

PolicyPennings by Dr. Daryll E. Ray

## Johanns' farmer story: A reflection of farmers' behavior or a fairy-tale?

Lately, Agriculture Secretary Mike Johanns has been using a story that makes us cringe. Usually when we comment on statements by USDA officials, we focus our remarks on the substance of the issue be it Bovine Spongiform Encephalopathy, policy prescriptions, or the like. In this case of Johanns' story, a specific policy issue is not involved but a perception about how farmers behave as farmers.

At least a couple groups, made up almost exclusively of non-farmers, have heard Johanns tell the story. After reading the story, those who work with farmers will not be surprised that those audiences contained primarily non-farmers – although farmer-savvy folks may be dismayed about the impression the story leaves.

Secretary Johanns introduced the story before a World Bank group on May 23, 2006 by referring to his early connection to production agriculture and to the everyday challenges of farming: “Farming is a very tricky business. I grew up on a dairy farm in north central Iowa. Having grown up on that Iowa dairy farm, I was trying to think of the best way to describe how a farmer feels each spring.”

He then related a conversation between a farmer and an unknown visitor: “And I remember the story about a stranger who stops to talk to a farmer somewhere along the way and says to the farmer, So how’s your wheat doing? The farmer said, Didn’t plant any. The stranger said, Really? I thought this was great wheat country! The farmer replies, Well, I was afraid it wouldn’t rain.

“So the stranger says, Well then how is your corn crop? The farmer says, Well I don’t have a corn crop, didn’t plant any corn either; I was afraid of corn blight. So the stranger said, Well this is great wheat country, great corn crop country; what did you plant? The farmer said, Well I didn’t plant anything. I decided to play it safe this year. Anybody who has farmed can relate to that story.”

We are not so sure. In fact, we would suggest the reverse is more likely to be true: Anybody who has farmed or worked with farmers would think that it may be a story in the yarn or fairy-tale meaning of the word.

None of the farmers we know would leave a field unplanted for the reasons given. Yes, if weather prevented timely planting; yes, if a fallow rotation was being followed; yes if the farmer was being paid directly or indirectly to idle land via a government program; but not because the risk or uncertainty had a paralyzing affect on farmer decision making.

Farmers are inveterate risk takers. They put seeds in the ground each planting season, knowing full well that there are no guarantees. The seedlings may drown out, or drought may cause the crop to burn up in the field. Insects may drastically reduce crop yields, or the great white reaper (hail) may flatten an absolutely magnificent crop hours before the farmer can get the combine into the field. And still, all the farmers we know simply go out next year and do it all over again.

That is precisely the behavior that causes total production to be so unresponsive to changes in overall crop prices as well as a host of risks. Farmers tend to plant all of their acres all of the time. They will switch from one crop to another or one tillage practice to another as a means of mitigating risk, but leaving a field unplanted is not typically in their arsenal.

That is why having the highest agricultural official in land suggesting that farmers would relate to the story is of concern. Those unfamiliar with agriculture may actually believe the story characterizes typical farmer behavior.

Johanns says the point of the story is “that American agriculture though cannot afford to play it safe on any level these days.” Similarly, to us, the implication concerning agriculture’s ability to play it safe now, earlier, or in the future is also misleading.

It is unlikely that farmer-savvy advisors will allow Johanns to use that story when addressing farm groups. In our view, they should discourage him from using it in all of his presentations.

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