

Until now, the oil disaster in the Gulf of Mexico has had relatively little impact on the Midwest. However, many are still cautiously watching and waiting as the efforts to staunch the spill continue.

John Cripe, director, MID-CO COMMODITIES, INC., is closely monitoring the oil spill to determine what may progress in relation to grain exports and grain production in the Midwest.

“Currently 55 to 65 percent of the Midwest’s grains - corn, beans, and wheat - are exported per year through the Gulf of Mexico,” Cripe said.

There has been no evidence of price fluctuation or any problems exporting grains resulting from the oil spill. However, Cripe mentioned that ships exporting through the oil slicks in the Gulf of Mexico could eventually require routine cleaning due to oil build up on their hulls, adding to up-keep costs and possibly causing an influx in grain prices over time.

Along with watching Midwest grain exports, MID-CO is also keeping a weathered eye on the horizon for hurricanes. The National Oceanic and Atmospheric Administration (NOAA) last month predicted an “active to extremely active” hurricane season this summer.

“If the upcoming hurricane season is as bad as predicted, then the hurricanes will push the oil slicks up through the Mississippi River into the delta region. We do a lot of irrigating with water from the marshes of the Mississippi River down in the south delta regions,” Cripe said.

He estimates that approximately 70 percent of the Mississippi delta region receives irrigation water from these marshes. If hurricanes push oil slicks up into the marsh waters, it could potentially shut down delta irrigation.

However, these are all worst case scenarios.

“There are still reasons to stay optimistic and hopeful,” Cripe said. “It’s important to remember that oil does evaporate and decompose over time. If agriculturalists can keep it from causing initial damages, then it will eventually break down.”