

# Land Investment Monthly - March 2022

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*Photo Credit: Isabel DeBre, AP*

## Biggest Rise in Midwest Land Values in Over a Decade

Agricultural bankers reported a 22% increase in farmland values in the central Corn Belt during 2021, and they expect values to continue to rise in the opening months of this year, said the [Chicago Federal Reserve Bank](#) on Thursday. Iowa had the largest increase, 30%, in the five-state Chicago Fed district.

“On the whole, the district experienced a very steep annual increase of 22% in its farmland values in 2021,” said the Chicago Fed in its quarterly AgLetter. “In nominal terms, 2011’s annual increase was the last gain as large as 2021’s.” The increase in land values was aided by low interest rates, government subsidies to farmers, strong commodity prices, and high corn and soybean yields. [Read More](#)

## **Russia, Ukraine Conflict Escalates, Ripple Effects Could Include Impacts on Food Prices, Production, and Fertilizer**

Robyn Dixon, Paul Sonne and Ellen Nakashima reported on the front page of Tuesday's Washington Post that, "Russian President Vladimir Putin on Monday recognized the independence of two Moscow-backed separatist regions in eastern Ukraine and ordered Russian forces onto their territory for 'peacekeeping' purposes, a dramatic escalation in a crisis that is threatening a full-scale war."

Reuters writers Naveen Thukral and Gavin Maguire reported on Tuesday that, "Escalating tensions between global crop heavyweights Russia and [Ukraine](#) are likely to force wheat, corn and sunflower oil buyers to seek alternative shipments, driving up world food prices already near multi-year highs, analysts and traders said." [Read More](#)

## **USDA Head: US Farmers to Help if Ukraine Exports Threatened**

American wheat farmers will boost production and prevent supply chain problems in the event that a possible Russian invasion of Ukraine chokes off agricultural exports from the global grains powerhouse, the U.S. secretary of agriculture said on Saturday.

During a trade mission to the United Arab Emirates, U.S. Secretary of Agriculture Tom Vilsack told The Associated Press that a conflict in Ukraine would present an "opportunity, obviously, for us to step in and help our partners, help them through a difficult time and situation."

"We'll obviously continue to look for opportunities to expand those (export) markets," Vilsack said from a sprawling fruit and vegetable market in Dubai, which he toured with a delegation of American business owners. "That's the beauty of our system now." [Read More](#)

## **Ukraine Conflict Could Push Grain Prices Higher Worldwide**

In the short term, the sanctions Western nations impose on Russia could result in a lot of already harvested grain staying in Russia, and military actions could disrupt trade routes on the Black Sea. In the long term, a wider invasion of Ukraine could do a lot of damage to that country's agriculture sector, according to Per Hong, a partner at the Kearney consulting firm.

"It really could mean sharp declines in wheat production, a real fall in wheat exports as farmers flee the fighting, infrastructure and equipment are destroyed," he said. [Read More](#)

## **How Cow Manure From New York is Bolstering California's Emissions Goals**

While New York and California race to achieve ambitious emissions cuts and lead the way on fighting climate change, the two states are on a collision course over an unusual endeavor: using cow poop as fuel to power trucks.

Trucks and buses in California are being pushed to use low-carbon fuels, including natural gas produced from cow excrement and landfills that would otherwise vent methane, a potent planet-warming gas, into the atmosphere.

Enter New York. [Read More](#)

## **USDA Earmarks \$1 Billion for Sustainable Agriculture, Land Management**

Secretary of Agriculture Tom Vilsack announced last Monday that his department will invest \$1 billion in partnerships to support America's sustainable farmers, ranchers and forest landowners.

The initiative will provide both financial and technical assistance to pilot projects lasting between one and five years for US agricultural and forestry products that use sustainable practices. Recipients are expected to demonstrate products' greenhouse gas benefits through "innovative, cost-effective" means of measurement and verification and market the "climate-smart" commodities post-development. [Read More](#)

## **Farmers Feel the Squeeze of Inflation**

Inflation is growing on the farm.

American farmers are paying significantly higher prices for their weed-killing chemicals, crop seeds, fertilizer, equipment repairs and seasonal labor, [eroding some of 2021's windfall](#) from rising crop prices. [Higher farm costs](#) could help push up grocery bills further in 2022, analysts say, following a year in which [global food prices rose](#) to decade highs. [Read More](#)