



**PRESS RELEASE
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About IATP

Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. IATP is headquartered in Minneapolis, Minnesota with an office in Washington D.C.

New Ag Secretary Faces Big Challenges

Minneapolis. President-elect Barack Obama's nominee for Secretary of Agriculture Tom Vilsack must quickly shift the agency's focus toward stabilizing volatile agriculture commodity prices, improving market competition, supporting sustainable farming systems and encouraging the production of healthier food, according to the Institute for Agriculture and Trade Policy (IATP).

"As Iowa's Governor, Vilsack has shown a fairly conventional perspective on agriculture—particularly related to biotechnology and the siting of factory farms—that seems to indicate a status quo approach," said IATP President Jim Harkness. "But these are unconventional times, and with his charge to implement the national vision for agriculture of President-elect Obama, he has an opportunity to address the concerns of farmers—big and small, organic and conventional—and consumers, as well as environmental challenges facing the country."

The number one challenge in agriculture is extreme price volatility—the spikes and drops in farm gate and food prices causing enormous problems for farmers, consumers and the environment. Farmers could face a very difficult 2009 with commodity prices dropping, while fertilizer, land and seed costs remain high.

"His first test will be to address the volatility that has caused havoc in agriculture over the last several years," said IATP's Rural Communities Program Director Jim Kleinschmit. "We can't make the changes we need in agriculture, like expanding environmentally sustainable farming systems or greater production of healthier food, without stabilizing prices for farmers and consumers. Efforts to fix deregulated agriculture markets will have to include greater antitrust enforcement and market transparency, such as the ban on packer ownership of feedlots."

The U.S. agriculture economy is undergoing a transition on many fronts. Other key challenges facing new Secretary Vilsack include:

- The bioeconomy is trying to rapidly transition from corn-based ethanol toward more sustainable feedstocks. But

what was once a primarily farmer-owned industry is increasingly being dominated by absentee corporate owners, providing fewer community benefits

- Consumers want more organic, locally produced and healthier food, but government programs still offer relatively little support and multiple obstacles to meet this market demand.
- As the number of farmers declines and the average farmers' age rises, significant barriers prevent much-needed new farmers from entering the sector.
- Along with adapting to climate change, agriculture is being identified as both a contributor and possible mitigator of climate change. The USDA will have to lead a shift toward a climate-friendly agriculture.
- A rising number of major food recalls and internal government audits have exposed serious weaknesses in the USDA's food safety oversight.

“Secretary Vilsack faces a tall order. We look forward to working with him,” said Harkness.

