



Expanded peanut acres draw big concerns

Increased peanut acreage for three consecutive years threatens sustainability, causing rotation shortcuts and potential oversupply.

For several years, peanuts helped farmers remain on the economic life raft as commodity prices sank. But that peanut lift isn't guaranteed. Farmers planted a lot of peanuts this year, which can lead to challenges. Prices for competing crops like cotton have remained submerged below production costs. As a result, peanut farmers have increased acres for three consecutive years. They planted more than 1.9 million acres this year, slightly less than the record 2 million acres in 1991. This summer, Scott Monfort, University of Georgia Extension peanut specialist, moderated a farmer panel during the Southern Peanut Growers Conference. The session included questions directed at the audience of farmers and industry representatives. They answered questions using wireless remotes. The answers were compiled and shared in real time.

Monfort asked, "Can we sustain the current production acres we have right now?" "No!" was the majority answer.

To make the acres increase, growers have shortened rotational practices, which can lead to disease, resistance and yield reduction. Half said 10% of their peanut acres are on a one-year-or-less rotation, and 7% said 11% to 20% were on that narrow rotation. For a rotational alternative crop, a third picked fruits or vegetables, 20% tapped grazing and 20% picked sorghum.

Nobody knows what the final average yield will be for peanuts this year, but peanuts look good in many locations as of mid-August. If we harvest at least 1.85 million acres with the same average yield as last year, we will produce 3.55 million tons this year. Subtract typical domestic and export usage, and the carryover supply would be over a million tons. That will not spark higher prices for peanuts going into 2026. (Note: I am not an economist, but that wasn't a WAG.)

The audience agreed we must explore non-edible markets. Smart people are looking at jet fuel, poultry markets and other alternatives. We have good people working to expand those markets and opportunities for peanut, such as state peanut commodity groups, National Peanut Board and the American Peanut Council. One telling question during the session hit close to home for all in the room: "Has stress caused you some reservations about continuing to farm or having an agricultural business?" More than three-quarters of the audience confirmed, "Yes." That is sobering.

Source: https://www.farmprogress.com/commentary/expanded-peanut-acres-comes-with-major-concerns