

# Farmland

## IN PERSPECTIVE

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### Midwest states in top 10 for U.S. agricultural exports

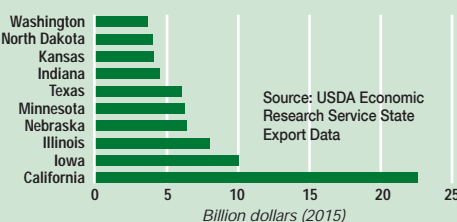
All U.S. states export some agricultural products to markets overseas. While the value of agricultural exports is relatively modest for states such as Alaska, Rhode Island, and New Hampshire (less than \$100 million in 2015), many states rely on agricultural exports for a large share of their market revenue.

The largest beneficiary of overseas markets is California, which contributes 17% of all U.S. agricultural exports by value. The \$23 billion worth of agricultural goods exported by California in 2015 is more than double the next largest state total, Iowa. Iowa and Illinois exported agricultural goods valued at \$10 billion and \$8 billion, respectively, in 2015.

To put these numbers in perspective, the 2012 Agricultural Census calculated the total value of agricultural sales in California to be \$44 billion, while Iowa and Illinois were valued at \$31 billion and \$17 billion, respectively.

In California, tree nuts account for the largest share of exports. Soybeans are the most valuable export in five of the top ten exporting states, including Iowa, Illinois, and Nebraska. Other leading export products for states in the top ten exporters include cotton, wheat, and fruits.

Top ten states for U.S. agricultural exports, by value



### How does the U.S. compete in global crop agriculture?

By Chad Hart, Extension Economist, Iowa State University

Crop agriculture is increasingly a global competition. Agricultural trade has expanded opportunities for crop producers both here in the U.S. and in international markets.

While the U.S. remains a strong player in most agricultural markets, technological and crop genetic breakthroughs have expanded the areas that can produce significant crops. This has led to increased competition in crop export markets, with that competition coming from a variety of sources.

The discussion below examines the big global players in corn, soybeans, cotton, and rice. Stealing a bit from David Letterman, I look at three "Top 10" lists – the 10 countries that have the most acreage devoted to the crop, the most production of the crop, and the most exports of that crop.

#### Corn

Let's begin our Top 10 tour with corn. It may surprise some to see that the U.S. does not have the largest number of harvested acres of corn. That distinction is held by China. During the past few years, China's corn area has exceeded that of the U.S. Brazil sits alone at #3, with 40 million acres. India and the European Union each have between 20 and 25 million acres of corn. Mexico harvested nearly 18 million acres of corn in 2016. Completing the Top 10 are two countries you might expect – Argentina and the Ukraine – and two that likely surprise – Tanzania and Nigeria. Corn production is on the upswing in Africa.

Switching to production, eight of these countries remain in the Top 10. Tanzania and Nigeria are replaced with Russia and South Africa. Yet, as the production figures show, global corn production is dominated by the U.S. This is due to our significant yield advantage. For the 2016 crop, the U.S. yield is estimated at 173 bushels per acre. The next closest competitor is Argentina with 129 bushels per acre, then the EU at 109 bushels per acre. China and Ukraine check in just below 100 bushels per acre each. India and Mexico both achieved yields below 60 bushels per acre.

While the U.S. is a strong leader in corn production, corn trade is becoming more competitive, especially given the focus on exports from South America and the Black Sea region. Roughly one-third of Brazil's corn crop is exported. Argentina exports nearly two-thirds of its crop. The same is true of the Ukraine.

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