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## EC70-843 Great Plains and United States Exports of Agricultural Products : Fiscal 1968

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# Great Plains and United States

# EXPORTS of Agricultural Products: Fiscal 1968

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# Great Plains and United States Exports of Agricultural Products

Luc S. Muermans  
with  
Herman W. Delvo<sup>1/</sup>

## Introduction

The United States is the world's leading exporter of agricultural products. In fiscal 1968 (July 1, 1967 to June 30, 1968), nearly a fifth of the world's agricultural exports were provided by the United States. United States farmers have an important stake in foreign markets. In recent years about a sixth of United States farm income has been from sales of agricultural products in foreign markets.

This report analyzes for fiscal 1968:

Agricultural production and exports from the Great Plains States in relation to the total agricultural production and exports for the United States.

Distribution of agricultural production and exports among the Great Plains States.

Method of financing agricultural exports from the United States and Great Plains States.<sup>2/</sup>

## Procedure

Three agricultural production and export commodity groups are analyzed in this report:

Meat products.

Feed grains.

Wheat and flour.

These commodity groups were selected because they account for a major portion of the agriculture production in the Great Plains and are produced throughout the region. However, cotton and rice are important crops in the Southern Plains and flax in the Northern Plains. Soybeans are also an important crop in the eastern part of the Great Plains.

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<sup>2/</sup> States included: North Dakota, South Dakota, Montana, Nebraska, Kansas, Colorado, Wyoming, Oklahoma, Texas and New Mexico.

For meaningful comparisons between production and exports, 1967 production and fiscal 1968 export data were used. The meat products commodity group includes the production of cattle and calves; sheep and lambs; and hogs and pigs while on the export side it includes meat products; hides and skins; and lard and tallow. The feed grain commodity group consists of corn, grain sorghum, barley and oats.

The world export price (official basis for valuation of United States exports), rather than the domestic price is used to reflect the value of the regional and state shares of the United States agricultural export market.

## **Production and Exports: Great Plains and United States**

### **Production**

The value of production in the United States of the three selected agricultural commodity groups was \$20,890 million in 1967. Meat production led all categories with production valued at \$12,202 million (Figure 1). The value of feed grain production was \$6,578 million, followed by wheat production at \$2,110 million.

The Great Plains share of the nation's production of these three agricultural commodity groups was \$6,970 million in 1967. The percentage of total United States output produced in the Great Plains varied considerably by class of product. The Great Plains accounted for 58% of the wheat and 35% of the meat produced in the nation in 1967 (Figure 2). A fourth (23%) of the United States feed grains were grown in the Great Plains. About 90% of United States grain sorghum was produced in the region.

### **Exports**

United States exports of the three commodity groups in fiscal 1968 totaled \$2,637.4 million (Figure 1). Wheat and flour exports were \$1,277.5 million or 61% of the total United States production. Principal markets of United States wheat and flour exports were Japan, European Economic Community, India and the United Kingdom.

Feed grain exports from the United States, excluding processed products, were valued at \$1,000.3 million in fiscal 1968. Principal markets for feed grains included Japan and the EEC countries, especially the Netherlands, Germany and Italy. United States exports of the meat products commodity group totaled \$359.6 million.

In millions of dollars

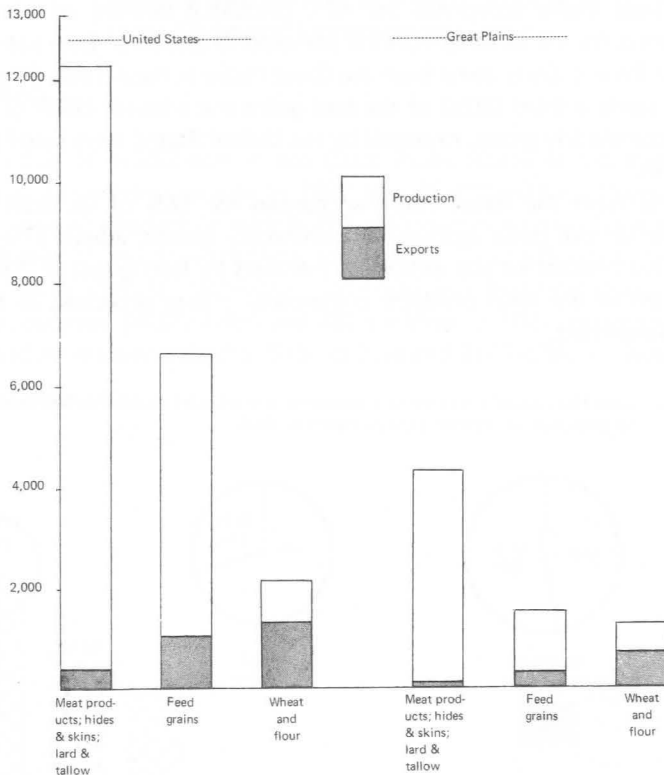
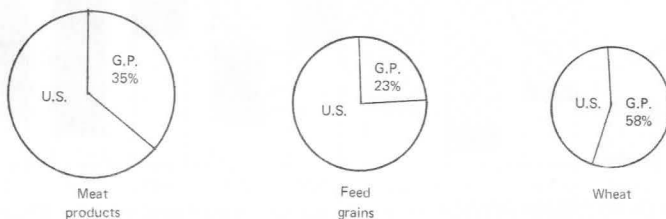


Figure 1. Production (1967) and exports (fiscal 1968) of three selected agricultural commodity groups for the United States and Great Plains.

Sources: See Appendix Tables 1 and 2.

Figure 2. Great Plains production as a percentage of total United States production for three selected agricultural commodity groups, 1967.

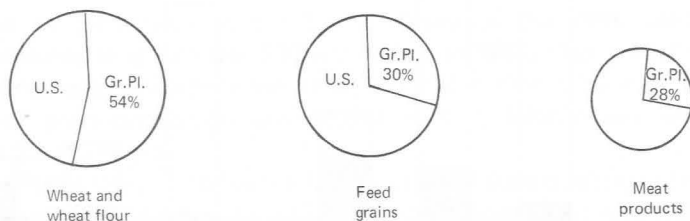


Source: See Appendix Table 1.

The Great Plains accounted for 42% (\$1,098.8 million) of total United States exports for the three agricultural commodity groups.<sup>3/</sup> Over half (54%) of wheat and flour exports came from the Great Plains in fiscal 1968 (Figure 3). In addition, nearly a third (30%) of the feed grains and a fourth (28%) of the meat products commodity group, exported by the United States, were supplied by the Great Plains.

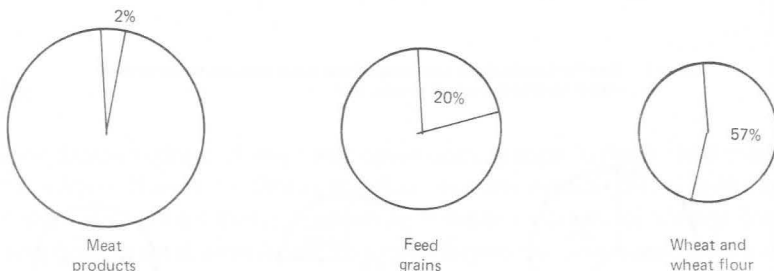
Exports from the Great Plains accounted for 16% of its total value of production for the three agricultural commodity groups. About 57% of Great Plains wheat production was exported, followed by feed grains at 20% (Figure 4). Only 2% of the meat products commodity groups produced in the Great Plains was exported.

Figure 3. Great Plains agricultural exports as a percentage of total United States agricultural exports for three selected commodity groups, fiscal year 1968.



Source: See Appendix Table 2.

Figure 4. Great Plains agricultural exports as a percentage of Great Plains production for three selected commodity groups, fiscal year 1968.



Source: See Appendix Tables 1 and 2.

<sup>3/</sup> Export data for the Great Plains States was obtained from: Rahe, Dewain H. and Isaac E. Lemon, *U.S. Agricultural Export Shares By Region and State, Fiscal Year 1968*, Trade Statistics and Analysis Branch, Foreign Development and Trade Division, Economic Research Service, U.S. Department of Agriculture, ERS-Foreign-241, November, 1968.

## Great Plains Production and Exports, by State and Commodity Groups

### Production

The value of production in the Great Plains States of the three selected agricultural commodity groups in 1967 was \$6,970 million. Nebraska led all states in value of production with \$1,407 million, followed by Texas and Kansas at \$1,258 million and \$1,146 million, respectively (Figure 5). Five states (South Dakota, North Dakota, Oklahoma, Colorado and Montana) had production valued at between \$400 million and \$825 million in 1967. Wyoming and New Mexico had production valued at \$152 million and \$147 million, respectively.

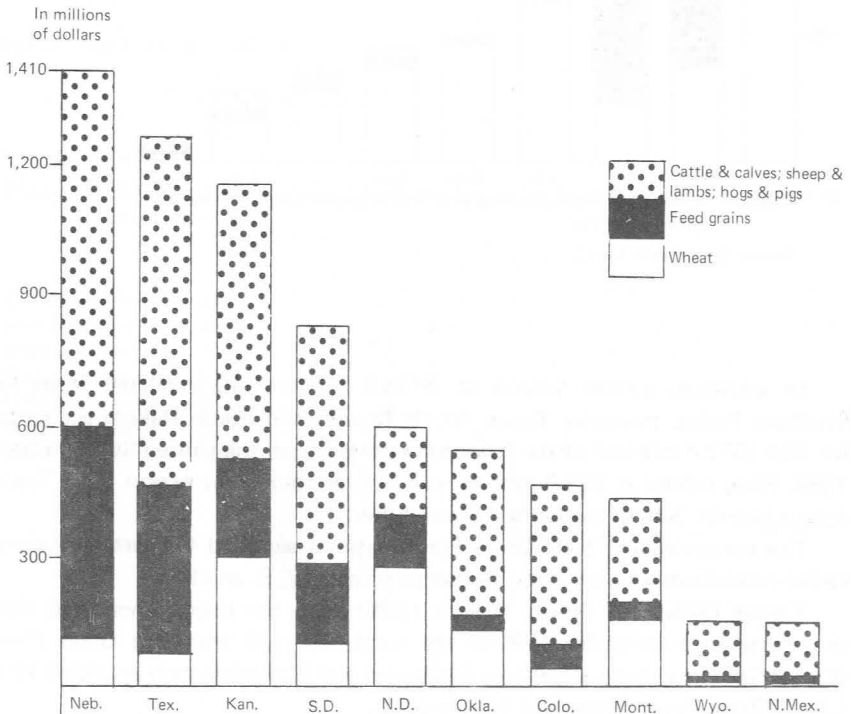


Figure 5. Value of Great Plains production by state for three selected agricultural commodity groups, 1967.

Source: Appendix Table 1.

## Exports

Exports from the Great Plains States for the three major commodity groups were valued at \$1,098.8 million in fiscal 1968. Kansas was the most important exporter at \$253.1 million (23%), followed by Nebraska and Texas at about \$190.0 million and North Dakota at \$138.8 million (Figure 6). These four states accounted for about 70% of the value of the three specified groups of agricultural products exported from the Great Plains.

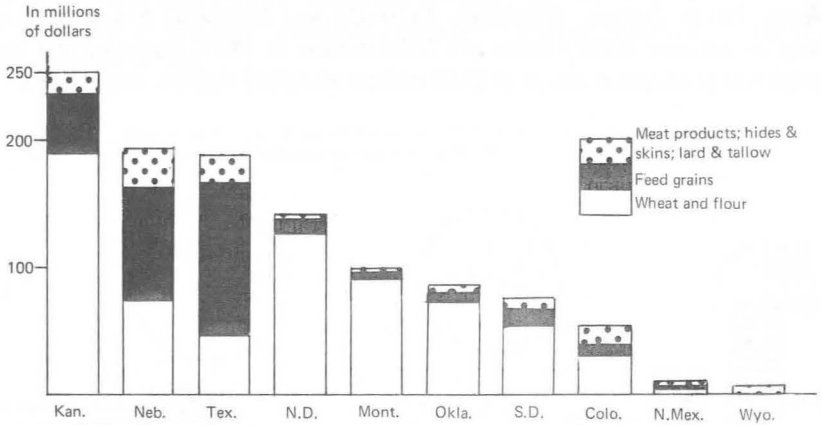


Figure 6. Value of Great Plains exports by state for three selected agricultural commodity groups, fiscal 1968.

Source: See Appendix Table 2.

In addition, cotton valued at \$198.5 million was exported from the Southern Plains, primarily Texas. North Dakota and South Dakota accounted for 80% (\$12.4 million) of the flaxseed exported from the United States in fiscal 1968. Rice, valued at \$98.0 million, was also an important export from Texas, accounting for 30% of the United States total.

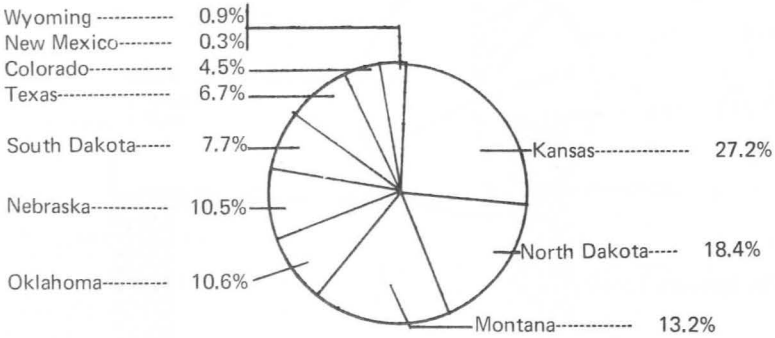
The percentage of total Great Plains exports supplied by particular states varied considerably by commodity groups (Figures 7, 8, and 9).

Kansas (27%) and North Dakota (18%) were the major wheat and flour exporters, accounting for 45% of the total exported from the Great Plains (Figure 7). Three states (Montana, Oklahoma and Nebraska) each provided 10 to 13% of Great Plains wheat and flour exports.

Two-thirds of the feed grains exported from the Great Plains are supplied by Texas (39%) and Nebraska (29%) (Figure 8). Grain sorghum is the primary feed grain exported from Texas. Nebraska exports corn and grain sorghum.

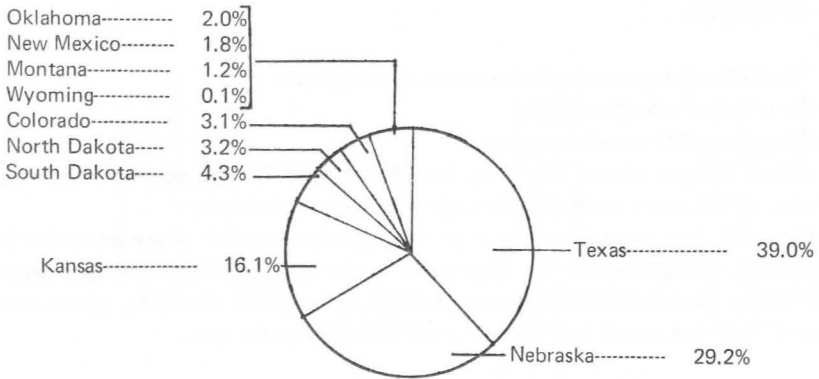


Figure 7. Percentage distribution of wheat and wheat flour exported from the Great Plains, by state, fiscal year 1968.



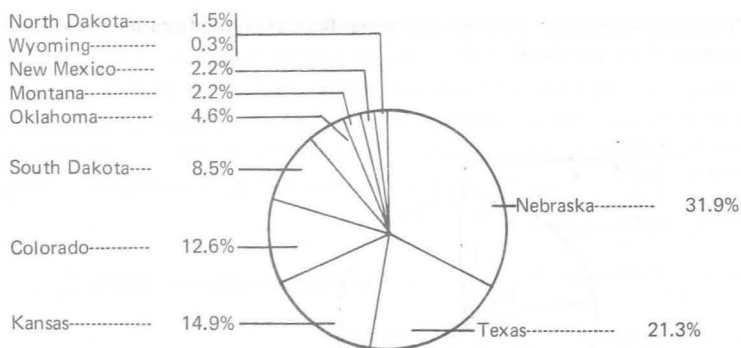
Source: See Appendix Table 2.

Figure 8. Percentage distribution of feed grains exported from the Great Plains, by state, fiscal year 1968.



Source: See Appendix Table 2.

Figure 9. Percentage distribution of meat products; hides and skins; and lard and tallow exported from the Great Plains, by state, fiscal year 1968.



Source: See Appendix Table 2.

Nebraska dominated the Great Plains meat products commodity group, accounting for almost a third (32%) of the exports (Figure 9). Texas, Kansas and Colorado were also important contributors to this export commodity group, supplying 21, 15 and 13% respectively.

### Financing of Exports: Commercial Sales and Government Programs<sup>4/</sup>

#### United States

Agricultural exports are financed by two methods:

Commercial sales for dollars.

Government-financed programs.

About 66% of United States agricultural exports for the commodity groups included in the study were sold through commercial channels.

However, the proportion moving through commercial channels varies by commodity group (Figure 10). Nearly all of the meat products and feed grains commodity groups exported move through commercial channels, while only about 40% of the wheat and flour exports are commercial sales.

#### Great Plains

Exports from the Great Plains of the three major commodity groups followed the same pattern of financing as for the United States. In the Great Plains, commercial sales accounted for 56% of the total value of exports of the

<sup>4/</sup> Ibid.

three commodity groups. The Great Plains exported \$695.1 million of wheat and flour. However, only about 40% moved through commercial channels (Figure 10). On the other hand, 78% of the feed grains exported were sold for dollars. The meat products commodity group, representing about 9% of the exports from the Great Plains, were nearly all sold through commercial channels.

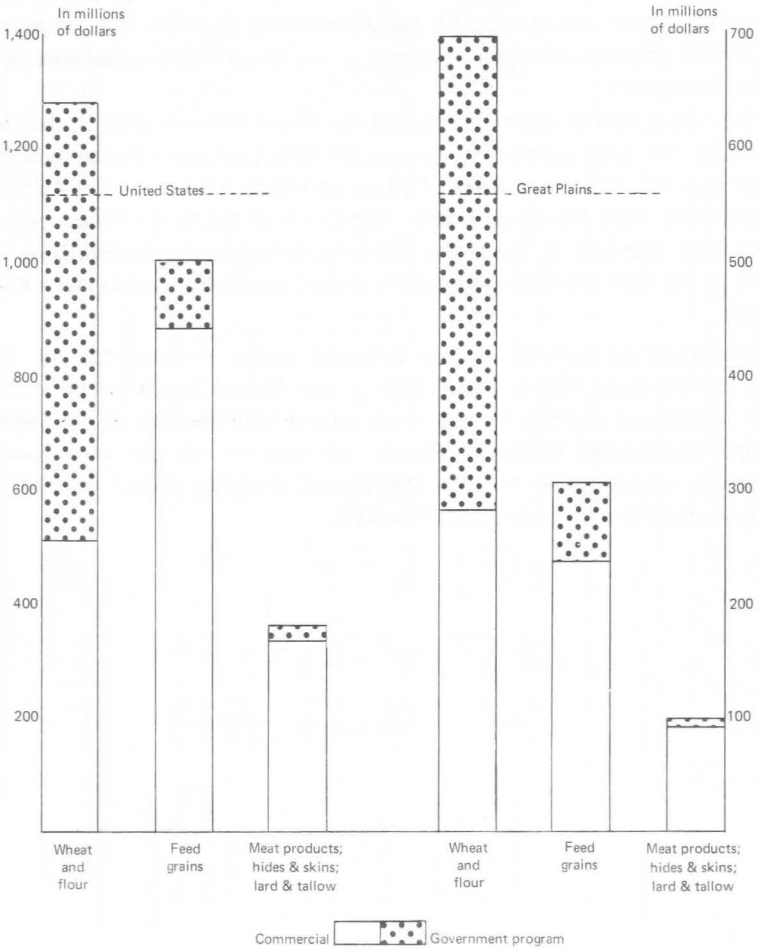


Figure 10. United States and Great Plains agricultural exports for three selected agricultural commodity groups, by type of sale, fiscal 1968.

Source: Rahe, Dewain H. and Isaac E. Lemon, *U.S. Agricultural Export Shares By Region and State, Fiscal Year 1968*, Trade Statistics and Analysis Branch, Foreign Development and Trade Division, Economic Research Service, U.S. Department of Agriculture, ERS-Foreign-241, November 1968.

## Summary

The United States is the world's leading exporter of agricultural products. Nearly a fifth of the world's agricultural exports were provided by the United States in fiscal 1968. In recent years, about a sixth of United States farm income has come from sales of agricultural products in foreign markets.

The Great Plains share of the nation's production for three selected commodity groups was about 33% (\$6,970 million) in 1967. The percentage of total United States production produced in the Great Plains varied considerably by class of product.

The Great Plains region accounted for about 42% of total United States exports for the three commodity groups (\$1,098.8 million). Kansas and North Dakota were the major exporters of wheat and flour, accounting for 45% of the total exported from the Great Plains. Two-thirds of the Great Plains feed grain exports were supplied by Texas and Nebraska. Nebraska dominated Great Plains exports of the meat products commodity group, accounting for almost a third of the total.

Financing agricultural exports followed similar patterns for the United States and the Great Plains. About 66% of total United States and 56% of Great Plains agricultural exports for the three selected commodity groups were sold through commercial channels. Nearly all exports of the meat products commodity group moved through commercial channels. About 60% of wheat and flour exports were government financed.

**Appendix Table 1. Value of production of three selected agricultural commodity groups in the Great Plains, by state and commodity, 1967.**

Region and state	Feed Grain Production					Total feed grains	Meat Production			Total meat prod.	Grand total
	Wheat	Corn	Grain sorghum	Barley	Oats		Cattle and calves	Sheep and lambs	Hogs and pigs		
----- Million dollars -----											
Northern Plains:											
North Dakota	273.0	5.9		78.8	34.6	119.3	172.2	4.4	24.1	200.7	593.0
South Dakota	103.7	96.7	7.0	12.3	64.5	180.5	389.4	15.3	137.9	542.6	826.8
Montana	154.0	.6		31.8	3.3	35.7	225.9	9.5	11.7	247.1	436.8
	530.7	103.2	7.0	122.9	102.4	335.5	787.5	29.2	173.7	990.4	1,856.6
Central Plains:											
Nebraska	116.3	350.4	110.3	.8	14.3	475.8	595.7	6.1	213.3	815.1	1,407.2
Kansas	299.2	76.4	140.4	2.1	4.4	223.3	508.3	6.2	108.6	623.1	1,145.6
Colorado	47.2	23.8	11.9	11.0	2.1	48.8	335.4	18.5	15.4	369.3	465.3
Wyoming	10.5	1.6		4.4	2.8	8.8	115.7	15.2	1.5	132.4	151.7
	473.2	452.2	262.6	18.3	23.6	756.7	1,555.1	46.0	338.8	1,939.9	3,169.8
Southern Plains:											
Oklahoma	130.4	1.4	25.8	3.9	2.6	33.7	345.7	1.7	26.0	373.4	537.5
Texas	77.7	24.6	346.9	1.4	5.4	378.3	722.7	25.5	54.2	802.4	1,258.4
New Mexico	5.4	1.1	19.0	.9		21.0	113.1	4.8	2.9	120.8	147.2
	213.5	27.1	391.7	6.2	8.0	433.0	1,181.5	32.0	83.1	1,296.6	1,943.1
Great Plains	1,217.4	582.5	661.3	147.4	134.0	1,525.2	3,524.1	107.2	595.6	4,226.9	6,969.5
United States	2,110.2	4,939.7	744.7	368.5	525.3	6,578.2	8,076.7	229.6	3,895.7	12,202.0	20,890.4

Sources: U. S. Department of Agriculture. *Crop Values: Season Average Prices Received by Farmers and Value of Production, by States, 1967 and 1968*, Statistical Reporting Service and Crop Reporting Board, CR-PR 2-1-1 (68), Washington, D.C., December 1968.

U. S. Department of Agriculture. *Meat Animals: Farm Production, Disposition and Income, by States, 1967-1968*, Statistical Reporting Service and Crop Reporting Board, MtAn 1-1 (69), Washington, D.C., April 1969.

U. S. Department of Agriculture. *Milk: Production Disposition and Income, 1967-1968*, Statistical Reporting Service and Crop Reporting Board, Da 1-2 (69), Washington, D.C., April 1969.

**Appendix Table 2. Value of exports for three selected agricultural commodity groups from the Great Plains, by state and commodity, fiscal 1968.**

Region and state	Wheat and flour	Feed grains	Meat products <sup>a/</sup>	Total
- - - - - <u>Million dollars</u> - - - - -				
Northern Plains:				
North Dakota	127.6	9.7	1.5	138.8
South Dakota	53.7	13.2	8.4	75.3
Montana	<u>91.5</u>	<u>3.5</u>	<u>2.2</u>	<u>97.2</u>
	272.8	26.4	12.1	311.3
Central Plains:				
Nebraska	72.8	88.9	31.6	193.3
Kansas	189.2	49.1	14.8	253.1
Colorado	31.0	9.5	12.5	53.0
Wyoming	<u>6.0</u>	<u>.3</u>	<u>.3</u>	<u>6.6</u>
	299.0	147.8	59.2	506.0
Southern Plains:				
Oklahoma	74.0	6.2	4.6	84.8
Texas	46.9	118.6	21.1	186.6
New Mexico	<u>2.4</u>	<u>5.5</u>	<u>2.2</u>	<u>10.1</u>
	123.3	130.3	27.9	281.5
Great Plains	695.1	304.5	99.2	1,098.8
United States	1,277.5	1,000.3	359.6	2,637.4

<sup>a/</sup>Includes: Meat products; hides & skins; and lard & tallow.

Source: Rahe, Dewain H. and Isaac E. Lemon, *U.S. Agricultural Export Shares By Region and State, Fiscal Year 1968*, Trade Statistics and Analysis Branch, Foreign Development and Trade Division, Economic Research Service, U.S. Department of Agriculture, ERS-Foreign-241, November 1968.