

Failure by the U.S. House of Representatives to pass a five-year farm bill before adjourning last month may mark the beginnings of a drought on U.S. agricultural exports, according to a letter from the Nebraska Corn Board that was sent to the Nebraska Congressional delegation and Rep. Frank Lucas, chairman of the House Agriculture Committee.

During a conference call organized by the U.S. Grains Council last week, Nebraska farmer Curt Friesen, who is vice chairman of the Nebraska Corn Board, was notified that a trade mission organized by the Council to promote corn exports was indefinitely postponed. In total, three trade missions, one each focusing on corn, sorghum and barley, have been postponed.

Such missions are typically supported by the U.S. Department of Agriculture's Foreign Market Development (FMD) funding with additional support from commodity checkoff dollars like from the Nebraska Corn Board. The funds are also used to keep trade offices open in numerous foreign countries.

In part, what is at stake by not passing a farm bill is the type of promotional efforts farmers use to expand trade and defend markets of all ag goods, from corn and soybeans to beef and pork. Agriculture exports are one of the few shining stars in helping create a positive balance of trade for the United States. According to USDA, agricultural exports during the 2011 calendar year totaled some \$136 billion, while corn exports totaled nearly \$14 billion.

Because the House failed to vote on a farm bill, the current bill expired Sept. 31. The Nebraska Corn Board and 20 other Nebraska organizations, from general farm and feed organizations to commodity groups to lenders to livestock and poultry organizations, all voiced their desire to see a farm bill passed.

"Trade missions are critically important for our foreign customers. They want to meet the actual producers of their commodities, they want to know who is growing the crops, how they are grown, who is feeding the cattle, pork and poultry, and how it is processed," said Friesen. "While we are asleep at the wheel with farm legislation, other countries are doubling down on promoting their ag products."

For example, Australia is investing billions of dollars promoting its beef, especially in Asia, which is a key market for U.S. beef exports.

"We need to be aggressive in Asia promoting our corn fed beef because the market there is expanding and beef exports add tremendous value to cattle here in Nebraska," said the Nebraska Corn Board's Kelsey Pope. "At the same time, Brazil and Argentina are ramping up efforts to sell corn and soybeans."

Because the farm bill did not pass in the House, as it already has in the Senate, FMD program funding ended Oct. 1 and Market Access Program (MAP) funding, another foreign market development tool, will end Dec. 31.

"Nebraska products like corn, soybeans, sorghum, wheat, beef, pork and poultry all utilize these funds, so the ripple effect will have profound impacts on rural communities and our state until Congress acts," Friesen said.

According to the U.S. Meat Export Federation, exports add \$212 in value to each beef animal and nearly \$56 to the value of each hog.

"Exports are vital for those sectors and Nebraska, and all of these animals consume our corn, soybeans and related feed products," said Pope.