Roadblocks and Opportunities

Farm Foundation
June 8, 2017

Jon Doggett
Executive Vice President
National Corn Growers Association
Three Big Issues for the Grain Industry

• Demand drivers

• Access to technology

• Facing harsh realities
Demand Drivers

• How many additional people will we really need to feed in the next 20 years?
  – What will they eat?

• How much grain will our current customers use?
  – How much and what kind of protein will people consume?

• Other uses for grain
  – Energy?
Access to technology

• What technology will be developed?

• Who will develop it?
  – Private industry vs. Public investment

• Will the public accept the technology?
  – Regulations/Marketing

• Who will use the technology?
Guv mint

• Can farmers continue to love and hate the federal government at the same time?
  – Two policy books

• Can agriculture reconcile the two beliefs?

• Can agriculture accept the political reality?
Some harsh political realities
The 1960s
Number of House Members in the 1960’s

• Iowa 8
• Kansas 6
• Arizona 2
• Florida 8
The 1980’s
The 80’s
Number of House Members in the 1980’s

- Iowa 6
- Kansas 5
- Arizona 5
- Florida 15
2016
2016

• Iowa 4

• Kansas 4

• Arizona 9

• Florida 27
Who is to blame for this mess?
Fewer rural voters

Changing Demographics of the Electorate: Implications for Agriculture

% National Population Living in Rural Areas

Rural Population

1940 1970 2011
Rural America is smaller

Changing Demographics of the Electorate: Implications for Agriculture

435 Congressional Districts

- 53% (233 Districts) Rural (+50% rural)
- 39% (168 Districts) Mixed (15-50% rural)
- 8% (34 Districts) Urban (<15% rural)
The Farm Bill

• Without SNAP program, bill doesn’t pass
  – 40 million participants in food stamp program
  – In every Congressional District in the country
  – Fraud rate is less than that in crop insurance
  – Hunger groups on our side
    • Food vs. Fuel
    • GMOs

• The Tea Party/Freedom Caucus won’t help us
Who are our friends?
# Pro RFS

**Congressional Black Caucus**

<table>
<thead>
<tr>
<th>Name</th>
<th>State</th>
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<tbody>
<tr>
<td>Rep. Alma Adams (D)</td>
<td>North Carolina</td>
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<tr>
<td>Rep. Sanford Bishop (D)</td>
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<td>Rep. Corrine Brown (D)</td>
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<td>Rep. G.K. Butterfield (D)</td>
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<td>Rep. Andre Carson (D)</td>
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<td>Rep. Yvette Clarke (D)</td>
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<td>Rep. Emmanuel Cleaver (D)</td>
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<td>Rep. James Clyburn (D)</td>
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<td>Rep. Danny Davis (D)</td>
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<td>Rep. Alcee Hastings (D)</td>
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<td>Rep. Eddie Bernice Johnson (D)</td>
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<td>Rep. Robin Kelly (D)</td>
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<td>Rep. Barbara Lee (D)</td>
<td>California</td>
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<tr>
<td>Rep. Eleanor Holmes Norton (D)</td>
<td>District of Colombia</td>
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<tr>
<td>Rep. Charles Rangel (D)</td>
<td>New York</td>
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## Anti-RFS

### House Agriculture Committee

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Chairman Mike Conaway (R)</td>
<td>Texas</td>
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<td>Rep. Randy Neugebauer (R)</td>
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<td>Rep. Glenn Thompson (R)</td>
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<td>Rep. Austin Scott (R)</td>
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<td>Rep. Scott DesJarlais (R)</td>
<td>Tennessee</td>
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<td>Rep. Dan Benishek (R)</td>
<td>Michigan</td>
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<td>Rep. Doug LaMalfa (R)</td>
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<td>Rep. Ted Yoho (R)</td>
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<td>Rep. Trent Kelly (R)</td>
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<td>Rep. David Scott (D)</td>
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<tr>
<td>Rep. Filemon Vela (D)</td>
<td>Texas</td>
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</table>
Where is the money?

Figure 1: Estimates of Debt Under the President’s Budget (percent of GDP)

Historic Data

Without Gimmicks

Without Gimmicks, With Tax Plan

OMB Estimate

Sources: CBO, OMB, CRFB calculations.
The 1960s
2017