# Understanding Risk in Agriculture

WHAT IS CAUSING RISK?

# **Contact Information**

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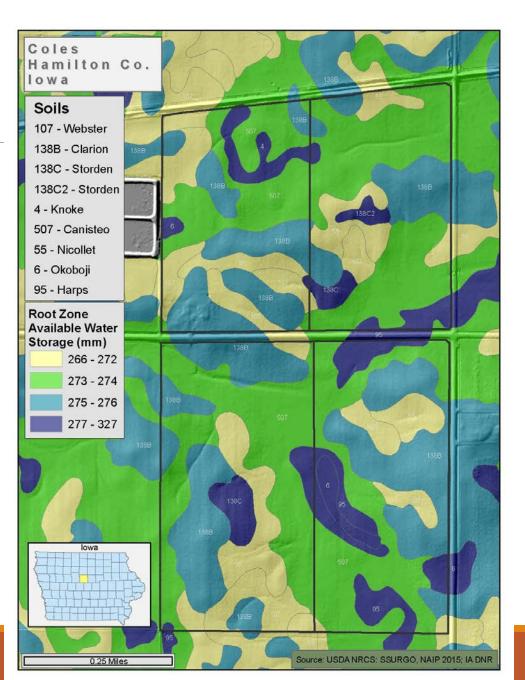
# Crop Insurance Claims

Top 2 insurance claims since 1989

- Excessive moisture
- Drought

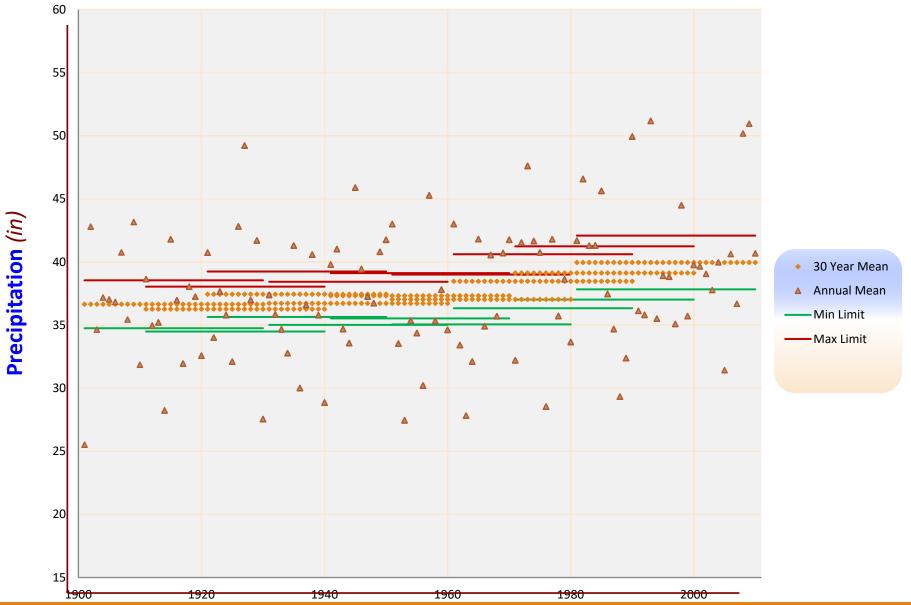
# Is it soil or climate?

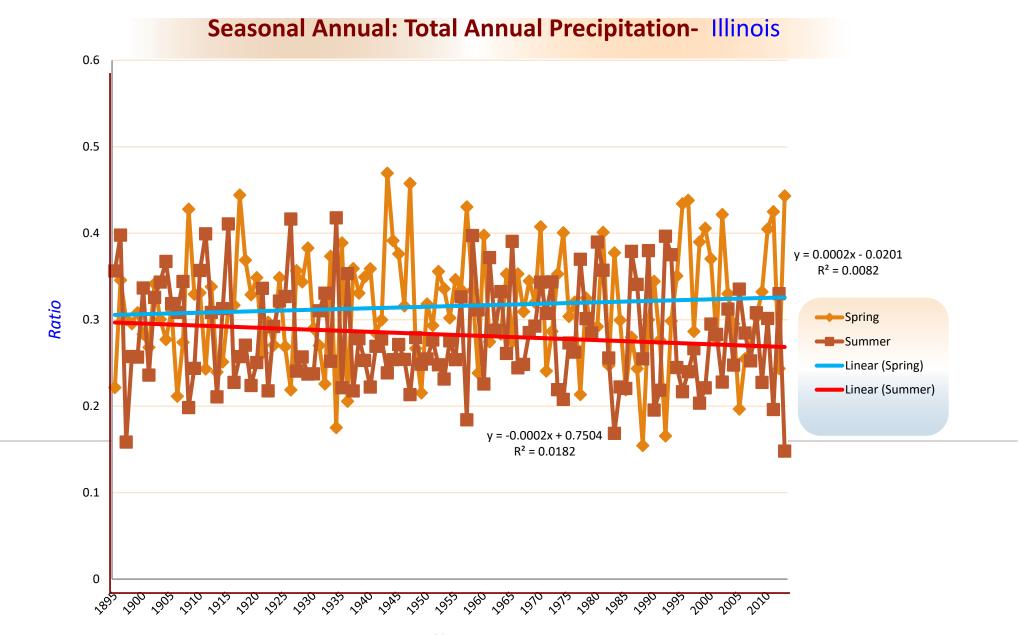




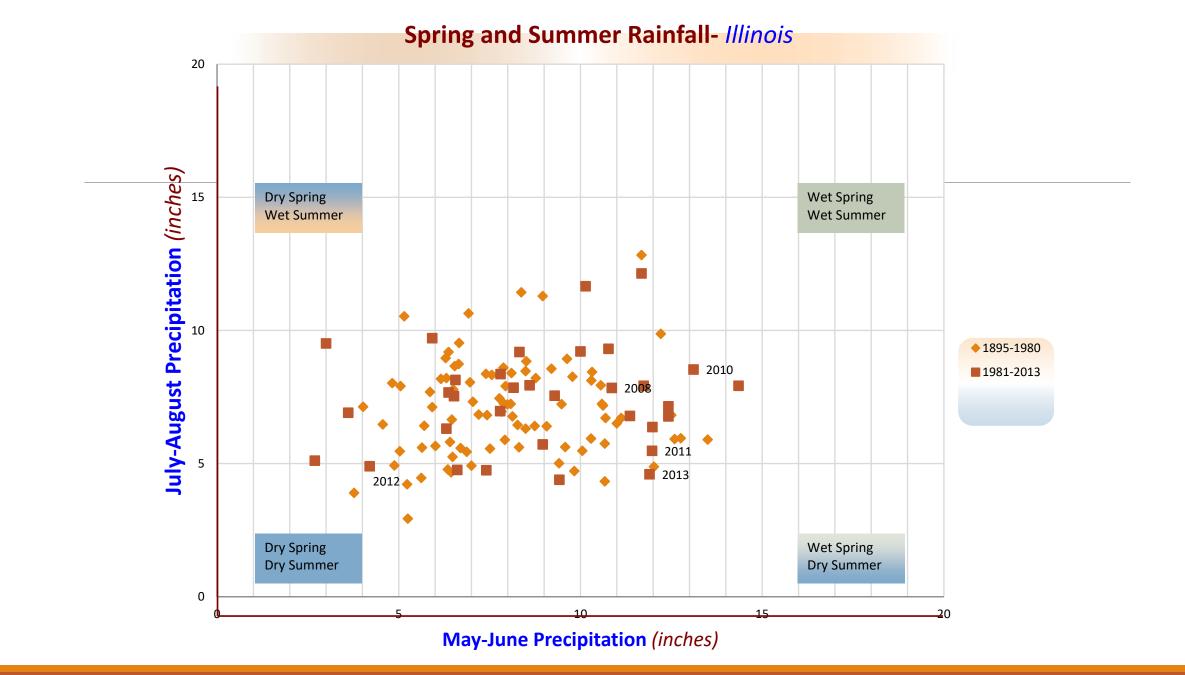
# Our Changing Climate

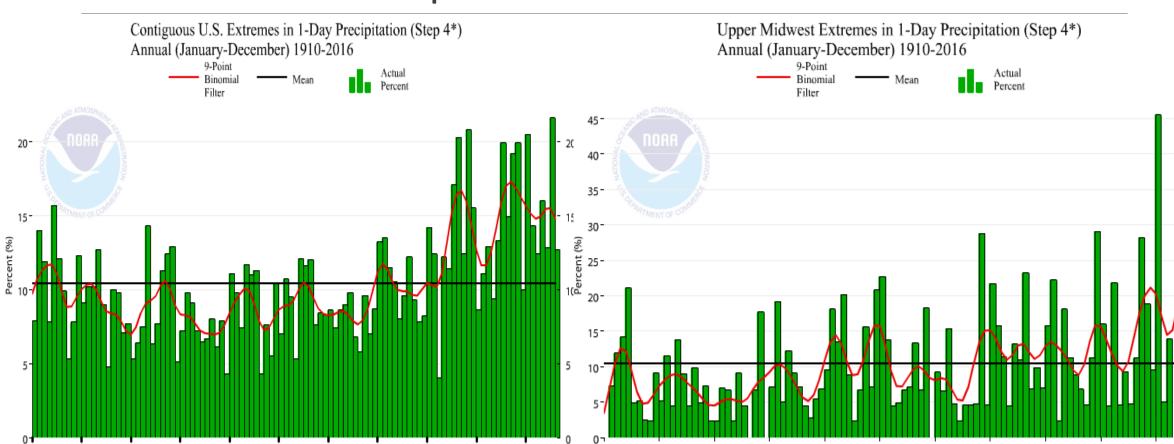
#### Illinois Precipitation: 1901-2010





Year





## Extreme Precipitation



• 45

- 30 Percent (%)

# Climate trends

Increasing precipitation

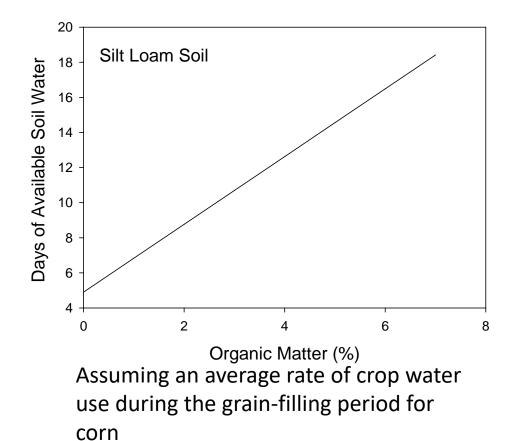
Shift in seasonality with more spring and more variable summer precipitation

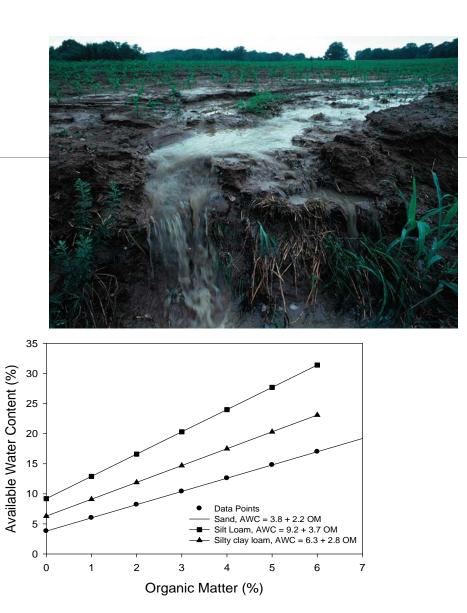
Minimum temperatures are increasing more than maximum

Temperatures are increasing more in the winter than the summer









Hudson, 1994

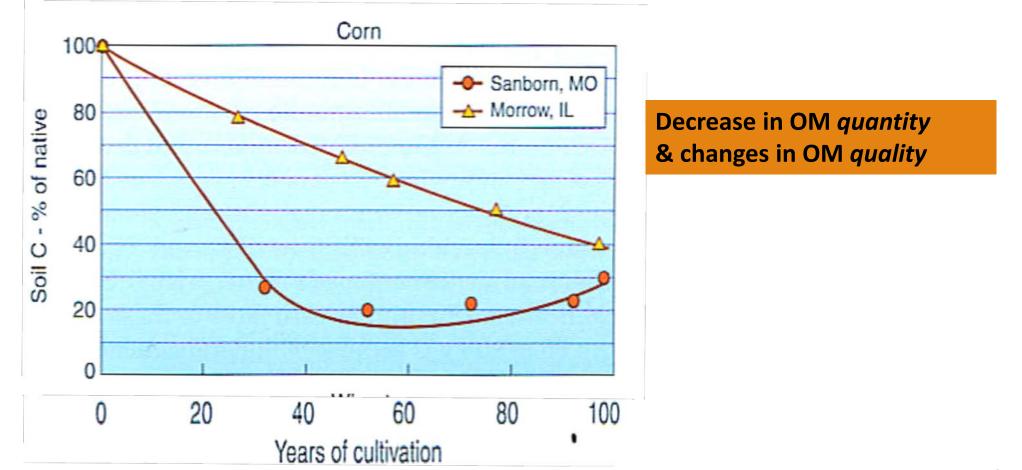


## What are we doing to our soil?



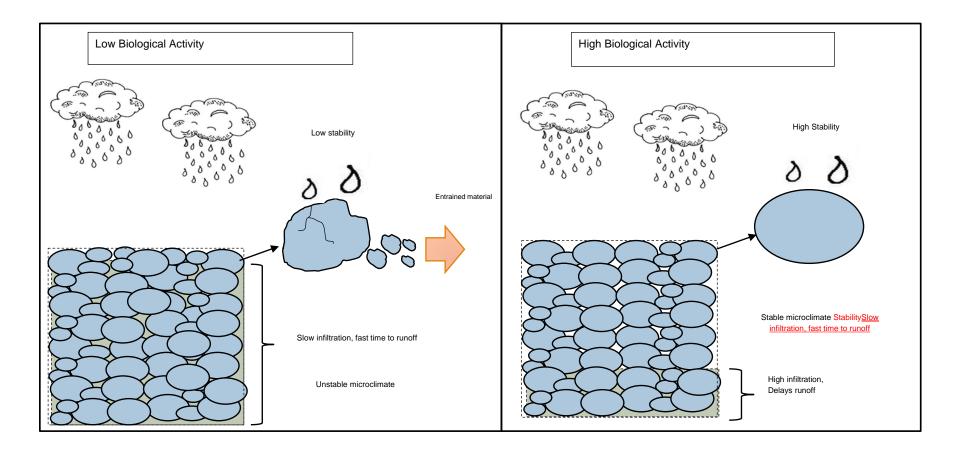


# Soil Organic Matter Changes



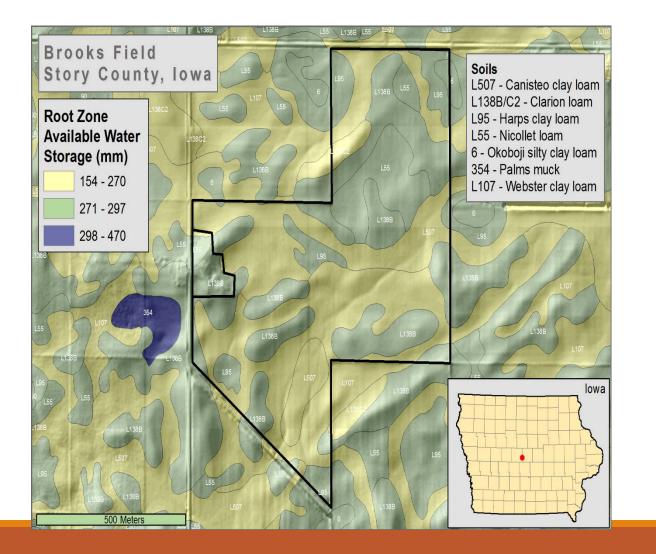
Paustian et al., 1997

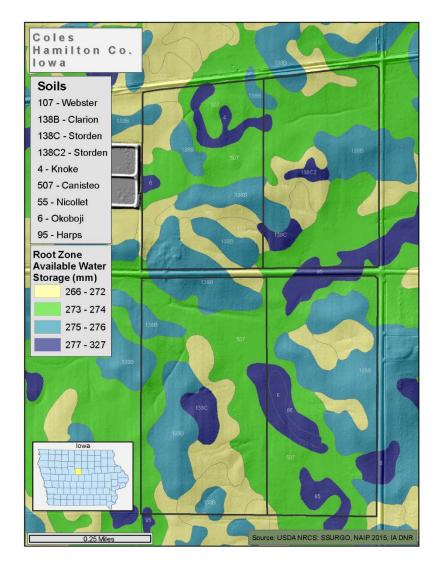
# Stable Soil Systems





# Variation of Water Holding Capacity within production fields





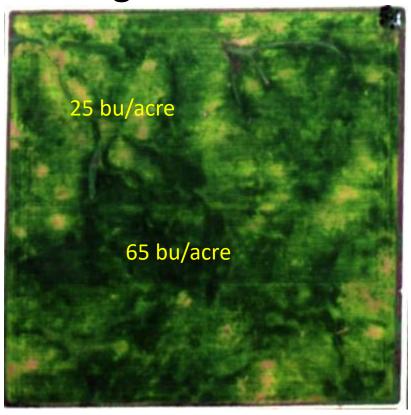


#### Soybean Production Field

#### Early August



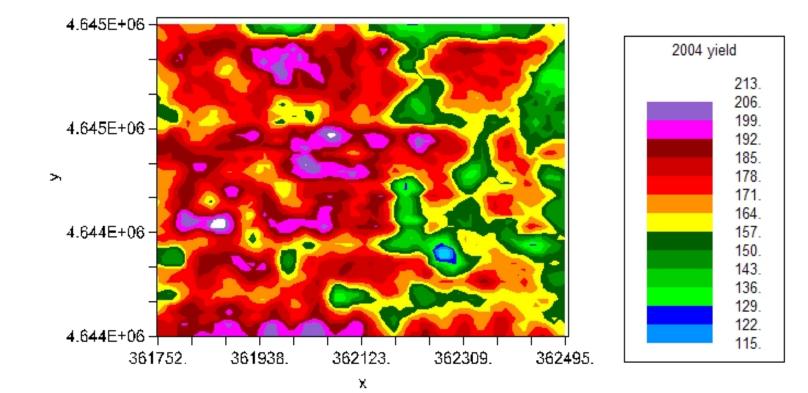
#### Late August



Yield variability in a field comes from soils inability to supply water during grain-filling

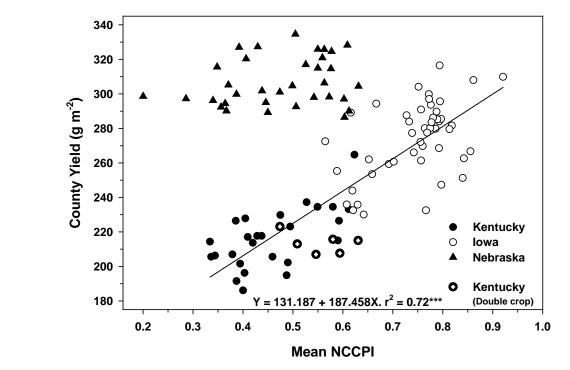


#### Crop Yield Variation



## Good Soils = Good Yields

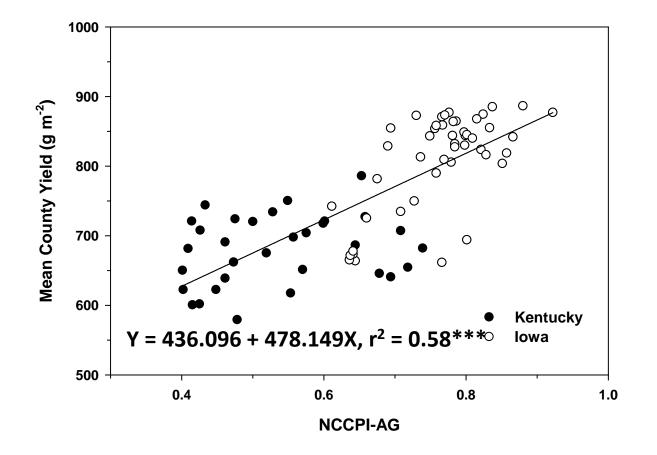
Soybean yields across lowa, Kentucky, and Nebraska



Climate resilience is derived from good soils in rainfed agricultural systems

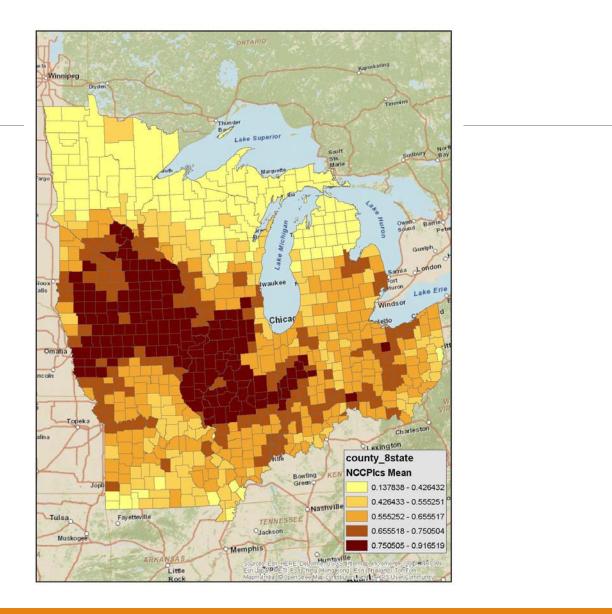


### Maize County Yields



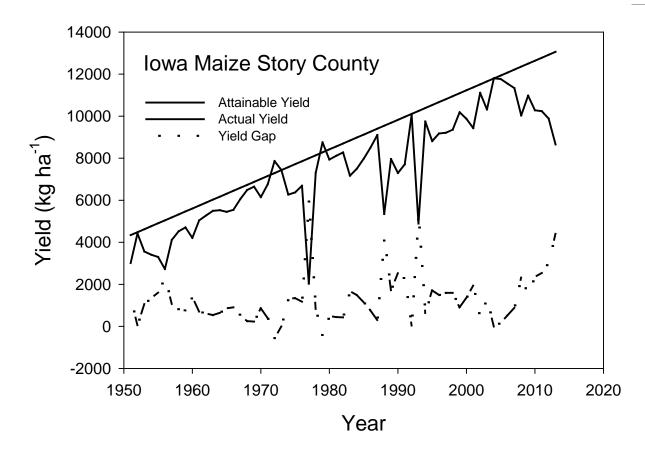


#### Variation in NCCPI across the Midwest

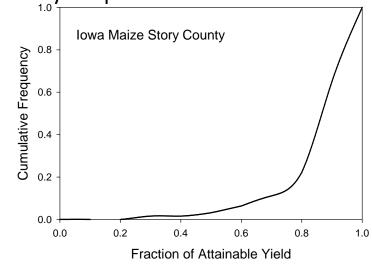




## Yield Gaps



We have found that 20% of the yield loss occur 80% of the time due to short term stresses, e.g., we needed an 2 inches but only received 1 inch of rainfall for the week so the plant is under a moderate stress and not fulling its yield potential





# Role of residue on the soil surface





## Stable Microclimate



85-90 F

120-130 F

Temperature profiles in the soil

Extremes in temperature limit the biological activity in the soil, induced by a dry soil

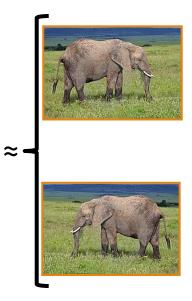
#### Benefits of Using Cover Crops

Reduced erosion
Reduced nitrate leaching
Reduced phosphorus losses
Increased soil organic matter
Improved weed control
Support and maintain soil organisms
Improve soil structure – especially no-till
Grazing and forage potential
Recycling manure nutrients



#### The "living soil", a biological system.

Mammals - gophers, moles, mice, groundhogs Earthworms - night crawlers, garden worms Insects and mollusks - ants, beetles, centipedes, snails, slugs Microfauna - nematodes, protozoa, rotifers≈ Microflora - fungi, yeast, molds, mychorhiza Actinomycetes - smaller than fungi, act like bacteria Bacteria - autotrophs, heterotrophs, rhizobia, nitrobacter Algae - green, blue-green



Earthworms, insects and rodents are "nature's plow" and the most visible components of the "living soil" team. They work in tandem with other soil fauna, soil microorganisms and fungi to contribute to aeration and nutrient cycling as part of a "soil factory" team effort.



#### Carbon Balance in Corn-Soybean Fields 2000-2016

<b>Rates</b> (Mg C ha <sup>-1</sup> yr <sup>-1</sup> )	Field	Footprint	4647750-
∆TC	-1.52 ± 0.78	-1.54 ± 0.76	467755- 97 467755-
C budget	-1.70 ± 0.01	-1.72 ± 0.02	
			4446750- 4446750- 4446500- 442000 442000 442000 442000 442000



# Current state of our soils

Continually lose carbon

Decrease the soil quality and infiltration rate

Increasing the potential for yield variation within fields

Increasing the risk of weather impacts on production

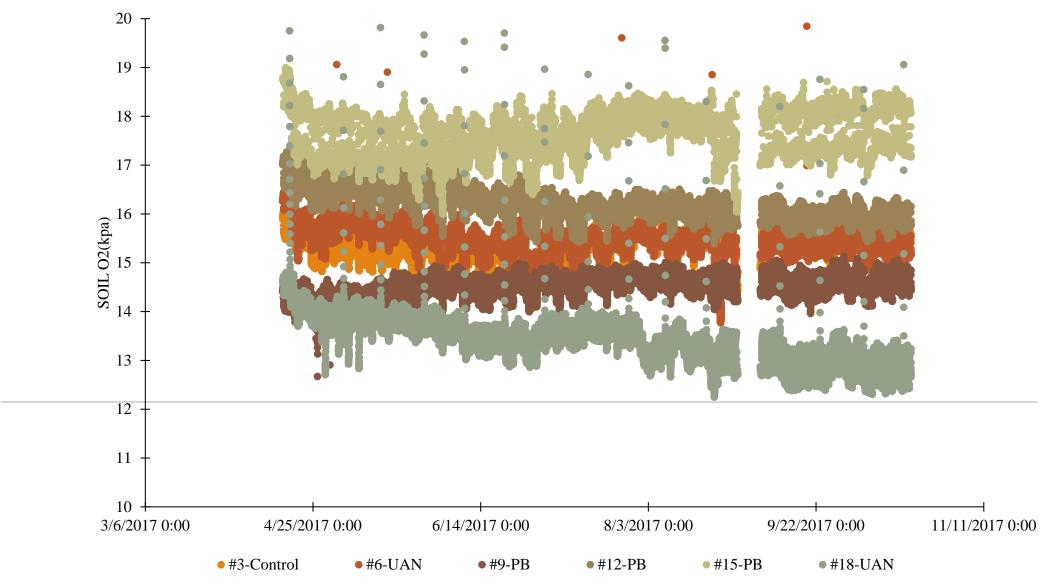
## Soil Experiment – Laboratory



Evaluation of cover crop mixtures on changes in soil properties and gas exchange (CO<sub>2</sub> and O<sub>2</sub>)



Soil O2



# Risk

We can reduce the risk due to weather and climate changes by increasing the capacity of or soils to cycle water and nutrients.

# What do we know

Our weather is becoming more variable

Efficient crop production is dependent upon good weather and a good soil

We can manage the soil to increase climate resilience by increasing water availability and nutrient cycling

Enhancement is soil is only possible by enhancing and maintaining the soil biological system









G x E x M Genetics x Environment x Management (overcome)





