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2009 Farm and Rural Life Poll: Personal and financial well-being*

by J. Gordon Arbuckle, Jr., extension sociologist; Paul Lasley, extension sociologist; Peter Korsching, professor; and Chris Kast, research assistant

The Iowa Farm and Rural Life Poll is an annual survey that collects and disseminates information on issues of importance to rural communities across Iowa and the Midwest. Conducted every year since its establishment in 1982, the Farm Poll is the longest-running survey of its kind in the nation. This article highlights information from the 2009 survey on farm policy and commodity production.

Personal and financial well-being

Farming can be a stressful occupation. Much is outside of the farmer's control, from the vagaries of weather, to market ups and downs. Every five years, the Farm Poll asks farmers a number of questions about stress: their personal levels of stress, stress among family members and stress levels among farmers in their communities.

Farmers were asked to rate their current levels of personal stress on a scale of one to five, with one being no stress and five representing very

high stress. Results suggest that farmers on the whole were experiencing low levels of stress at the outset of 2009. Fifty-seven percent rated their stress levels as low, 11 percent as very low and two percent indicated that they had no stress at all. Twenty-seven percent reported high levels of personal stress, and three percent rated their level of stress as very high.

A second set of questions asked farmers to rate changes in stress levels—for them, for their families, and for other farmers in their communities—over the last five years. Thirty-seven percent of farmers reported that overall, their personal level of stress had increased in the last five years, compared to 22 percent reporting a decrease, and 42 percent reporting no change (Table 1). Twenty-seven percent indicated that their concern about their level of stress had increased, compared to 17 percent reporting a decrease in concern and 56 percent no change. Regarding day-to-day stress lev-

els, 28 percent of farmers cited an increase, 19 percent a decrease and 54 percent reported no change. In terms of stress among their family

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Handbook updates
 For those of you subscribing to the handbook, the following updates are included.

2010 Corn and Soybean Loan Rates -- A1-34 (2 pages)

Iowa Farmland Rental Rates -- C2-09 (1 page)

Please add these files to your handbook and remove the out-of-date material. *continued on page 6*

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members, 34 percent of farmers expressed that stress levels had risen, 16 percent reported declines and 50 percent cited no change. Fifty-three percent responded that stress levels among farmers in their communities had increased, eight percent noted decreases, and 39 percent reported no change.

Finally, participants were asked to compare their financial situation to what it had been at the same time the year before, and to rate their overall satisfaction with their lives. In response to the question “How would you describe your financial situation today compared to this time last year?” slightly over a quarter of farmers expressed that they were somewhat better off (22 percent) or much better off (five percent).

Over one-third reported declines: 29 percent replied that they were worse off, and seven percent were much worse off. Thirty-eight percent indicated that their situation was unchanged.

Responses to the question “How satisfied are you with your life, all things considered?” were mostly positive. Fifty-eight percent of participants expressed that they were satisfied and 16 percent were very satisfied. Nineteen percent marked the neutral category and only six percent reported that they were either dissatisfied or very dissatisfied their lives.

Survey information

Iowa State University Extension, the Iowa Agriculture and Home Economics Experiment Station and the Iowa

Department of Agriculture and Land Stewardship are all partners in the Farm Poll effort. The information gathered through the Farm Poll is used to inform the development and improvement of research and extension programs and is used by local, state and national leaders in their decision-making processes. We thank the many farmers who responded to this year’s survey and appreciate their continued participation in the Farm Poll.

Who participates?

The 2009 Farm Poll questionnaires were mailed in January and February to a statewide panel of 2,201 farm operators. Usable surveys were received from 1,268 farmers, resulting in a 58 percent response rate. On average, Farm Poll participants were 64 years old, and had been farming for 39 years. Fifty percent of farmers reported that farm income made up more than half of their overall 2008 household income, and an additional 20 percent earned between 26 and 50 percent of their household income from farming. Copies of this or any other year’s reports are available from your county Extension office, the Extension Online Store (www.extension.iastate.edu/store), Extension Sociology (www.soc.iastate.edu/extension/farmpoll.html), or from the authors.

Table 1. Stress

| | Greatly or somewhat decreased | Remained the same | Greatly or somewhat increased |
|--|-------------------------------|-------------------|-------------------------------|
| Over the past five years... | —Percentage— | | |
| Have stress levels among farmers in your community | 8 | 39 | 53 |
| Has your personal level of stress | 22 | 42 | 37 |
| The level of stress in my family has..... | 16 | 50 | 34 |
| On a day-to-day basis, has your stress..... | 19 | 54 | 28 |
| Has your concern with your level of stress | 17 | 56 | 27 |

**Reprinted with permission from the Iowa Farm and Rural Life Poll, 2009 Summary Report, PM 2093. Renea Miller provided valuable layout assistance to the questionnaire and this report. The Iowa Department of Land Stewardship, Division of Statistics, assisted in the data collection.*

Grain export embargoes: Are they preventable?

by Daryll E. Ray, *Blasingame Chair of Excellence in Agricultural Policy, Institute of Agriculture, University of Tennessee, and Director of UT's Agricultural Policy Analysis Center (APAC); 865-974-7407; dray@utk.edu;* and Harwood D. Schaffer, *Agricultural Policy Analysis Center, University of Tennessee, Knoxville, TN.; hdschaffer@utk.edu*

Russia's Thursday, Aug. 5, 2010 announcement banning grain exports, primarily wheat, sent shock waves through the grain markets. The stated cause of the embargo was the drought and unusually high temperatures being experienced in Russia's grain areas. Prime Minister Vladimir Putin is quoted in an Aug. 5, 2010 New York Times article by Andrew Kramer as saying, "We need to prevent a rise in domestic food prices, we need to preserve the number of cattle and build up reserves for next year."

As a result of the heat and drought, the projection for the Russian grain harvest is 70 million tons, down from 97 million tons a year earlier—a 28 percent decline. Domestic grain consumption in Russia is about what they expect to produce this year. In addition, last year Russia exported 21.4 million tons and held 24 million tons of grain in year ending stocks.

The Russian embargo could be a boon for farmers in the U.S., where the 2009 year ending wheat stocks were 26.5 million tons, equal to 44 percent of production. Farmers in Australia and Argentina could also capture some of the exports that would have gone to Russia.

The reaction to the embargo has fallen into five categories: 1) delight on the part of producers in countries that hope to capture some of Russia's export customers this year, 2) discussions about global warming and the vulnerability of our food supply to unusual weather patterns, 3) the need for genetically modified crops to deal with drought and an increasing world population, 4) dismay over governmental interference in global markets, and—you may want to be sure you are sitting down for this one—5) a tentative call by the Financial Times, London, for a "strategic grain reserve to absorb shocks" <http://www.ft.com/cms/s/0/1ae7c962-a316-11df-8cf4-00144feabdc0.html>.

In this column, we want to take a pass on the first three and focus on the last two.

The concern of global traders is that we will see a repeat of 2008, when there were food riots in over 25 countries and a number of countries placed restrictions on the export of grains. The concern is that such action interferes with the price signals farmers need to increase their production.

Quoting again from Kramer's New York Times article, "Kingsmill Bond, chief analyst at Troika investment bank in Moscow...said, 'grain is an emotive issue; you want to make sure you have sufficient supplies.'" When it comes to food, most world leaders will give priority to their countries' citizens over exports every time. To do otherwise is to risk a change in government, by force or by the ballot box.

At the same time, focusing exclusively on the impact on global trade implies a belief that if grain is not available in one country, due to some problem, there will always be other countries with grain to sell. In 2008, we saw that it is possible to experience a demand surge in one major producing country and production problems in two or more countries all in the same year, resulting in tight supplies.

That brings us back to the discussion of grain reserves and their importance in ensuring a stable supply of grain when countries experience either a surge in demand or a shortfall in production. With an adequate strategic grain reserve—this may actually be a set of national grain reserves held by both major exporting and major importing nations as well as an international emergency grain reserve for food-insecure countries—prices will shift demand away from grain-short countries and toward countries with adequate supplies, thus reducing the need for embargoes.

As the Financial Times said, "the crisis of 2008 was the first...upheaval...[in grain markets in] 30 years. To face a second so soon should be a wake-up call. It would be irresponsible to expect the benign conditions of the past to return."

We don't make a practice of including links to our previous columns, but this is one of those times when we feel compelled to do so. Our column # 403, published April 18, 2009 and entitled "How to really disrupt international agricultural trade, now and in the future," discusses the inevitable trade interferences that arise from countries' universal and overpowering desire to take care of their own first, <http://www.agpolicy.org/weekcol/403.html>.



Protecting human resources should be part of farm risk management

by Bob Wells, extension agriculture economics specialist, (641) 673-5841, wellsjb@iastate.edu

In today's complex world of agriculture, producers understand that risk management is the key to their profitability. Most producers think of risk management only in terms of production, marketing and financial risk. While these are important to the success of the farm business, often overlooked are the human resources risk and the seldom mentioned possibility of unintentional death and disablement faced by producers every day.

As fall harvest nears, National Farm Safety Month encourages farm families to be alert to the dangers and practice farm safety. In any year, there are many close calls for Iowa producers – in the field, in livestock pens, in grain bins and on Iowa's roads. Each is a reminder that jobs associated with agriculture are among the most dangerous ways of making a living in Iowa.

Studies show that a majority of farm-related fatalities and injuries occur from May through October, with peak injury periods during planting and harvest. The Iowa Fatality and Injury reports show that during the

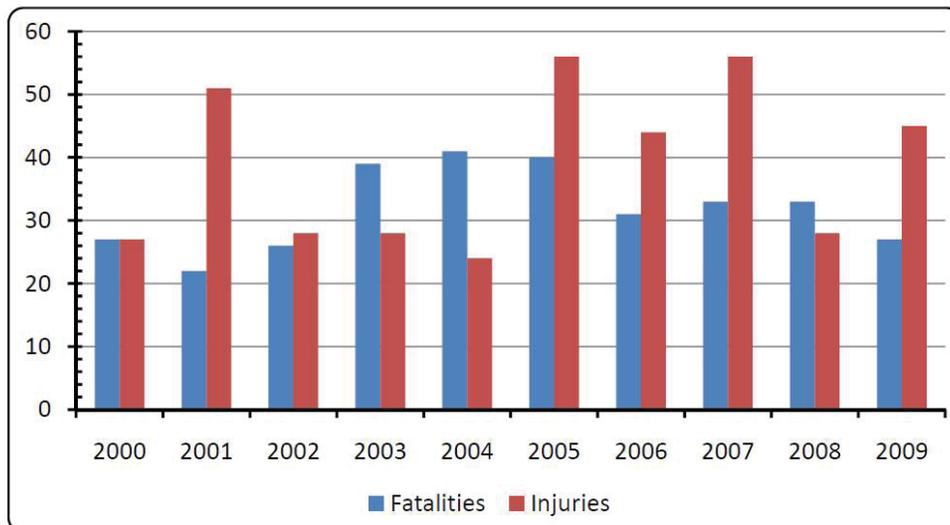
years 2000 through 2009, Iowa had 319 farm fatalities of which 118 or 37 percent occurred during harvest. During that same period, Iowa farm injuries totaled 387 injuries with 164 or 42.4 percent occurring during harvest.

Chuck Schwab, Iowa State University Extension farm safety specialist, states that the National Safety Council calculates that each death has an associated cost of \$1,150,000 and each injury has a cost of \$34,000. As a result, the Iowa fatalities represent an economic loss of \$366.8 million and injuries account for an economic loss of \$13.2 million, or \$380 million in the ten year period. While not all injuries are permanently disabling, they represent time lost and a cost to the farm operation.

Collisions with vehicles

With 24.5 percent of farm fatalities and injuries involving vehicles, defensive driving is critical to the safety of operators moving farm equipment on Iowa's roads. A major cause of tractor collisions on public roads is the difference in speed between cars and tractors. The

Iowa Farm Fatalities and Injuries 2000-2009



SOURCE: Iowa Fatality and Injury Reports 2000-2009
Iowa State University Extension Agricultural and Biosystems Engineering Department
www.abe.iastate.edu/safety.html

Protecting human resources important to farm risk, continued from page 4

cars' higher rate of speed results in the motorist approaching the tractor so quickly they have only a few seconds to identify the hazard and react. For example, if the motorist is driving 55 miles per hour and comes up on a tractor that is moving 15 miles per hour, it only takes five seconds to close a gap the length of a football field. Another way of looking at it: if the driver of a car that is traveling at 50 miles per hour spots a tractor 400 feet ahead on the road and the tractor is moving at 20 miles per hour, the motorist has less than 10 seconds to avoid a rear-end collision.

Here are some practical tips that can help.

- Have reflectors and slow-moving vehicle emblems (in Iowa, SMV emblems are required for vehicles traveling less than 35 mph*) in place on all tractors and implements.
- Make sure reflectors and SMV emblems are clean and in good condition.
- Use warning lights on tractors. They can help protect you from being hit by motorists.
- Consider installing lights on the back of wagons and farm implements at the eye level of motorist.

Nearly half of collisions between motorists and farm implements involve one of two scenarios, either the left turn collision or the rear end collision.

The left-turn collision occurs when the tractor is about to make a left turn at about the same time that a motorist tries to pass. This maneuver can confuse motorists, especially if they think that the tractor operator is moving over to let them pass. The rear-end collision happens because a motorist doesn't see the farm machinery in time. It's easy to misjudge speed when approaching a slow-moving vehicle. In most cases, there are only a few seconds to react and slow down.

Non vehicle injuries

Non vehicle injuries are among the most preventable on the farm. To reduce the likelihood of these injuries, make sure surfaces are free from spilled grain, debris and mud. Check to see that all machinery and equipment are operating properly and that all shields covering moving parts are in place on tractors, implements

and other equipment. What may seem like minor repairs now could have major implications later. Some of the most alarming injuries involve power take-off (PTO) units. Developing safe work habits is the key to reducing the number of PTO related injuries.

Involve children in farm safety checks. Talk to children about dangerous areas. Make sure they understand which areas are off limits. Remind them of the rules on a regular basis; listing the rules once is not enough. Devote an entire day to family safety instruction. It is important that everyone develops a "safety first" attitude on the farm.

Protect the valuable human resources on Iowa's farms this year by being alert, cautious and having a safe harvest.

** The international standard requires the SMV emblem for vehicles traveling 25 mph or less; however, Iowa has placed in the state code that SMV emblems are for vehicles traveling 35 mph or less. It is the only state and only exception to the ISO/ASABE international standard for this symbol.*

Updates, continued from page 1

Internet Updates

The following updates have been added on www.extension.iastate.edu/agdm.

July Corn Basis -- A2-34 (12 pages)

July Soybean Basis -- A2-44 (12 pages)

Choosing a Distributor for Your Product -- C5-161 (2 pages)

Evaluating Computerized Farm Accounting Systems -- C6-32 (2 pages)

Using Group Conflict to Improve Your Project -- C6-55 (2 pages)

Good Communications Can Help Solve Problems -- C6-56 (2 pages)

... and justice for all

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