

To: Board of Directors, Oxfam America

From: Elanor

Date: April 13, 2005

Re: Oxfam Support for S. 667, Capping Commodity Payments to U.S. Farmers

Many of you were present at the recent Oxfam America press conference following the introduction of S. 667 by Senators Grassley (R-IA) and Dorgan (D-ND). This bill, which would cap commodity payments to U.S. farmers at \$275,000, down from the current cap of \$360,000, is one that Oxfam has supported in meetings and briefings with the senators and their staff throughout this session of Congress.

You may recall that Oxfam backed similar legislation during the 2002 Farm Bill debate. While that legislation failed, the new bill's chances of passage are heightened by a political climate skeptical of farm supports to corporate growers, concerned over the mounting budget deficit, and largely supportive of a bid by President Bush in the FY06 budget proposal to cut farm subsidies by 5% across the board. To secure passage, however, we must launch an intensive, across-the-board campaign in the brief window before the bill comes up in the Senate Agriculture Committee for a vote; if the bill is passed by the Committee, a broader campaign must be launched. Below, I have laid out proposed steps for Oxfam's campaign in support of the passage of S. 667. I have also enumerated potential allies in the non-governmental sector who may be able to mobilize substantial constituencies in support of S. 667.

1. Strengthen Linkages With Natural Allies. Oxfam America staff have already made considerable headway in building a network of non-governmental organizations to push for the passage of S. 667. The strength of the network is in its diversity: organizations including Citizens Against Government Waste, the Center for Rural Affairs, Bread for the World, the National Catholic Rural Life Conference, Taxpayers for Common Sense, the Sustainable Agriculture Coalition, and the National Taxpayers Union joined us at the press conference with Senators Grassley and Dorgan, sending a strong public message that commodity payment limitation is a bipartisan concern. While the messaging of Oxfam's materials for this campaign may not resonate with taxpayer groups or their constituencies, we should work closely with sister organizations such as Bread for the World and the Sustainable Agriculture Coalition to share and jointly publicize resources. Where possible, we should encourage them to direct their constituents to our website, where users will be able to send messages to Congress and the media directly (see below). Our legislative department should draft an NGO sign-on letter in support of the bill that can be circulated and signed by organizations working on the campaign and distributed widely in Congress.

2. Grassroots Outreach. Once effective linkages have been made with other NGOs capable of mobilizing constituents, Oxfam should incorporate the message in support of S. 667 into our materials for use at college campuses and in local activist circles. Our message should be displayed prominently on the website. Additional awareness-raising on the bill will be achieved through local media work, which is elaborated upon below.

3. Media Work. Local media work is one of the most effective ways to raise awareness in local communities and to demonstrate constituent support for the bill to members of Congress, whose staff monitor local media outlets closely. Oxfam has been working with organizations in our network to develop radio and television ads that will run in key farm states. The media team at Oxfam is busy drafting press releases (one was sent out on the day the bill was introduced, and a series will be released during the Committee debate and just prior to the Committee vote on the bill) and working messaging on S. 667 into talks and interviews by Oxfam staff that may be quoted in the media. We should also encourage local media work by activists through our website, providing sample letters to the editor in favor of S. 667 that constituents can send directly to their local papers from the site by using a system such as CapWiz.

4. Constituent-to-Congress Campaign. One of the most important aspects of this campaign will be direct constituent communication with Congress, particularly in farm states. Oxfam should encourage this communication by making user-friendly materials available on our website and in action alerts and other

publications distributed on college campuses and in local activist circles. Among the materials we should make available are:

- A sample letter to Congress in support of S. 667. This letter should be available in an interactive web-based format in which constituents can send their own or the sample letter directly to their member of Congress through the website.
- Tips on setting up a meeting with members of Congress and their staff, either in Washington, DC or in the district office, on the farm subsidy issue. Included in this section of the website should be useful Oxfam backgrounders on the commodity payments debate and a letter of support that constituents can leave with their members of Congress.
- Talking points for activists to use in phone calls, letters, or meetings with Congress. The major points to be included in this section are outlined below.

5. Messaging. Our messaging on this issue will be crucial. Oxfam needs to send a clear message that commodity payment limitations are supported by the majority of farmers in the United States and are a responsible move in this era of budget deficits. We also want to draw the connection between U.S. farm policy and the dire conditions for subsistence farmers around the world. Among the main talking points to be included in sample letters, media work, and Oxfam materials are:

- Subsidies are a big-budget item that benefits only a small number of the most wealthy farmers. The U.S. spent \$16 billion on farm payments in 2003; the top 10% of producers received over half of the subsidies dolled out in 2003. 67% of farmers in the United States are not eligible to receive subsidies because they do not grow program crops.
- Subsidies encourage overproduction, which leads to surpluses, depressed commodity prices, and dire conditions for the world's poor farmers, who cannot compete with cheap U.S. crops.
- Payment limitations will bring the U.S. into greater compliance with WTO rules regarding domestic supports (this point is particularly timely given the recent ruling against U.S. cotton subsidies by the WTO).

6. Direct Legislative Strategy. Oxfam's legislative department has begun drawing up a swing list of Committee members so as to better guide our lobbying efforts. Oxfam staff should target swing voters and encourage allies to speak out in favor of the bill and to lobby their colleagues on it. We can benefit from our diverse coalition by encouraging taxpayer groups to lobby swing Republicans. Our staff has already begun looking into House members who may be interested in introducing a companion bill; the strategy for this effort will be hammered out by Oxfam's legislative staff over the next few weeks.

A brief note on the payment limitation controversy in the farm community: As I discussed with you at our last meeting, the issue of payment limitations has been a contentious one within the farm and rural rights communities, including within the community of organizations that Oxfam usually partners with on domestic farm policy issues. Organizations such as the Institute for Agriculture and Trade policy have been hesitant to publicly support the bill, and the National Family Farm Coalition has come out against the bill. Their opposition arises not from a desire to see farm payments remain high, but from a strongly held conviction that the problem of rock-bottom prices for staple commodities on the world market does not stem from subsidies in and of themselves. Rather, they feel that the issue is caused by low floor prices set by the U.S. government in the Farm Bill, and from the oligopolistic control over commodities markets held by a small number of powerful mega-corporations. These issues have been debated extensively within Oxfam and our broader community, and I have appreciated your input during this process. At Oxfam, we continue to believe that payment limitations represent an important step in the direction of better U.S. farm policy, and thus a step towards better living and working conditions for the world's farmers and greater food security for rural communities around the globe. For this reason, we have thrown our weight behind the S. 667 campaign. We must acknowledge, however, that some of our usual allies do not stand with us on this matter.

As always, I am grateful for your ongoing support and guidance on this and all of our issue areas.