

Our View: Alarming Trends in Rural America as Farmers Try to Hold On

Thursday, November 14, 2019

From Farm Policy Facts

Farmers across the heartland are scrambling to finish this year's fall harvest before winter descends. That is, if they were even able to get their crops in the ground in the first place after historic flooding this spring.

For some, it may already be too late. Farmers in the upper Midwest have already been hit by winter storms. Thousands of acres of potatoes and sugarbeets in Minnesota and North Dakota are frozen in place.

"We're all done. It's a disaster," potato farmer Aaron Hapka told the Grand Forks Herald.

The recent disastrous weather news is just another headline in a long series that paints a grim picture of a rural economy nearing its breaking point.

Commodity prices remain low for the sixth year. Export markets tighten amid trade disputes. Farm incomes fall while farmers hold \$416 billion in debt, the highest since the 1980s farm financial crisis. Farm bankruptcies increased 24% over the previous year.

Farm sector working capital in 2012 stood at slightly more than \$165 billion. The USDA projects that the amount of working capital available to farmers in 2019 amounts to just under \$60 billion. Faced with this rapid decline in working capital and an increase in farm debt, some producers have had to seek high-interest loans from less-regulated backers.

These loans bring with them a significant increase in risk. In fact, a Wall Street Journal article quoted a Virginia Tech professor who called them "shadow financing for ag."

The Wall Street Journal also spoke with an attorney whose client borrowed \$500,000 at an interest rate exceeding 30%. That farmer eventually liquidated his farm.

The unique risks of farming, coupled with sharply rising financial insecurity in rural America, is leading to significant stress. Several organizations have sought to shine a spotlight on the mental health issues affecting farmers and ranchers.

The Washington Post recently published a gut-wrenching story about a farm family whose nearly \$300,000 in farm debt tragically led a farmer to believe his only option was to take his life.

Unfortunately, few, if any, are predicting a turn-around any time soon for a farm economy that has been in the tank since 2014.

A survey of agricultural lenders released earlier this week noted that the "agricultural economy and farm income remain stressed in 2019 with limited signs of improvement in 2020."

As farm and ranch families navigate these extraordinarily difficult challenges, Washington must stand behind those who feed, clothe, and fuel our nation in order to create at least some certainty.

Continuing the Market Facilitation Program until there is a full recovery is absolutely essential. But, beyond this, passing

USMCA, securing a Phase I agreement with China, ensuring the RFS goals are fully met each year, and laying the groundwork to permanently strengthen the farm safety net under the Farm Bill are equally necessary policies that would help ensure that America's farmers and ranchers have the markets and risk management tools they need to survive.

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NCC's Brown to Speak at Cotton U About U.S. Cotton Trust Protocol

Friday, November 15, 2019

From IDEAg and Farm Bureau

Farmers looking to capitalize on sustainability for their cotton farms should make plans to attend the first ever Cotton U on Dec. 5 at the Amarillo Farm & Ranch Show in Amarillo, Texas, to learn about a new pilot program initiated by the National Cotton Council.

The National Cotton Council is aiming to quantify sustainability data through its U.S. Cotton Trust Protocol. Craig Brown, vice president of producer affairs for National Cotton Council, will be the keynote speaker at the Cotton U luncheon. He'll cap off a morning of education by explaining what the U.S. Cotton Trust Protocol is and how it benefits participating cotton farmers.

According to the Cotton Council, the protocol was developed to help the U.S. cotton production sector reduce its environmental footprint via specific sustainability goals targeted for 2025.

Goals include a 13% increase in productivity or land used per pound of fiber; an 18% increase in irrigation efficiency; a 39% reduction in greenhouse gas emissions; a 15% reduction in energy expenditures; a 50% reduction in soil loss; and a 30% increase in soil carbon. Before these goals can be met, farmers must enroll and complete self-assessments to provide a baseline of data for the industry.

Other speakers slated for Cotton U include Oklahoma State University Cotton Extension Specialist Seth Byrd. He will present the latest findings from university trials in the Oklahoma Panhandle that can help producers grow better quality cotton under new conditions. Jeff Miller with ForeFront Agronomy, a cooperating consultant with the Texas Alliance for Water Conservation, Lubbock, Texas, will present "2 Goals, 1 Drop: Irrigation for Profitability and Soil Health."

Cotton U, sponsored by High Plains Journal and the Amarillo Farm & Ranch Show, will run from 8:30 a.m. to 1:30 p.m. Central on Dec. 5, in the Grand Plaza Ballroom at the Amarillo Civic Center. Registration is free but limited to the first 150 registrants.

Attendees are encouraged to pre-register online at <http://www.cottonu.net/> or by calling 620-227-1834.