

**MEDIA ADVISORY**

**USDA Satellite Features Feed**

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**FEATURE – FARM ECONOMY DOWN IN 2009**

INTRO: The U-S farm economy is beginning to feel the effects of the worldwide economic downturn. The USDA's Bob Ellison has more. (1:34)

THIS YEAR'S DOWNTURN OF THE UNITED STATES FARM ECONOMY REFLECTS CONDITIONS HERE AND AROUND THE WORLD. A SENIOR ECONOMIST WITH U-S-D-A'S ECONOMIC RESEARCH SERVICE SAYS THE SEVERE GLOBAL DOWNTURN HAS CAUGHT UP WITH THE U-S AG ECONOMY.

Mitch Morehart, Senior Agricultural Economist, USDA Economic Research Service: It reflects sort of both the general economic conditions both in this country and world-wide. So we had a pretty severe downturn, economic recession in a lot of parts of the world and that caught up into agriculture this year.

TWO THOUSAND NINE NET FARM INCOME IS EXPECTED TO BE DOWN THIRTY EIGHT PERCENT FROM TWO THOUSAND EIGHT ESTIMATES AND FIFTEEN PERCENT FROM THE TEN YEAR AVERAGE.

Mitch Morehart, Senior Agricultural Economist, USDA Economic Research Service: The largest declines for income are really affecting the livestock sector. Cash receipts in total are going to be down about forty billion in two thousand nine. Eighteen billion on the crop side. Twenty two billion on the livestock side. Half of that twenty two billion is coming out of milk and dairy products. One of the hardest hit industries in two thousand nine will be producers of milk and dairy products. Hogs and beef cattle will also have pretty severe income declines in two thousand nine.

MOREHART SAYS THE AG ECONOMY'S DOWNTURN IN RELATION TO WORLD ECONOMIC PROBLEMS INDICATES HOW COMPLEX MODERN FARMING HAS BECOME.

Mitch Morehart, Senior Agricultural Economist, USDA Economic Research Service: Most of the farms that are out there operate themselves like big businesses. They have very structured organizations. They have managers for different aspects of the farm. It's a very complex, rapidly growing sector of the economy.

IN WASHINGTON D-C FOR THE U-S DEPARTMENT OF AGRICULTURE, I'M BOB ELLISON.