

Georgia's Row Crop Sector: A Decade of Financial Strain and the 2026 Outlook

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Executive Summary

Over the past decade, Georgia's row crop producers have faced mounting financial pressure from rising production costs, elevated interest rates, trade disruptions, natural disasters, and continued market volatility. These challenges have increasingly compressed profit margins and weakened farm financial resilience.

Economic analyses using data from the U.S. Department of Agriculture (USDA) Economic Research Service (ERS) and University of Georgia (UGA) enterprise budgets point to persistent profitability pressure in Georgia's row crop sector. From 2016 through 2025, USDA ERS-based estimates indicate approximately \$1.84 billion in cumulative losses among cotton, peanuts, corn, and soybeans in Georgia over the decade, while the annual harvested-acreage-weighted returns average a loss of approximately \$77 per acre. UGA enterprise-budget estimates indicate even greater financial pressure, with annual harvested-acreage-weighted returns averaging a loss of approximately \$104 per acre and an estimated \$2.51 billion in cumulative losses over the same period. Throughout this report, "loss" refers to estimated negative returns relative to the total production costs, excluding government payments and crop insurance indemnities; it should not be interpreted as a cash accounting loss.

The profitability outlook for 2026 remains challenging, with Georgia's major row crops (cotton, peanuts, corn, and soybeans) projected to lose an average of \$219 per acre, or nearly \$519 million statewide. The persistence of financial losses over the past decade, combined with the weak 2026 outlook, underscores the increasing financial vulnerability of Georgia's row crop sector. In calendar year 2025, Georgia recorded 27 Chapter 12 farm bankruptcy filings, the second-highest number among states. These conditions have implications not only for individual farm businesses, but also for agricultural lenders, rural communities, and the broader state economy.

Farm-level risk management, strategic financial planning, and the design and timing of government support programs can influence how producers manage these challenges. Recent ad hoc programs have provided assistance during periods of financial stress, while changes under the One Big Beautiful Bill Act to Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) increase statutory reference prices and modify program benefits for the 2025 and subsequent crop years. These forms of support can help producers maintain working capital, meet debt obligations, finance the next production cycle, and preserve farm equity during extended periods of negative returns. Given the magnitude and persistence of recent losses, government support has become an increasingly important component of farm income and liquidity for affected producers.

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Over the past decade, Georgia's row crop producers have faced mounting financial pressure from rising production costs, elevated interest rates, trade disruptions, and continued market volatility. These challenges have compressed profit margins and weakened farm financial resilience. At the same time, major hurricanes, including Irma in 2017, Michael in 2018, Idalia in 2023, and Helene in 2024, have caused substantial crop losses in Georgia.

More recently, geopolitical uncertainty in the Middle East has added further pressure through higher energy and fertilizer costs. Disruptions to global energy and fertilizer markets can quickly increase the cost of key agricultural inputs. For producers already operating under relatively weak commodity prices and thin margins, unexpected increases in fertilizer and energy costs can affect the entire farm financial system, increasing operating expenses and working-capital requirements while influencing borrowing needs, machinery replacement, land-use decisions, credit performance, and long-term farm resilience.

Elevated interest rates have compounded these challenges. Higher borrowing costs increase the expense of financing annual production as well as machinery, land, and other capital investments. Combined with rising input costs and volatile commodity prices, higher interest rates further reduce producers' financial flexibility and access to capital.

Changes in trade policy and global market access have also created significant uncertainty for Georgia agriculture. China has increasingly diversified its sources of cotton and soybeans, strengthening relationships with competing exporters and affecting market opportunities for U.S. and Georgia producers. Mexico, the largest foreign market for U.S. corn, is also critical to the outlook for the corn sector, making trade relations between the United States and Mexico particularly important. Although peanuts are primarily consumed domestically, exports remain an important component of the industry, while restrictions associated with certain crop-protection products have created additional challenges for accessing European markets.

Together, rising input costs, elevated interest rates, natural disasters, trade uncertainty, and volatile commodity markets are placing increasing financial pressure on Georgia's row crop producers. These interconnected risks have significantly weakened farm profitability and financial resilience, leaving many producers unable to achieve positive returns on their crops in recent years. In calendar year 2025, Georgia recorded 27 Chapter 12 farm bankruptcy filings, the second-highest number among states (Ayoub 2026).

Economic Environment for Row Crop Producers in Georgia

Figures 1 through 4 illustrate the economic environment facing Georgia's row crop producers from 2016 to 2025, using data from the U.S. Department of Agriculture (USDA) Economic Research Service (ERS) Commodity Costs and Returns database as shown in Supplemental Tables S1–S4. For cotton, corn, and soybeans, the analysis uses data for the USDA ERS Southern Seaboard region, which encompasses Georgia's major agricultural production area and provides representative estimates of regional production costs and returns. For peanuts, USDA ERS provides more geographically specific estimates, allowing the analysis to use data for the subregion that includes Georgia and Alabama. Accordingly, these data provide a useful regional representation of the economic conditions experienced by Georgia's row crop producers during the study period.

The USDA ERS Commodity Costs and Returns estimates are based primarily on data from the Agricultural Resource Management Survey (ARMS) and prices reported by the USDA National Agricultural Statistics Service (NASS). According to USDA ERS, these estimates provide historical measures of the actual costs incurred in agricultural production, including expenses for labor, equipment, and other production inputs, as well as revenue generated from commodity production. They account for the costs and returns associated with all resources used in production, including those attributable to farm operators, landlords, contractors, and contractees. Importantly, the estimates used in this analysis exclude government payments and crop insurance indemnities received by producers. Government payments include traditional Farm Bill commodity safety net programs associated with base acres as well as various ad hoc assistance programs. The 2025 ERS estimates used in this analysis are preliminary estimates from the May 1, 2026 release. Unless otherwise noted, the analysis reflects data and information available through September 2026.

The ERS-based analysis shows that over the past decade, cotton generated returns above total costs in only two of ten years, peanuts in three, corn in three, and soybeans in four. Average annual losses were \$116 per acre for cotton, \$49 for peanuts, \$54 for corn, and \$25 for soybeans for Georgia's row crop producers. Despite these losses, producers generally continued farming because revenues were sufficient to cover variable costs associated with planting, growing, harvesting, and marketing, even when they were insufficient to cover total costs, including capital recovery for machinery and equipment and other allocated overhead costs. Persistent market-based losses and the inability to fully cover total production costs have increased financial pressure on producers, with implications for farm equity and long-term financial resilience, although government assistance has helped offset a portion of these losses.

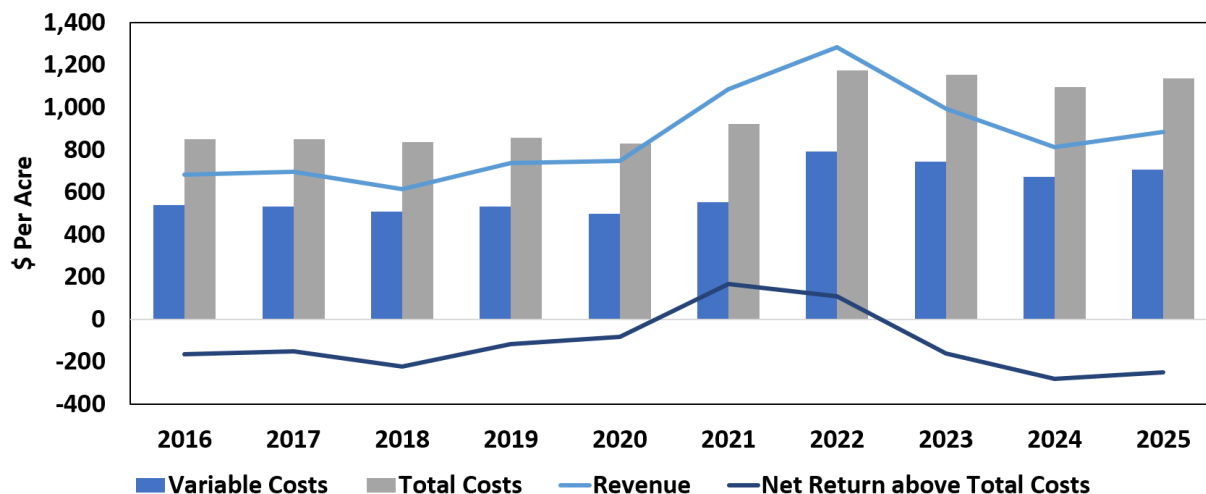


Fig. 1. Cotton Production Expenses, Revenue, and Returns, 2016 – 2025. Data Source: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Commodity Costs and Returns: Cotton, Southern Seaboard Region from 2016 – 2025.

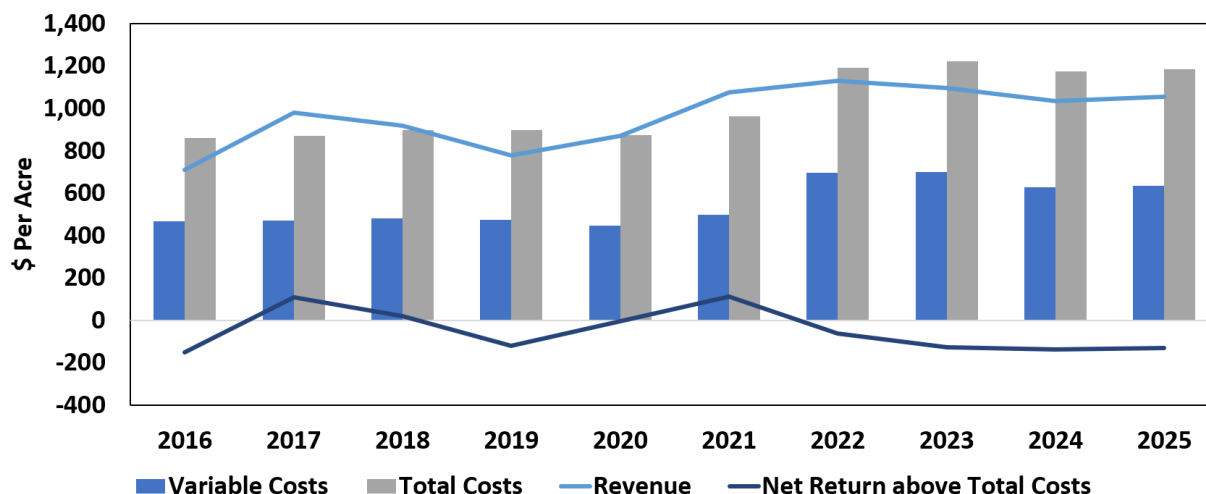


Fig. 2. Peanuts Production Expenses, Revenue, and Returns, 2016 – 2025. Data Source: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Commodity Costs and Returns: Peanuts, Southern Seaboard Region (AL and GA) from 2016 – 2025.

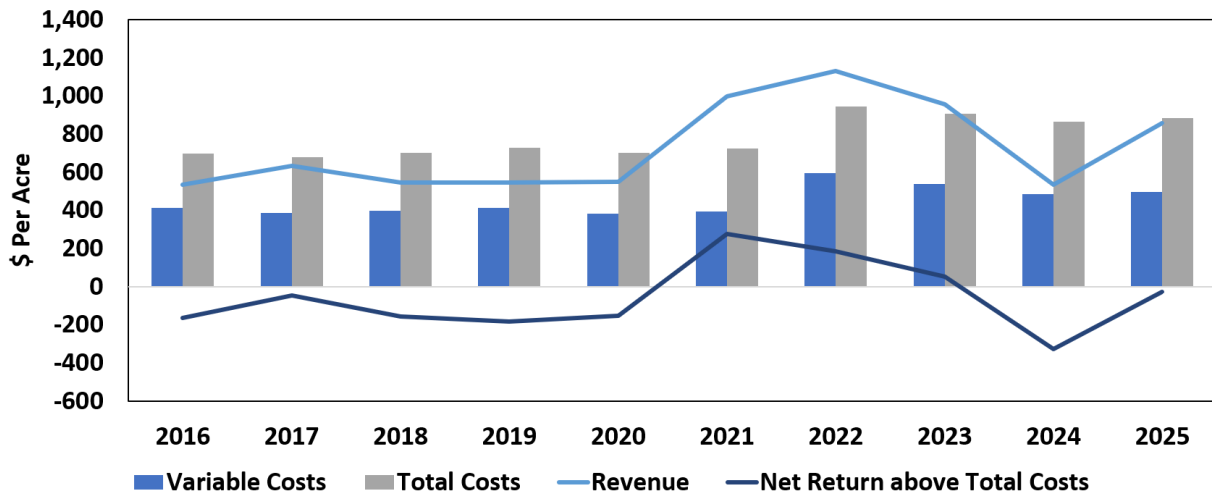


Fig. 3. Corn Production Expenses, Revenue, and Returns, 2016 – 2025. Data Source: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Commodity Costs and Returns: Corn, Southern Seaboard Region from 2016 – 2025.

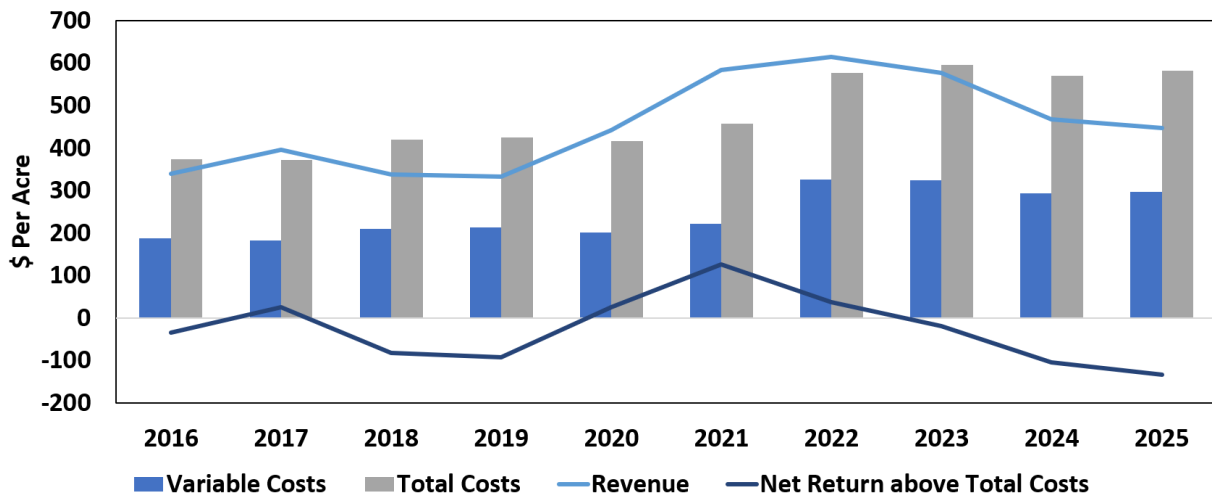


Fig. 4. Soybeans Production Expenses, Revenue and Returns, 2016 – 2025. Data Source: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Commodity Costs and Returns: Soybeans, Southern Seaboard Region from 2016 – 2025.

Weighted Average Net Return for Row Crops in Georgia

To further illustrate the economic conditions facing Georgia's row crop sector, Figure 5 presents the acreage-weighted average net returns for corn, cotton, peanuts, and soybeans from 2016 to 2025. The estimates combine USDA ERS crop-level net returns with annual harvested acreage for each crop in Georgia, as reported by USDA NASS. This weighting approach accounts for differences in the relative importance of each crop in Georgia's row crop production.

During this period, Georgia’s row crop producers generated returns above total production costs in only two of the ten years—2021 and 2022. These years coincided with unusually strong commodity prices following the COVID-19 pandemic, amid global supply chain disruptions and the outbreak of the Russia-Ukraine war. Because these exceptional market conditions contributed to elevated commodity prices, the profitability observed in 2021 and 2022 should be viewed as atypical rather than representative of the long-term economic conditions facing Georgia’s row crop producers.

ERS-based analysis indicates that Georgia’s row crop producers experienced cumulative losses of approximately \$1.84 billion over the ten-year period from 2016 to 2025. Across the ten annual harvested-acreage-weighted estimates, the average annual loss was approximately \$77 per acre.

We compared USDA ERS cost and return estimates with University of Georgia (UGA) enterprise budget estimates over the past decade. The similar overall pattern produced by these two distinct analytical approaches provides additional evidence of persistent financial pressure facing Georgia’s row crop producers. Unlike the USDA ERS estimates, which reflect historical costs and returns, UGA enterprise budgets are based on projected production costs and expected market conditions for Georgia producers. Details of the analytical procedures using UGA enterprise budgets are provided in the Supplemental Information, with results presented in Supplemental Figures S3–S7.

The UGA enterprise-budget analysis indicates that Georgia’s row crop producers experienced cumulative losses of approximately \$2.51 billion over the ten-year period from 2016 to 2025. Across the ten annual harvested-acreage-weighted estimates, the average annual loss was approximately \$104 per acre.

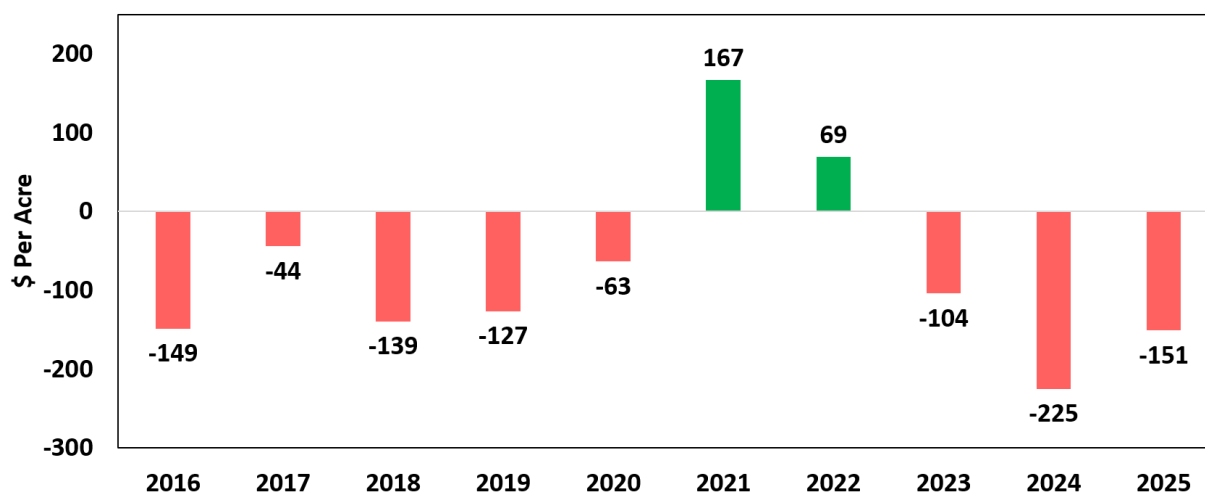


Fig. 5. Weighted Average Net Returns for Georgia Row Crops, 2016–2025. Net returns are weighted by annual harvested acreage for cotton, peanuts, corn, and soybeans in Georgia. Authors’ calculations. Data sources: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Commodity Costs and Returns for cotton, peanuts, corn, and soybeans, Southern Seaboard Region, 2016–2025; and USDA National Agricultural Statistics Service (NASS), annual harvested acreage for cotton, peanuts, corn, and soybeans in Georgia, 2016–2025.

2026 Profitability Forecasts Using University of Georgia Enterprise Budgets

Conditions in 2026 represent a more serious challenge. Rapid increases in fertilizer and energy costs immediately before planting, combined with severe drought conditions in Georgia, have made it increasingly difficult for some producers to cover even their variable production costs. As a result, some producers have chosen to leave land fallow rather than plant, a decision that has been relatively uncommon in Georgia row crop production in recent years. This shift from difficulty covering total costs to difficulty covering variable costs signals a potentially deeper level of financial stress within the sector.

Given the consistent findings from the UGA enterprise budgets and USDA ERS Commodity Costs and Returns data, the 2026 profitability forecasts were developed using the 2026 UGA enterprise budgets. For cotton and peanut, the 2026 UGA enterprise budgets were updated following the outbreak of the U.S.-Iran conflict and therefore reflect the subsequent increases in fertilizer and energy costs. In contrast, the corn and soybean budgets were developed prior to the conflict and did not incorporate these higher input prices. To ensure consistency across crops, this analysis updated the fertilizer and fuel costs in the corn and soybean enterprise budgets to reflect the same elevated input-price environment incorporated into the cotton and peanut budgets. Variable and total production costs were averaged across irrigated and dryland production systems and conventional and strip-tillage practices for each crop. The analysis also assumed a 50% split between owned and rented land, with rental costs based on Georgia's average cash rental rate reported by USDA NASS.

Projected 2026/27 marketing-year average prices for cotton, corn, and soybeans were obtained from the USDA World Agricultural Supply and Demand Estimates (WASDE) September 2026 report. The national projected prices are \$4.80 per bushel for corn, \$0.78 per pound for cotton, and \$12.00 per bushel for soybeans. Because a comparable marketing-year projection is not available for peanuts, the projected peanut price was estimated using the average national weekly peanut prices reported by USDA NASS from week 31 to week 34 of 2026, resulting in an estimated national price of \$460 per ton. Because of differences in local supply and demand conditions, prices received by Georgia producers may differ systematically from national averages. Based on the average differences between Georgia and national prices reported by USDA NASS from 2016 to 2025, national price projections were adjusted to better reflect Georgia market conditions. The resulting estimated Georgia prices for 2026 are \$5.44 per bushel for corn, \$0.80 per pound for cotton, \$440 per ton for peanuts, and \$12.51 per bushel for soybeans. Georgia crop yield forecasts were obtained from the USDA NASS September 2026 forecast. Projected 2026 yields are 932 pounds per acre for cotton, 4,200 pounds per acre for peanuts, 172 bushels per acre for corn, and 48 bushels per acre for soybeans. Projected crop revenue was calculated by multiplying the forecasted 2026 yield for each crop by its corresponding projected marketing-year average price.

As shown in Figure 6, all major Georgia row crops are projected to generate returns below total production costs in 2026, with a harvested-acreage-weighted average loss of approximately \$219 per acre. Based on USDA NASS projections of 2.38 million harvested acres, total losses for Georgia's row crop sector are estimated at approximately \$519 million in 2026.

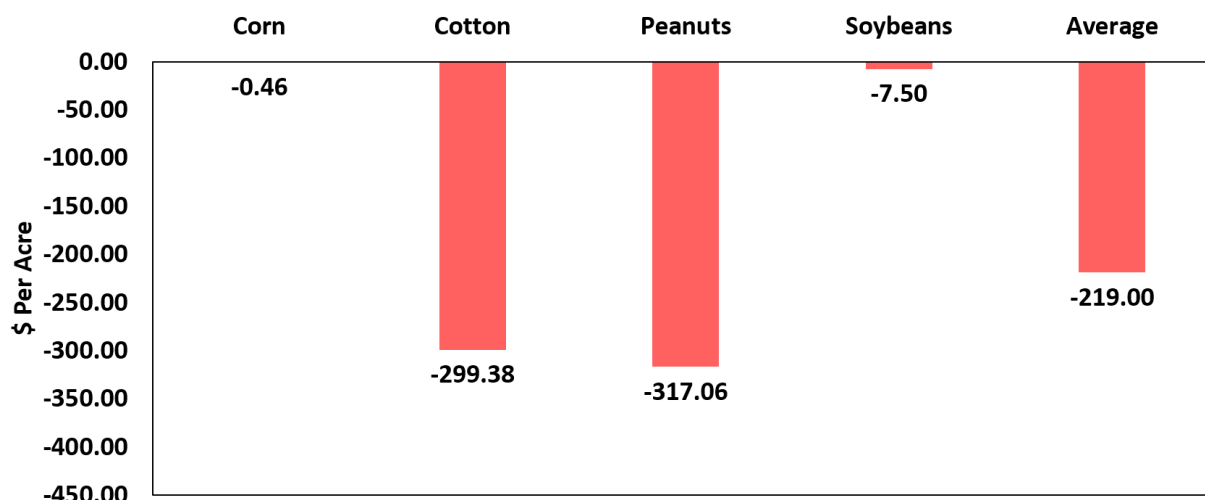


Fig. 6. Projected Net Returns for Georgia Row Crops, 2026. The average net return is weighted by projected 2026 harvested acreage for cotton, peanuts, corn, and soybeans in Georgia. Authors' calculations. Data sources: 2026 University of Georgia (UGA) Enterprise Budgets for production costs of corn, cotton, peanuts, and soybeans, with corn and soybean budgets adjusted to reflect updated fertilizer and fuel prices; USDA World Agricultural Supply and Demand Estimates (WASDE), September 2026, for projected 2026/27 national marketing-year average prices for corn, cotton, and soybeans; and USDA National Agricultural Statistics Service (NASS) for 2026 national weekly peanut prices, Georgia and national commodity prices for 2016–2025, Georgia's 2026 average land rental rate, and projected 2026 harvested acreage for cotton, peanuts, corn, and soybeans.

Government Support

Federal government programs are one component of the financial environment facing Georgia agriculture. Support is provided through traditional commodity programs, particularly Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), as well as a variety of ad hoc assistance programs. Figure 7 provides national context by showing direct Federal government farm program payments to U.S. producers; it is not a measure of payments to Georgia specifically. Georgia's major row crops are directly connected to traditional Farm Bill commodity safety-net programs and a few ad hoc assistance programs discussed in this section.

Beginning in 2023, the ERS-based analysis estimates returns below total production costs in each year through 2025, with the largest estimated shortfall occurring in 2024. Over the same period, Federal government support declined as traditional counter-cyclical commodity programs and ad hoc assistance programs were phased out. Production costs had also risen substantially, often outpacing increases in commodity prices. However, traditional farm safety-net programs, particularly ARC and PLC under the 2018 Farm Bill, provided limited support during this period because commodity prices and revenues generally remained above program trigger levels. The statutory reference prices established under the 2018 Farm Bill reflected economic and production-cost conditions at the time but did not keep pace with the substantial increase in production costs and inflation following the COVID-19 pandemic. Consequently, producers experienced significant financial losses as input costs increased faster than commodity prices, while still receiving limited or no payments from ARC and PLC.

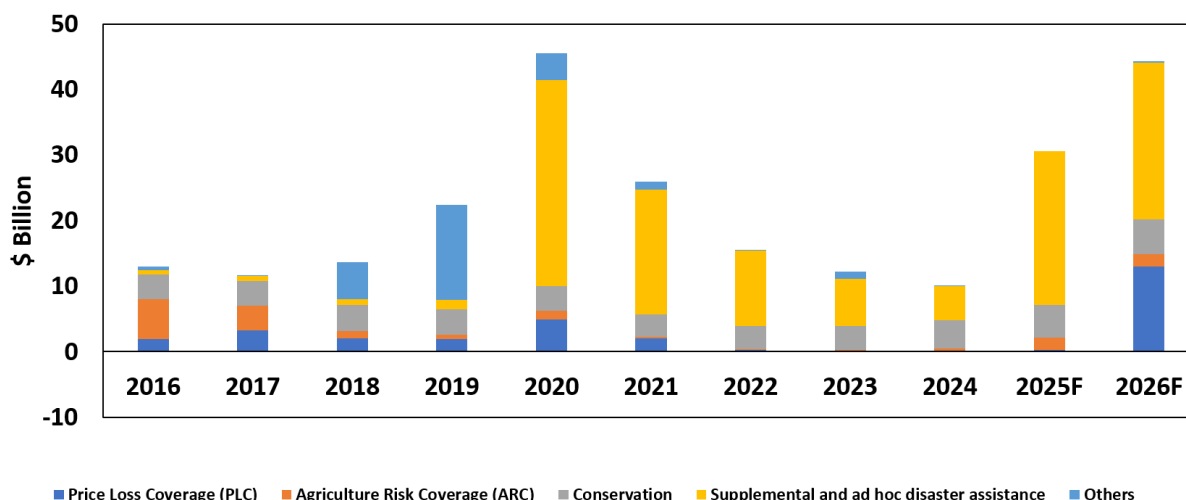


Fig. 7. Federal Government Direct Farm Program Payments to U.S. Producers, 2016-2026F, Nominal (current dollars). 2025F and 2026F are USDA ERS forecasts as of February 5, 2026. Authors’ calculations. Data Source: U.S. Department of Agriculture (USDA), Economic Research Service (ERS), Farm Income and Wealth Statistics: Federal Government Direct Farm Payments by Program, U.S. and States.

The four major row crops in Georgia—cotton, peanuts, corn, and soybeans—experienced an estimated \$1.15 billion in cumulative losses from 2023 to 2025, as shown in Figure 5, based on USDA ERS data. With limited assistance from traditional counter-cyclical programs during this period, as shown in Figure 7, several ad hoc Federal assistance programs were implemented to address substantial economic and disaster-related losses facing Georgia producers. As summarized in Table 1, these programs provided approximately \$523 million in assistance to Georgia producers of the four row crops examined in this report through August 12, 2026.

The Emergency Commodity Assistance Program (ECAP) provided one-time economic assistance to producers of eligible commodities based on 2024 planted and prevented-planted acres. For Georgia’s major row crops, payment rates were \$42.91 per acre for corn, \$29.76 for soybeans, \$84.74 for cotton, and \$75.51 for peanuts. Enrollment began in March 2025, and payments were largely distributed during calendar year 2025.

The Supplemental Disaster Relief Program (SDRP), authorized under the American Relief Act, 2025, provides assistance for eligible crop losses resulting from qualifying natural disasters occurring in 2023 and 2024. The program covers revenue, production, and quality losses and is being administered in two stages, including both insured and certain uninsured or uncovered losses.

The Farmer Bridge Assistance Program (FBA) provides another one-time payment to producers of eligible commodities based on 2025 reported planted acreage. For Georgia’s major row crops, payment rates are \$44.36 per acre for corn, \$30.88 for soybeans, \$117.35 for cotton, and \$55.65 for peanuts. FBA payments began in early 2026 and were intended to provide financial support while producers awaited benefits from the strengthened farm safety net under the OBBBA.

Table 1. Payments by Crop to Georgia Producers under Ad Hoc Federal Assistance Programs for Crop Years 2023 – 2025. Data Source: U.S. Department of Agriculture (USDA), Farm Service Agency (FSA), Supplemental Disaster Relief Program (SDRP) Dashboard, Farmer Bridge Assistance (FBA) Program Dashboard, and Emergency Commodity Assistance Program (ECAP) Dashboard. Data as of August 12, 2026.

	Program Crop Year	Corn	Soybeans	Cotton	Peanuts
SDRP	2023, 2024	\$24,260,000	\$6,000,000	\$89,720,000	\$69,080,000
ECAP	2024	\$14,960,000	\$4,700,000	\$90,410,000	\$61,330,000
FBA	2025	\$21,770,000	\$4,220,000	\$91,090,000	\$45,700,000

The traditional Farm Bill commodity safety-net programs (ARC and PLC) cover 22 commodities, including seed cotton, peanuts, corn, and soybeans. ARC and PLC provide income support when commodity prices or revenues fall below specified program thresholds. Because payments are determined after relevant marketing-year prices and revenues become available, payments associated with a crop program year are generally received in the following calendar year (Liu, Fischer, & Lai, 2024). ARC and PLC payments are based largely on historical base acres rather than simply the acres planted to a crop.

The One Big Beautiful Bill Act (OBBBA), signed into law on July 4, 2025, made several significant changes to the ARC and PLC programs, including increases in statutory reference prices. For the crops that are relevant to this study, the statutory reference prices are shown in Table 2. For the 2025 crop year, eligible producers will receive the higher of the ARC or PLC payment calculated for their covered commodities. Beginning with the 2026 crop year, producers will receive payments based on their elected program, ARC or PLC, when applicable market conditions trigger program payments. Figure 7 shows that total U.S. direct government farm payments are forecast to increase sharply in calendar year 2026. USDA ERS notes that most OBBBA-related payments reflected in the 2026 forecast begin in calendar year 2026 for crops planted in 2025.

Government support programs can affect farm liquidity and financial resilience during periods when market revenues are insufficient to cover total production costs. Payments can help producers maintain working capital, meet debt obligations, and finance subsequent crop years. Persistent negative returns, by contrast, can deplete liquidity and equity and increase the risk of financial distress, consolidation, or exit. The timing and design of government support programs therefore influence how producers and the broader agricultural economy absorb periods of weak market returns.

Table 2. Changes in Statutory Reference Prices for Georgia’s Major Row Crops: 2018 Farm Bill vs. 2025 One Big Beautiful Bill Act (OBBBA).

Commodity	2018	2025	Unit	Percentage
Seed Cotton	\$0.367	\$0.42	Pound	14%
Peanuts	\$535	\$630	Ton	18%
Corn	\$3.70	\$4.10	Bushel	11%
Soybeans	\$8.40	\$10	Bushel	19%

Summary

The economic environment facing Georgia’s row crop producers has become increasingly challenging over the past decade. Rising production costs, elevated interest rates, weak commodity prices, trade uncertainty, and natural disasters have compressed profit margins and weakened farm financial resilience.

From 2016 to 2025, Georgia’s row crop producers consistently struggled to generate returns sufficient to cover total production costs. The USDA Economic Research Service (ERS)-based analysis indicates that annual harvested-acreage-weighted returns averaged a loss of approximately \$77 per acre, with an estimated \$1.84 billion in cumulative losses over the ten-year period. Analysis using University of Georgia (UGA) enterprise budgets shows an even greater financial shortfall, with an average annual loss of approximately \$104 per acre and an estimated \$2.51 billion in cumulative losses. The similar overall pattern produced by these two distinct analytical approaches provides additional evidence that the financial pressure facing Georgia’s row crop sector is persistent rather than the result of a single year or isolated market event.

Conditions in 2026 represent a potentially more serious level of financial stress. Rapid increases in fertilizer and energy costs immediately before planting, combined with drought conditions in Georgia, have made it increasingly difficult for some producers to cover even variable production costs. Some producers have consequently chosen to leave land fallow rather than plant, a decision that has been relatively uncommon in Georgia row crop production in recent years. This transition from difficulty covering total costs to difficulty covering even variable costs represents an important warning sign for the financial health of the sector. Based on current production costs, projected yields, and commodity prices, Georgia’s major row crops are projected to lose an average of approximately \$219 per acre in 2026, resulting in an estimated statewide loss of approximately \$519 million.

The persistence and magnitude of these losses raise concerns about the long-term sustainability of Georgia’s row crop sector. When revenues cover variable costs but not total costs, producers may continue operating in the short run by postponing capital replacement, restructuring debt, or drawing on accumulated farm equity. Over time, however, this process can erode working capital, farm equity, borrowing capacity, and overall financial resilience. The possibility that some producers may no longer be able to cover variable costs in 2026 suggests that financial pressure may be moving beyond a long-term profitability problem toward a more immediate challenge to continued production.

These conditions have implications beyond individual farm businesses, extending to agricultural lenders, agribusinesses, rural communities, and Georgia's broader agricultural economy. Farm-level risk and financial management, together with the design and timing of government support programs, can influence how producers and the broader agricultural economy absorb both short-term financial pressures and longer-term profitability challenges.

Disclaimer: The analyses, interpretations, and conclusions presented in this report are those of the authors and are based on available data and economic analysis. They are provided solely for educational and informational purposes and should not be interpreted as representing a political position, endorsement, or advocacy by the authors, the Department of Agricultural and Applied Economics, or the University of Georgia. The report is intended to provide objective economic analysis and does not advocate for or against any political party, candidate, policy position, or organization.

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U.S. Department of Agriculture, National Agricultural Statistics Service (NASS). Data for the 2026 marketing year weekly peanut prices, national and state marketing year average prices from 2016 to 2025, annual state harvested acres from 2016 to 2026, and annual state land rent from 2016 to 2026. <https://quickstats.nass.usda.gov/>

U.S. Department of Agriculture, World Agricultural Supply and Demand Estimates (WASDE) September 2026 report. Data for the 2026 marketing year average prices for corn, cotton, and soybeans.

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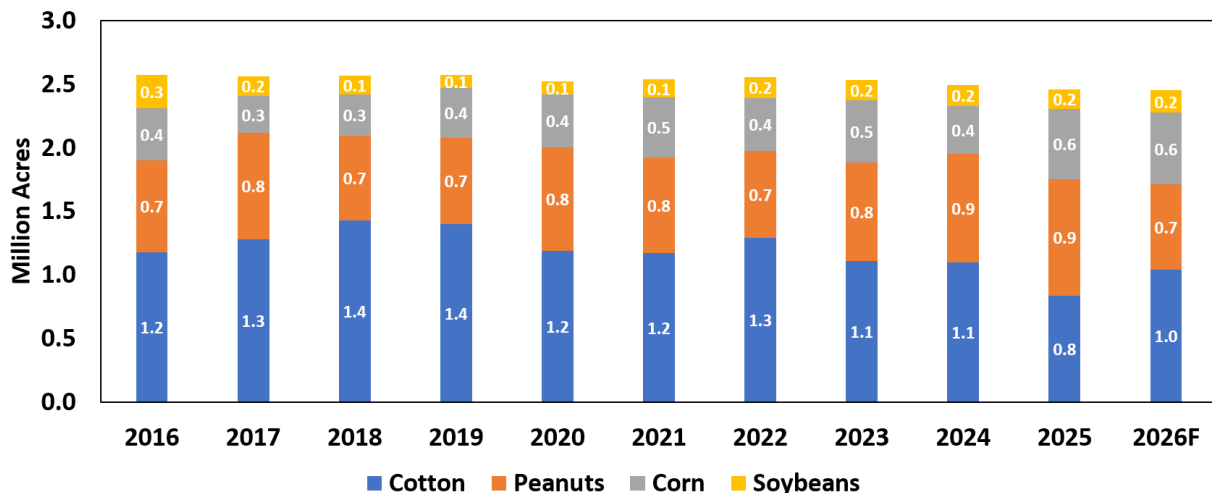
Supplementary Information

Row Crops Planted and Harvested Acreages in Georgia

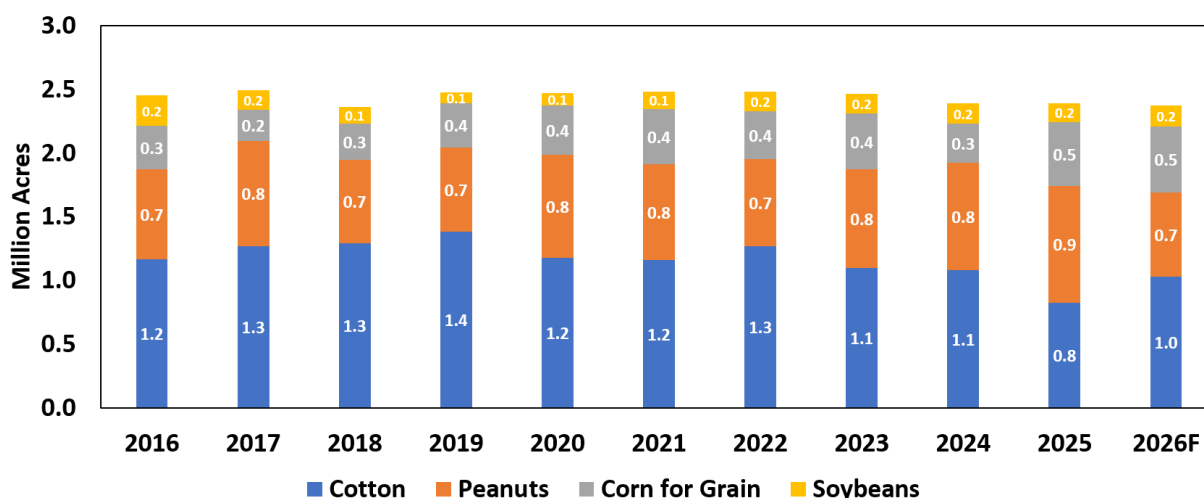
Supplemental Figures S1 and S2 illustrate planted and harvested acreage for Georgia's major row crops, cotton, peanuts, corn, and soybeans. From 2016 to 2026, total row crop acreage remained relatively stable, averaging approximately 2.52 million planted acres and 2.43 million harvested acres annually. Cotton remains by far the state's largest row crop, averaging 1.17 million planted acres per year. Cotton acreage generally responds to expected economic returns, expanding when cotton prices are favorable and contracting when prices weaken. Over the past four years, cotton acreage has declined considerably compared with earlier years, reflecting persistently low cotton prices and elevated production costs.

The decline in cotton acreage has been partially offset by increases in peanut and corn acreage. Peanuts are Georgia's second-largest row crop, averaging approximately 0.76 million planted acres annually, followed by corn at 0.44 million acres. Cotton and peanuts compete for acreage, although producers' planting decisions are also constrained by agronomic rotation requirements. While cotton prices are strongly influenced by global supply and demand conditions, peanut prices are driven more heavily by domestic market conditions. In recent years, weaker cotton prices relative to peanuts have contributed to acreage shifting from cotton toward peanuts.

Corn is also an important rotational crop in Georgia, with strong demand from the state's poultry industry supporting the local market and generally contributing to a positive basis. Corn is planted for multiple uses, including grain, silage, and seed. The average 0.44 million planted acres reported by USDA NASS include corn planted for all uses, while corn harvested specifically for grain has averaged approximately 0.40 million acres annually. Soybeans remain the smallest of the four major row crops, averaging approximately 0.14 million planted acres per year. Because publicly available NASS data do not separately report planted acreage for corn intended specifically for grain, this analysis uses harvested acreage consistently across the four crops when calculating acreage-weighted net returns and aggregate losses.



Supplemental Fig. S1. Georgia Row Crop Planted Acreage, 2016–2026F. Note: 2026F represents forecasted acreage. Data Source: U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS).



Supplemental Fig. S2. Georgia Row Crop Harvested Acreage, 2016–2026F. Note: 2026F represents forecasted acreage. Data Source: U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS).

Robustness Check of the Analysis Using University of Georgia (UGA) Enterprise Budgets

To assess the robustness of the analysis, we compared USDA Economic Research Service (ERS) Commodity Costs and Returns data with University of Georgia (UGA) enterprise budget estimates over the 2016–2025 period. The two analytical approaches produced generally consistent results regarding overall profitability trends and financial challenges facing Georgia’s row crop producers. This similarity strengthens confidence in the analysis and supports the use of UGA enterprise budgets to project production costs and profitability for the 2026 crop year.

UGA enterprise budgets provide projected production costs for the upcoming crop year rather than actual historical costs. Like enterprise budgets developed by other land-grant universities, they are designed to assist producers with farm planning and are generally prepared before planting using current input prices and expectations regarding future price movements, seasonal conditions, and the broader economic environment. The UGA enterprise budgets estimate production costs from planting through harvest. Georgia producers can use these budgets as planning tools and adjust individual cost assumptions to reflect their own operations. Similar to the USDA ERS Commodity Costs and Returns estimates used in this analysis, the UGA enterprise budget analysis does not include insurance indemnities and government payments, including traditional Farm Bill safety net program payments associated with base acres and ad hoc disaster assistance.

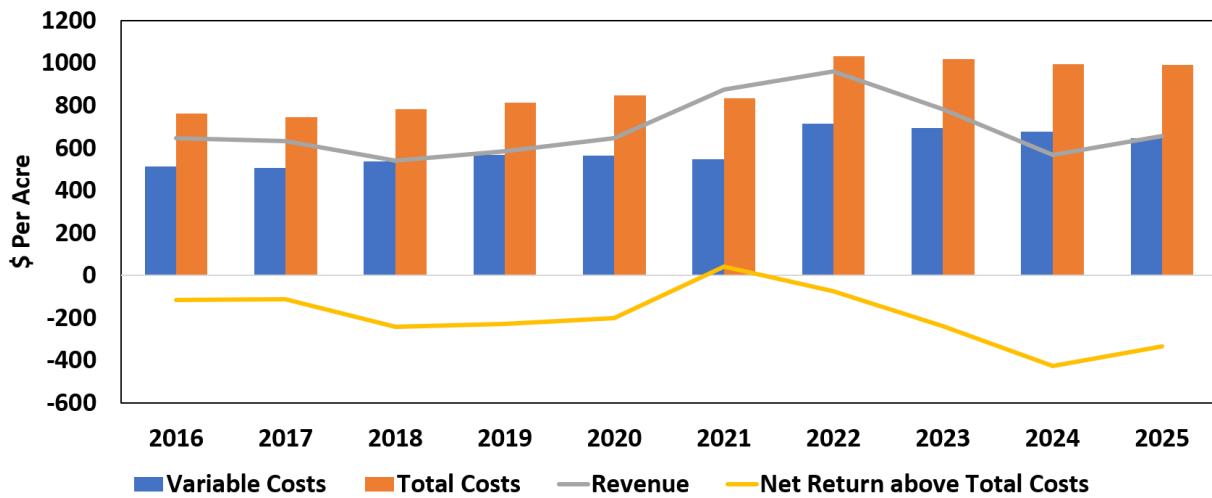
Input levels incorporated into the enterprise budgets are based on UGA Extension production recommendations. Although actual input use varies across individual farms, changes in enterprise budget costs over time provide a consistent measure of changes in the production-cost environment and expected profitability facing Georgia producers. Overhead and management expenses are estimated at 5% of total variable costs, following the standard methodology used in the budgets. Because actual overhead and management expenses may be higher for some operations, these estimates may provide a conservative measure of these costs. Producers can adjust input quantities, input prices, and overhead and management expenses to reflect their individual production practices and financial circumstances.

For the robustness analysis, variable and total production costs for each crop were obtained from UGA enterprise budgets from 2016 through 2025. Costs were averaged across irrigated and dryland production systems and conventional and strip-tillage practices, for each crop. The analysis also assumed a 50% split between owned and rented land, with rental costs based on Georgia's average cash rental rates reported by USDA National Agricultural Statistics Service (NASS). Georgia crop yields and prices received for cotton, peanuts, corn, and soybeans were also obtained from USDA NASS for 2016–2025. The USDA NASS yield estimates are based on production from harvested acreage.

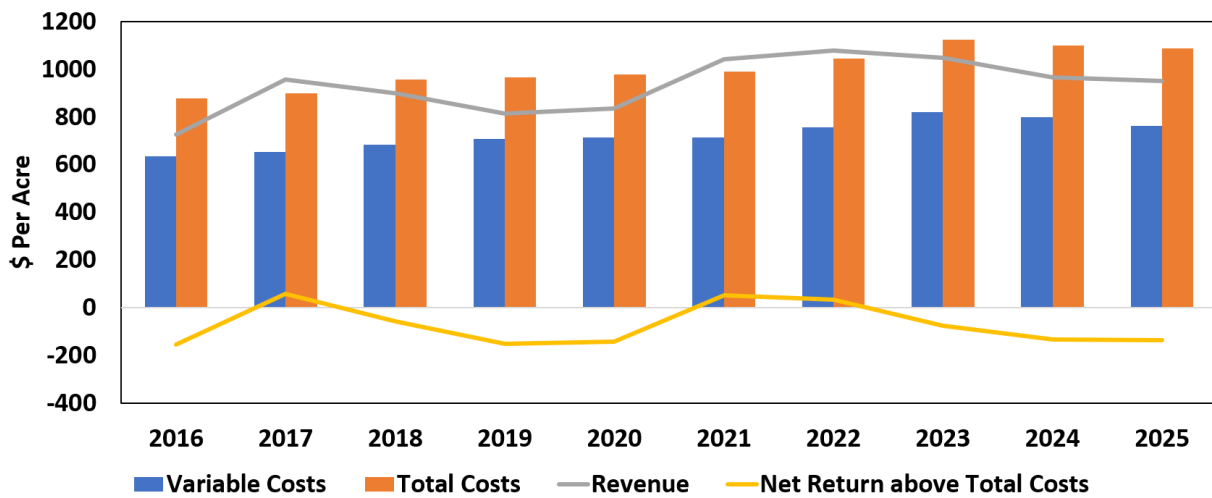
As shown in Supplemental Figures S3–S7, estimated net returns above total costs were predominantly negative for cotton, peanuts, and soybeans, while corn generally performed more favorably. Georgia's strong poultry industry supports local demand for corn, with in-state feed demand exceeding corn production and contributing to a favorable local basis. However, expanding corn production is constrained by substantial capital and infrastructure requirements, including combines, grain-drying and on-farm storage facilities, access to grain elevators, and, in many areas, irrigation. These requirements are particularly important for diversified row crop operations because cotton, peanuts, and corn require different harvesting equipment. Consequently, despite relatively stronger estimated returns for corn, shifting substantial acreage into corn may not be economically or operationally feasible for many Georgia row crop producers.

Results based on the UGA enterprise budgets show that, from 2016 to 2025, cotton generated returns above total costs in only one of ten years, peanuts in three, corn in seven, and soybeans in three. Average annual losses were approximately \$193 per acre for cotton, \$70 per acre for peanuts, and \$47 per acre for soybeans. In contrast, corn generated an average annual profit of approximately \$77 per acre. Although the estimated net returns from the USDA ERS and UGA enterprise budget analyses differ in magnitude, the overall trends in revenues, costs, and profitability are generally consistent across the two datasets. Differences in estimated returns likely reflect the use of projected versus actual production costs, returns and costs for planted versus harvested acres, as well as differences in geographic coverage and Georgia-specific production conditions.

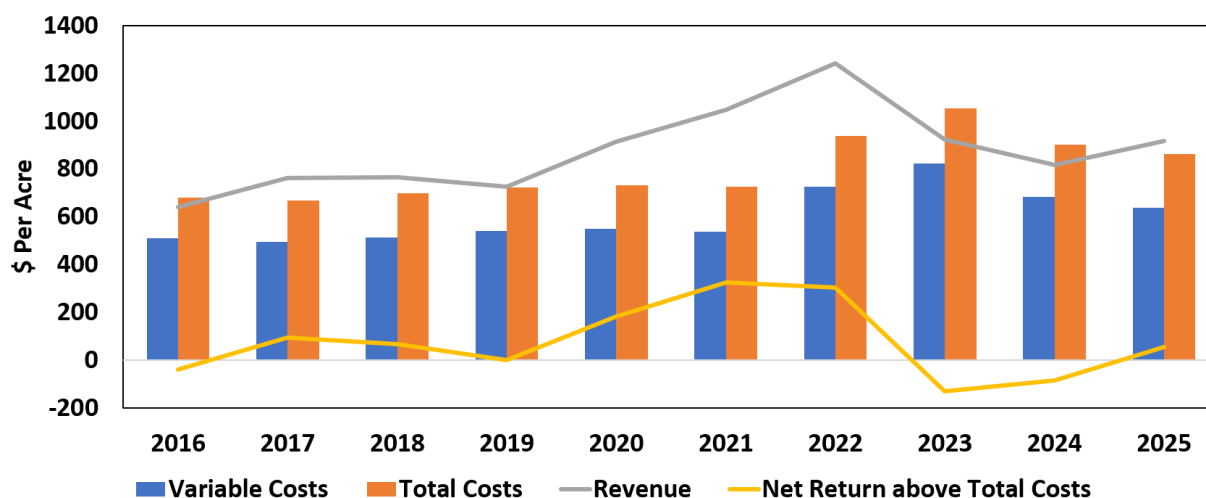
Supplemental Figure S7 presents the acreage-weighted average net returns for Georgia's major row crops based on UGA enterprise budget estimates. At the aggregate level, row crop returns exceeded total costs in only two of the ten years—2021 and 2022. The UGA enterprise-budget analysis indicates that Georgia's row crop producers experienced cumulative losses of approximately \$2.51 billion over the ten-year period from 2016 to 2025. Across the ten annual harvested-acreage-weighted estimates, the average annual loss was approximately \$104 per acre.



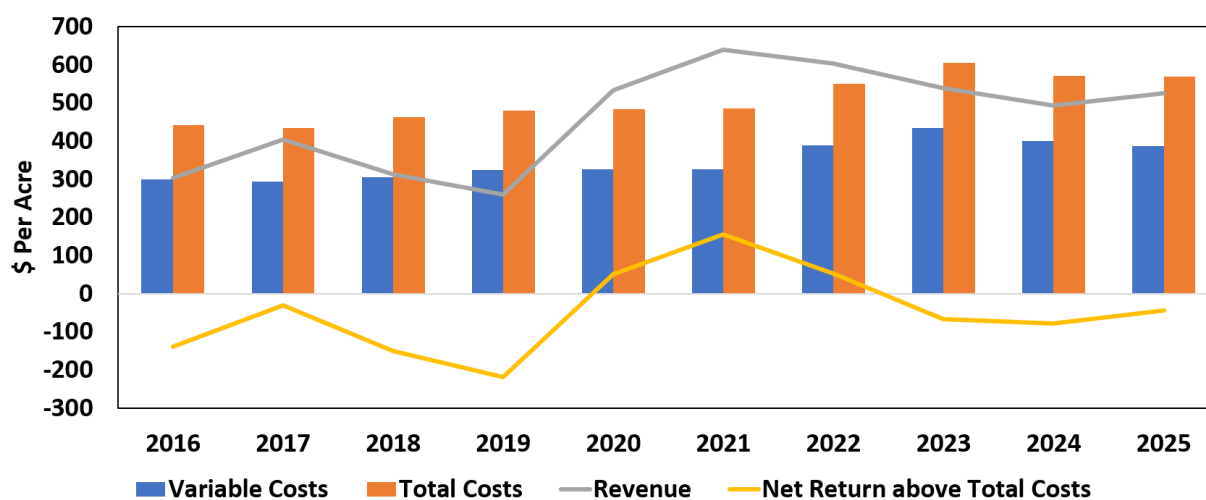
Supplemental Fig. S3. Cotton Production Expenses, Revenue, and Returns for Georgia Producers, 2016–2025. Data Sources: University of Georgia (UGA) Cotton Enterprise Budgets for variable and total production cost estimates; and U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), for annual cotton yields and prices received by Georgia producers.



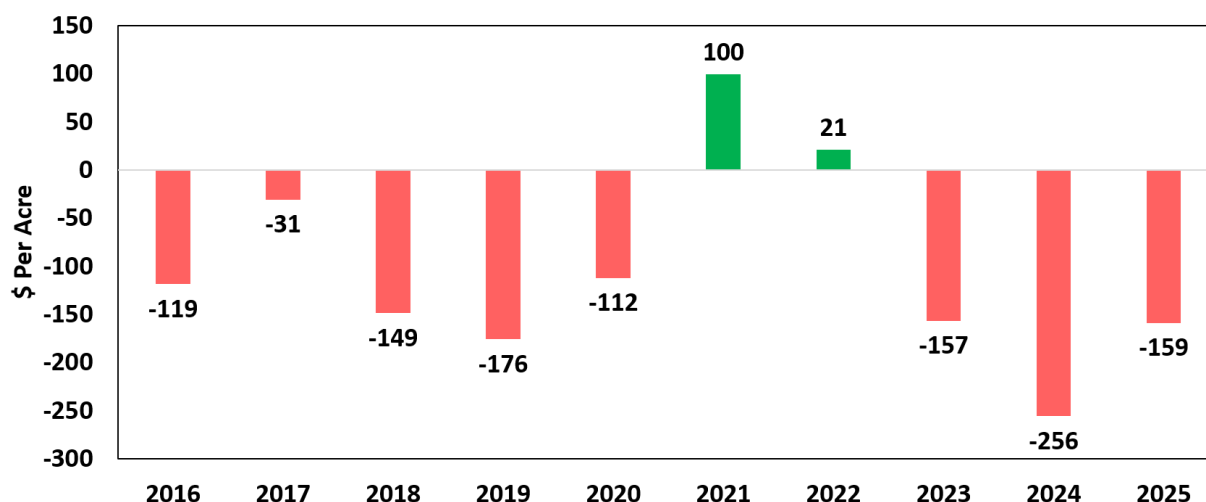
Supplemental Fig. S4. Peanuts Production Expenses, Revenue, and Returns for Georgia Producers, 2016–2025. Data Sources: University of Georgia (UGA) Peanuts Enterprise Budgets for variable and total production cost estimates; and U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), for annual Peanuts yields and prices received by Georgia producers.



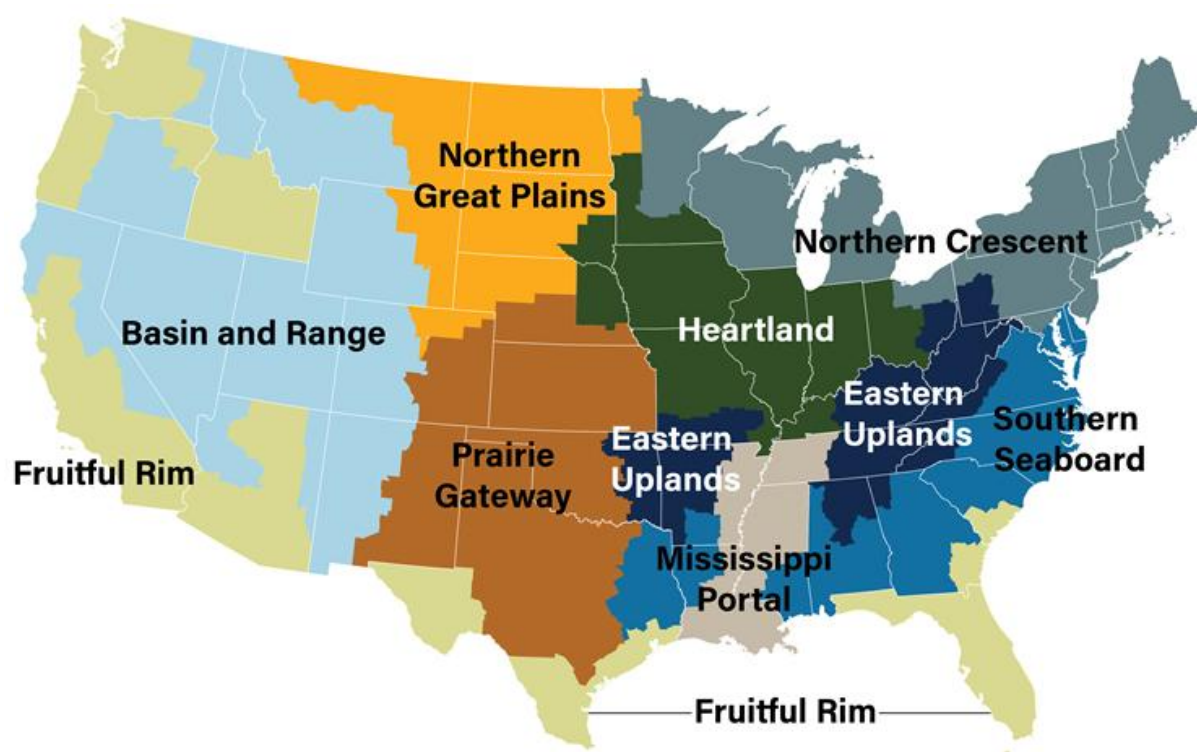
Supplemental Fig. S5. Corn Production Expenses, Revenue, and Returns for Georgia Producers, 2016–2025. Data Sources: University of Georgia (UGA) Corn Enterprise Budgets for variable and total production cost estimates; and U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), for annual Corn yields and prices received by Georgia producers.



Supplemental Fig. S6. Soybeans Production Expenses, Revenue, and Returns for Georgia Producers, 2016–2025. Data Sources: University of Georgia (UGA) Soybeans Enterprise Budgets for variable and total production cost estimates; and U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), for annual Soybeans yields and prices received by Georgia producers.



Supplemental Fig. S7. Weighted Average Net Returns for Georgia Row Crops, 2016–2025. Net returns are weighted by annual harvested acreage for cotton, peanuts, corn, and soybeans in Georgia. Authors’ calculations. Data sources: University of Georgia (UGA) Enterprise Budgets for cotton, peanuts, corn, and soybeans, 2016–2025; and U.S. Department of Agriculture (USDA), National Agricultural Statistics Service (NASS), for annual harvested acreage, prices received, and yields for cotton, peanuts, corn, and soybeans in Georgia, 2016–2025.



Source: USDA, Economic Research Service.

Supplemental Fig. S8. Nine Farm Resource Regions Designated by the U.S. Department of Agriculture, Economic Research Service.

Supplemental Table S1. Cotton production costs and returns per planted acre, excluding Government payments. Data Source: USDA, Economic Research Service. Southern Seaboard.

(dollars per planted acre, except where indicated)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross value of production										
Total, gross value of production	884.72	812.43	991.45	1,284.41	1,085.33	746.22	737.94	613.92	695.82	682.66
Operating costs										
Seed	118.98	119.11	123.42	117.17	104.33	100.63	100.46	90.27	91.34	92.59
Fertilizer	193.91	184.86	217.16	273.31	145.47	122.19	135.54	109.43	114.13	127.01
Chemicals	104.36	104.60	130.63	134.82	87.94	84.82	90.44	91.66	93.89	96.43
Custom services	34.80	33.84	32.81	31.19	27.60	26.51	26.64	23.60	23.12	23.78
Fuel, lube, and electricity	44.70	45.57	49.71	56.99	40.22	30.23	34.33	39.26	37.68	32.86
Repairs	64.65	62.93	62.68	60.24	54.45	50.84	49.40	52.80	51.05	50.15
Ginning	131.23	105.04	109.55	107.92	91.96	80.52	90.35	96.82	118.32	115.03
Purchased irrigation water	0.41	0.41	0.39	0.35	0.34	0.36	0.34	0.00	0.00	0.00
Interest on operating inputs	13.72	15.79	18.41	9.54	0.17	0.97	4.50	5.27	2.78	1.24
Total, operating costs	706.76	672.15	744.76	791.53	552.48	497.07	532.00	509.11	532.31	539.09
Allocated overhead										
Hired labor	12.08	11.91	11.38	10.89	10.01	9.46	9.29	15.64	14.75	14.36
Opportunity cost of unpaid labor	34.55	33.55	32.59	30.85	28.90	27.44	26.13	31.95	30.13	29.32
Capital recovery of machinery and equipment	214.88	212.71	204.31	191.31	183.02	157.05	154.10	167.32	164.39	160.91
Opportunity cost of land	127.53	124.59	123.01	114.49	112.87	106.82	104.90	87.18	82.37	82.37
Taxes and insurance	16.09	15.36	14.53	13.87	12.60	12.08	11.44	10.17	10.10	9.48
General farm overhead	23.63	23.38	22.97	22.23	19.81	18.56	18.42	14.35	13.87	13.63
Total, allocated overhead	428.76	421.50	408.79	383.64	367.21	331.41	324.28	326.61	315.61	310.07
Net value										
Value of production less total costs listed	-250.80	-281.22	-162.10	109.24	165.64	-82.26	-118.34	-221.80	-152.10	-166.50
Value of production less operating costs	177.96	140.28	246.69	492.88	532.85	249.15	205.94	104.81	163.51	143.57
Supporting information										
Yield (pounds per planted acre)	1,167	960	1,038	1,086	1,032	925	1,040	700	873	823
Price (dollars per pound)	0.59	0.70	0.80	0.97	0.89	0.68	0.61	0.78	0.70	0.70
Cottonseed yield (pounds per planted acre)	1,889	1,553	1,680	1,757	1,669	1,497	1,683	1,132	1,412	1,332
Cottonseed price (dollars per pound)	0.11	0.09	0.09	0.13	0.10	0.08	0.06	0.06	0.06	0.08
Enterprise size (planted acres)	627	627	627	627	627	627	627	440	440	440

Supplemental Table S2. Peanuts production costs and returns per planted acre, excluding Government payments. Data Source: USDA, Economic Research Service. Southern Seaboard.

(dollars per planted acre, except where indicated)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross value of production										
Total, gross value of production	1,053.96	1,033.60	1,095.23	1,129.84	1,076.48	870.12	777.60	917.38	979.70	708.88
Operating costs										
Seed	132.30	131.90	136.64	132.78	118.56	114.03	113.83	116.55	120.88	122.40
Fertilizer	94.18	89.99	104.97	118.16	62.61	52.79	58.93	54.32	52.83	60.07
Chemicals	143.57	143.06	179.16	195.61	128.33	123.67	130.99	133.69	135.70	141.49
Custom services	11.73	11.33	10.95	15.08	13.73	14.32	14.17	13.56	13.68	13.36
Fuel, lube, and electricity	64.88	66.98	71.63	65.57	45.36	34.05	40.06	42.06	37.23	32.76
Repairs	98.93	96.59	95.62	70.89	63.65	59.37	58.46	56.88	54.99	54.02
Commercial drying	75.61	73.67	81.83	87.92	63.72	44.97	52.41	58.27	51.58	41.20
Other variable expenses	0.66	0.64	0.62	0.99	0.88	0.85	0.85	0.84	0.82	0.84
Interest on operating inputs	12.31	14.77	17.09	8.38	0.15	0.87	4.86	4.98	2.46	1.07
Total, operating costs	634.17	628.91	698.51	695.38	496.99	444.92	474.56	481.15	470.17	467.21
Allocated overhead										
Hired labor	19.11	18.62	18.01	23.66	22.03	20.84	20.09	19.05	17.96	17.48
Opportunity cost of unpaid labor	70.91	69.19	66.94	57.93	53.95	51.03	49.18	46.63	43.98	42.79
Capital recovery of machinery and equipment	266.87	264.85	253.94	209.53	199.92	171.36	169.30	171.64	161.61	158.45
Opportunity cost of land	148.59	146.84	142.40	114.45	109.04	107.49	108.26	106.72	105.17	105.17
Taxes and insurance	21.92	20.83	19.67	32.62	29.00	28.29	26.86	26.13	25.77	24.70
General farm overhead	23.46	22.96	22.74	58.63	52.64	49.10	48.34	47.04	45.48	44.68
Total, allocated overhead	550.86	543.29	523.70	496.82	466.58	428.11	422.03	417.21	399.97	393.27
Net value										
Value of production less total costs listed	-131.08	-138.60	-126.99	-62.36	112.91	-2.91	-118.99	19.02	109.56	-151.60
Value of production less operating costs	419.78	404.69	396.71	434.46	579.49	425.20	303.04	436.23	509.53	241.67
Supporting information										
Yield (pounds per planted acre)	4,527	4,259	4,404	4,279	4,483	4,214	4,175	4,421	4,421	4,014
Price (dollars per pound)	0.23	0.24	0.24	0.26	0.24	0.2	0.18	0.2	0.22	0.17
Enterprise size (planted acres)	387	387	387	269	269	269	269	269	269	269

Supplemental Table S3. Corn production costs and returns per planted acre, excluding Government payments. Data Source: USDA, Economic Research Service. Southern Seaboard.

(dollars per planted acre, except where indicated)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross value of production										
Total, gross value of production	856.23	535.04	956.88	1,129.90	998.61	549.10	544.57	545.72	631.28	534.32
Operating costs										
Seed	103.20	100.98	106.03	100.62	89.41	75.53	75.31	76.95	79.68	81.02
Fertilizer	213.83	204.12	238.57	301.39	159.66	163.73	182.10	166.75	161.33	185.93
Chemicals	36.97	35.62	45.59	46.85	30.62	38.94	41.14	41.81	42.30	44.49
Custom services	36.41	35.84	34.39	32.64	29.10	20.05	19.98	19.42	18.93	19.83
Fuel, lube, and electricity	46.28	47.51	51.12	59.25	40.95	46.14	53.02	53.38	45.66	43.81
Repairs	51.13	48.94	49.11	47.31	42.38	38.74	37.76	36.11	34.43	35.05
Purchased irrigation water	0.28	0.21	0.24	0.23	0.20	0.09	0.09	0.08	0.07	0.09
Interest on operating capital	9.66	11.38	13.34	7.18	0.12	0.75	4.24	4.12	2.01	0.94
Total, operating costs	497.76	484.60	538.38	595.47	392.44	383.97	413.64	398.62	384.41	411.16
Allocated overhead										
Hired labor	9.39	9.38	8.96	8.50	7.94	12.98	12.47	11.76	11.04	10.86
Opportunity cost of unpaid labor	69.82	69.67	66.61	63.18	58.96	39.37	37.93	35.94	33.87	33.01
Capital recovery of machinery and equipment	158.68	156.13	150.46	140.91	134.33	116.42	114.29	114.60	106.96	107.27
Opportunity cost of land	104.70	101.73	100.68	97.43	93.51	100.60	101.36	94.99	96.41	91.25
Taxes and insurance	17.77	17.02	16.03	15.35	13.92	19.53	18.61	18.21	18.04	17.08
General farm overhead	25.50	23.96	24.31	23.40	20.93	29.34	28.59	27.32	26.04	26.54
Total, allocated overhead	385.86	377.90	367.06	348.79	329.59	318.24	313.25	302.82	292.36	286.01
Net value										
Value of production less total costs listed	-27.39	327.46	51.44	185.65	276.59	-153.11	-182.32	-155.72	-45.49	-162.85
Value of production less operating costs	358.47	50.44	418.50	534.44	606.18	165.13	130.93	147.10	246.87	123.16
Supporting information										
Yield (bushels per planted acre)	173	110	169	153	173	134	125	128	152	138
Price (dollars per bushel at harvest)	4.95	4.85	5.66	7.37	5.77	4.08	4.34	4.24	4.14	3.86
Enterprise size (planted acres)	255	255	255	255	255	163	163	163	163	163

Supplemental Table S4. Soybeans production costs and returns per planted acre, excluding Government payments. Data Source: USDA, Economic Research Service. Southern Seaboard.

(dollars per planted acre, except where indicated)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross value of production										
Total, gross value of production	446.97	466.67	575.97	613.86	583.68	441.68	332.95	336.89	395.65	338.80
Operating costs										
Seed	66.29	66.13	68.57	63.43	56.42	54.40	54.23	55.74	53.96	54.63
Fertilizer	115.00	109.37	127.63	135.89	72.18	60.84	68.10	62.35	48.49	53.94
Chemicals	41.11	41.23	51.60	53.61	35.12	33.86	35.78	36.69	36.70	37.69
Custom services	14.98	14.64	14.05	19.35	17.18	16.57	16.58	16.37	8.78	9.03
Fuel, lube, and electricity	14.16	14.93	15.93	21.00	14.51	10.90	12.78	13.49	10.89	9.58
Repairs	39.87	39.22	38.83	29.11	26.11	24.37	23.94	23.38	22.27	21.88
Purchased irrigation water	0.18	0.24	0.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on operating capital	5.77	6.87	7.96	3.93	0.07	0.39	2.19	2.16	0.95	0.43
Total, operating costs	297.36	292.63	324.79	326.32	221.59	201.33	213.60	210.18	182.04	187.18
Allocated overhead										
Hired labor	6.49	6.58	6.36	8.64	8.03	7.59	7.32	6.96	3.14	3.06
Opportunity cost of unpaid labor	21.06	20.55	19.91	30.73	28.62	27.11	26.07	24.74	25.48	24.80
Capital recovery of machinery and equipment	140.00	139.41	133.64	103.96	99.10	84.97	83.83	85.23	78.07	76.54
Opportunity cost of land	85.37	81.57	82.01	71.29	67.40	64.28	64.53	63.41	51.53	51.53
Taxes and insurance	13.51	12.84	12.10	14.90	13.47	12.88	12.24	11.95	9.41	9.28
General farm overhead	17.40	16.94	16.82	21.35	19.21	17.90	17.68	17.10	21.29	20.92
Total, allocated overhead	283.83	277.89	270.84	250.87	235.83	214.73	211.67	209.39	188.92	186.13
Net value										
Value of production less total costs listed	-134.22	-103.85	-19.66	36.67	126.26	25.62	-92.32	-82.68	24.69	-34.51
Value of production less operating costs	149.61	174.04	251.18	287.54	362.09	240.35	119.35	126.71	213.61	151.62
Supporting information										
Yield (bushels per planted acre)	42	46	44	44	47	44	39	39	41	35
Price (dollars per bushel at harvest)	10.57	10.10	13.08	14.04	12.50	10.14	8.57	8.69	9.65	9.68
Enterprise size (planted acres)	393	393	393	209	209	209	209	209	233	233