

Testimony of John Boyd
President, National Black Farmers Association (NBFA)
Financial Services Committee

National Security, International Development, and Monetary Policy

Dear Honorable Chairman Emanuel Cleaver II and Congressman Steve Stivers, Ranking member. Thank you for the invitation. It is truly an honor to address your committee.

I am John Boyd, Founder and President of the National Black Farmers Association (NBFA). The NBFA has over 109,000 members in 42 states. Our membership consists of full-time farmers, part-time farmers, land and timber owners and many concerned citizens. I am a fourth-generation farmer, maintaining about 300 acres in Southside, Virginia.

Due to the President's tariffs, farmers are in a crisis.

Since President Trump imposed tariffs on China, U.S. grain farmers have suffered dramatically. China at its peak was purchasing 90% of U.S. grown soybeans. In 2014, I sold soybeans for \$16.80 per bushel. Since the China-imposed tariffs, my soybean crops have dropped to \$8 a bushel. To break even and not lose money on my crop, I need to sell soybeans for no less than \$11 a bushel.

I am what's called a cash and sell farmer, meaning I am not storing any of my crop. I harvest and sell my soybean crops to the Smithfield Foods company, which operates the nearest grain elevator. It is located in Petersburg, Virginia. This requires trucking my harvest in 500 bushel capacity grain trucks.

Most farmers operate this way. The increased tariffs have changed this process. Our last soybean harvest was a disaster. For the first since I began farming in 1983, I was told by the grain elevator company, "Due to the imposed China tariffs we are not buying soybeans." Because I had nowhere to sell my soybean harvest and nowhere to store them, I was financially devastated when many acres rotted in the field.

On July 24, 2018, President Trump announced his \$12 Billion Bailout Subsidy for farmers to offset the financial damage brought down on thousands of farmers like me by the change in tariffs. The President touted this subsidy as a solution to the devastating losses we endured. He pledged that the subsidy would be available swiftly and in two installments to farmers.

President Trump's trade policies have been a disaster for soybean farmers like me. As you know, China responded to President Trump's tariffs on Chinese aluminum and steel products by placing retaliatory tariffs on more than 800 food and farm products, including soybeans.

In particular, China placed retaliatory tariffs of 25% on U.S. soybeans, raising the total tariff rate to 27% and effectively restricting access to what was once the largest market for America's soybean growers. Prior to the Trump administration's tariffs, almost one half of soybeans grown in the U.S. were exported, and about one-fourth were exported to China.

President Trump's trade war has essentially closed the China market for farmers like me – perhaps forever. Since the President's trade tirade, China has instead turned to soybean farmers in Brazil and elsewhere. We may never reclaim our standing as the world's biggest soybean market. While exports of American soybeans to Europe have increased, the sales are a fraction of the sales we have lost. As a result, soybean farmers like me are being forced to sell our crops at prices below the cost of production – that is, we are losing money on each bushel we sell – if we are able to sell our crops at all.

The Market Facilitation Program created by President Trump and Agriculture Secretary Purdue to cushion the blow delivered by the Trump trade policies is no substitute for the income soybean farmers have lost. In fact, Market Facilitation programs have further tilted the playing field against small family farmers.

Because Market Facilitation Payments (MFP) are tied to production, the largest and most successful producers are collecting the lion's share of the funding. While some large farmers received nearly \$1 million for crops harvested in 2018, most family farmers like me have so far received less than \$5,000.

According to the Environmental Working Group, the top 10% of MFP recipients received 54% of all MFP payments. Rather than adopt strict payment and income limits, as the Trump Administration proposed for farm subsidies in their FY 2019 and FY 2020 budget requests, the Administration instead chose to apply the same broken rules that have funneled farm subsidies to the biggest farms for decades. These rules are especially unfair to African American, Latino and Asian American farmers, who tend to have smaller operations than white farmers – and are less likely to be eligible for government farm supports at all.

That promise not been true for many black farmers and other small-scale farmers. Our payments have arrived late, or for some, never. We have NO backup support in difficulties such as this. As black farmers, we have a long history of being shut out of help from the USDA. That department has a well-documented pattern over many decades of treating black farmers poorly, resulting in slow, denied, or delayed help compared to other farmers.

Even for me, a highly vocal advocate for fair treatment of all farmers and black farmers in particular, the system can be a nightmare to negotiate. It took nearly a year after I applied for assistance to receive a payment of \$6,800. I am still deeply in the RED.

Meanwhile, I was outspoken in calling for Congress to take action on our plight during the five-week government shutdown. I have continued to plead our case on cable television networks and in media outlets such as the *Washington Post* article that was published on January 10, 2019 under the headline “Farmers feel a sting from the shutdown.” [SEE:](#)

https://www.washingtonpost.com/us-policy/2019/05/30/senators-urge-usda-stop-trump-farm-bailout-money-going-foreign-owned-companies/?utm_term=.6f09e01b8f81

Most of our NBFA members are in no financial condition to sit out a whole farming season with NO INCOME from selling our harvests to grain operators. And our government has shown little regard for our plight. We have experienced poor leadership from the United States Department of Agriculture (USDA) in this crisis.

As a spokesman for more than 100,000 black and other minority farmers, I have repeatedly reached out to Agriculture Secretary Sonny Perdue for a face-to-face meeting to discuss our difficulties. The requests have fallen on deaf ears. No meeting has been granted. I also have reached out to United States Trade Representative Robert Lighthizer to discuss the possibility of opening new markets for soybeans and other farm commodities. No meeting there, either.

The effects of the China-imposed Tariffs will be long lasting. I believe more farmers will lose their land to farm foreclosures. Farming is hard work. We do it because it is a fulfilling way of life--when the system works well. We are serious about the work and our place in the nation's economy. Farming comes with built-in hardships. We don't need our government putting up extra stumbling blocks.

Without a farm operating loan many banks do not want to lend farmers operating capital due to the all-time low prices on soybeans. I would urge the top ten U. S. Banks to recognize our circumstances and act with urgency to extend us credit now.

Recently, President Trump imposed more tariffs on China and threatened Mexico and other countries with tariffs. These actions put us farmers at a disadvantage in the marketplace. Tariffs should be used a last ditch effort. If we are going to save the American Farmer, we require open markets. Farmers want free trade. I am a very proud farmer I would much rather get a fair price for my crop than stand in line and wait for government help that continues to exclude farmers that look like me.

The black farmers represented by NBFA have been left out of any talks or communication with the White House and USDA. A few weeks ago, President Trump met with farmers at the White House. I have personally reached out and asked to meet with the President, to no avail. The White House released a photo of the meeting which I might add none of those farmers looked like me.

It is unacceptable that foreign owned corporations are benefiting at an alarming rate while tax-paying American farmers such as myself are receiving miniscule amounts of

the relief designated with stated purpose to help American Farmers. Economic fairness is at stake in this matter.

Unless there is a set aside amount for support of small-scale farmers in the proposed \$16 Billion Bailout, we will be treated as invisible and insignificant participants in the process. Policy decisions regarding farmers will continue to disproportionately reward foreign-owned corporations and exclude already disadvantaged farmers in our category.

Justice would be served in the current crisis by a vote for bipartisan legislation from this committee to set aside \$5 Billion to help address the needs of black and other small-scale farmers. Fair treatment is all we are asking. Just justice.