Geopolitical strategist & Annual Meeting speaker Peter Zeihan has lived in the world of international affairs throughout his career. With a mix of insight and irreverence, Zeihan helps leaders in agriculture and business see their industries from a new point of view, so that they can prepare for a now-more-understandable future. Zeihan’s first independent book — The Accidental Superpower — was published in November 2014.

Mr. Zeihan is a frequent guest on national and international television news shows on CNN, ABC, Fox News. He has been quoted in major print and online publications including the New York Times, Forbes, the Wall Street Journal, AP, Bloomberg, MarketWatch and many others.

Excerpts from a recent conversation Mr. Zeihan had with AgriGrowth follow.

AgriGrowth: America -- and in many ways Minnesota -- is in an enviable position. How do geography and demography play into that?

Peter Zeihan: There are three primary factors -- any one of which are good, but when you put all three together it’s very positive.

The first is cheap transport. Water transport is the cheapest. Minnesota’s position at the head of the single largest water network in the world is significant. You can ship goods from Minneapolis-St. Paul to Shanghai for less than it costs to move goods from Beijing to Shanghai.

The second is demography. Young people (ages 20 to 45) buy stuff, mature workers (ages 45 to 60) are investors. There is a gradual aging in the US, the “Boomer Bulge,” but that’s happening everywhere. The US has the Millennial generation -- the second largest generation -- and when they become the major group of taxpayers the US will be in a better position. We are one of only two developed economies (New Zealand is the other) that have healthy demographics.

The third is shale. The break-even price for extracting oil from shale is already below $45/barrel and will probably be pushing $30/barrel by next year. North American oil will be cost competitive with every oil producing nation in the world in 18 months.

AG: You point out that civilizations and cities have always started on rivers or ports. How does the Mississippi River and Minnesota’s port at Lake Superior play into that?

PZ: I look at it from a product point of view. Minnesota has a unique cultural experience married with good land and good waterways. How could you not be successful?

CONTINUED ON PAGE 2

REGISTER NOW for the AgriGrowth Annual Meeting on Thursday, Nov. 12 at the Minneapolis Convention Center. Visit agrigrowth.org for more info.
AG: What do you see on the horizon that we should be thinking about?

PZ: The fastest growing markets for US products are Mexico and China. There is a big growth opportunity for our products. Mexico is rapidly growing in demand and cannot meet demand locally. And the Chinese system is in the early stages of collapse.

Right now, China basically bribes everyone to eat Chinese goods. They haven’t been willing to reform their system.

The Chinese government tried to get all Chinese citizens to own homes and housing prices shot up. There was a new class of wealthy people who happened to own an apartment in the right place that they sold for $3 million. Then they invested in the Chinese stock market and it collapsed.

The US recession saw a 4% reduction in GDP because of a housing crisis. Imagine if everything was tied together the way it is in China. They could see a 50% reduction in GDP, which could result in China splitting apart. It’s potentially a very volatile situation.

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The Minnesota AgriGrowth Council is the only organization in Minnesota whose diverse membership and public policy work is solely devoted to ensuring a progressive environment for developing and sustaining the agriculture and food sector. Members have a point of contact for sharing their story and informing policymakers about the issues impacting their business and the business climate. AgriGrowth works to know and understand our members’ stories which strengthen our position as we work to inform consumers, policymakers and the general public about the value of Minnesota’s agriculture and food systems industry to our state’s economy. Members have a trusted go-to-source for exclusive and timely industry information.

Members gain access to unparalleled opportunities for networking, relationship building and collaboration with leaders from across the food, agricultural and food systems industry in Minnesota and beyond.
NOVEMBER 11, 2015- WEDNESDAY
5:00 PM – 8:00 PM  PRE-CONFERENCE RECEPTION  Brit’s Pub, The Long Room, 1110 Nicollet Mall, Minneapolis
Hors d’oeuvres provided and cash bar available

NOVEMBER 12, 2015- THURSDAY
7:30 AM – 9:30 AM  Breakfast & registration
8:15 a.m. – 9:00 AM  AgriGrowth members only

CONFERENCE PROGRAM
9:00 AM  ECONOMIC OUTLOOK FOR AGRICULTURE
Michael Swanson, Wells Fargo

10:00 AM  GEOPOLITICS: A UNIQUE GLOBAL FOOD & AG PERSPECTIVE
Peter Zeihan, Founder, Zeihan on Geopolitics

11:15 AM  REMARKS FROM U.S. REPRESENTATIVE TOM EMMER

11:30 AM  Visit exhibits and break for lunch
Noon  LUNCHEON PROGRAM and DISTINGUISHED SERVICE AWARD
REMARKS FROM LT. GOVERNOR TINA SMITH
PRESENTATION OF THE DISTINGUISHED SERVICE AWARD
"AGRICULTURE, MILLENNIALS, AND SUSTAINABILITY"
Christine Fruechte, CEO, Colle+McVoy

1:45 PM – 2:15 PM  Visit exhibits and break

2:15 PM  Keynote address and Panel Moderator
LEADING SHARED SOLUTIONS ON WATER SUSTAINABILITY
Michael Reuter, The Nature Conservancy

WATER PANEL DISCUSSION:
Academia  Jeff Peterson, Director, U of M Water Resource Center
Production agriculture  Adam Birr, Executive Director, MN Corn Growers Association
Precision agriculture and technology  Joel Wipperfurth, Ag Technology Applications Lead, WinField
Government  Dr. Jerry Hatfield, Laboratory Director of the National Laboratory for Agriculture and the Environment & Director of the Midwest Climate Hub, USDA-ARS
John Linc Stine, Commissioner, MN Pollution Control Agency

3:45 PM  Visit exhibits and afternoon break

4:00 PM  NATIONAL POLITICAL INSIGHTS
Michael Barone, Senior Political Analyst, Washington Examiner & co-author, Almanac of American Politics

5:00 PM – 7:00 PM  CLOSING RECEPTION
Minneapolis Convention Center  |  Hors d’oeuvres provided and cash bar available
Annual Meeting Speaker Michael Barone is a FOX News political contributor and joined the network in 1998. He also serves as a Senior Political Analyst for the Washington Examiner and is a resident fellow at the American Enterprise Institute. From 1989–1996, and again from 1998 to 2009, Barone was a senior writer for U.S. News & World Report. From 1996 to 1998, Barone was a senior staff editor at Readers Digest.

Before joining U.S. News & World Report, Barone was a member of the editorial page staff for the Washington Post.


A native of Detroit, Barone is a graduate of Harvard College and Yale Law School.

**AgriGrowth: What are some of the most interesting aspects of this election cycle?**

**Michael Barone:** I think we’re watching something along the lines of an irresistible force meeting an immovable object.

The irresistible force is widespread discontent. That’s evidenced on the Republican side where three candidates who have never held office before are leading the rest of the field. It’s not just a Donald Trump issue.

On the Democratic side you have candidates who don’t want to say anything negative about President Obama, but when you listen to the picture they’re painting you might think we’ve had a reactionary Republican administration for the past eight years. They talk about a situation with ordinary people falling behind and tales of woe, even though their own party has been occupying the White House.

**REPUBLICANS HAVE AN ADVANTAGE IN THE US HOUSE OF REPRESENTATIVES AND STATE LEGISLATURES BECAUSE DEMOCRATIC VOTERS ARE CLUSTERED IN HEAVILY DEMOCRATIC DISTRICTS.**

For example, in 2012, President Obama won re-election with 51% of the popular vote, but Mitt Romney carried more congressional districts than he did (Romney won 226 districts to Obama’s 209).

The viewership numbers of the debates are also interesting. The first GOP debate had 24 million viewers and the first Democratic debate had 13 million – more than the Obama/Clinton 2008 debates. Not sure what the significance of this interest is yet, but presidential election voter turnout is actually higher in the 2000s and 2010s than it was in the 1970s and 1980s.
AG: Do you see and hear candidates talking about agriculture and food issues?

MB: We hear Democrats talking a lot about climate change. Obviously some aspects of the policies they are advocating could have a significant impact on the food and ag world. An example of that is the navigable waters issue.

We don’t hear Republicans talking too much about these issues, although they do make reference to concerns about regulatory overreach.

In the 1950s and 1960s you heard more about the Farm Bill and farm support. Certainly ethanol issues in Iowa are on the docket. And you hear about support for the Trans-Pacific Partnership trade agreement.

AG: What role do you think Minnesota and the Upper Midwest will play in this presidential election?

MB: With Minnesota’s binding caucuses (on March 1, 2016 – Super Tuesday) you’re likely to see the state become a target for Bernie Sanders. On the Republican side it’s in play for several candidates.

In the general election the state went to President Obama with 53% in 2012. The state has a history of voting for Democrats in the Presidential election – an unbroken streak back to Richard Nixon in 1972. But it is in the margins as a swing state. And Minnesota’s position next to the swing states of Wisconsin and Iowa will keep it on the targeted list.

AG: What is happening in Washington DC?

MB: The US House, with 30 or 40 rebels or whatever you want to call them, are expressing a clear sense of frustration. They think they have something of a public mandate and they are unhappy with what they have been able to accomplish in policy terms.

PART OF THE PROBLEM IS THAT WE HAVE A PRESIDENT WHO LACKS THE WILLINGNESS AND CAPACITY TO COMPROMISE THE WAY THAT CLINTON AND GEORGE W. BUSH DID.

But this is a temporary situation. Obama will not be president after January 2017. Harry Reid won’t be the Democratic Senate leader. It’s part of the irresistible force of widespread public discontent.
Over the past few months the Minnesota AgriGrowth Council has been engaged in a wide variety of efforts – from pushing the U.S. Senate to vote on the Safe & Accurate Food Labeling Act to partnering with the 5th Annual Animal Science Conference at MinnWest in Willmar to hosting former Cargill CEO Greg Page’s luncheon address on the risks of climate change.

And we’re looking forward to our 48th Annual Meeting in November – complete with a full agenda of interesting speakers and opportunities to connect with colleagues from across Minnesota’s vast agriculture and food sector.


We believe it’s important to ensure that Americans will have accurate information about their food rather than 50 different standards in 50 states that would create confusion and increased costs for consumers, farmers and food manufacturers.

There’s been a lot of misinformation shared on this topic. GMOs have been an important part of our nation’s food supply for the past 20 years, and 70 to 80 percent of the foods people eat in the United States contain ingredients that have been genetically engineered. In addition, the leading health and regulatory bodies in the world, from the World Health Organization to the American Medical Association, have all concluded GMOs are safe.

Biotechnology also plays a vital role in Minnesota, representing 93 percent of all corn, 94 percent of all soybeans, and nearly 100 percent of sugar beets grown in the state. GMO crops generate $10.6 billion in receipts annually for Minnesota farmers.

We’re hopeful that common sense will prevail on this issue, and that the U.S. Senate will soon take action on this legislation so that a bill can be passed and signed into law yet this year.

We’re also appreciative of the AgriGrowth members who attended one of our six regional meetings across Minnesota over the past few weeks. These meetings were helpful for me and AgriGrowth public policy director Cory Bennett to hear directly from our members regarding their issues and concerns as AgriGrowth develops its policy priorities for 2016. If you have issues you’d like to see on our list, please email me anytime at paasness@agrigrowth.org.