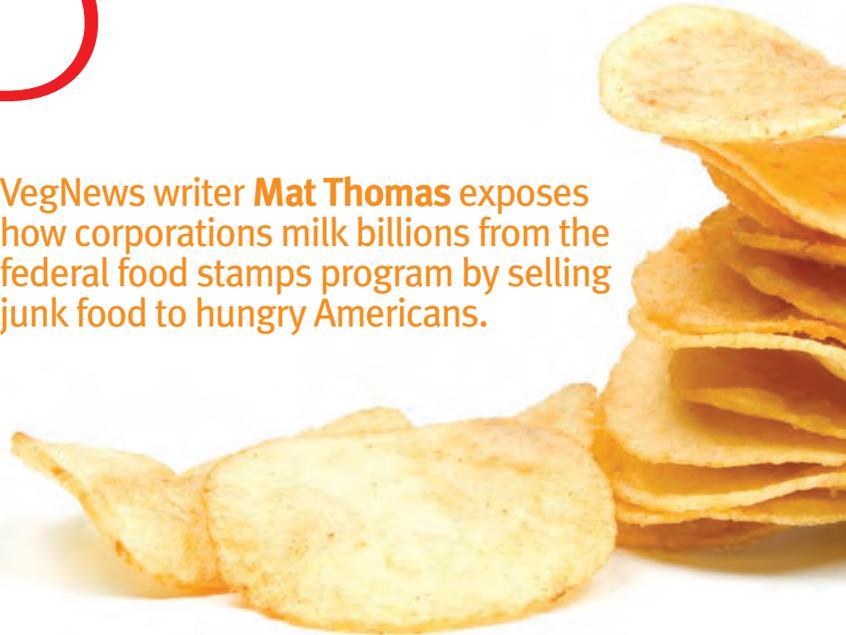


SNAP Out of It

VegNews writer **Mat Thomas** exposes how corporations milk billions from the federal food stamps program by selling junk food to hungry Americans.



SINCE THE GREAT RECESSION STARTED FOUR years ago, federal funding for food stamps has more than doubled, from \$30 to \$72 billion per year. Those dollars help the Supplemental Nutrition Assistance Program, or SNAP (as it's been officially called since 2008), feed about 45 million Americans—the most participants in the program's 73-year history. But despite increased need and the fact that half of the program's recipients are children, Congress wants to cut up to \$16 billion from SNAP over the next decade as part of the 2012 Farm Bill.

SNAP accounts for more than two-thirds of the Farm Bill, and in these lean times Congress wants to tighten the national belt. But it seems unfair to target deprived people who can't afford to feed themselves or their families. Why don't lawmakers instead just take a small cut from the multi-billion-dollar profits that food manufacturers, food retailers, and multinational banks are making off of this taxpayer-funded economic aid program? Could it be because under- and unemployed people can't afford to hire professional lobbyists—but corporations such as Walmart, Kraft, and JP Morgan Chase (among others) can and do?

A report titled "Food Stamps, Follow the Money: Are Corporations Profiting From Hungry Americans?" recently made national headlines by raising and addressing these important fiscal questions. Written by Michele Simon, a public-health attorney and author of *Appetite for Profit: How the Food Industry Undermines Our Health and How to Fight Back*,

enough that Americans are spending their own money on unhealthy food. But now the government is enabling those bad choices through this publicly subsidized program."

The food industry profits from SNAP because 85 percent of the program's dollars are spent at supermarkets and superstores. Banks benefit because SNAP participants

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the report revealed how private enterprises use the country's largest public nutrition program to sell junk food to needy people.

"People can purchase virtually any food they want with SNAP benefits, whether it's healthy or unhealthy," says Simon. "That includes fresh fruits and vegetables, but also junk food like soda, chips, and candy—and, of course, meat and dairy products. It's bad

use plastic Electronic Benefit Transfer cards to purchase food, and states outsource administration of the payments to financial institutions. These banks then collect tens of millions of dollars per year by charging states fees based on SNAP participation. The problem is no one knows exactly how much cash changes hands. The US Department of Agriculture, which administers SNAP at

the federal level, doesn't track bank fees and is not authorized to release national food-purchasing statistics. Such figures would indicate how much Coca-Cola SNAP beneficiaries buy compared to, say, orange juice. But with billions of dollars at stake, one thing is clear: corporations' top priority is protecting and increasing their SNAP profits, and hiring high-priced lobbyists to influence government policymakers' decisions is an investment that pays big dividends.

Simon points out that the "N" in SNAP stands for "nutrition" and questions whether the program is really "putting healthy food within reach" of people in need (as the program's website claims) by catering so much to profit-hungry companies. "Taxpayers fund SNAP," she says, "so we must ask whether we are willing to let private corporations exploit a public program for profit by selling junk food that makes people sick and increases the country's health-care costs."

Simon and other health advocates have promoted reforms that would make SNAP more efficient and effective. For instance, Oregon Sen. Ron Wyden has proposed requiring the USDA to make product-purchase data public, a move that would enable analysis of the program's effectiveness by measuring SNAP participants' purchases of junk food versus nutritious food. Wyden also proposed mandating that the USDA allow states to experiment with health-oriented improvements to SNAP. At least nine state legislatures have considered bills to improve it, but food-industry lobbying blocked their passage.

Ironically, lobbying by the food and financial industries may actually prevent or reduce cuts to SNAP in the upcoming Farm Bill. It's simple economics: if the program is defunded, companies will be left with a slimmer sliver of the profit pie. But protecting corporate interests ultimately won't help SNAP increase hungry Americans' access to healthy food or curb the national epidemic of diet-related disease. **VN**

Mat Thomas is a San Francisco-based journalist, animal advocate, and freelance marketing copywriter and editor. Read about his business writing at ultrawriting.com and his animal advocacy work at animalrighter.org.

A History Lesson

Food stamps have been feeding Americans for more than 70 years. Here's a look at how SNAP got to where it is today.

1964

After a successful pilot program that debuted in 1939, the food stamp program becomes law. While alcohol and tobacco are not covered, the final bill includes soft drinks and "luxury" (non-essential) foods, though in limited quantities.

1973

Seeds and plants are added, and the ban on imported foods in the food stamps program is lifted.

1977

A restaurant meal program for seniors, homeless, and disabled is initiated. Participants are no longer required to purchase food stamps.

1996

Welfare reform makes eligibility more difficult, which leads to a large decrease in food-stamp participation.

2000

Streamlining occurs, which includes expanded eligibility and EBT card use, among other changes.

2008

The Farm Bill officially coins the SNAP name, and the Healthy Incentives Pilot begins researching the effectiveness of subsidizing healthy foods.

2010

More than 40.3 million Americans are enrolled in SNAP.

2011

Enrollment numbers reach a new peak: 44.7 million Americans (1 in every 7) participate in SNAP.

Adapted from "Food Stamps, Follow the Money," used with permission



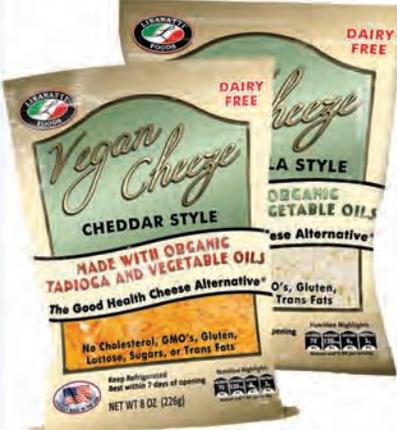


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