

Are Farmers More Dependent on Rural Communities Than Rural Communities Are Dependent on Farmers?

*Bob Stallman, President
American Farm Bureau Federation
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Tom Johnson, an agricultural economics professor at the University of Missouri, has said “farmers need rural communities more than rural communities need farmers.”

The American Farm Bureau Federation and U.S. agriculture are coming to grips with that concept more and more every day. Well into the late 20th Century, American agriculture operated under the attitude that farming was the backbone of rural America. That paradigm is drastically changing.

Off-farm income is of growing importance to farm families. Averaged across all farms, USDA’S 2008 estimate says 92.5 percent of total farm family income comes from off-farm sources.

According to USDA’s Economic Research Service, even operations with sales between \$250,000 and \$500,000 per year have off-farm income making up to 48 percent of the farm family income.

ERS research has also shown that only 420 of the nation’s 2,040 rural counties had 15 percent or more of their earnings coming from agriculture in 2000.

Farm families need employment opportunities in their hometowns in addition to their farm income. And they need local businesses that provide goods and services to their farms.

Make no mistake. Rural communities need farmers and agriculture. Agriculture and the land and tax base America’s farmers and ranchers provide are in a great many cases the financial base for county and rural governments. They are the way rural America pays for its schools, often paves the roads and keeps sheriffs on the payroll.

Agriculture and rural America face three critical issues:

- 1) Enhancing the quality of life in rural America so future generations will want to remain on the farm.
- 2) Dealing with the challenges of producing food, fuel and fiber as people from urban areas, who are often unfamiliar with the sounds, smell and other actions of production agriculture, move to the country and
- 3) Maintaining and improving highways, roads and bridges, rail, locks and dams and other infrastructure to keep their businesses competitive and profitable.

Since the start of last year, the American Farm Bureau began placing a new emphasis on rural development. We are focusing on three main policy areas: improving rural health care, expanding high speed internet service and enhancing rural education as our top rural development priorities.

On the grassroots level, many of our members are becoming involved in initiatives to improve their home towns. Farm Bureau leaders are serving in their communities to encourage their home towns to flourish instead of flounder.

Initiatives to promote entrepreneurship, build leadership capacity and encourage philanthropic giving are being undertaken to improve the quality of life for rural residents.

Ultimately, we want a community where our kids and grandkids can come back and live and work and continue the farming operation.

Our members have made it clear that they want part of Farm Bureau's mission to improve the quality of rural life. We are committed to this goal through staff and program resources to better help local Farm Bureaus when they are working on rural development initiatives.

We are taking a two-pronged approach:

- 1) Lobbying on Capitol Hill.
- 2) Serving as resource to state and county Farm Bureaus.

AFBF is a newcomer to rural development work, but we are glad to be at the table and to have a voice.

We are well positioned because of our network of contacts and respect earned on Capitol Hill and as a national federation with 2,800 local Farm Bureaus with direct connection to rural communities to provide a platform for Farm Bureau to make a difference in the quality of rural life.

As members of the American Farm Bureau Federation, state Farm Bureaus can learn what rural development programs are working in other states and re-package them to be successful in their states.

- RURAL BROADBAND

A top priority for rural development: high quality, affordable and accessible high-speed internet service.

Broadband options in rural areas can often be cost prohibitive.

Broadband ties in with all aspects of life:

- Education
- Business
- Healthcare

USDA reports 55 percent of farmers have internet access.

Of farmers who have internet:

47 percent dialup

27 percent DSL

21 percent Cable/Satellite/Wireless

And 5 percent “other”

According to the Pew Internet and American Life Project, only 38 percent of the population in rural areas have broadband compared to urban areas where 57 percent have broadband.

Rural America lacks affordable, modern telecommunications infrastructure

There is no one-size-fits-all broadband network for rural areas

Farm Bureau is emphasizing to policy makers on Capitol Hill and elsewhere that communication services should be available at a reasonable cost to all people and that high speed internet access in rural areas should be increased through any source.

We encourage local competition for retail access to telecommunication services.

Providing modern telecommunication services to rural areas is expensive. We are pleased that Congress and President Obama have targeted more than \$7 billion in stimulus funding to enhancing broadband in rural America. Of this funding, \$2.5 billion is targeted to USDA’s Rural Utilities Service which has the expertise and history of working in rural America.

This \$7 billion in funding will go a long way in improving accessibility of much needed high-speed internet service to underserved communities.

Rural communities cannot participate in a recovering economy without access to broadband. The lack of modern telecommunications services in rural areas hinders the education, safety and economic opportunities for rural Americans.

Robert Atkinson of the Information Technology and Innovation Foundation and Jon Peha of Carnegie Mellon University have argued that high speed Internet is more than a consumer good or luxury. Broadband benefits society as a whole.

Atkinson calls broadband a “prosumer” technology that stimulates economic growth because users can also be producers.

The private market has done an effective job of deploying competitive broadband services to well-populated and high income areas, but for underserved areas such as rural America government intervention is needed to ensure that broadband’s benefits are widely shared.

Broadband internet access is critical for developing the economies of rural America.

Broadband access is particularly critical for attracting young people to return to their rural communities with high-speed a requirement for such popular sites as YouTube and Facebook.

High speed internet is a requirement for videoconferencing, an increasingly important tool for business and rural health care. High speed is a must to avoid lagging video conferencing.

And since most farm families earn off-farm income, high-speed internet is a must for family members who want to stay on the farm and telecommute to their non-farm jobs.

Rural consumers in particular benefit from online access to goods and services that are not readily available in their communities

- RURAL HEALTH CARE

Another critical issue facing rural America: shortage of qualified health care professionals willing to practice in rural communities.

Rural communities need assistance recruiting and retaining health care providers and to secure modern health care facilities and emergency medical equipment.

It is far easier to convince young people who live in rural areas to return to rural areas to practice medicine after they complete their training than it is to persuade people who grew up in cities to move to rural areas to practice medicine. The Arkansas Farm Bureau is involved in a hugely successful program called M*A*S*H. No, not the old TV show starring Alan Alda, but a two-week summer program for high school students that allows them to “shadow” doctors, nurses and other health care professionals and learn more about a career in medicine.

Other state Farm Bureaus are examining similar programs to recruit and retain doctors and other health care professionals in rural communities. AFBF is working as a collaborator in the effort.

Legislation that equalizes Medicare payments between rural, urban and suburban hospitals and doctors expires at the end of this year.

Health care providers should not be penalized for serving rural communities.

Farm and ranch families are especially hard hit by health care costs. Tax incentives are needed to help self-employed people pay for health care.

Farm Bureau is pleased the stimulus package includes additional funding for telemedicine and Health Information Technology (HIT) to improve rural health care systems. Again, high-speed internet service to rural communities is vital to make this a reality.

- TRANSPORTATION/INFRASTRUCTURE

Improvement of the nation's transportation system, particularly rural highways and the inland waterway system of locks and dams used to transport farm goods is also critical to our economic recovery.

The 111th Congress will be developing legislation to reauthorize our nation's federal highway programs, with the current highway bill set to expire on September 30, 2009.

Farm Bureau supports changes to federal highway policy that will bring about increased investment in rural roadways and bridges while recognizing and accommodating the unique needs of farmers moving their own goods.

Rural America needs reliable, affordable two-way transportation. Roads and bridges are the economic lifeblood of rural communities.

Unfortunately, the lion's share of funding for our nation's roadways goes to densely populated areas, leaving our rural infrastructure in tatters, jeopardizing farmers' ability to transport their products and to get the supplies needed to grow their crops and feed their animals.

- CONCLUSION

The farmers who put the food on our tables every day need to have a satisfactory quality of life in order to be willing to continue living far from urban centers that offer all types of enriching activities.

They need to be assured that their children will not have to travel 100 miles round trip to go to the closest school, that there is a doctor on call when there is a medical emergency, that they won't have to wait three minutes for their dial-up internet connection to download the latest weather or crop report.

America's farmers and ranchers need strong, prosperous and vital rural communities that will continue to prosper for generations to come.

(30)