### **C-FARE Newsletter June 2021**

### **Market Corner**

The COVID-19 pandemic has had far-reaching impacts on most sectors of the U.S. economy, and these impacts have been uneven across rural and urban areas. On the one hand, rural areas were already lagging behind urban areas in many sectors before the pandemic, including educational attainment, access to health care, and broadband.



On the other hand, lower rural population density and greater reliance on personal as opposed to public transportation likely reduced the rural populations' exposure to the virus.

This theme issue of Choices was commissioned by the Council on Food, Agriculture, and Resource Economics (C-FARE) to examine how COVID-19 affected rural areas and prepared in collaboration with the Northeast Regional Center for Rural Development on behalf of the Regional Rural Development Centers (RRDCs). The eight papers in this collection examine multiple impacts of the pandemic as well as the effects of selected federal policies designed to mitigate adverse impacts: employment and job loss trends, impacts on agriculture, impacts on other specific sectors of the economy, including tourism, childcare, banking, broadband, and healthcare facilities. To bounce back to pre-pandemic levels, public policy interventions will be needed beyond short-term emergency levels.

Current policy proposals by the Biden–Harris administration designed to "build back better" offer the prospect of redressing past rural investment neglect as well as the opportunity to take advantage of a renewed interest in rural America brought about by the pandemic. Broadband access for 100% of Americans is clearly outlined, as is an increase in community health centers. President Biden's discretionary fund specifically points to rural economic development, including for farmers and ranchers, and environmental protection in addition to broadband initiatives.

Attention to agriculture as a component of rural revitalization is critical and has been highlighted by Secretary of Agriculture Vilsack. There are also opportunities to rebuild communities with newly increased populations caused by pandemic-induced urban to rural migration.

Join us for the C-FARE webinar, Rural Communities One Year Post COVID-19. The webinar will present highlights from the Choices special issue.

Jane Kolodinsky, University of Vermont

## **Rural Communities One Year Post COVID-19**

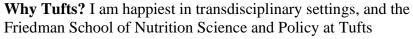
The Council on Food, Agriculture, and Resource Economics (C-FARE) is hosting a **FREE** online panel to display how COVID-19 affected rural areas on July 12th at 12 PM EDT. More information here:

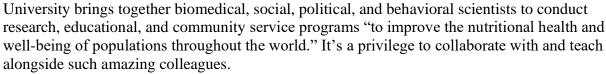
# **Director Spotlight**

**Dr. Sean B. Cash** (@SeanBCash) is the Bergstrom Foundation Professor in Global Nutrition at the Friedman School of Nutrition Science and Policy at Tufts University.

He is also a member of the Board of Directors and Program Chair of C-FARE.

**Interests:** Consumer behavior around food and nutrition; the ag/environment interface, especially in beverage crops; food retailing; experimental economics.





**Hot stock:** I've been working with a team that is taking a mixed-methods approach to understanding what the growth of dollar stores means for the dietary quality of Americans. Dollar stores have been growing steadily since the Great Recession – whether the economy is strong or weak. Using scanner data, we've been able to see that Americans are spending a growing percentage of their food dollar at dollar stores, with the fastest growth in rural areas.

## **New Directions**

What's Driving the Sharp Rise in Lumber Prices? Stronger Economic Growth Worsens Supply-Chain Challenges. This Wells Fargo article discusses skyrocketing lumber prices since the onset of the COVID pandemic. As of this writing, lumber futures contracts for May delivery were priced at \$1,645 per 1,000 board feet, up about 60% from one month ago and 374% over the past year. Prices have surged primarily due to how COVID constrained the supply of lumber. The Full Study is Available Here.

**Estimates of Farm Income and the Outlook for Program Crops and Livestock, Pre and Post COVID-19.** This article explores the shift in the outlook, based on two sets of projections from a large-scale partial equilibrium model used for policy analysis, for farm income, and for principal crop markets. The first outlook was prepared immediately after the signing of the Phase



One agreement and published in March 2020 and the second was prepared in August 2020, several months into the crisis. The Full Study is Available Here.

**Agricultural and Food Policy Response To COVID-19.** This CHOICES article provides an overview of the major emergency actions taken to address food and agriculture needs during the pandemic, including enhanced flexibility in nutrition programs, deployment of novel distribution channels for government food purchases that tapped into food supply networks disrupted by the pandemic, and implementation of emergency regulatory/discretionary actions that helped to keep critical inputs. The Full Article is Available Here.