

May Newsletter 2022

Welcome to our monthly newsletter! This month's features are:

- The Market Corner article “**Small Scale Goat Operations**“ by Kathleen Liang, Homero Salinas, and Raymon Shange
- A new feature to our newsletter titled C-FARE's Monthly Facts. This month features “**Crop Production and Drought**” by **Gal Hochman**, C-FARE Board Chair.
- C-FARE will host a webinar entitled “**Building the Capacity to Invest in Rural Prosperity**“ on May 27 at 12 PM ET. [Register here](#).
- New Direction features articles and papers titled:
 - [Re-envisioning Rural America: How to Invest in the Strengths and Potential of Rural Communities](#)
 - [Preparing Rural Water Systems for Extreme Weather and Climate Disasters](#)
 - [Investing in Rural Prosperity](#)

Keep reading to learn more,

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Market Corner

Small Scale Goat Operations

Small farmers, ranchers, and landowners are at a crossroads under-inflation and climate change pressure. For socially disadvantaged small ranchers, significant increases in feed, fuel, and fertilizer have threatened the agricultural viability with a grave concern of financial stress and an unknown future. Many small ranchers have difficulties adopting new technologies, identifying value-added opportunities, access and leverage in the market, or paying back loans. Conventional crops or small ruminant production also pose higher risks in degrading natural resources and reducing biodiversity.

The 1890s Center for Farming Systems, Rural Prosperity, and Economic Sustainability serves as one of the new interdisciplinary conveners. The institution engages 1890 HBCU Land Grant Institutions to provide technical assistance to small farmers, ranchers, and landowners to plan, prepare for, and respond to production challenges, market volatility, and climate variation. For example, the center works with small ranchers around “clustering” to promote quasi-cooperatives among beef cattle producers in the states like Mississippi, Alabama, and Georgia. This approach has allowed ranchers to buy in bulk, cut input costs in their local areas, and increase final product market values. In addition, several ranchers are adopting grass-fed rotation strategies to enhance soil health and move toward climate-smart practice.

The demand for goat meat has grown in the past few years, probably due to increasing residents moving to the US from other countries ([Cole et al., 2018](#)). Another benefit is that the goats also contribute to controlling weeds and improving soil fertility ([LUCER, 2013](#)). Colleagues at Lincoln University have discovered goats to be highly adaptive in poor agroecological areas,

which also generated higher gross market margins for small ranchers. Given the massive use of data and communication online, the Lincoln University of Missouri Extension Small Ruminant Program has developed a virtual and user-friendly communications system to spread the news and resources via the Website, Facebook, and YouTube channel on Small Ruminant and Pasture Innovation. The USDA has determined that Small Scale Goat Operations are those of fewer than 500 goats, consisting of 42.4% meat production, 10% dairy, 1.5% bush control, and others, including shows and pack animals inventory. Missouri, for example, had an inventory of 12,000 dairy goats/kids and 72,000 meat/other goats, which was one of the ten states with more dairy goats and one of 5 states with more meat goats ([USDA, 2019](#)). A recent study in Missouri and Arkansas found that small goat producers were more likely to be women with less than ten years in operation. Some of the reasons to raise goats were to diversify income, personal consumption, and showing and competitions. Most goat producers acquired information about the operation from other producers, family/friends and/or magazine/newsletters. Some believe that the most profitable way to market goat meat is with sales on the farm since it reduces marketing costs and risks of product losses ([AgMRC, 2018](#)).

These examples have demonstrated interactive strategies to connect with small ranchers and the need to provide reliable and timely information to help agricultural producers create new business models to face the ‘new normal.

Dr. Kathleen Liang, W.K Kellogg Distinguished Professor and Director of Center for Environmental Farming Systems, North Carolina Agricultural and Technical State University

Dr. Homero Salinas, State Small Ruminant Specialist, Cooperative Extension & Research, Animal Science Area Program, College of Agriculture, Environmental and Human Sciences, Lincoln University of Missouri

Dr. Raymon Shange, Director, Carver Integrative Sustainability Center, 1890 Extension Administrator, Tuskegee University

C-FARE’s Monthly Fact

Crop Production and Drought

The National Agricultural Statistics Service (NASS) prepares and disseminates monthly reports, providing the official USDA estimates on crops, livestock, and economic indicators for the agricultural industry. When these reports are compiled, it is done under a Lockup and stringent security, and it follows the reporting procedures guiding the dissemination of information by the Agricultural Statistics Board (ASB).

On May 12, during the monthly [ASB Briefing](#) on crop production, Lance Honig summarized winter wheat production conditions. Percent of winter wheat rated good to excellent is hovering

around 30%, lower than levels we witnessed in previous years, where it reached as high as 65% in 2019.

A significant cause leading to the low percentage is the drought conditions impacting the west (Figure 1).

A NASS [news release](#) from May 12 suggests that winter wheat production is down. Hard Red Winter production is forecast to be down 21% from a year ago, and Soft Red Winter is predicted to decrease 2% from 2021.

Compared with the previous season, although millions of planted acres of winter wheat increased from 33.6 to 34.2 (1.7% increase), the amount harvested declined from 25.5 million acres to 24.5 (3.8% decline relative to the previous season). As a result, the harvested-to-planted ratio decreased from 75.7% in 2021 to 71.6% in 2022. To this end, we are witnessing a decline in winter wheat yield over the last several seasons, from 53.6 bushels per acre in 2019 to 47.9 in 2022 (a 10.6% yield decline).

During the [ASB briefing](#), while using NASS's official forecast estimates, the office of the Chief Economist suggested that world wheat production in 2022/23 is predicted to be 4.5 million tons lower than 2021/22. As a result, when looking at total world wheat supply forecasts, a 16 million tons deficit is predicted, with the world ending stocks declining by more than 12 million tons by 2022/23 than in 2021/22. The contraction of the wheat supply globally will translate into a \$10.75 average market price in 2022/23, almost a 40% increase compared with the 2021/22 estimate of \$7.70.

The negative ramifications of drought are not unique to winter wheat. Table 1 depicts the acreage share of crops grown within an area experiencing drought. The percentages fluctuated from 12% for soybeans to 90% for sorghum. While 21% of corn area and 35% of spring wheat is under an area experiencing drought, 76% of durum wheat is grown in areas experiencing drought.

Gal Hochman, C-FARE Board Chair, Rutgers University

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- **Save the Date!** C-FARE will be hosting a webinar entitled “Building the Capacity to Invest in Rural Prosperity“ on May 27 at 12 PM ET. [Register here](#).
- Check out our fourth episode of C-FARE's podcast [Get a Grip with FARE](#) featuring Peyton Ferrier and Steve Neff from the USDA Economists Group.
- In case you missed it, the recording of C-FARE's Brandt Forum on “Agricultural And Environmental Science-Based Policy” is now available on our [website](#) and through this [replay](#).
- C-FARE hosted a webinar entitled “Carbon Sequestration and Agriculture: Incentives, Practices, and Policies”. Check out our [website](#) and [YouTube](#) for a recap.

For more information on our webinar series visit our [webpage](#) or [youtube](#)!

New Directions

- **Re-envisioning Rural America: How to Invest in the Strengths and Potential of Rural Communities.** There is no single rural America. Its communities have diverse industries, cultures, and people. But definitions of these areas tend to lump them together under the catch-all of “not urban” and focus on what they are perceived as lacking. These practices result in the categorizing of rural communities by their challenges, not their strengths, and the obscuring of their varied realities. [Learn More Here.](#)
- **Preparing Rural Water Systems for Extreme Weather and Climate Disasters.** As extreme weather and climate disasters become more frequent, the nation’s basic infrastructure is increasingly vulnerable to service disruptions and failure. Most US water systems serve 10,000 customer connections or fewer and can lack the needed resources and capacity to adequately plan and prepare for these disasters, let alone respond to and recover from them. [Read More Here.](#)
- **Investing in Rural America.** Rural communities throughout the United States are vibrant places with great people, rich culture and heritage, and deep social ties. But many rural communities have been buffeted by the increasing prominence of automation and the knowledge-based economy, along with long-term challenges arising from lower educational levels, remoteness and other factors. As a result, many communities are at a crossroads, wondering which direction will lead to prosperity for all. [Learn more here.](#)