

A LOOK AT THE PAST

How does the current farm crisis compare to the 1980s?

Back then thousands of families lost their farms because of low prices and overwhelming debt. But those times aren't easily duplicated and there are plenty of differences, agriculture experts say.

Interest rates were sky high and farmers were borrowing a lot to expand, said Charlie Griffin, research assistant professor in the Kansas State University School of Family Studies and Human Services who worked with farm families throughout his career, including during the 1980s farm crisis. Meanwhile, commodity prices plummeted and input costs, including fuel, skyrocketed. Banks were also in

trouble, he said. They began calling loans because they didn't have the collateral to cover them.

"We saw bank foreclosures across the state," he said. "Banks aren't going to carry that risk this time. They aren't going to get hurt. That means banks are much more cautious about the loans they are making this fall. They are requiring better protections, better paperwork from farmers and farmers are having to do their planning."

Nathan Kauffman, with the Federal Reserve Bank of Kansas City's Omaha branch said today interest rates are still relatively low. And, unlike the 1980s, there is still export demand for commodities, but markets like China and the ethanol industry aren't

buying at the same pace as they once were.

Larry Henne, president of the Lorraine State Bank in Ellsworth County, said they have had to refinance or consolidate some farm loans to make the payments smaller so farmers can get through the tougher time.

One farm client, he said, has considered quitting and getting a job. Another said he was going to sell all his new machinery he bought when prices were high and use the old equipment.

"I've been through the 1980s," Henne said. "I bought the bank in 1981. We survived the 1980s here with hardly a scar. I know my farmers and I know they will do what it takes to get through this."

Farm

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so I'm able to profit at \$3 corn?

"Everything should be on the table," she said.

How long will it last?

Taylor said the depressed prices could last two or three years.

"This isn't hold on, next year will be better," she said.

Some farmers who are highly leveraged with expensive equipment they bought during the boom times, could struggle, she said. Some farmers, nearing retirement, might consider getting out now rather than spending the next five years trying to build back up, she said. Good managers – especially those who survived the 1980s or learned from a parent who did, know how to weather the storm, she said.

And, thankfully, she said, interest rates aren't as high as they were in the 1980s. But the dollar is strong, meaning countries like China are buying at a slower pace.

"The strong dollar is hurting our export markets," she said, adding that could continue for a while. "One reason we have grain on the ground is we don't have the foreign buyers."

Deep-rooted

Sipes said his mother didn't want him to come

back to the Stanton County farm. Now Sipes, a fifth-generation Kansas farmer, is in the same boat. His son, Caleb, wants to return to the farm.

Farming out on the hardscrabble landscape is tough. Old-timers say you'll lose one in seven crops, said Sipes. And over the past five or six years, through an exceptional drought, "we lost a lot more than that."

His family has been in the seed business 75 years, but this year was the worst in sales since he started farming. There is room for his son to come back, but Sipes said he might need to look at different ways to diversify if the seed business continues to decline.

When he returned in 1993, he looked over the books. He was surprised by the debt load the farm took on from the 1980s.

"We fought and we fought hard and we dug ourselves out," he said, but added, "Our expenses have gone up 250 percent since 1993. Yet I'm trying to survive on a farm with commodity prices at the same price as when my grandfather started."

He made some money on the wheat ground he owns – thanks to above-average yields in June, but on his rented ground, he figured he needs, along with good yields, \$3.86 a bushel to break even. He won't see those prices this year.

"We will be able to pay the

bills this year because of the high yields," he added. "There will be a little bit left in the bank but not enough to live on."

If the downturn continues, their operating note will be at a high level. They might have to borrow money to pay the day-to-day expenses.

Yet Sipes persists because of his deep-rooted passion – just like his ancestors. The economy will cycle.

"My office is a huge outdoor space," said Sipes. "I enjoy the sunrises and sunsets. I enjoy being productive. What drives me is working to turn out the best yields."

The same lifestyle is what keeps Geoff and Jenny Burgess farming, no matter how tough it gets at times. Farming together, they lean on each other. They try to keep business and their personal life separate – even making a rule not to talk about the operation at the dinner table.

And, despite it all, they remain optimistic.

The Burgess' children, Dillan, 9, and Jessica, 3, are making memories on the farm. They can play outside, climb trees, ride the equipment with their parents, watch the crops grow and then help with the harvest. Dillan is even learning to drive the grain cart, Jenny said.

For Jenny, it is hard to put her passion into words. But



Left: Jessica Burgess, 3, looks for her favorite ornaments on the Christmas tree at their home near Sterling.

Bottom: Jenny Burgess powers through the south side of a field while harvesting soybeans near Sterling in October, 2016.

Photos by Sandra J. Milburn/ The Hutchinson News



she added, "It's an emotional draw," she said. "I couldn't imagine doing anything else."

So for now, they'll try to keep going while waiting for the uptick. But not everyone is, said Jenny. In the last month, they've seen a few older farmers not wanting to deal with the market volatility. Some are making changes.

They are renting 500 more acres because of it.

"We are trying to ride the wave," said Jenny. "We know it will hit the beach one of these days but it is just how are we going to land."

Kansas Agland Editor Amy Bickel's agriculture roots started in Gypsum. She has been covering Kansas agriculture for more than 15 years. Email her with news, photos and other information at abickel@hutchnews.com or by calling (800) 766-3311 Ext. 320.

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Susan Bradbury holds the heart-shaped potato she found inside the 10-pound sack of potatoes she was given in a basket of goods during Laundry Love at Giant Laundry on Friday morning. Bradbury says she feels the potato was a message of hope. She is pictured at her home on Dec. 9.

Lindsey Bauman/
The Hutchinson News

Uplifted

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Carla Shepherd, with the help of volunteers from First Nazarene Church and around the community host the monthly event. About 50 families showed up and because it's the holiday season they were also giving new laundry baskets filled with donated toiletries and a variety of items food stamps won't buy. Everyone also received 10 pounds of potatoes.

Friday morning Bradbury began cutting up the potatoes to make a stew. As she pulled one of the potatoes out of the bag she was

amazed to see it was the shape of a perfect heart.

"It gives me hope," Bradbury said, trying not to cry. She saw the potato as a message. "I feel like it's a reminder that when I'm in need everything will be OK."

She was so excited about her find that she raced back to Giant Laundry.

"We get people with attitude around here," said Shepherd. "When she first came in and very seriously told me she needed a few minutes of my time, I was suspicious."

But Shepherd has learned through working at Laundry Love that along with the monthly hot meal, free clothes they offer and

use of a washing machine, the participants need an ear to listen.

Bradbury opened her hand to display the heart.

"It gave me goosebumps and I was teary-eyed," Shepherd said. "Not because it was shaped like a heart, but how important it was to her. She was serious, this was how she felt. For her it was a sign. It gave her hope. This is the season for that."

Like most the people who come to Laundry Love, Shepherd said Bradbury needed more than a basket of goodies—she needed hope. And that's what she found in the potato.

"It makes me happy," Bradbury said, an emotion she hasn't felt lately.

PITTSBURG STATE

University to appeal sexual harassment ruling

THE ASSOCIATED PRESS

PITTSBURG – Pittsburg State University plans to appeal a recent federal jury decision that awarded \$230,000 to a former employee who accused another university employee of sexually harassing her.

A jury in U.S. District Court in Kansas found this fall that Pittsburg State violated Martha Fox's civil rights and awarded her \$230,000. But the money won't be awarded if a motion

for an appeal is granted.

According to court records, Fox, a former custodial specialist, claimed a supervisor sexually harassed her starting in 2012. Fox also alleged that Pittsburg State officials didn't appropriately investigate her harassment claims and that she was retaliated against after she reported those claims.

Fox testified that a supervisor touched her hair, made sexual and disparaging comments and followed her home. She also testified that

the supervisor would repeatedly make sexual gestures and sounds.

The supervisor, who denied the sexual harassment accusations, later retired.

The Kansas attorney general's office handled the defense for Pittsburg State. Pittsburg State President Steve Scott told The Joplin Globe that no sexual harassment took place. "We defended ourselves in court, and that was the position we took. That will prevail," he said.

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