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Farm, Rural, and Natural Resources Indicators

	1990	2000	2001	2002	2003	2004	Annual percent change 1990-2000	2002-03	2003-04
Cash receipts ($ billion)	169.5	192.1	200.1	195.1	211.6	235.4 f	1.3	8.5	11.2
Crops	80.3	92.5	93.4	101.3	106.2	113.2 f	1.4	4.8	6.6
Livestock	89.2	99.6	106.7	93.8	105.5	122.2 f	1.1	12.5	15.8
Direct government payments ($ billion)	9.3	22.9	20.7	11.0	15.9	14.5 f	9.4	44.5	-8.8
Gross cash income ($ billion)	186.9	228.7	235.6	222.0	243.9	266.1 f	2.0	9.9	9.1
Net cash income ($ billion)	52.7	56.7	59.5	50.7	68.6	77.8 f	0.7	35.3	13.4
Net value added ($ billion)	80.8	91.9	94.1	78.8	101.4	118.0 f	1.3	28.7	16.4
Farm equity ($ billion)	702.6	1,025.6	1,070.2	1,110.7	1,180.8	1,247.0 f	3.9	6.3	5.6
Farm debt-asset ratio	16.4	14.8	14.8	14.8	14.4	14.2 f	-1.0	-2.7	-1.4
Farm household income ($/farm household)	38,237	61,947	64,117	65,757	68,506	71,102 f	4.9	4.2	3.8
Farm household income relative to average U.S. household income (%)	103.1	108.6	110.2	113.7	na	na	0.5	na	na
Nonmetro-Metro difference in poverty rate (% points)	3.6	2.6	3.1	2.6	2.1	na	-3.2	-19.2	na
Cropland harvested (million acres)	310	314	311	307	315	312.0 p	0.1	2.6	-1.0
USDA conservation program expenditures ($ bil.)[1]	3.0	3.3	3.7	4.2	4.3	5.1	1.0	2.4	18.6

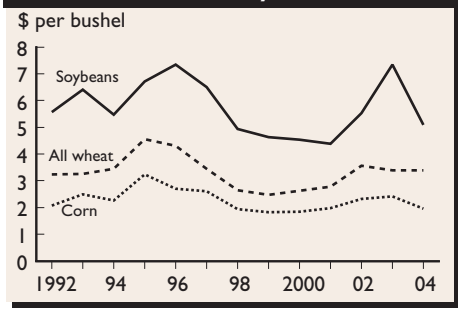
Food and Fiber Sector Indicators

U.S. gross domestic product ($ billion)	5,803	9,817	10,128	10,470	10,971	11,734	5.4	4.8	7.0
Food and fiber share (%)	7.9	5.8	5.8	5.8	4.9	na	-3.0	15.5	na
Farm sector share (%)	1.3	0.7	0.7	0.7	0.8	na	-6.0	14.3	na
Total agricultural imports ($ billion)[1]	22.7	38.9	39.0	41.0	45.7	52.7	5.5	11.5	15.3
Total agricultural exports ($ billion)[1]	40.3	50.7	52.7	53.3	56.2	62.3	2.3	5.4	10.9
Export share of the volume of U.S. agricultural production (%)	18.2	17.6	17.7	16.5	17.9	na	-0.3	8.5	na
CPI for food (1982-84=100)	132.4	167.9	173.1	176.2	180.0	186.2	2.4	2.2	3.4
Share of U.S. disposable income spent on food (%)	11.2	10.1	10.2	10.1	10.1	na	-1.0	0.0	na
Share of total food expenditures for at-home consumption (%)	55.4	53.3	53.9	53.8	53.1	na	-0.4	-1.3	na
Farm-to-retail price spread (1982-84=100)	144.5	210.3	215.4	221.2	225.6	232.9	3.8	na	na
Total USDA food and nutrition assistance spending ($ billion)[1]	24.9	32.6	34.2	38.0	41.8	46.2	2.7	10.0	10.5

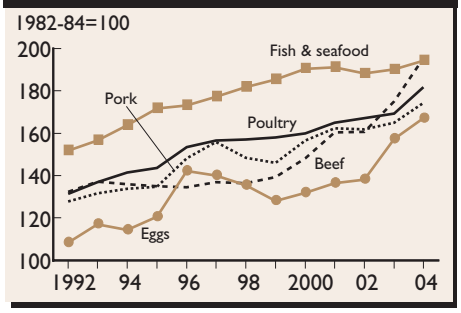
f = Forecast. p = Preliminary. na = Not available.

[1] Based on October-September fiscal years ending with year indicated.

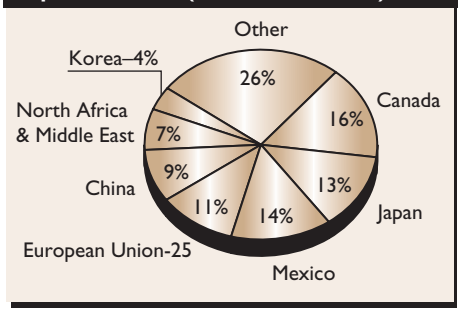
U.S. average prices received by farmers for wheat, corn, and soybeans



Consumer price indexes for high-protein foods consumed at home



Major markets for U.S. agricultural exports in 2004 ($61.3 billion total)



For more information, see www.ers.usda.gov/amberwaves/

Behind the Data

Estimating the Raw-Fiber Equivalent of U.S. Cotton Textile and Apparel Imports

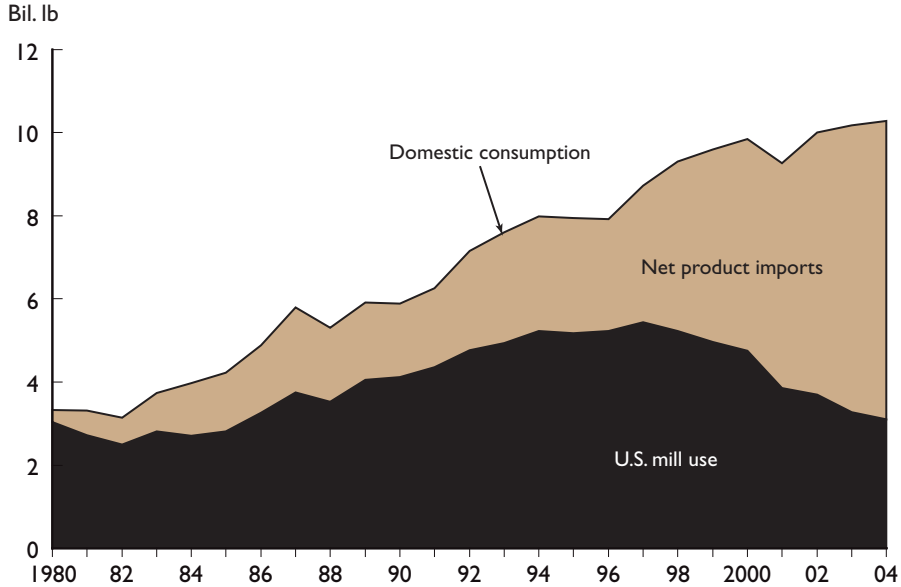
The U.S. retail market for cotton textile and apparel products is the largest in the world, doubling in size during the past two decades. However, much of this growth is attributable to imports, as U.S. cotton mill use has contracted. Measuring the amount of raw fiber contained in textile and apparel trade is essential in estimating U.S. fiber consumption and for assessing effects on U.S. industry.

The data behind the ERS raw-fiber equivalent estimates come from product-specific shipment volumes collected by the U.S. Department of Commerce. More than 3,000 different textile and apparel products containing cotton are imported by the U.S. annually and are converted to raw-fiber equivalents using factors developed by ERS. These conversion factors adjust the weight of each textile and apparel product to account for the estimated share of cotton in the product, as well as the processing and manufacturing losses associated with producing the item. The raw-fiber equivalent data are then aggregated into major categories, such as apparel, and totaled on a monthly or annual basis for further analysis. USDA provides raw-fiber equivalent data totals back to 1960, and ERS began estimating country-specific data in the 1980s.

In 2004, the U.S. imported the equivalent of 9.5 billion pounds of raw cotton in the form of textile and apparel products, a record, with apparel accounting for 73 percent of the total. At the same time, U.S. mills used 3.1 billion pounds of cotton fiber and the U.S. exported about 2.3 billion pounds in the form of products. Although over 150 countries are involved in trade with the U.S., that trade is highly concentrated. The top five exporters to the U.S. (China, Mexico, Pakistan, Honduras, and India) accounted for 44 percent of total U.S. cotton product imports in 2004.

Import expansion has continued in 2005 as the complete removal of quotas in January allowed greater access to the U.S. market. With trade preferences diminished and many countries no longer having a guaranteed market, the more efficient countries are likely to increase their market shares, resulting in further concentration. Early 2005 data show that volume and share patterns have altered. The top five countries now account for half of the U.S. cotton textile and apparel import market, with China benefiting the most in the new "quota-free" environment.

U.S. domestic consumption of cotton



Source: Compiled by USDA, Economic Research Service from U.S. Census Bureau data.

Raw-fiber equivalent—The amount of raw fiber needed (including associated processing and manufacturing losses) to produce a specific finished product.
Textile products—Items of yarn or fabric.
Domestic consumption—The sum of U.S. fiber mill use plus the raw-fiber equivalent of imports minus the raw-fiber equivalent of exports.
Mill use—The amount of fiber initially used to produce textile and apparel products.

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This article is drawn from….

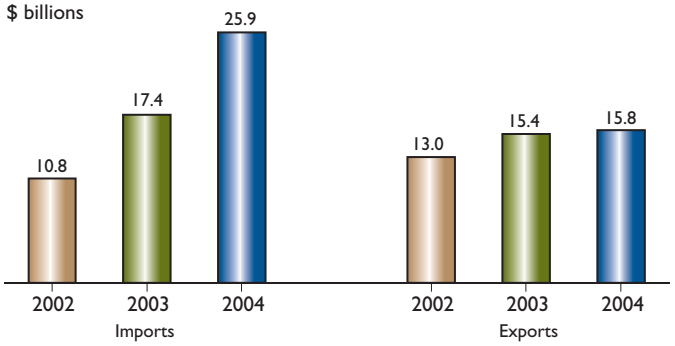
The Forces Shaping World Cotton Consumption After the Multifiber Arrangement, by Stephen MacDonald and Thomas Vollrath, CWS-05c-01, April 2005, available at: www.ers.usda.gov/publications/cws/apr05/cws05c01/

Cotton and Wool Outlook, available at: www.ers.usda.gov/publications/so/view.asp?f=field/cws-bb/

ERS Cotton Briefing Room, www.ers.usda.gov/briefing/cotton/

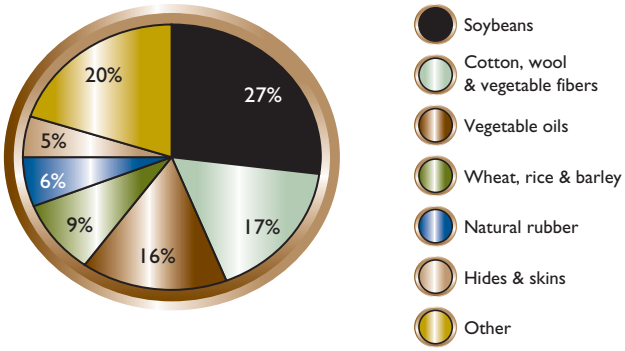
Markets and Trade

China's agricultural imports more than doubled between 2002 and 2004



Source: Calculations by ERS using China Customs Statistics and USDA, Foreign Agricultural Service data.

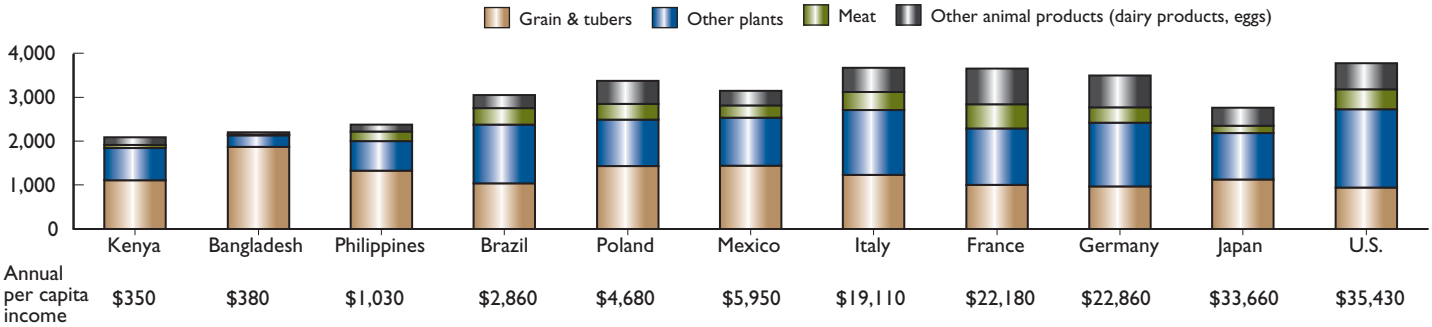
Soybeans are more than one-quarter of China's agricultural imports, 2004



Note: Based on U.S. dollar value of imports.
Source: China Customs Statistics reported by Global Trade Information Systems, Inc.

Diet and Health

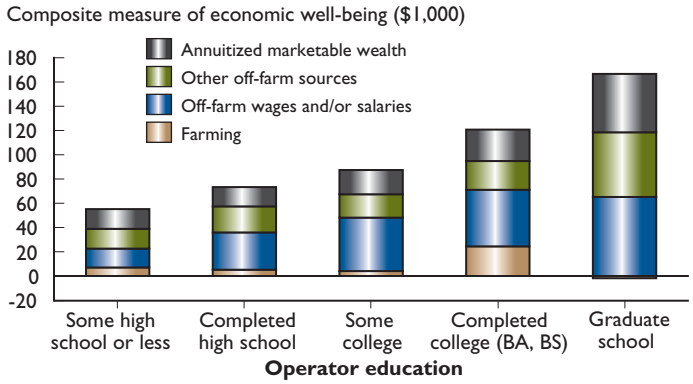
Diets diversify as incomes rise



[1]Actual consumption is less than total food availability.
Source: Calorie data from FAOSTAT 2005 and income data from World Bank's World Development Indicators, 2005.

Farms, Firms, and Households

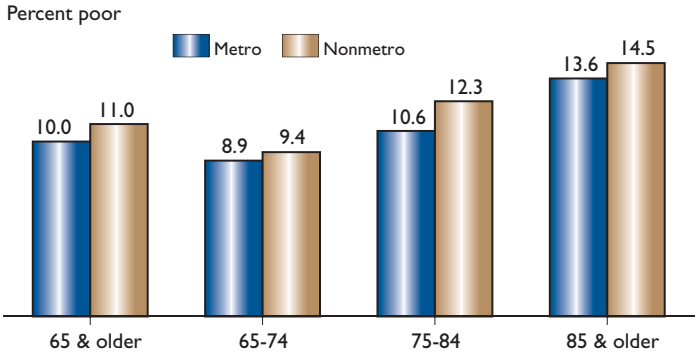
Farm households with graduate school education have the highest level of economic well-being and receive nearly all of their income from off-farm sources



Source: USDA's 2003 Agricultural Resource Management Survey.

Rural America

The oldest old—age 85 and older—had the largest share who were poor, 2003



Source: Calculations by ERS from the March 2004 Current Population Survey.

On the Map

Certified organic handling facilities concentrated on Pacific Coast

Just over 3,000 organic handling facilities—facilities that process and distribute organic products—were certified to USDA standards to handle organic products in 2004. These facilities are heavily concentrated on the Pacific Coast (41 percent of the total). Nearly 800 were in California. In contrast, over half the States, mainly in the Southeast, the Midwest, and the Mountain States, had 30 or fewer facilities.

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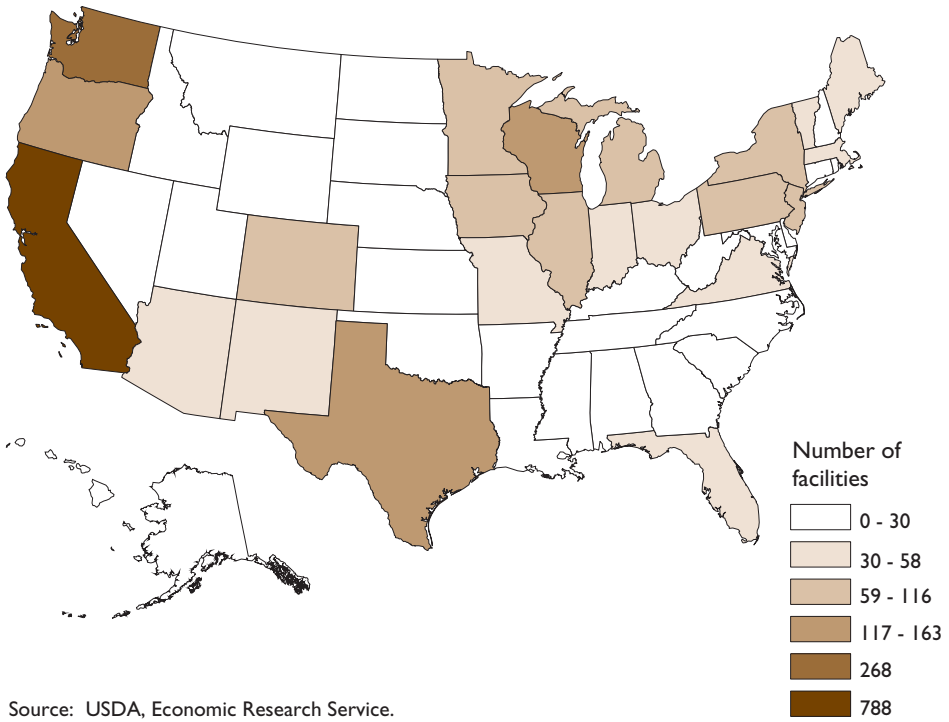
Certified organic handling facilities in the U.S., 2004



Source: USDA, Economic Research Service.

In the Long Run

Another look at farm poverty

With the initiation of an official definition of poverty in the mid-1960s, the U.S. Census Bureau calculated poverty rates for the U.S. population starting from 1959, including the population that lived on farms. Calculations of the poverty rate for the farm population were discontinued after 1991, when the concept became less valid because many farmers had shifted their residences to town.

In the late 1950s, half of the people living on farms were in poverty. The rate fell steeply through the 1960s and 1970s, with a marked but temporary increase during the farm crisis of the 1980s. By 1991, the last year it was estimated by the Census Bureau, the rate was 12.5 percent. Using 2000 Census data, ERS estimated the poverty rate for people living on farms at 9.7 percent.

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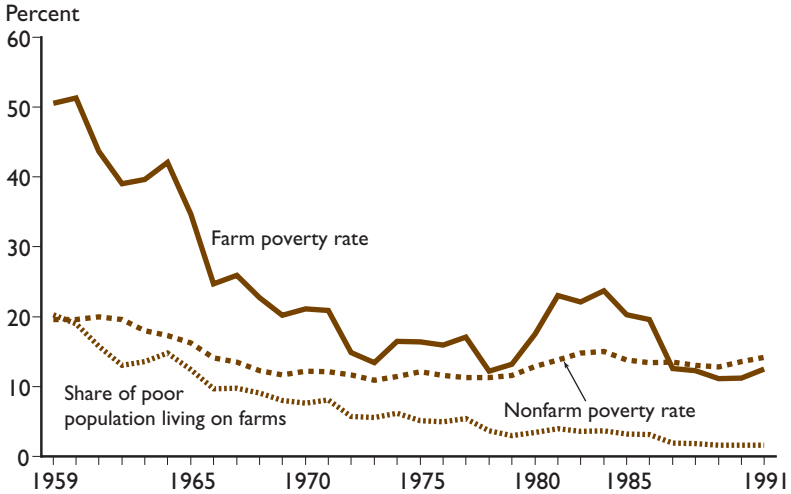
Farm and nonfarm poverty, 1959-91



Note: No data are available for 1984, because of the introduction of a new sample design in the Current Population Survey.

Source: U.S. Census Bureau, various years.