

OPINION

OUR VIEW

Ag faces changing times

WE have a new U.S. president, a new governor and a new director of agriculture. President Barack Obama and Gov. Jay Nixon have promised us major change. Unfortunately, agriculture industry needs won't be a big priority for these administrations until the economy is fixed.

And farmers should not expect a bailout. More than \$27 billion will be allocated for food and agriculture out of the \$825 billion economic stabilization plan. A bulk of that, however, will go for nutrition assistance (food stamps). The Obama administration is proposing \$5.12 billion for rural development and infrastructure improvement, which is at least good news for rural Missouri.

I have faith that the ingenuity and perseverance of farmers, ranchers and ag scientists will carry us through these challenging times. The future of Missouri agriculture will be closely tied with the development of farm and natural resources, as well as the ability to lure and expand agribusinesses.

Here are a few of my recommended economic boosters for 2009 and beyond. I welcome your suggestions, too. Our new leaders need to hear from all of us if we are going to grow our agriculture industry.

- Invest in more research to improve yields and disease resistance for wheat, corn, soybeans and other crops. Innovation and technology play a vital role in meeting the growing demand for food, feed, fiber and fuel.

- Continue to provide incentives for agribusinesses to locate or expand in Missouri. Recent examples include the

Case-New Holland parts warehouse in Cameron and expansion of the Caterpillar plant in Boonville, as well as plant expansions by Con-Agra in Marshall and Inovatia Laboratories in Fayette. The relocation of Imulan BioTherapeutics from Arizona to St. Joseph is the latest boost for the Kansas City Animal Health Corridor.

- Boost Missouri's leadership in the fields of biotechnology, plant and animal sciences, and other life science endeavors by universities as well as private industry.

- Invest in more biofuels research and development for clean energy. This will create jobs and fire up the economy. Target programs that accelerate growth for wind energy, solar power, biomass, geothermal energy, hydropower and bio-fuels industries. We also need to push community- and commercial-scale cellulosic production facilities.

- Push new legislation to ensure the railroads are covered by U.S. antitrust laws. This change in law will help protect consumers, farmers and rural communities from runaway freight rail prices. The lack of competition in the railroad industry is adversely affecting the agriculture industry.

- Increase funding to the Missouri Department of Agriculture for the surveillance and prevention of livestock diseases. Also needed is more support for University of Missouri Extension regional livestock and crop specialists to be trained to handle emergencies of agroterrorism and disease outbreak.

- Support the future of agriculture by continuing former Gov. Matt Blunt's Farm Legacy

Exchange Program. The program was established to keep Missouri's farming industry strong for future generations by facilitating succession planning. It will match beginning farmers with farmers nearing retirement to help form a working relationship and eventual transfer of responsibilities and assets.

Search is on for Masters

Our gratitude to all those who supported and participated in our 2008 Missouri Master Farmer awards banquet and roundtable program earlier this month in Jefferson City. We are proud to revive this program and look forward to honoring more of Missouri's top-notch farmers in the future.

It's not too early to start thinking about nominations for the 2009 awards. For an online application form, visit www.MissouriRuralist.com. Go to the "More Missouri Ruralist" link on the upper right of our homepage and click on "Master Farmers" in the drop-down list. Forms are also available at University of Missouri Extension centers and FCS Financial offices. The nomination deadline is July 1.



Jerilyn Johnson
EDITOR

Jjohnson@farmprogress.com

Milk: the new oil



College Farmer

By Sarah Jackson

HOW many of you grew up having an old milk cow on the place that provided fresh milk every day? When she was dry, you bought milk in the store, and when spring rolled around, the milk flowed freely and tasted so good.

The world is progressing faster than we have ever known. That includes what we used to think of as the "underdeveloped" world, including China, India, Latin America and the Middle East. While the U.S. economy struggles, other countries are experiencing a boom in population and economy.

For example, in 2000, the average Chinese citizen drank 9 liters of milk per year. Today, the average Chinese citizen drinks 25 liters of milk per year. Rising incomes in countries like China causes consumers to make very different purchasing decisions. The modern citizens of these fast-developing giants who have just recently joined the ranks of the middle class desire meat and milk in their diets. Milk is so highly craved by the people that some are calling it "the new oil."

Part of the reason milk is so sought after is because it is used in a wide variety of products — from infant formulas to chocolate to ice cream and cheese. The majority of baked goods consumers buy includes butter, and coffee chains use milk products, as well.

In fact, demand for milk is so high that some countries have a shortage of moo juice. This also means milk prices in these parts of the world are high.

Traditional feedstuffs being converted into biofuel rather than being fed to cows also

Key Points

- Dairy products are experiencing increasing demand worldwide.
- Milk proteins are extremely desired in developing countries.
- Dairy economists predict price increases and milk shortages.

means less milk being produced in the dairy industry. There are also fewer dairy farms today, especially in Missouri, making milk an even more precious commodity.

Another factor contributing to the current milk shortage in some countries is the localized nature of the product. Many developing countries typically do not have the infrastructure necessary for the sanitary and proper transportation and storage of highly perishable dairy products.

Production costs are higher than ever, as well. Feed, transportation, veterinary services and labor are all high costs for a dairy farm.

In the past, the U.S. and the European Union had storage banks of milk and butter that other nations could rely on to make up the difference from their own small dairy production. These amounts are much smaller today than they were a few years ago.

In the past two years, domestic milk supplies have doubled in price. In many parts of the U.S., a gallon of milk costs more than a gallon of gasoline at the pump. Some dairy economists predict that the shortages seen in fast-developing nations could spread to other countries. They also agree that milk prices will continue to rise.

With that in mind, it might not be such a bad idea to go back to having that old milk cow on the place.

Jackson is an MU agricultural journalism graduate. E-mail her at sjackson1007@yahoo.com.



The Nation's Largest 2-Day Hay Show

FarmProgress
HayExpo
2009

Annual Show
23RD

June 10 & 11, 2009 • Hixton, WI

Host: Trinity Farms

Parking: \$7 per vehicle

Admission: Free

Exhibit Hours: 9 a.m. to 4 p.m.

- **Field demonstrations**—mowing, conditioning, chopping, raking, baling & hay handling

- **10-acre exhibit field**—a variety of exhibits showcasing the latest hay-industry technology

- **Prime alfalfa acres** and forages for demonstrations

- **And more!** It's a must-attend event for all hay and dairy producers!

www.HayExpo.com

FarmProgress, 255 38th Avenue, Suite P St. Charles, IL 60174 (866)264-7469 info@farmprogress.com

