

OPINION

DENGLER DOMAIN: Nitrogen



Sean Dengler

With a war in Iran brewing, one downstream effect is nitrogen prices rising in price with UAN28 leading the way with a 13% increase compared to last month according to the Progressive Farmer. Nitrogen plays a huge role in most farmers' cropping rotation. Nitrogen is necessary to have a productive yield, and it has a substantial influence on the productivity of farmers in northern Tama County. Having nitrogen is vital to a farm's survival. While some farmers might be able to use manure and other methods than synthetic fertilizer to cover at least some of their needs, a sizable chunk of farmers rely on the nitrogen which is seeing higher prices.

For this year, most farmers have probably bought their nitrogen needs for the 2026 crop. If big rains come and a farmer thinks they lost nitrogen and must buy more, the impact will be felt on the bottom line if the war drags on. If this war drags on, the better chance the pricing of nitrogen will go higher. 20% of the world's oil and liquefied natural gas – used to make synthetic nitrogen – passes through the Strait of Hormuz according to ABC News.

The longer war continues, the better chance nitrogen prices will stay high and make the 2027 corn crop more expensive to grow. This is on top of the unprofitability farmers have seen in recent years in row crops. When it rolls around to the fall of 2026 and farmers are looking at their 2027 crop, an already unprofitable situation might get even worse for growing corn and soybeans. With a 46% increase in Chapter 12 bankruptcies in farm country, it reached 315 filings in 2015 with the Midwest greatly outpacing the other countries according to the Farm Bureau, farming is in a tough spot. The Farm Bureau also mentioned farm debt also continues to rise.

The pressure from the Iran War on the nitrogen market intensifies an issue which has existed for years. This is the growing consolidation of the nitrogen industry. Any facts from this point forward are from Farm Action. In 2024, the nitrogen fertilizer concentration ratio of the top four

companies was 82%. A concentration ratio of 70% is considered to be highly concentrated and anticompetitive behaviors can happen.

This concentration happened before. In 1939, two companies controlled 90% of the industry. By the late 1970s-1980 due to the enforcement of antitrust law and competitive markets, there were 56 major companies. Since the 1980s, antitrust law enforcement was put on the backburner leading to these companies controlling over 80% of the industry. The phosphorus and potash fertilizer industries are not better. The top two companies control over 90% of the industry. Mosaic possesses 67% of the phosphate market, and Nutrien controls 55% of the potash market.

As for the nitrogen industry, CF Industries controls 39% of the market. Due to their size, they have the power to dictate nitrogen prices. According to Farm Action, Atlas Agro, who is building a zero-carbon nitrogen plant in the Pacific Northwest with federal support, explained in a response to a USDA request for information about concentration in the fertilizer sector by illustrating the incumbent producers have large balance sheets and are able to credibly threaten to expand capacity, which will reduce market prices for everyone all else equal. Using their vast resources, the incumbents can sell more and depress prices near a new-built plant whilst reaping higher prices further away from the plant. It is the same dynamic large grocers use to sell a product below cost while making it up in other departments. The small-town grocer is at a disadvantage, not on skill but scale. In either industry, new capacity coming online is harder to do.

Farm Action goes on to note the Big Three fertilizer companies, CF Industries, Mosaic, and Nutrien, can unilaterally shift market conditions to disadvantage and suppress smaller rivals. These firms have concentrated their production sites in locations that enable them to readily shift supplies from export markets to domestic markets and vice versa. These companies can change the fundamentals of fertilizer supply and demand in the United States at their discretion.

Be skeptical of the supply chain issue excuse causing high nitrogen prices. The last time the agriculture industry saw significant price hikes in the fertilizer industry was not long

ago. According to Farm Action, "in 2021, the wholesale fertilizer index increased by more than 60% compared to 2020 levels, and in 2022, wholesale fertilizer prices increased even higher, averaging 132% higher than 2020 prices. Fertilizer incumbents claimed those price hikes were attributable to supply chain shocks that increased their input costs, but their own financial documents refute those claims. Nutrien's gross manufacturing profit margin was up 669% from 2020, while its cost of goods sold had increased by only 58%. This dramatic expansion of profits mirrored in financial reporting from other incumbents and these trends continued into 2022, with Mosaic improving on its 2021 profits by 120%, Nutrien by 142%, and CF by 212%."

This consolidation and market power has resulted in them creating scarcity to drive prices. From 1975, when U.S. plants produced approximately 12.3 million metric tons of fixed nitrogen to only 8.4 million metric tons of fixed nitrogen in 2015. This is at the same time as domestic consumption went from 7.8 million metric tons in 1975 to 11.8 million in 2015. Scarcity for the farmer, more profitability for the fertilizer companies. More competition creates more production.

While the Iran War has added more difficulties to growing corn profitably, this is not the main reason nitrogen prices will surge. Like all the other times before when crop prices have gone up and the nitrogen prices follow, it is not magic. It is a monopoly. These companies will push for an extra dollar at the expense of this war.

One way to help reduce the nitrogen cost and save family farms is to fight back against these corporate behemoths. By enforcing antitrust laws, Americans can create competitive markets which work for them, not these multinational companies. It will take time, but it is the solution we must pursue for the sake of our farming communities.

Sean Dengler is a writer, comedian, now-retired beginning farmer, and host of the Pandaring Talk podcast who grew up on a farm between Traer and Dysart. You can reach him at sean.h.dengler@gmail.com.

On the Record



Sheriff Casey Schmidt

I want to shout out to the Tama County Board of Supervisors as they work through this year's and last year's budget. It is not an easy job. There are a lot of moving parts and no perfect answers. From our side, we understand the reality. Budgets are tight everywhere, and we are not any different. At the same time, public safety does not slow down when money is tight. Crime doesn't check the budget before it shows up, so neither do we.

Our staff are doing a lot with what we have. They show up every day and get the job done. I don't want to sound like a broken record but it makes my job easier with great staff.

When I first took office, I had a lot of other Sheriffs tell me it would take a full term to really get settled in. There is definitely some truth to that. After this first year, I feel a lot more comfortable and confident in the role. I am still learning and still chipping away at many different things, but I love the job and we are moving forward.

There is also a bigger picture right now with the tax changes being talked about at the state level. I think most people would agree that paying less in taxes is a good thing. I do not want to pay more, and I do not think anyone does.

At the same time, those changes are going to affect how cities and counties operate. There will be less room to grow, and over time that is going to put pressure on services.

Some people will say if local government feels that pressure, it means we were taking too much to begin with. I understand why people think that. But there is a difference between cutting waste and cutting into the level of service people rely on. That is where the balance has to be. There is no magic switch where you lower costs and nothing else changes.

For me, it is pretty simple. I do not want higher taxes, but I also do not want to see a drop in service. That is what we are working through. It is going to take some work, but it can be done.

We are not standing still. Local law enforcement leadership has been meeting at least once a month to talk about school safety and how we can keep improving. We continue to work directly with the schools on that.

I am also really excited about a program we are rolling out next school year, the Be The Example award. It will recognize students across Tama County who are doing things the right way such as acts of accountability, respect, and integrity. There is a lot of good in our kids, and it absolutely deserves to be recognized.

That program will be community funded and supported. We will have more information coming out soon on how people can be part of it.

You will hopefully see more opportunities this summer with events and town halls. I want people to be able to come talk to me and ask questions. I also turned my campaign page into an official Sheriff Casey Schmidt page so people have another way to stay connected. It turns out talking in person is still better than arguing on the internet.

And I will be honest, my desk phone voicemail has been reminding me that I need to get better about returning calls. It is starting to feel personal at this point. That is on me, and it will get better.

We also attended the Tama County Pork Producers annual banquet in January. Our deputies and their families donated a lot of pies for the auction, and it ended up raising a good amount of money. I tried to butter up the judges, but it did not work. I did not win best pie this year. There is always next year. I have a year to work on the judges.

At the end of the day, my job is to be honest about what we need, be responsible with what we are given, and be accountable to the people we serve.

Casey Schmidt, a Republican from Dysart, is the sheriff of Tama County.

Public notices must remain in newspapers

Government cannot be in charge of holding itself responsible

TAMA-GRUNDY PUBLISHING

There are some in the Iowa Legislature who periodically toy with the possibility of eliminating the requirement that local governments print public notices in newspapers. This is the wrong move today, tomorrow and for the future. Government transparency is more important than ever. In truth it is critical.

While the Tama-Grundy Publishing weeklies and other Iowa newspapers have an economic interest in seeing that the public notice publishing requirement remains, the issue goes far beyond a few dollars. Maintaining the legal requirement to publish government actions and meetings in local newspapers is crucial for ensuring accountability and keeping the public informed of important information that affects people's lives. And it is the job of our local newspapers to serve as a check on government, not the government to check itself.

Any proposed savings would come at a very high cost to Iowa's communities.

While many people now browse digital platforms for information – including tamatoledonews.com,

northtamatelegraph.com, and sun-courier.com – not everyone has access to the internet or the technological know-how to navigate online platforms. And the staggering amount of information available online, representing every viewpoint, degree of accuracy, hidden agendas and motivations from every philosophy and side of the political spectrum, makes it more and more likely public notices posted online would be lost among the chaff. Worse, they may be vulnerable to manipulation or not easily accessible through search algorithms.

By publishing public notices in newspapers, government bodies can ensure that critical information is available to everyone in a format that has stood the test of time for accuracy and accessibility. It requires governments to provide timely information for citizens to participate in their government. The notices are appearing in the communities in or very near where the decisions are made. Public notices cover a range of activities — bids and leads for public projects, minutes from government meetings, foreclosures, petitions, election information, water quality reports

and other information that is important to citizens and vibrant communities.

The basis for public notices published in newspapers remains as important as ever:

Requiring an independent, third-party to publish the notices in accordance with the law helps prevent government officials from hiding information they prefer the public not to see. The government cannot be in charge of holding itself responsible. A public notice must be published in a forum independent of the government. As an independent and neutral third party, a newspaper has an economic and civic interest in ensuring that the notice delivery requirements are followed.

Publishing the notice in a newspaper ensures that the information is widely accessible to the public. Unlike social media or other online platforms, newspapers are trusted sources of information that are available to everyone, regardless of whether or not they have access to the internet or social media accounts. This helps to ensure that all members of the public have an equal opportunity to be informed and involved in

government decision-making.

A public notice must be archived in a secure and publicly available format. Newspapers have always fulfilled this requirement because a public notice published in a newspaper is already archivable and accessible. This is particularly important for notices that contain information about government decisions and actions that impact individuals and communities for years to come. Requiring governmental bodies to publish legal notices in newspapers ensures that this information is always accessible.

The public must be able to verify that a legal notice is not altered after being published. In a newspaper notice, an affidavit is provided by the publisher, which can be used in an evidentiary proceeding to demonstrate that a true copy was published as well as the exact wording that was used. Legal notices published in newspapers are subject to public scrutiny and can be easily monitored by journalists or concerned citizens. This guarantees that governmental bodies are held accountable and acting in the best interests of their constitu-

ents. Community newspapers have established relationships with readers and have a deep understanding of the issues and concerns that matter most to them. When public notices appear in newspapers, government bodies can tap into these relationships.

Newspapers have a long history of serving as watchdogs for their communities, holding local officials accountable and shining light on issues that might otherwise go unnoticed. By requiring government bodies to publish public notices in newspapers, we are ensuring that these important watchdog functions are preserved and that the public has access to information that might otherwise be hidden from view.

Many newspapers also publish the public notices on their websites and nearly all public notices across the state are also uploaded to a centralized website at iowanotices.org, a site run by newspapers at no additional cost to government or taxpayers. It is available for those who prefer accessing an electronic version.

There may be parts of the country where newspa-

per readership is receding, but not in Iowa. Iowa has 241 community newspapers with one or more newspapers in every county. Market research conducted in 2022 showed 84% of Iowa adults read local print or digital newspapers. And newspaper readers are more engaged in their community. Newspapers reach 93% of Iowans who report, "I feel that I have a responsibility to help share the future of my community."

It is true that newspapers charge a nominal fee, set by Iowa law, for publishing legal notices. This is a very small price for freedom, as it is typically under 1% of any government body's spending. All Iowans should demand more scrutiny of government affairs, never less.

We believe that requiring governmental bodies to continue publishing legal notices in local newspapers is crucial for ensuring transparency, accountability, and accessibility in government decision-making. Newspapers — especially Iowa newspapers — remain a trusted source of information that is widely accessible and easily searchable.

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