

**Remarks by  
The Honorable Nancy C. Pellett  
American Agri-Women National Convention  
St. Paul, Minnesota  
November 8, 2007**

Thank you for the generous introduction and good morning to all of you. I am so pleased to be here with you for your annual convention, and I'm honored to be able to talk about something that is so important to me — agriculture and rural America and the important role that we as women play in keeping it strong.

I'd like to talk about three things today. First, I want to relate to you how I got involved in agriculture issues and policy, and my story mirrors many of yours. Secondly, I want to talk about the changes we are all seeing in agriculture and rural America, and where we as women fit into this picture. Finally, I'll highlight what the Farm Credit Administration, the Agency that I am privileged to head, is doing to help the Farm Credit System institutions meet their mission of serving agriculture and rural America.

First of all, I, like most of you, have been involved in agriculture my entire life. As I look back on previous generations and women's role, I see my grandmothers, who were totally engrossed in the physical upkeep of their farm families. My mother took on some added responsibilities, which included keeping the books of our farm operation. My own role changed slightly from that: I assumed more leadership roles outside of our operation, ranging from promoting beef at cooking schools to holding leadership positions on the State Beef Council and in the National beef industry to serving on advisory councils at Iowa State University. Well, I'm not going to bore you with the rest. But when I was young, a woman in agriculture willing to serve in a State or National leadership position was a rather rare commodity, so I had a lot of opportunities. The timing for me was right.

My daughters-in-law, both with masters' degrees, are even more active in our family farming enterprise, and one is beginning a term on our local school board. The other is starting a business in training groups for leadership and communication. (By the way, may I say that there are some days that I like my daughters-in-law a whole lot better than I do my sons. These same sons are already talking about what they are going to do with their mother, who isn't ready for a rocking chair, when her term in Washington is over and she comes back to the cornfields of Iowa.) In short, the expectations and roles of women in all sectors — on farms and ranches, in industry, business, and politics — have greatly evolved, and now female leadership is expected and it is valued. There is good reason for this but let me be a little specific.

**Statistics on Women in Agriculture**

USDA conducts an ag census every five years and the latest one, from 2002, indicates that the number of women farm operators is on the rise. Of the approximately two million farms that were identified, approximately 27 percent had women operators. This was a 13 percent increase from the 1997 census of agriculture. We will probably see the same rate of growth reported in the 2007 census. But perhaps even more significant, women have sole or joint ownership of nearly three-fourths of privately owned agricultural land. Think of that — three-fourths of the ag land.

## **Ownership**

Let me tell you where I'm going with these numbers. When my husband and I first started farming, nearly all the members of the boards of directors of the REC, Farm Bureau, Farmers Union, school board, and church board were older men. Now why was this? Well, obviously, you wanted successful and accomplished individuals to fill these leadership positions. How did they determine who was successful? Profitable and successful farmers bought land, and my grandfather and my father owned land. Therefore they were viewed as successful, and they served on these boards. But, I just told you the statistics: females are on the deeds of over 75 percent of the farm land. Ladies, we are successful and there is no question anymore that we should be in leadership positions and on boards of directors of any organization.

So, with these kinds of statistics is it not imperative that we as women in agriculture step up to the plate in community and school leadership, county and State leadership, commodity and farm organization leadership, and of course on boards and committees of your local co-ops and RECs? And we are stepping up to the plate! Ladies, you would not be here if the leadership you provide in your home areas, within your own enterprises, was not very positive already.

But this is not just a phenomenon in agriculture. Throughout all business sectors we have many CEOs and senior managers who are females — leading everything from financial entities to technology companies to food processing and marketing companies. Now we even have a woman running for President, and by some polls she may be the leading contender. In addition to all of this, women hold 51 percent of the Nation's wealth.

My point is that females are no longer limited by expectations. I would suggest that the glass ceilings for females in most careers do not exist or are rare and an exception rather than the rule. I would suggest our potential for leadership is limited only by our own perception of what that leadership is.

In every community, in every State of the United States, women hold important leadership positions and are a strong, positive influence on the lives of citizens in rural America. Women are compassionate, have a strong sense of community, and as producers of food, fiber, and now fuel, we can bring the consumer wish list to bear to improve our own operations.

Now, let me turn to my second point, concerning Rural America.

## **Rural America**

From a producer's and a woman's perspective, I, like you, have seen great changes in agriculture and rural America, and these changes are presenting a few challenges. In the past, if agriculture did well, rural communities did well. Now, however, the interdependence between agriculture and rural America is becoming less of a reality and the numbers bear that out. Sixty-five million people live in rural America but 63 million of them don't farm. Ninety-seven percent of rural income is from non-farm sources. In fact, smaller farmers earned 90 percent of their income from non-farm sources.

This has presented some challenges. As we have seen with the process of reauthorizing a farm bill this year, although there continues to be an appetite among Members of Congress for farm programs, the budget continues to be constricted and I believe continued cuts in agriculture are inevitable.

There are also other challenges we must be mindful of. Energy prices continue to be a huge challenge for producers. Dr. David Kohl, a noted professor of agriculture and economics at Virginia Tech, has said that 80 percent of farm and ranch expenditures are linked to oil or energy. Challenges such as these — in particular the budget deficits and energy prices — will continue to affect agriculture.

### **Opportunities**

But on a more positive note, as the issues I just mentioned present challenges to agriculture, there are some clear opportunities. For example:

1. New frontiers such as energy production from biomass have created excitement and spiked grain prices. In the Midwest, ethanol plants have done extremely well; last year U.S. ethanol production exceeded four billion gallons. Bio-diesel production is also growing by leaps and bounds. According to the National Bio-diesel Board, in 2006, 250 million gallons of bio-diesel were sold. This is a huge jump from the previous two years. Then add cellulosic ethanol. As the Bush Administration and Congress continue to push these alternative energy sources, these trends will likely create a significant demand for agricultural commodities and land that we have not seen in the past.
2. Another opportunity is available in heavily populated areas, where we are seeing niche markets increase dramatically. Concerns for product safety, whether for food, drugs, or toys, has created a larger demand for “locally grown,” or locally produced products with known quality assurances and reputations of producers. These concerns usually mean additional income to farm families who provide the related services of packaging, transportation, and marketing. In many cases, these niche markets are competitive for small or even part-time farmers.
3. The fact that rural communities are becoming a priority for policymakers presents another opportunity. There is recognition that we must stimulate and provide capital to rural areas or suffer the social and economic consequences of an economic downturn in those areas. In many cases, there are two major groups desiring to return to rural America — retirees who want to return to their roots and a younger generation who want a better quality of life. What a combination! The older group brings business experience and liquidity while the younger group brings enthusiasm and ambition. However, both groups demand amenities that haven’t been typically available in rural America. They want high-speed Internet, recreation sites, cultural opportunities, medical facilities, and good schools. Ladies, we can be the conduit for bringing these two groups together, which could result in some wonderful possibilities for rural America.

So, what I am saying is that there are plenty of exciting developments on the horizon for rural America. Opportunities are virtually endless. The ability to develop significant new income sources for America’s farmers and ranchers and local businesses, while

providing jobs and a better quality of life for those who choose to live in our rural communities, is limited only by our level of creativity and degree of dedication. Opportunities don't have to go overseas. They can be created right here in rural America.

Let me conclude with just a few comments about my current opportunity to have a positive impact on agriculture.

## **FCA**

In 2002, when I was going through the Senate confirmation process to become a board member of the Farm Credit Administration, the regulator of the Farm Credit System, I did not realize that I was being given a huge opportunity to make a positive difference for agriculture and the families who make up rural America. We do two things at FCA. We assure the safety and soundness of the FCS, much as the FDIC or state examiners do with local banks. And we consider regulations and policies that allow System institutions to fulfill their mission, which is to meet the financial needs of farmers and ranchers and rural areas.

For example, one of the missions of the Farm Credit System is providing greater service to young, beginning, or small farmers and I continually challenge the System to keep it as a high priority. As the mother of young farmers, I appreciate the value that an emphasis on young, beginning, or small farmers has for family farms. The challenges of attracting new entrants into agriculture become more complex and difficult, but new entrants are necessary if U.S. agriculture is to continue to be rewarding and viable.

Another thing I've been pleased to see in the Farm Credit System is that banks and associations across the country really are stepping up to the plate to respond to the needs of agriculture and rural America through an initiative we began at FCA. It is the Investments in Rural America Program that we initiated about three years ago. We have encouraged System institutions to bring to us for review pilot programs that would use the investment authority of the Farm Credit Act to invest in projects that benefit rural America. I've been very pleased to see the progress of this initiative and the creativity from the System. For instance, we were able to approve a request for investments in a rural America bonds program. These bonds are obligations whose proceeds are used to fund such things as infrastructure improvements, community services, or employment or housing opportunities for rural areas. Another approval we were able to give was for an equity investment in a renewable energy fund created for the purpose of providing investment capital to companies and ventures in the ethanol and renewable energy industry. And another approval was for an association to invest in startup farming operations. This Investments in Rural America Program is meant to supplement the young, beginning, and small farmer (YBS) program. It truly is mission accomplishment when an institution can complement its all-important YBS program with a mission-related investment opportunity.

## **Conclusion**

I began this speech talking about my family and the farm operation we have in Iowa and I want to conclude by going back to it. I believe I am truly blessed to be a wife, mother, grandmother, and to be part of a family that lives and loves agriculture. I know that each

of you feels the same way whether you are a full-time manager in the operation or are in more of a supporting role.

I had a “pull on your heart strings” experience happen a few months ago when I was home, and sitting at the table with my grandson Connor, age seven, who was building something out of some wood scraps he had found. Jim and I are extremely proud of the commitment to agriculture that our children have made and now it looks like our grandchildren may be feeling this too.

I want to commend each of you for taking the time to be here. It is such an encouragement to me to see and meet women who love agriculture and rural America as I do and are committed to keeping it healthy. I see great opportunities for women in agriculture in the future and I encourage all of you to keep up the good work you are doing — stay involved and make your voice heard. Remember, your potential for leadership is limited only by your own perception of what that might be.

Thank you so much for the opportunity to be here.