causing non-Hodgkin lymphoma
Aug. 28	A Missouri law that defines "meat" takes effect
Sept. 14	Hurricane Florence makes landfall in North Carolina
Sept. 14	FDA Commissioner Scott Gottlieb unveils a five-year plan for antibiotic stewardship
Sept. 30	United States, Mexico and Canada agree to a revised version of NAFTA
Oct. 10	Hurricane Michael makes landfall in Florida
Nov. 20	CDC issues a food safety alert about an outbreak of E. coli in romaine lettuce
Nov. 23	Trump administration releases the Fourth National Climate Assessment
Dec. 20	President Trump signs the 2018 Farm Bill
Dec. 20	Agriculture Secretary Sonny Perdue proposes work requirements for food stamps

Distilling a Year of Insights

As the year wrapped up, influencers provided their perspectives on 2018 and predicted trends to come in 2019.

DATE	SOURCE	ARTICLE
Dec. 7	Food & Wine	The 50 Biggest Pop Culture Food Moments of 2018
Dec. 20	Nation's Restaurant News	From CBD to carrot dogs: The year in food trends
Dec. 24	DTN/The Progressive Farmer	Top 10 Ag News Stories of 2018
Dec. 27	Civil Eats	Our Best Food Justice Stories of 2018
Dec. 28	Food Safety News	Fingerprints don't lie: Experts say 2018 outbreak stats reflect value of WGS
Nov. 13	Innova Market Insights	Discovery: Catering to "The Adventurous Consumer" is Key for 2019
Nov. 27	Oklahoma State University	FAPC selects food trends to watch for in 2019
Dec. 20	The Washington Post	There's a little science to predicting food trends — but there's a lot of guess-work, too
Dec. 22	The Economist	The World in 2019: The Year of the Vegan
Dec. 26	Eater	Literally Every Single Food Trend Predicted to Take Over 2019

Our Influence Center's full-time staff reviews and analyzes communication by and about the 1,500 most influential figures in U.S. food and agriculture, covering traditional, online and social media. If you have feedback or questions, contact Nick Praznowski (npraznowski@bader-rutter.com).