



**For Immediate Release**  
NR 21-16 (7-22-21)

Contact: Mike Stokke or Emily Yaghmour,  
703-883-4056  
Email: [info-line@fca.gov](mailto:info-line@fca.gov)

### **FCA releases interactive history timeline and congratulates the Farm Credit System on its 105th anniversary**

McLEAN, Va., July 22, 2021 — Last Saturday, July 17, was the 105th anniversary of the date President Woodrow Wilson signed the Federal Farm Loan Act in 1916, which created what we now know as the Farm Credit System. In commemoration of this anniversary, the Farm Credit Administration — the regulator of the Farm Credit System — announces the publication of an interactive [history timeline](#) on its website.

Congress passed the [1916 legislation \(PDF\)](#) in response to President Wilson's Rural Credits Commission. Building on an earlier study by President Taft's European study commission, President Wilson's commission traveled extensively throughout Europe to learn about the cooperative agricultural and rural credit delivery systems there. The commission presented its findings in a 1913 report, [Agricultural Cooperation and Rural Credit in Europe](#), an original copy of which FCA has restored and plans to display at its headquarters in McLean, Virginia.

"The story of the Farm Credit System has an interesting twist," says FCA Chairman and CEO Glen Smith. "When faced with the difficulty of providing adequate, affordable credit to U.S. farmers, ranchers, and other rural Americans, the United States studied rural credit delivery systems in Europe in the early 20th century and modeled its solution — the cooperative Farm Credit System — after those systems.

"Now, a century later, other nations, when seeking ways to better meet their own rural credit needs, periodically send delegations here to learn about the Farm Credit System. As a nation, I think we can feel very proud of that — and very honored to have the opportunity to 'pay it forward,'" he says.

The Farm Credit System is a nationwide network of banks and associations that lend to farmers, ranchers, agricultural cooperatives, and other eligible borrowers. It's the nation's oldest government-sponsored enterprise, set up solely to meet the credit needs of agriculture and rural America.

"In addition to serving the direct credit needs of farmers and ranchers, System institutions also provide financing for the infrastructure that supports production agriculture," says FCA Board Member Jeff Hall. "They support agricultural processing and marketing operations and the distribution systems that get the products from the farm to the consumer."

In signing the Federal Farm Loan Act on July 17, 1916, President Wilson spoke eloquently of protecting the interests of farmers. “The farmers, it seems to me, have occupied hitherto a singular position of disadvantage. While they sustained our life, they did not, in the same degree with some others, share in the benefits of that life. Therefore, this bill . . . puts them upon an equality with all others who have genuine assets and makes the great credit of the country available to them.”

In addition to describing the 1916 legislation creating the System, the timeline highlights many other important events in the history of the System and its regulator — from the days of the Great Depression, through the farm crisis of the 1980s, to the COVID-19 pandemic of the present day. The timeline also covers important farm credit-related legislation in the past 100 years and profiles FCA’s governors and board chairs.

“The Farm Credit System is an important reason that the U.S. ag industry is so strong,” says Chairman Smith. “Farming is a capital-intensive enterprise, and the industry could not have grown to the size it is today without reliable and affordable credit. And it’s the System’s status as a government-sponsored enterprise that makes its credit reliable and affordable,” he says. “The System is publicly mandated to serve agriculture in good times and in bad.”

Several factors have contributed to the System’s long-term success, but Board Member Hall believes the System’s status as a cooperative is one of the most significant. “Structured as cooperatives, all System banks and associations are owned and governed by their farmer-borrowers. This ensures that they are responsive to the needs of their borrowers. It also ensures that they can adapt readily to the changing landscape of agriculture,” he says.

Today, the System remains safe and sound, providing loans to almost 600,000 customers. It’s also estimated to provide around 45% of the nation’s farm credit. It comprises 71 institutions, which are governed by the customers they serve. The System continues to deliver on the promises President Wilson described 105 years ago.

The Farm Credit Administration, which celebrated its [88th anniversary \(PDF\)](#) in March, invites the public to visit its timeline to learn about U.S. agricultural history and to check back often for updates.

###

The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac), which was established in 1988. The System’s borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. FCA news releases are available on the web at [www.fca.gov](http://www.fca.gov).