

USDA Listening Session Comments from the Ohio Farmers Union

Indianapolis, Indiana

August 18, 2005

Presented To: Deputy Secretary Chuck Conner and USDA Staff members

On Behalf of the members of the Ohio Farmers Union, I would like to express our thanks to the Secretary, to Mr. Conner and the Deputy Secretaries and to the staff of USDA for both their foresight in understanding the need for this process, and also for their efforts in making these sessions a reality.

The USDA and the U.S. Congress face a truly daunting task in resolving varied interests of American farmers, the American taxpayers, and the very formidable business interests associated with agriculture. The Secretary has proposed 6 questions to all those interested in agricultural policy as a means of framing the discussion. The Ohio Farmers Union has submitted a response to each of these questions. We appreciate that our responses will be considered as a part of the official record of this meeting.

The challenge of crafting Agricultural policy within the milieu conflicting and intersecting interests should be sufficient to drive your policy teams back to revisit the essential mission of USDA: "To provide leadership on issues related to Food, Agriculture and Natural resources, based on sound public policy, the best available Science and efficient management" (From USDA's Strategic Plan for 2002- 2007). In addition, President Bush addressed Federal employees in November of 2001, saying that: "We are here to serve the public's long term interest. These statements beg the question: what policies best serve the long term public interest?"

Clearly, the production of food and fiber in sufficient quantities to fulfill the needs of our citizens is a primary public interest issue. The maintenance of our Natural resource base would clearly qualify as well. The production and distribution of foods and fiber for export might qualify, but only if done so in a way which advances the long term public interest.

As we see it, the essential ingredients to assure ample food and fiber production would be: 1.) The availability of sufficient farmland, 2.) The availability of sufficient farm inputs (seed, fertilizer, pesticides etc.), 3.) The accessibility to infrastructure (machinery, roads, barges processing facilities etc.), and 4.) Lastly, but not unimportantly, a critical mass of knowledgeable, experienced farmers sufficient to manage the production and properly care for the Land.

Our Nation has been amply blessed with each of these necessary ingredients, due in large part to God's Graces with the assistance of wise investments of the U.S. Government in research and rural development. The unparalleled success of American agriculture however, could not have come about without the extraordinary contributions of many generations of hard-working American farm families, who have worked diligently for more than two centuries to build the homesteads, then to build their communities. To a great extent, they produced the products which have been the engines of growth for much of our economy throughout much of American history.

Recent history has brought about major changes in the economic ground rules for rural Americans. The value of all commodities, including Ag commodities, has collapsed due to the expansion of our productive capacity and due to market consolidation. The productivity explosion has been powered by a combination of technological advances, increasing imports and changes in agricultural policy. The policy changes include the abandonment of the Government's most cost-effective tool for supporting farm prices, - supply / inventory management. We understand and appreciate the reasons why this transition was regarded as appropriate within the context of the global marketplace. The net effect however, has been the gradual decrease of the farm-gate values of all the major agricultural commodities, and the subsequent acceleration in the consolidation of all aspects of agriculture from production to processing to distribution and marketing.

In recent years, direct and counter-cyclical payments have replaced some of the lost value, but farmers now find themselves highly dependent on government payments which are becoming progressively more difficult to justify to the general public, especially in times of serious Federal Budget Deficits. This evolution has put all farmers in the precarious position of hovering between the current threat of low farm income and the future prospect of losing all Federal Farm Supports due to imposed Government

Austerity or quite possibly, a WTO mandate. Within this context, few farmers are encouraging their sons and daughters to enter the business.

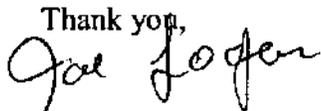
In order to avoid the loss of the current future generations of farmers, USDA must make every attempt to return basic value to the products farmers grow. This could be accomplished through a number of initiatives focusing on rural development, and research in the areas of Bio-fuels and by an increased commitment to conservation of our natural resource base, through full funding of existing programs such as CSP and rigorous enforcement of environmental standards.

USDA should also accept that exports have not been and will not be the cure for the malaise in agricultural markets. Although Ag exports are important, they have consistently lost ground to imports of Ag commodities which have flooded into the voracious American marketplace at a rate which will soon render the U.S. a net food importer. The impact to American farmers has been a persistent downward pressure on commodity prices.

Additionally, USDA should find a compelling interest in assuring robust competition in agricultural markets, as consolidation and integration of the agricultural marketplace has severely limited the effectiveness of free market forces in bringing a fair value to commodities.

I am sure that at the end of the day, USDA will not be lacking for ideas and suggestions about how best to craft farm policy for the next farm bill. We appreciate the chance to contribute a few of our own and look forward to a continued dialog as deliberations continue.

Thank you,

A handwritten signature in cursive script that reads "Joe Logan".

Joe Logan, Ohio Farmer's Union



Mitchell E. Daniels, Jr., Governor
Rebecca S. Skillman, Lt. Governor and Secretary of Agriculture and Rural Development
Andy Miller, Agriculture Director

September 6, 2005

U. S. Department of Agriculture
Attn: Executive Secretary
1400 Independence Ave. SW
Washington, DC 20250

Dear Executive Secretary:

The enclosed public comments were submitted during the USDA Farm Bill Forum in Indianapolis on Aug. 18, 2005, but were accidentally left at the site. Please include them with the record from that day. If you have further questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Deborah Abbott". The signature is written in a cursive, flowing style.

Deborah Abbott
Director of Communications and Marketing
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: Comments from Indiana Farm Bill Forum 8-18-05