



## If You Want to Get Rich, Become a Farmer

### Description

If you want to become rich, investment wizard and best-selling author Jim Rogers has some advice: become a farmer. The former hedge fund manager told the *IB Times* earlier this month:

*"We're running out of farmers worldwide. More people in America study public relations, not agriculture. The average age of farmers in America is 58. In Japan, it's 66. So if you want to get rich, become a farmer, not a stock broker. Stock brokers will be driving taxis in the next few years. The farmers are going to be driving Lamborghinis."*

### Just the facts, ma'am

If global food prices are any indication, pursuing a career in agricultural could be a solid bet. According to the United Nations FAO Food Price Index, global food prices have more than doubled over the last decade. And this is no accident. The growth in global food demand is unrelenting.

Part of the reason is due to population growth. The world population is at 7 billion people and counting. By 2050, we are going to have to feed 9 billion people with the same number of acres of arable land.

But that's not the only factor straining food supply. Economic growth in emerging countries like India and China has allowed more people to trade rice bowls for beef. As a result, global meat consumption has been increasing at twice the rate of population growth over the past 20 years.

And despite improvements in farming technology, Mother Nature is approaching her limits. We seeing rampant water depletion, topsoil erosion, and changing climate.

In this context, feeding the world is an overwhelming task. The prospects for a person who has a degree in agriculture are good now, but they are going to be specular in the future.

### 3 ways to cash in on a global food crisis

Of course, most of our readers are unlikely to trade in their current occupations for pitch forks and tractors. However, there are still plenty of avenues to profit from this development.

**1. Potash Corporation of Saskatchewan** (TSX: POT)(NYSE: POT) is the obvious place to start. With a growing demand for food and decreasing arable land, farmers will be incentivized to squeeze as much production as they can from each acre. That will require increasing use of fertilizers.

Of course, Potash Corp. is a well-known name. And the breakdown of the global potash cartel has put downward pressure on prices. Investors may be able find better opportunities digging through the small-cap universe.

**2. Cervus Equipment** (TSX: CVL) sells and services agricultural and industrial equipment, mostly in Western Canada. The agricultural equipment segment consists primarily of almost two dozen John Deere dealerships across Alberta, Saskatchewan, British Columbia, and New Zealand. Agriculture-related revenues make up approximately 70% of the top line, indicating the company is almost a pure-play to the spending patterns of Canadian farmers.

**3. Ag Growth International** ([TSX: AFN](#)) is another pure-play on agriculture. The company commands 40% of the North American portable grain-handling market. In addition, commercial crop handling, storage and conditioning solutions are part of Ag Growth's product line up as well.

### Foolish bottom line

Over the next few decades we are going to have to feed an extra 2 billion people. This is a momentous task. Individuals and companies that are stepping up to meet this challenge are poised to make a fortune.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:AFN (Ag Growth International)

### Category

1. Investing

### Date

2025/07/06

### Date Created

2014/03/28

### Author

rbailieul

default watermark