

A photograph of the United States Capitol building in Washington, D.C., featuring its iconic dome and neoclassical architecture. The building is partially obscured by green trees in the foreground. The sky is a clear, bright blue.

AG, ENERGY AND TRADE POLICY

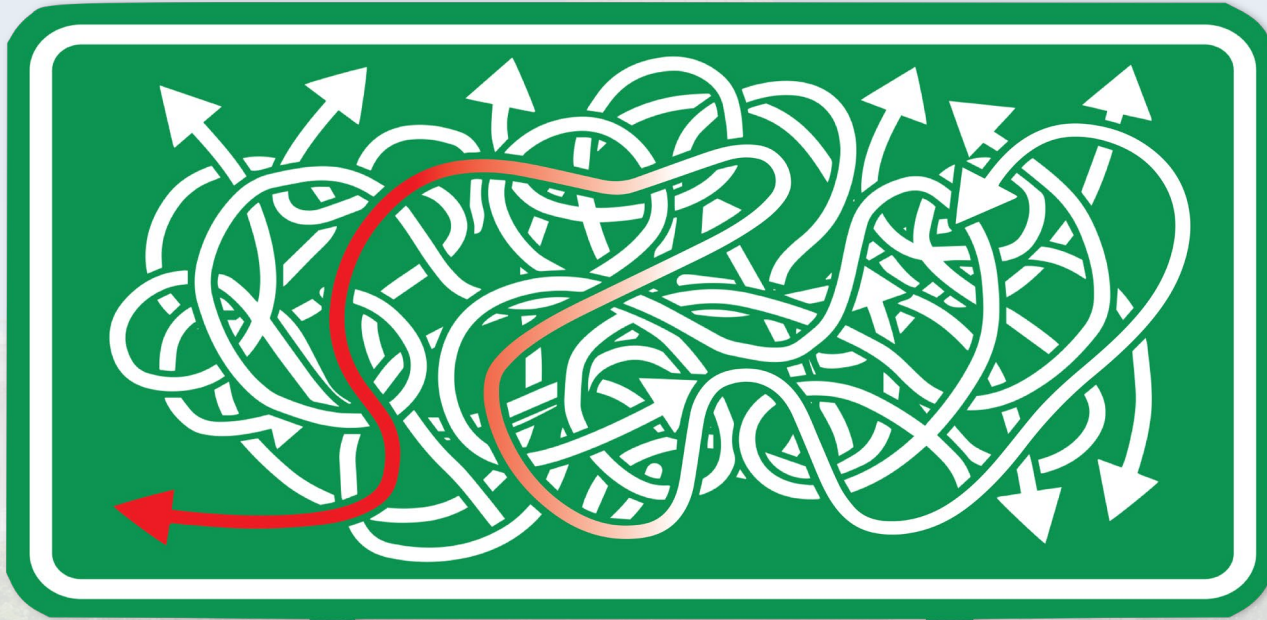
BIG CHANGES PUSHED

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WASHINGTON'S DIRECTION LOOK CONFUSED?

...SHARP LEFT



THINK BIDEN IS A CENTRIST DEMOCRAT?



"I do think that the Biden administration and President Biden have exceeded expectations that progressives (far left Democrats) had. I'll be frank, I think a lot of us expected a lot more conservative administration."

— Rep. Alexandria Ocasio-Cortez (D-N.Y.)

WASHINGTON: ELECTIONS & CHANGES

- **Washington:** Biden/Dems push fundamental changes... Far-left
- **Congress:** From bipartisanship to viral partisanship
- **Elections:** Consequences re: winners... 2022 elections forecast

WASHINGTON: PLAYERS

- USDA Sec. Tom Vilsack
- USTR Katherine Tai
- EPA Administrator Michael Regan... *WOTUS redo?*
- House Ag Committee: David Scott – G.T. Thompson
- Senate Ag Committee: Debbie Stabenow – John Boozman

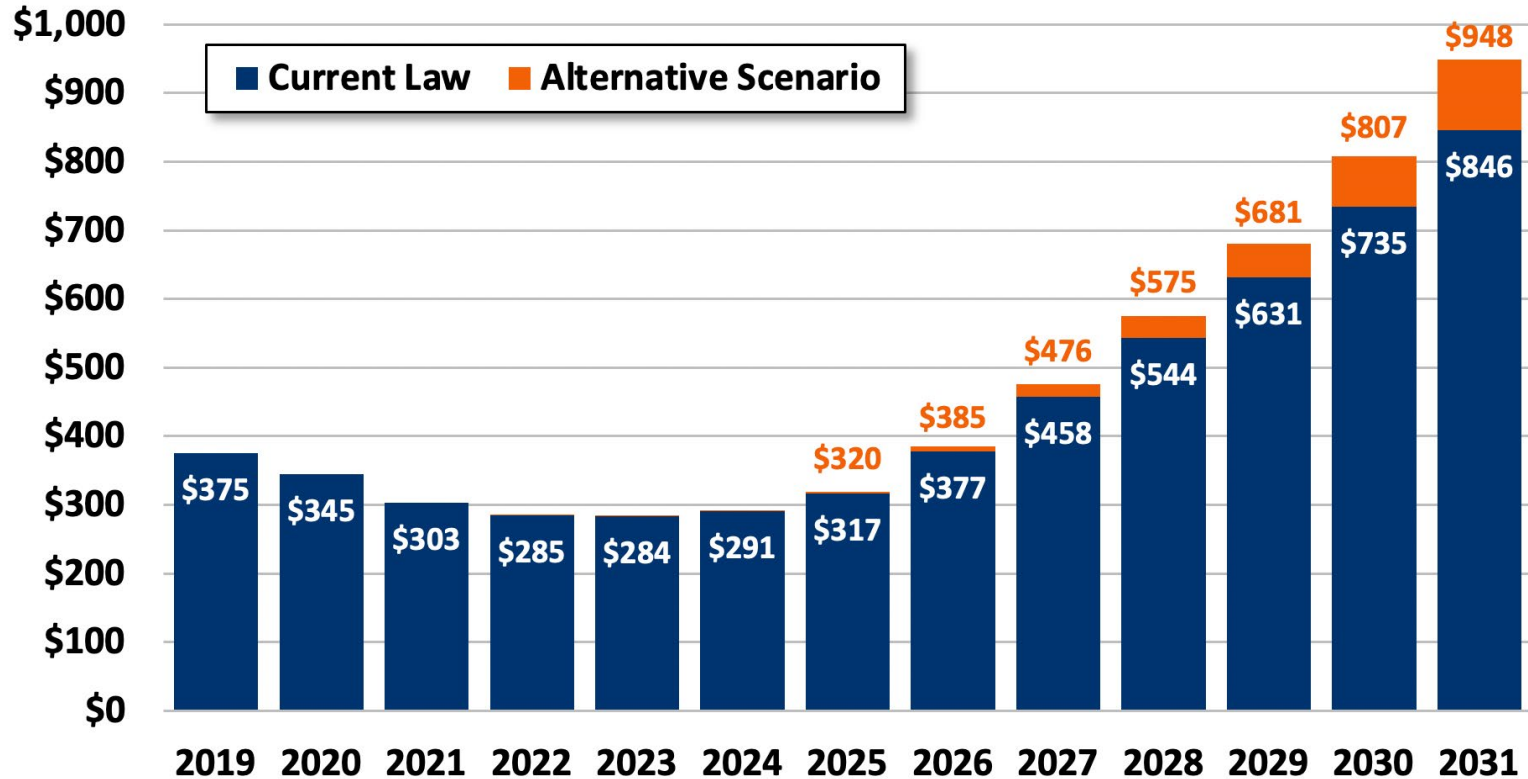
FARM POLICY

- **New House Ag Chairman... different focus**
- **Next farm bill?**
- **Conservation programs: Billions more funding pushed by Stabenow**
- **Sugar policy ahead**

WASHINGTON: ELECTIONS & SPENDING

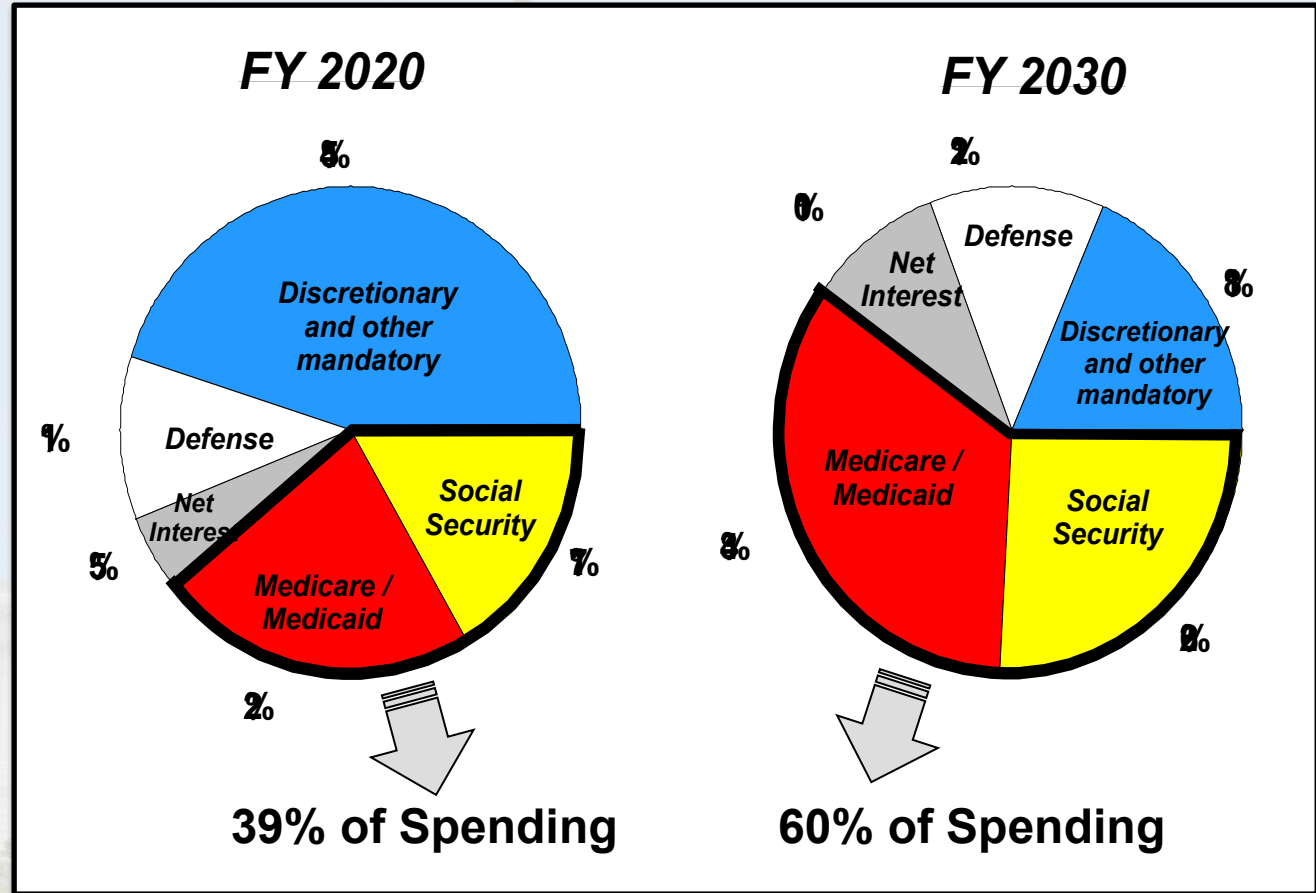
- **White House:** Use of executive orders, regulations (WOTUS, etc.)
- **Spending:** From millions, to billions and now trillions of dollars
\$6 trillion in new and proposed pending since Biden presidency
- **Covid aid:** Past and future
- **Deficits and debt:** Modern Monetary Theory... or crisis ahead?

NET INTEREST UNDER CURRENT LAW AND ALTERNATIVE SCENARIO (BILLIONS)



Sources: CRFB Calculations based on Congressional Budget Office Data

SOCIAL SECURITY, MEDICARE & MEDICAID CONSUMING BUDGET OUTLAYS



Sources: CBO February 2021



JUDICIARY

- **Impasse:** With Congress, White House in conflict, court decisions rule
- **Supreme Court**

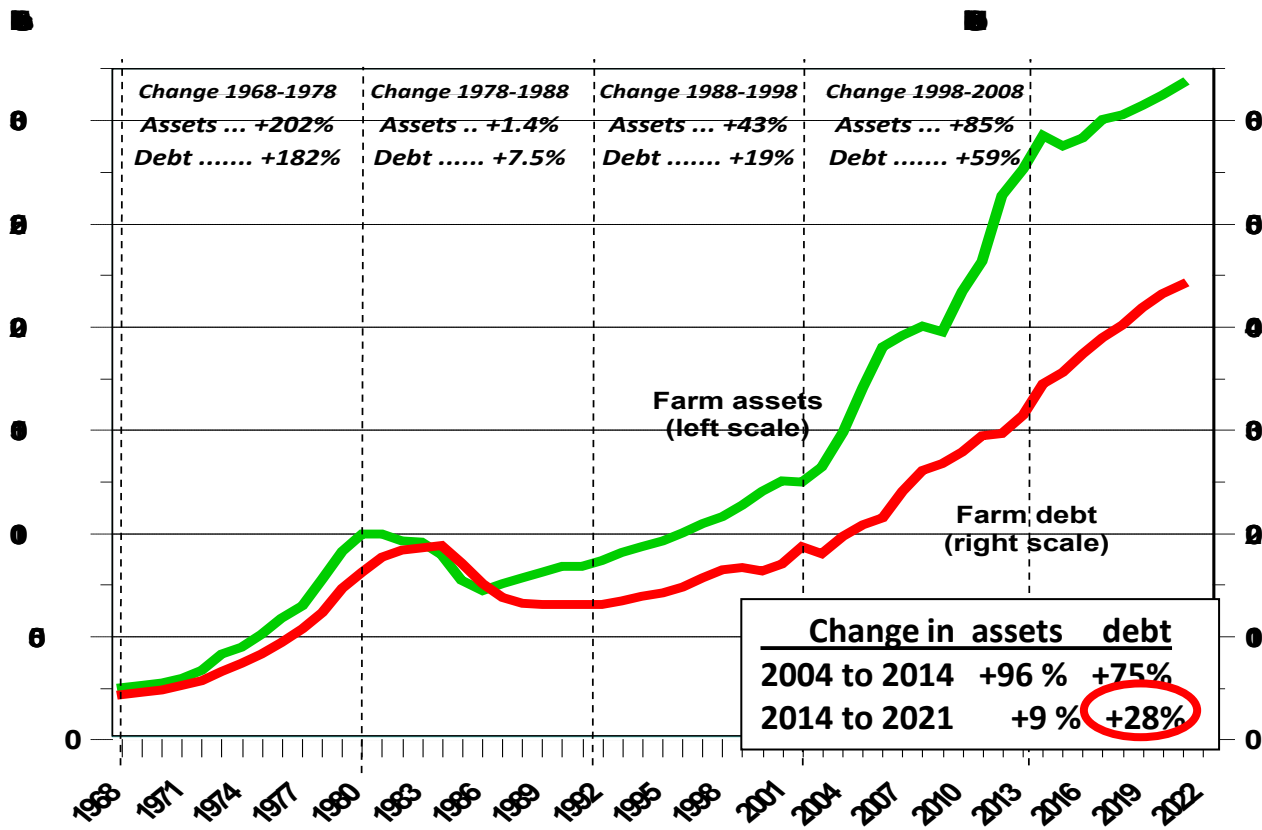
TAXES

- **Tax policy:** From tax cuts to increases... Capital gains, estate taxes, etc.
Ag concerns: Cap gains at death | Proposed end to 1031 exchanges
- Dems want higher corporate taxes, high-income taxes, cap gains

AG INDUSTRY

- **Seed industry: Stacking traits big impact on corn, soybeans**
- **Farm equipment**
- **Farm labor... lack of it a key... immigration reform?**
- **Precision ag: Remote sensing... drones... robots**
- **Transportation: Waterways, railways, ports ... Investment needed**
Odds rising for compromise infrastructure bill, but...

Ag Balance Sheet is Better Prepared for Volatility But Debt is Rising Rapidly





TRADE POLICY

- New trade deals once review of U.S./U.K, U.S./Kenya talks complete
- Trade enforcement is initial focus of USTR
- Still need trade team assembled at USTR... ag negotiator key
- Trans-Pacific Partnership: U.S. leaves... push to return
- USMCA issues remain
- Trade Promotion Authority (TPA): Expired July 1... tired to TAA

The background of the slide features a close-up of two hands shaking in a firm grip, symbolizing a deal or agreement. This image is overlaid on a dark blue background that also contains a faint, stylized world map. The overall color palette is dominated by blues and purples, with the handshake providing a central point of focus.

TRADE WITH CHINA

- **Top to bottom review of Phase 1 agreement**
- **China behind on overall targets but big recent buys of corn, soybeans**
- **Ag portion of Phase 1 mostly in place... 50 of 57 commitments by China**
- **Volatile issues: Taiwan, South China Sea**
- **Metal tariffs still linger**

The background of the slide features a blue-tinted image of two hands shaking over a world map. The hands are positioned in the upper center, with fingers interlaced. The world map is visible in the lower half, showing continents and connecting lines. The overall color scheme is dark blue with white text.

ALLEGED ANTITRUST ISSUES

- **DOJ urged to restart/resume or start investigation into 4 major packers**
- **Focus on Capitol Hill rising and also in Biden administration**
- **Watch and listen to Sen. Amy Klobuchar (D-Minn.)**
- **Hearings on meat processing industry**

ENERGY & CLIMATE

- **Corn-based ethanol:** Made corn king of commodities... future?
- **Refiners keep pressing for waivers of RFS, lower RVO**
- **EVs:** Rise of electric vehicles (EVs)
- **Biodiesel:** Gaining in importance
- **Fracking:** Innovation wins again, but Biden, Dems not supporters
- **Climate change proposals:** U.S. whole-of-gov't approach
- **Climate change:** Ag carbon bank?

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