

Reality of war shared by ag journalists

By Phyllis Coulter

Iowa Farmer Today

BREDSTEN, Denmark — While U.S. farmers are feeling the effects of the Russian invasion of Ukraine in higher fertilizer and fuel prices, Ukrainian economist and agricultural journalist Iurii Mykhailov's whole life has changed.

The freelance journalist, who is covering agriculture during the war for publications worldwide including the United States, had a small reprieve from the war-torn country while attending the International Federation of Agricultural Journalists Congress in Bredsten, Denmark, June 27 to July 2.



Larysa Guk

He and fellow agricultural journalist Larysa Guk shared their emotional stories with ag reporters from around the world at the opening night of the congress.

As Guk related the conditions in her homeland, she fought back tears.

"Farmers just want to grow bread," said Guk, who writes for the monthly magazine *Agro Per-*

spectiva in Ukraine. "Ukrainian farmers need support."

The two journalists had traveled by bus 18 hours from Kyiv into Poland for a flight to continue their trip to Denmark.

"No planes are flying in the Ukraine," Mykhailov said.

Grain stuck

Getting grain out of the country remains an almost insurmountable task. The ports are all closed and the seas mined. About 20 million tons of grain intended for export are stuck.

"Ukrainian ports are completely blocked, some destroyed," Mykhailov said.

Before the war, 94% of grain was exported by sea. Now the only options are railroad or truck, he said. Both of those options present obstacles including infrastructure issues with destroyed bridges and roads, Mykhailov said.

Rail lines in Ukraine and Europe are of a different gauge, so the rail cars can't directly run from Ukraine to Europe. The grain would have to be transferred from one rail car to another. And Ukrainian trucks are too wide on roads in Romania and Moldova.

Other regulations, which require two Ukrainian drivers who can speak a foreign language and limitations on time out of



Photo courtesy Iurii Mykhailov

As a freelance agricultural journalist in Ukraine, Iurii Mykhailov sees the war there first-hand. He shares photos of fields showing the scars of war including bombs, craters and a burned-out tractor.

the country, also make transportation a challenge.

"If the blockage continues, big amounts of grain will not be exported. The next growing season is in jeopardy," Mykhailov said. "It will have a huge impact on the world."

In another presentation, Henning Otte Hansen, senior advisor for the Department of Food and Resource Economics, said he believes the impact of the Russia-Ukraine war on world

food supply to be a short-term crisis. He said he the world impact is a price bubble of three to four years.

"I may be naïve," he said.

Many dairies and other livestock farms in Denmark usually employ Ukrainian workers and are feeling their absence, according to many Danes leading farm tours.

Scenes of destruction

Mykhailov described the scenes of destruction in

Ukrainian fields during an interview with Iowa Farmer Today.

When asked if the stories of landmines in rural fields or a bomb hitting a tractor are true, Mykhailov simply pulls out his phone to show photos of such scenes.

"The war is absolute evil," he said. "A lot of people of lost their homes, their lives, their families. Russia will not stop voluntarily."

Ukrainian Foreign Ministry spokesperson Oleg Nikolenko claimed on Twitter over the weekend of July 9 that Russian forces are systematically destroying crop fields by setting fire to them, Nick Paumen of CHS Hedging reported.

Guk said some people tried to evacuate. Some of her friends spent 12 hours standing up on completely packed trains to evacuate.

"No lights. No amenities," she said.

She, like her fellow journalist, stayed. She still cringes when she relates seeing explosions on the first day of the invasion in February.

As for a message to American farmers, Mykhailov said, "We want to thank the people around the world for support" and "Pray for us."

Ag Barometer: Sentiment still weak as farmers contemplate acreage shifts

Farmer sentiment remained weak in June as the Purdue University-CME Group Ag Economy Barometer fell to a reading of 97, 2 points below its May reading.

Rising costs and uncertainty about the future continue to be a drag on farmer sentiment. This month 51% of survey respondents said they expect their farms to be worse off financially a year from now, the most negative response received to this question since data collection began in 2015, according to a university news release.

The Purdue University-CME Group Ag Economy Barometer sentiment index is calculated each month from 400 U.S. agricultural producers' responses to a telephone survey.

This month's survey was conducted from June 13-17.

Although producers said they expect their farm's financial condition to be worse in June 2023 compared to June 2022, the Farm Financial Performance Index actually improved slightly to a reading of 83 compared to 81 in May. Responses received to the Farm Financial Performance Index question are primarily reflective of income expectations for 2022.

On the other hand, the question that asks them about financial conditions a year from now brings into play concerns about the ongoing escalation in production costs, in addition to concerns about commodity price volatility, which could lead to a production cost/income

squeeze taking place in 2023.

Still, even with the small rise in the financial performance index, it remained one of the index's lowest readings of the last two years.

Given ongoing concerns about world food grain supplies, this month's survey again included several questions focused on crop producers' production plans for the upcoming year.

Among the farmers in the survey who planted winter wheat in fall 2021, one out of four (24%) said they plan to increase their winter wheat acreage this fall. Among crop producers who did not plant winter wheat last fall, 14% responded that they intend to plant some winter wheat this fall.

Responses to both questions point to

a rise in wheat acreage in response to strong wheat prices.

Responding to a somewhat broader question about their cropping plans for the upcoming year, one out of five (19%) of the crop producers said they intend to change their crop mix in the upcoming year in response to rising input costs. Among those who plan to shift their crop mix, almost half of respondents (46%) said the biggest change will be to devote a higher percentage of their acreage to soybeans.

Twenty-six percent of those planning a crop mix change said the biggest change would be to devote more of their farm to wheat production while 21% of respondents said they would shift towards planting more corn.

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