

**From:** George Lauby, The North Platte Bulletin <george@northplattebulletin.com>  
**Sent:** Thursday, December 31, 2009 6:13 PM  
**To:** ATR-Agricultural Workshops <agriculturalworkshops@usdoj.gov>  
**Subject:** Ill effects of agricultural consolidation

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Dec. 31, 2009

TO: The US Department of Agriculture  
FROM: George Lauby, North Platte, NE

I'm told that the USDA is taking comments about the ill effects of agri-business consolidation.  
I offer these observations --

Between 1948 and 1980, my parents took care of a family of 10 children on the income of 260 acres of crop land and 160 acres of "hard land" pasture (as opposed to sandy "soft land" pasture).

Several of their children attended college or trade school after high school. My parents paid a great deal of those costs. In the late 1980s and early 90s, I farmed 650 acres of land, and supplemented the operation with a hay-grinding business and offered custom cow care in the winters. I was able to support myself and save a small amount, but I did not make enough to support a family.

By 1998, most of the machinery I owned was wearing out. The cost to replace it with like-quality, used equipment had generally doubled since I first purchased my tractors, row crop machines and other equipment.

I like, many of my neighbors, left the business to take another job.

As an example of the economic conditions I experienced, in 1999, my last year as a farmer, my gross income was \$300,000. My net income was around \$18,000, which included a government crop subsidy of nearly \$20,000.

Faced with those kinds of low returns plus expensive equipment costs, I decided to work elsewhere.

The high costs of machinery were, and are, attributable to a relative handful of machinery suppliers -- and the expensive repair parts they sold. On the other hand, income was low because there were abundant crop supplies supplied by thousands of farm operations who had virtually no control over the prices of the crops.

I became a journalist. And, in the year 2000 I worked at a daily paper 60 miles from my home. I soon became the agricultural editor of that paper. Today, I own an modest-size, independent newspaper.

In early 2001, I wrote the following column for the daily paper -- the *North Platte Telegraph* :

## Farm Exodus

By George Lauby

People are steadily leaving our nation's farms.

It's been going on for years.

Ironically, the pace of the exodus is similar to that of the arrival -- gradual. A few more leave each year, slowly, steadily, much like they arrived by covered wagon and train 130 or so years ago.

Replacing them are a few ambitious and gritty farmers who deal with weather, crops, big-business size budgets, thousands of acres of land and loneliness.

Those who leave don't want to become mega-farmers.

The exodus is nothing new, but it keeps going and going.

US Census Bureau figures back in 1997 showed there were fewer people getting into the farming business while more were growing old, and more retiring early.

In 1997, the number of Nebraska farmers younger than 35 was 5,531, down from 8,877 five years earlier; down from 12,609 ten years earlier.

There were 5,087 farmers ages 60-64, 2,000 fewer than the 7,171 ten years earlier as more farmers sold out and retired early, deciding to quit rather than expand.

And of course, the farmers that remained in 1997 were aging. There were more farmers over age 70 (7,848) in 1997 than below the age of 35.

Foolish trends beget laughter from the observers. This silly turn civilization is taking seems quite ridiculous, but the laugh is full of bitterness if it's you, your family or friends who are quitting.

Left empty are vast stretches of prime land, void of residents. The loss is cultural. It's a loss of connection between people and nature; less work beneath the sun and the heavens, less food raised on a small scale by attentive owners; less natural, crime-free open places

where kids grow and parents enjoy the sunrises and sunsets, the birdsongs, the fragrance of fields of growing plants.

It's a loss of one of the best lifestyles that ever evolved.

Recent studies indicate a farmer now must generate \$500,000 of gross annual income to have a good chance to make it — an average of \$1,370 every day of the year.

Even with good yields and good prices, it takes about 1,500 acres — roughly 2.5 square miles — of the best farm land to make that kind of money.

With every \$80,000 tractor or \$150,000 combine or \$200,000 custom fertilizer applicator, all of which have been inflating at a steady rate of 5 percent per year, it takes more land to pay the bills.

Although the cost of other prerequisites such as repairs, insurance, seed, fertilizer and fuel have not been inflating as steadily, they have taken some wild upswings.

It's a situation that thousands of people know, but it's yet to be viewed as a serious problem by the majority. It may never be.

Although most adults have grandparents or great aunts and uncles who farmed, the majority of people are now gone from the farms.

And many farmers, who come from a long tradition of self-reliance, will never count on farm advocacy groups to lobby for them.

But there are some solutions, programs to help non-mega-size farmers and bring young ones back. And there are dreams of other programs yet to be developed:

■ Under the farm bill, a strict limit should be set on the amount of money the government will give any one farmer. Large amounts of government money help a mega-operator buy bigger machines and bid more for land, driving up prices and driving away people. Payment limits have been part of farm programs for years, but have moved sharply upward the last three years. Payment limits moved even higher under the proposed 2002 farm bill.

■ Some payments should be made directly to young farmers. Nothing would send a better message of encouragement to talented beginning farmers than money to give them a fair start. They are going to work long hours, cope with unpredictable weather, live in an isolated place and spend money like it's going out of style, often just to break even at the end of the season. They deserve a fair start.

■ Provide tax credits to young and small farmers, as well as lower interest rates. This is being done, but on a scale that is rarely used.

■ Encourage more people to become farmers. Instead, many guidance counselors and educators discourage young people from considering the occupation. Young people who want to farm should be aware of what they will face, but should be told that there is always truth in the saying: where there is a will, there is a way.

■ Research ways to transport and sell food for less cost. Feeding the hungry is more important than cloning animals or genetically altering feed-crops to withstand herbicides, it just doesn't pay as well.

■ Study natural eco-dependencies between the land, the spirit, life and families. There are uniquely valuable characteristics in an agrarian lifestyle. Most people have heard farmer's complaints about weather and prices, but far less about the lasting joys and benefits of farm life.

So quietly, the exodus continues. More and more, it's becoming a lonely business for those who remain.

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Thanks for considering my observations. I deeply appreciate the interest of the USDA in the situation.

If I can provide additional information, let me know.

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