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Measuring the Importance of Exports to U.S. Agriculture

Record agricultural production and record agricultural export values have raised the question of how to calculate U.S. agriculture's reliance on exports. Because agricultural exports include such disparate commodities as wine and wheat, defining a common measure is challenging. A *value* measure is common to all, but tends to give more weight to high-value commodities. The importance of a bottle of wine compared to a bushel of wheat is then overstated. A *volume* measure requires conversion to a common unit and gives more weight to bulk commodities. It would take many bottles of wine to equal the volume of a bushel of corn. Clearly, combining bottles and bushels into a single basket of exported goods is problematic.

So how does ERS measure the importance of exports to U.S. agriculture? ERS publishes a volume-based indicator of the export share of agricultural production that covers only those commodities for which both production and export volumes are available. Thus, wines, greenhouse/nursery products, seeds, and hides/skins, for example, are excluded. By this measure, which is reported in the "Indicators" section of *Amber Waves*, the volume of agricultural exports as a share of production volume ranged from 21 to 23 percent over 2000-04.

U.S. producers of wheat, soybeans, and corn are all quite dependent on trade: exports account for close to half the volume of wheat production, more than a third for soybeans, and almost a fifth for corn. Among specialty crops, the export share is highest for almonds—nearly 70 percent—and more than 40 percent for walnuts and grapefruits. As the leading producer of almonds and walnuts in the world, the U.S. has a reputation for high-quality nuts demanded for snacking and confections.

The export share is much lower on the livestock side. Most meat and dairy products are produced and eaten domestically. Poultry exports are about 15 percent of production, and red meat exports are around 10 percent of beef and pork production on a volume basis. Disease outbreaks and related trade restrictions continue to constrain U.S. animal-product export markets, with cattle and beef markets affected most. **W**

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For more information, see:

The ERS Briefing Room on U.S. Agricultural Trade,
www.ers.usda.gov/briefing/agtrade/



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