

**John R. Block Reports from Washington**  
**November 8, 2018**  
**“Mid-Term and More”**

Hello everybody out there in farm country. This radio commentary is brought to you by the National Corn Growers Association, CropLife America, and Renewable Fuels Association. They are all friends, supporters, and allies of healthy farm economy and prosperous rural America. Thank you.

And now for today's commentary -

Yes, I have something to say about the mid-term elections, and I will get to that in a minute. But first, we have been worried about the trade disputes with China and how their tariffs have cost us. Finally, President Trump and Chinese President Xi Jinping are going to sit down to dinner in Buenos Aires and try to end the tariff war. Our President had this to say: “I spoke to President Xi yesterday; they very much want to make a deal, a very fair deal for everybody, but it will be a good deal for the U.S.” Okay, that sounds good, but if there is no deal, President Trump threatens more tariffs. The tariff war has been very costly to China as well as to our farmers.

I will be on the Illinois farm this weekend. Harvest is wrapped up. Record corn and soybean yields. Our hogs are happy and healthy. There is concern about disease getting to the U.S. from other countries – African swine fever in China, swine fever in Japan, foot and mouth disease in China and South Korea. We need to be on high alert. I am at the National Association of Farm Broadcasters this week. NAFB is one convention that I never miss. If you want to get a broad flavor for what rural America thinks, go to the NAFB.

We have heard a lot about how the U.S. economy is booming – job creation, unemployment down, wages up – especially for those low paid individuals. Their income has jumped more than 5%. Were you also aware – favorable grocery prices? They actually declined in 2016 and 2017 and they are expected to rise less than 1% this year. We still need a boost in farm income. Maybe next year.

Turning to the mid-term election – I had expected Republicans could hold their lead in the House. Wrong. Democrats will rule the House for the next 2 years. But Republicans won more seats in the Senate than I expected.

What does this mean? Either we don't get anything done next year – gridlock – or Republicans and Democrats could come together and pass some bipartisan legislation. Keep in mind the newly elected individuals are not seated until next year. The old Congress will be back this December and we hope they will pass a farm bill. Republicans have lost some leverage, and the new bill will not have much language on work requirements for food stamp recipients. Fine – just get it done.

If you would like to review my radio shows going back more than 20 years, just go on-line to [www.johnblockreports.com](http://www.johnblockreports.com).

Until next week, this is John Block reporting from Washington, D.C.