



Merrigan: Drought will create ‘profound ripple effect’

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The devastation caused by this year’s drought won’t end when the last field of crops is harvested, mowed down, or chopped for livestock feed.

Farmers and consumers likely will face a number of issues created by the drought well into next year, according to ag leaders who visited two Central Illinois farms last week to view drought-stressed crops.

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We have a video of Deputy Secretary Kathleen Merrigan’s visit to Gridley at FarmWeekNow.com.

David Meiss, Illinois Farm Bureau District 7 director, and Enid Schlipf, former IFB vice president, both of the Gridley area, last week gave tours of their stressed crop fields to Kathleen Merrigan, USDA deputy secretary; Bob Flider, acting director of the Illinois Department of Agriculture; Scherrie Giamanco, executive director of the Farm Service Agency in Illinois; and other officials.

IFB President Philip Nelson met with the state and

federal officials during the tour to discuss implications of the drought on agriculture and the U.S. economy.

“I’m not pleased by what we saw,” Merrigan said of the crop tour. “The ripple effect (from the drought) is quite profound.”

Merrigan said the drought likely will cause food prices to rise, although not to the extent reported by some in the media.

“Short-term there could be some dips (in food prices) as livestock producers liquidate their herds,” Merrigan said. “Whatever impact it has on the overall food supply likely won’t be felt until the first quarter of 2013.”

USDA has projected food prices next year will increase 3 to 4 percent compared to the average yearly inflation of 2 to 3 percent. The largest increase in food prices in 2013 is a 4 to 5 percent hike projected for beef.

The drought also could affect farmers next year as there could be tight seed and feed supplies, fewer operating funds, and smaller livestock herds.

“There are a lot of tense moments in agriculture right now,” Nelson said. “This is

going to be a long-term recovery effort.”

A down-income year for many farmers likely will result in weaker economies in rural communities, which rely on farmers for the purchases of supplies, inputs, and equipment, Meiss noted.

“It’s not just farmers who suffer from this,” Meiss said.

Overall, though, Merrigan believes the U.S. this year will have enough crop supplies to meet most demand, including export markets.

“Not everywhere has been hit as hard,” Merrigan said while standing in a McLean County cornfield that was chopped for emergency livestock feed. “We think at the

end of the year we can still provide the food we need for our families” and overseas customers.

USDA earlier this month projected farmers nationwide will harvest 10.8 billion bushels of corn, down 13 percent from last year, and 2.69 billion bushels of beans, down 12 percent from a year ago.



David Meiss, left, IFB District 7 director from McLean County, gives a tour of his drought-parched farm near Gridley to, from left, Kathleen Merrigan, USDA deputy secretary; Bob Flider, acting director of the Illinois Department of Agriculture; and Philip Nelson, IFB president and a farmer from Seneca. (Photo by Ken Kashian)