

WSJ Highlights Dairy Farmer Who Filed For Bankruptcy After Trump's Chaotic Trade War

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Friday, 07 August 2020 12:34 - Last Updated Saturday, 08 August 2020 15:44

<http://newiproggressive.com/images/stories/S5/farm-family-s5.jpg>



“A lot of tears have been shed,” said Lynn Hicks, a dairy farmer from Gilman, WI

WISCONSIN -- Long before COVID-19 came to the United States, Donald Trump's chaotic trade wars and disastrous agriculture policies crushed Wisconsin farmers at a record rate.

Since he became president, over 2000 Wisconsin dairy farms have permanently shut down, with a record 818 going out of business last year alone. The Badger state also continues to lead the country in the farm bankruptcies.



But because Trump failed to properly address the COVID-19 pandemic, farmers are hurting worse than ever as they have been forced to dump milk, burn crops, and euthanize livestock.

Today, a Wall Street Journal report shined a light on the story of Art Steffen, a dairy farmer from Wisconsin, who filed for bankruptcy in January on his farm that had been in his family

since 1860.

KEY POINTS BELOW:

[WSJ: More Farmers Declare Bankruptcy Despite Record Levels of Federal Aid](#)

- More U.S. farmers are filing for bankruptcy, as federal payments projected to reach record levels this year fall short of compensating for the coronavirus pandemic and a yearslong slump in the agricultural economy.
- About 580 farmers filed for chapter 12 bankruptcy protection in the 12-month period ended June 30, according to federal data.
- The pandemic has pressured prices for many commodities, squeezing farmers who raise crops and livestock, and prolonging a six-year downturn in the Farm Belt.
- Before the pandemic, a global grain glut and foreign competition had pushed down agricultural prices. Trade disputes deepened the pain, drawing retaliatory tariffs from top buyers of U.S. farm commodities, such as China and Mexico.
- Hog farmers have lost nearly \$5 billion in actual and potential profits for 2020, according to the National Pork Producers Council, a trade group. In California, agricultural businesses stand to lose as much as \$8.6 billion, according to a study commissioned by the California Farm Bureau Federation.
- **Wisconsin dairy farmer Art Steffen filed for bankruptcy in January, before coronavirus arrived but after years of low milk prices and mishaps on his farm left him with \$3 million in unpaid bills, including \$400,000 for animal feed and \$2,000 for cattle semen and other breeding supplies.**
- **Mr. Steffen, who sells the milk from his 300 cows to a string-cheese plant, said filing for bankruptcy made him feel he had failed as a steward of the farm that has been in his family since the 1860s.**
- U.S. farm debt has grown steadily since then to more than \$425 billion this year, the U.S. Department of Agriculture estimates. That is the largest sum since a farm crisis in the 1980s that pushed many farmers and lenders out of business.
- Buoyed by \$16 billion in direct payments to farmers to mitigate pandemic-related losses, farm income might tick down just 3% this year to \$90.6 billion, the Food and Agricultural Policy Research Institute predicted in June. As of this week, less than \$7 billion of the funds had been distributed, according to USDA.
- **Trade aid and coronavirus-relief payments are due to end this year. Agricultural economists say more farms could fold next year without additional support. Slow purchases from China and the pandemic's persistence continue to weigh on demand for agricultural products.**