

FEATURE – FARM ECONOMY STRONG, BUT COULD BE STRONGER

INTRO: The U-S-D-A says the U-S farm economy is generally strong, but price volatility is always a concern. The USDA's Bob Ellison has more. (1:27)

THE UNITED STATES FARM ECONOMY IS GOING STRONG THANKS TO HIGH COMMODITY PRICES AND INCREASING OVERSEAS EXPORTS. THAT WAS ACCORDING TO U-S DEPARTMENT OF AGRICULTURE CHIEF ECONOMIST JOE GLAUBER WHO SPOKE AT U-S-D-A'S ANNUAL AGRICULTURAL OUTLOOK FORUM HELD JUST OUTSIDE OF WASHINGTON D-C.

Joe Glauber, USDA Chief Economist: In five of the last eight years we've seen the highest net cash farm income numbers since the Nineteen Seventies, even adjusting for inflation.

We are expecting some fairly large price increases over the next year. What we are now seeing, record prices for many of these commodities, both on the grains and livestock.

BUT GLAUBER ADDED THAT IN THE SHORT RUN, MUCH UNCERTAINTY REMAINS AND WITH TIGHT MARKETS, PRICE VOLATILITY IS EXPECTED FOR MOST MARKETS.

Glauber: And yet while prospects are generally bright, sharp increases in prices are generating a range of concerns.

GLAUBER SAYS THOSE CONCERNS INCLUDE FOOD PRICES AND HIGH INPUT COSTS. MEANWHILE, AGRICULTURE SECRETARY TOM VILSACK SAID HE WOULD CONTINUE PUSHING FOR MORE TRADE AGREEMENTS TO HELP MAINTAIN A STRONG FARM ECONOMY.

Tom Vilsack, Agriculture Secretary: When faced with the numbers that Joe gave us one might suggest that we might want to take the foot off the gas in terms of exports in order to rebuild supplies. But we're not going to do that. We're going to continue to aggressively promote the American brand of agricultural products around the world.

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