

**Your Response Needed for continued subscription. See back panel.**

***National sustainable farm program needed, U of M economist says***

Conventional farm practices and government programs have left the farm economy in a shambles and the environment in a continuing state of degradation, says Willard W. Cochrane, professor emeritus at the University of Minnesota. “We need a new approach, and I’m proposing one—a national sustainable farm program,” Cochrane says in a new book he’s written, *The Curse of American Agricultural Abundance: A Sustainable Solution*.

“The program would operate in areas where intensive cultivation practices are poisoning the land and water, as well as causing soil erosion. “These areas would include the Corn Belt, the Central Valley of California, the Mississippi Delta and many smaller high-production irrigated areas. It would be a voluntary program, but there would be important incentives to participate, both positive and negative,” Cochrane says.

He advocates “green payments” to induce participants to move toward a sustainable plan of farm operation. “On the negative side, transition payments and loan deficiency payments would be eliminated. There would be both ‘pull’ and ‘push’ incentives to participate,” he says.

For the marginal areas, such as the High Plains, he advocates a different approach. “Introducing intensive agriculture into these areas was questionable at best,” he says. “But now we have no need for the production and can no longer tolerate the environmental consequences of intensive agriculture in such fragile areas.”

He therefore advocates a program that would return these lands to grass and grazing, and says marginal lands in the South and mid-South should be returned to timber production.

Cochrane also continues his long-standing support for small and medium-sized family farms.

Cochrane advocates several programs in research and Extension, new programs to encourage competition in agribusiness, a grain reserve, and refinancing programs to aid these farmers. His idea of replacing current farm payment programs with a new program of green payments would both encourage conservation and “keep the family farm off the endangered species list.”

Cochrane remains optimistic about the future of sustainable farming in the United States. In concluding his book, he says: “Fortunately, we have the opportunity now to move to an economically and environmentally sustainable system—our production abundance provides that opportunity. If we take advantage of it, American family farmers can look to the future not with despair, but with realistic hopes of building successful farming operations for the long haul.”

“Will Cochrane has some unique ideas to help keep small family farms in business,” says Vern Eidman, economist with the University of Minnesota Extension Service and head of the Department of Applied Economics. The book is available from the University of Nebraska Press, Lincoln, Neb., 68588-0255. See <http://www.nebraskapress.unl.edu/thepress.html> for details.

***Farmers, bankers have different views of profits***

Bankers and farmers take different views on profit, and this creates credit barriers for producers who are pursuing alternative enterprises, according to the results of three surveys recently released

by the Land Stewardship Project (LSP).

Survey results confirmed that sustainable farmers in Minnesota and Wisconsin think they are at least as profitable as conventional farmers, but aren't necessarily keeping the records to prove it. Loan officers said they are enthusiastic about financing this group of farmers but relayed mixed messages about loan thresholds, lending criteria and the future for sustainable farming.

A two-state team led by LSP conducted the surveys of 1,600 sustainable farmers, farm lenders and agricultural educators in Minnesota and Wisconsin in 2002. Cooperating on the survey project from both states were Extension, Farm Business Management/Production instructors, lenders, and farmers, as well as the Minnesota Institute for Sustainable Agriculture (MISA). The "sustainable" farmers surveyed were picked because of their membership in various sustainable agriculture organizations. Complete results are available at <http://www.landstewardshipproject.org/pdf/edsurvey.pdf>.

The surveys focused on credit-related practices as well as the perceptions each group holds about banks, sustainable farming and each other. There were 567 respondents, some of whom participated in follow-up round-table discussions this past spring to review and react to the findings. Creating a bridge between the farming and banking worlds would mitigate some of the credit gap, according to project coordinator, Caroline van Schaik.

"Just getting out to see these different farmers in action would help a lot," van Schaik said. "Most of the lenders, 82 percent, said they were open to financing sustainable farming and marketing endeavors, but farmers aren't getting that message."

According to the surveys, fewer than four in 10 responding farmers said they felt their lender was open to their ideas, and a third of them felt their loan officer was knowledgeable about sustainable practices. The lender survey confirmed this perceived knowledge gap: most (75 percent) responding lenders hadn't been to a sustainable farming workshop in the past five years, and about half said they didn't understand the concept of sustainable agriculture.

According to van Schaik, the key to smarter credit by both farmers and bankers doesn't rest just with the bankers. The surveys confirmed poor record-keeping habits on the part of responding farmers—a third of them only keep records for tax purposes, for example. Surveyed lenders said they want to see at least three years of financial history. But among all the lenders' farm clients, including conventional producers, less than half prepare financial statements and far fewer than that (16 percent) prepare business plans.

The surveys unveiled the possibility of different lending standards for conventional and alternative farm enterprises. More than half the responding lenders said they need to see a business plan, secured markets and proof of management skills as additional requirements from a would-be client with an unconventional farming idea. Lenders at the round-table discussions defended this two-tier approach as a response to an unfamiliar enterprise.

While the farmers were almost 100 percent enthusiastic about their profit-making capabilities relative to conventional operations, only a third of lenders felt sustainable farming was competitive and another third acknowledged they didn't know enough to judge. As to the future of sustainable farming, two-thirds of responding farmers felt optimistic. Less than 25 percent of responding lenders shared this view. In a separate question, however, lenders expressed an overwhelming conviction that sustainable farming was here to stay and to grow. Lenders view biotechnology as the single biggest agricultural wave of the future.

### ***MDA has new organic demonstration grant program***

The Minnesota Department of Agriculture (MDA) is offering a new organic demonstration grant program designed to help farmers try out organic practices on their own farms. The MDA's Agricultural Resources Management and Development Division has up to \$50,000 to award for organic demonstration projects this year.

"We are partnering with the USDA Risk Management agency to make this special program possible," says MDA diversification specialist Meg Moynihan. "These grants can reduce the risk associated with trying a new practice, especially something as intricate as organic production. By

sharing what they learn from the demonstrations, participants also help other Minnesota organic farmers create success for their own operations.”

Individual grants up to \$5,000 are available for one-year projects that demonstrate organic crop, livestock, or vegetable production practices. Joint applications from groups of farmers will also be considered.

Projects must be on Minnesota farms to qualify. Results of the demonstrations will be highlighted in the Greenbook, a free publication produced annually by the MDA’s Sustainable Agriculture Program.

Application materials and more information are available on the MDA website, [www.mda.state.mn.us/esap/organic](http://www.mda.state.mn.us/esap/organic) or by contacting the Agricultural Resources Management and Development Division, MDA, 90 West Plato Blvd., St. Paul, MN 55107, (651) 297-7686. Completed applications must be received by Dec. 12, 2003. An independent panel will review applications.

### ***A message from the MISA board of directors nominating committee***

We seek your help in identifying individuals potentially willing to serve on the board of directors for the Minnesota Institute for Sustainable Agriculture (MISA.) You may nominate yourself or someone else to serve on the board.

Beginning in January 2004, board vacancies will be filled by one U of M representative, two sustainable agriculture practitioners and one representative of the sustainable agriculture community. We seek to have the board reflect diversity, especially with respect to gender, race, student status, geographic area and occupation.

The purpose of MISA is to bring together the agricultural community and the University community in a cooperative effort to develop and promote sustainable agriculture in Minnesota and beyond.

Please visit our web site ([www.misa.umn.edu](http://www.misa.umn.edu)) or contact the MISA office at (800) 909-6472 or (612) 625-8235 if you have any questions or to request an application form.

Application/nomination forms are due in the MISA office by 4:30 p.m., Wednesday, Dec. 3, 2003.

### ***National Pork Board conducting deep bedding, winter farrowing project***

The National Pork Board (NPB) production systems committee (PSC) will conduct a pilot winter farrowing project for a Deep Bedded, Farrow to Finish project. Goals of the pilot project are to develop production data for the NPB free farrowing pen system during cold weather and to refine management techniques to account for bred gilt and baby pig behaviors in a free farrowing pen system.

There is no current production data from a free farrowing pen system that does not include use of antibiotics for the pigs. Useful production data will include baby pig mortality rate, pigs weaned per litter, pig weaning weight at 5-6 weeks, gilt weight and backfat loss during lactation, bedding requirements, incidence of gilt health problems and number of pig treatments recommended by attending veterinarian.

There will be four farrowings on two farms. Each farm will farrow one building in January 2004 and another building in February 2004. Gilts will be grouped by breeding date to get the shortest range of farrowing dates within a building. For this pilot project, one diet program without antibiotics will be used for all pigs. Pigs will be grown to market weight in the building where they were farrowed.

Terms for cooperating farmers include a \$10,000 fee for data collection and management, paid \$5000 at the start and end of the project. Cooperating farmers will be chosen by the NPB after a site visit and interview. Interested producers should contact Rodney Goodwin, (515) 223-2606 or (515) 294-5052, email [Rodney.Goodwin@porkboard.org](mailto:Rodney.Goodwin@porkboard.org) or [goodwinrn@aol.com](mailto:goodwinrn@aol.com).

## *Calendar of events*

These events are sponsored by numerous organizations. More information is available at [www.misa.umn.edu](http://www.misa.umn.edu) and at [www.sfa-mn.org](http://www.sfa-mn.org).

Nov. 17<sup>th</sup>-19<sup>th</sup>. Renewable Energy from Organics Recycling Conference. Minneapolis, MN  
. <http://www.biocycle.net>.

Nov. 17<sup>th</sup>. Third Annual Iowa Organic Conference. (515) 294-5961.

## *We're going bi-monthly...*

We hope you find this newsletter informative and valuable. We are committed to continue producing the Sustainable Agriculture Newsletter, but due to budget cuts, we need to reduce costs. We've decided to go on a bi-monthly schedule, so you'll notice that this issue is a September/October edition. We'd also like to check to see that everyone who is currently on our mailing list would like to continue receiving the newsletter and if so, whether you would prefer to read the newsletter on your computer rather than receive a paper copy.

We are happy to continue mailing printed newsletters to those who wish to receive them. However, the newsletter is also posted electronically on the MISA website each month. If you would prefer to have us notify you by e-mail when that version is posted, rather than receive a hard copy, we'll be happy to oblige!

If you have not done so already and wish to continue receiving the newsletter, send your mailing label for this newsletter to Kate Seager in the MISA office (MISA, 411 Borlaug Hall, 1991 Buford Circle, St. Paul, MN 55108) or email the MISA office at [misamail@umn.edu](mailto:misamail@umn.edu). When you send your label, indicate whether you'd like to receive a paper copy or an electronic copy of the newsletter. If you'd like to continue receiving a paper copy and have corrections for your mailing label, please mark the corrections on your label. If you'd prefer to receive an email message telling you that the newsletter is available on the web, draw a line through your mailing label and give us your email address. If we don't hear from you, we'll remove your name from the mailing list at the end of the year. Thank you for your support of the newsletter and of sustainable agriculture.

## *What we're about...*

This newsletter is supported by the Minnesota Institute for Sustainable Agriculture (MISA)—a partnership between the Sustainer's Coalition and the University of Minnesota College of Agricultural, Food, and Environmental Sciences (COAFES); the University of Minnesota Extension Service; the North Central Region Sustainable Agriculture Research and Education (NCRSARE) Professional Development Program (PDP); and the Minnesota Department of Agriculture (MDA).

Send story ideas to the editor: Jack Sperbeck, 405 Coffey Hall, 1420 Eckles Ave., University of Minnesota, St. Paul, MN 55108, (612) 625-1794, fax (612) 625-2207, e-mail: [sperb001@umn.edu](mailto:sperb001@umn.edu). Other editorial board members: Helene Murray, (612) 625-0220, [murra021@umn.edu](mailto:murra021@umn.edu); Beth Nelson, (612) 625-8217, [schre002@umn.edu](mailto:schre002@umn.edu); and Bill Wilcke, (612) 625-8205, [wilck001@umn.edu](mailto:wilck001@umn.edu). Please send **address changes** directly to: MISA, 411 Borlaug Hall, 1991 Buford Circle, St. Paul, MN 55108. [misamail@umn.edu](mailto:misamail@umn.edu).

You can find more University of Minnesota Extension Service educational information at [www.extension.umn.edu](http://www.extension.umn.edu). Also check MISA's home page at [www.misa.umn.edu](http://www.misa.umn.edu).

**Our mission statement:** To help bring people together to influence the future of agriculture and rural communities to achieve socially, environmentally, and economically sustainable farms and communities.


To stimulate thinking and discussion about sustainability, we try to present items that reflect different points of view. This being the case, we aren't promoting and don't necessarily agree with everything we publish.

---

Produced by Communication and Educational Technology Services, University of Minnesota Extension Service.

In accordance with the Americans with Disabilities Act, this material is available in alternative formats upon request. Please contact your University of Minnesota county extension office or, outside of Minnesota, contact the Distribution Center at (612) 625-8173.

The University of Minnesota Extension Service is an equal opportunity educator and employer.

 Printed on recycled paper with minimum 10% postconsumer waste, using agribased inks.