

The spring flooding along the Missouri River cost Nebraska nearly \$189 million in lost agricultural crop sales and related economic activity, Nebraska Farm Bureau said Tuesday, Oct. 18, in announcing the results of a study it commissioned this summer.

“We knew the economic losses to farmers and the state were high, but we wanted to quantify them for future policy discussions,” Nebraska Farm Bureau President Keith Olsen said.

The study looked at 14 counties along the Missouri River which border South Dakota or Iowa, said Jay Rempe, an agricultural economist and vice president/governmental relations for Nebraska Farm Bureau.

“\$105.8 million of the total (\$188.8) is lost crop sales experienced by farmers; the remainder is the economic activity indirectly lost in these areas that did not occur because of the crop losses, such as processing, marketing and distribution or the purchases of agricultural equipment that won’t occur” said Olsen.

“The total figure also includes the effects of fewer household purchases by farmers and others who are indirectly involved with the growing of crops in the affected region.”

The study also estimated the crop income indirectly lost in these counties resulted in nearly \$57.8 million in wages that would have been generated from the growing of crops and supporting activities if the flooding hadn’t occurred, he said.

Burt and Washington Counties experienced the highest losses, both topping \$28 million in impacts, according to the study.

Nebraska’s net farm income for 2011 also will be affected, Rempe said, with the flooding accounting for more than \$41 million less than expected if there had there been no flooding event.

The study looked only at lost crops and doesn’t include such costs as disaster clean-up, reduced soil productivity, repairs to levees and impacts on buildings, roads and other property, Farm Bureau President Olsen noted.

“\$189 million is the impact for Nebraska for 2011, but the farmers who were affected will be dealing with the effects of the flood and lower crop yields for years to come,” said Olsen. “And that will mean less economic activity in eastern Nebraska for several years to come.”

The study was conducted by Decision Innovation Solutions of Urbandale, Iowa, which also studied the economic impacts of the flooding on Iowa, on behalf of the Iowa Farm Bureau. The flood’s impact on six Iowa southwestern counties was pegged at \$207 million.