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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	235.4f	1.3	8.5	11.2
Crops	80.3	92.5	93.4	101.3	106.2	113.2f	1.4	4.8	6.6
Livestock	89.2	99.6	106.7	93.8	105.5	122.2f	1.1	12.5	15.8
Direct government payments (\$ billion)	9.3	22.9	20.7	11.0	15.9	14.5f	9.4	44.5	-8.8
Gross cash income (\$ billion)	186.9	228.7	235.6	222.0	243.9	266.1f	2.0	9.9	9.1
Net cash income (\$ billion)	52.7	56.7	59.5	50.7	68.6	77.8f	0.7	35.3	13.4
Net value added (\$ billion)	80.8	91.9	94.1	78.8	101.4	118.0f	1.3	28.7	16.4
Farm equity (\$ billion)	702.6	1,025.6	1,070.2	1,110.7f	1,180.8	1,247.0f	3.9	6.3	5.6
Farm debt-asset ratio	16.4	14.8	14.8	14.8f	14.4	14.2f	-1.0	-2.7	-1.4
Farm household income (\$/farm household)	38,237	61,947	64,117	65,757	68,506	71,102f	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 (%)	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	312p	0.1	2.6	-1.0

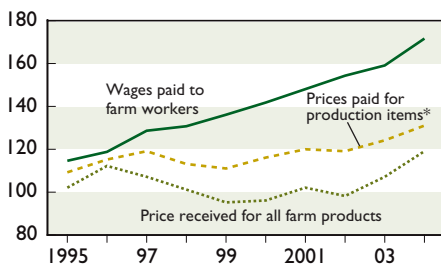
## Food and Fiber Sector Indicators

U.S. gross domestic product (\$ billion current) <sup>2</sup>	5,803	9,825	10,082	10,446	10,863f	na	5.4	4.0	na
Food and fiber share (%)	15.1	12.6	12.3	na	na	na	-1.8	na	na
Farm sector share (%)	1.4	0.8	0.8	0.8	na	na	-5.4	na	na
Total agricultural imports (\$ billion) <sup>1</sup>	22.7	38.9	39.0	41.0	45.7	52.7	5.5	11.5	15.3
Total agricultural exports (\$ billion) <sup>1</sup>	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	na	na	3.8	na	na
Total USDA food and nutrition assistance spending (\$ billion) <sup>1</sup>	24.9	32.6	34.2	38.0	41.8	46.1	2.7	10.0	10.3

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

### Prices paid and received by farmers

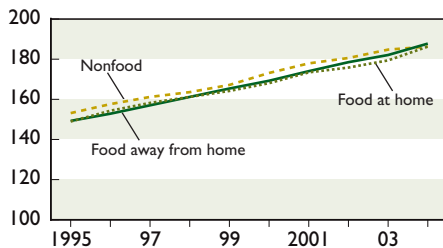
1990-92=100



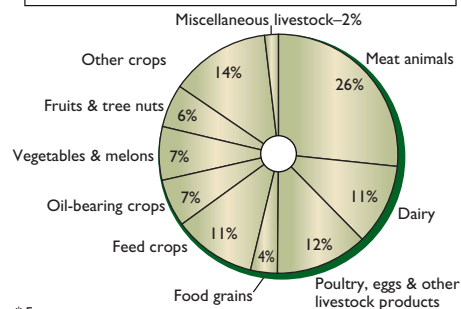
\* Seed, fertilizer, fuel, chemicals, etc.

### Consumer price indexes for food and nonfood items

1982-84=100



### Cash receipts from farming in 2005\*



\* Forecast.

For more information, see [www.ers.usda.gov/amberwaves/](http://www.ers.usda.gov/amberwaves/)

## Behind the Data

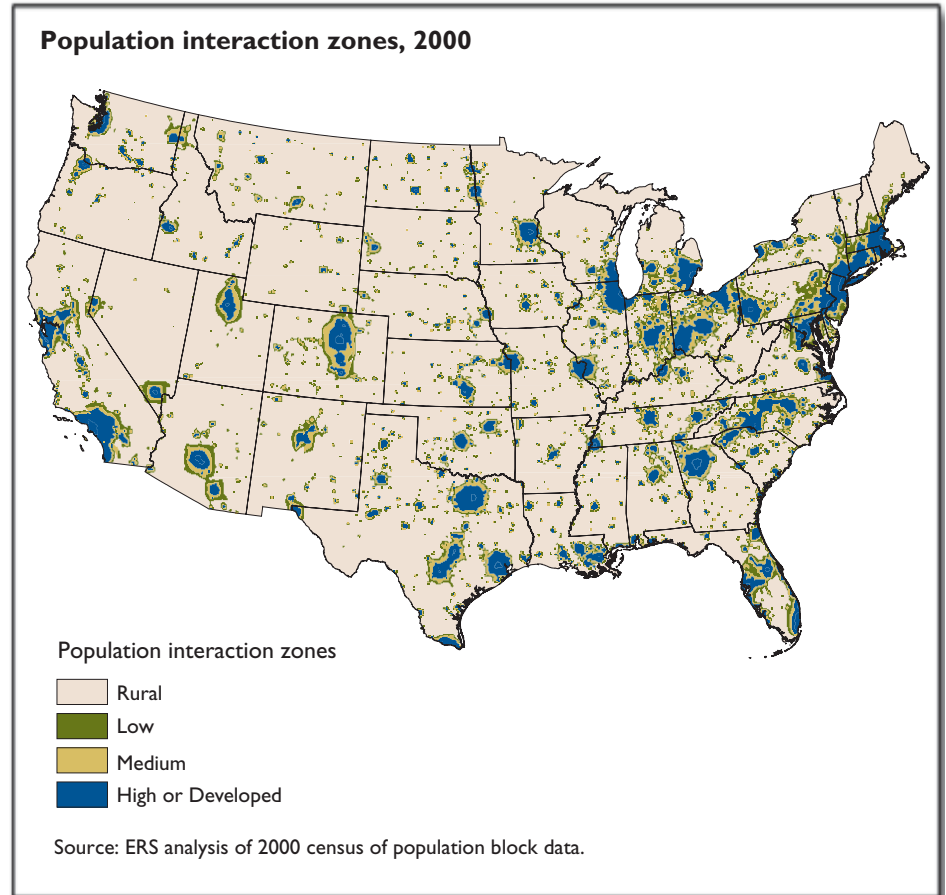
### Population Interaction Zones for Agriculture

Widespread conversion of rural lands to urban uses is an issue challenging all levels of government. To provide policymakers with information useful for projecting future changes in land use, ERS has created a system to classify remaining farmland into “population interaction zones for agriculture” (PIZA). These zones represent areas of agricultural land use in which urban-related activities affect the economic and social environment of agriculture. In these zones, population interactions with farm production activities increase farmland value, change farm enterprises, and elevate the probability of conversion to urban-related uses.

Though closely related to the existing ERS county-level Urban Influence Codes and census tract-level Rural-Urban Commuting Area Codes, PIZA is a complementary system that provides codes for much smaller 5-kilometer squares. In addition, the PIZA codes provide a continuous and cardinal (rather than ordinal) measure of population interaction, which is especially useful for some analyses.

Designation of the zones begins with use of common Geographic Information System (GIS) software to assign an index number to each 5-kilometer cell in a grid laid out across the contiguous 48 States. The “population interaction index” (PII) measures the influence that nearby population exerts on agricultural land in each grid cell. Each PII is a continuous measure that accounts for both population size in all grid cells within a 50-mile radius and their distance from the target grid cell. The index increases as population increases, and/or as distance between agricultural land and that population decreases.

In order to assign cells to either a “rural” zone or a “population interaction” zone, thresholds for PII were established for each of 20 Land Resource Regions (LRRs) defined by USDA’s Natural Resources Conservation Service. Thresholds were established near the upper end of the range of index numbers for grid cells in the most rural census tracts of each LRR. Within each LRR, index numbers below that threshold represent rural levels of population interaction, which exist even in the absence of urban-related population interaction. Any grid cell whose index exceeds the threshold is classified into a “population interaction zone.” Cells initially classified into the population interac-



tion zone are further classified into one of three categories, yielding a four-level classification: rural (little or no urban-related population interaction) and low, medium, and high population interaction.

The indices (PII) and zone codes (PIZA), which can be used to classify any geographic point in the 48 contiguous States, are available on the ERS website. GIS software is necessary, however, to retrieve the indexes and zone codes and relate them to any given geographic point.

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#### For more information...

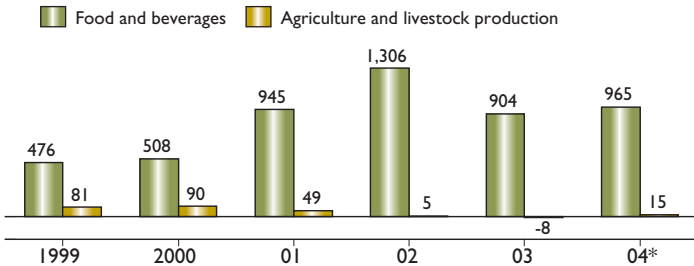
Measuring Interactions Between Urban-Related Population and Agricultural Production Activities: [www.ers.usda.gov/briefing/landuse/measuringurbanchapter.htm](http://www.ers.usda.gov/briefing/landuse/measuringurbanchapter.htm)

See also the ERS Population Interaction Zones for Agriculture (PIZA), at: [www.ers.usda.gov/data/populationinteractionzones/](http://www.ers.usda.gov/data/populationinteractionzones/)

## Markets and Trade

**Mexico's food and beverage industries attract substantially higher net inflows of foreign direct investment than production agriculture**

Investment (\$ millions)

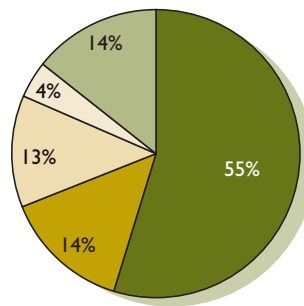


\*January-September 2004.

Source: ERS calculations, based on data from Mexican Secretariat of Economy, General Directorate of Foreign Investment.

## Diet and Health

**About 86 percent of the almost 9 million households that received food stamps in FY 2003 had at least one child, elderly person, or disabled person**



U.S. households receiving food stamps

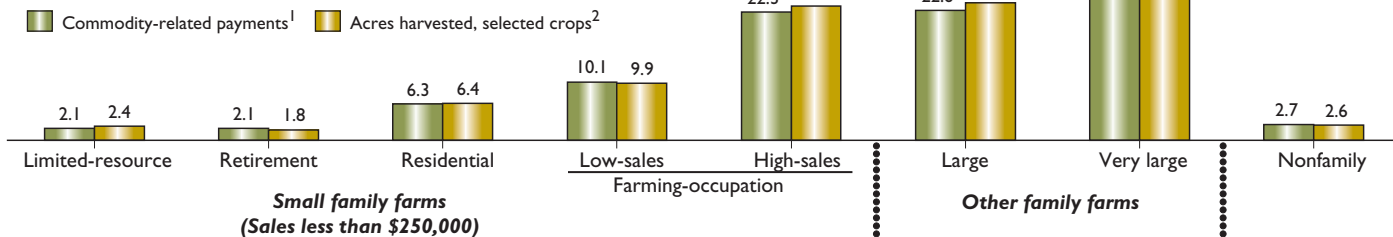
- Households with children
- Elderly living alone
- Disabled living alone
- Other households with elderly or disabled, no children
- Other households

Source: Prepared by ERS using data from USDA's Food and Nutrition Service.

## Farms, Firms, and Households

**Acres of program commodities help explain the distribution of commodity program payments, 2003**

Percent of U.S. total



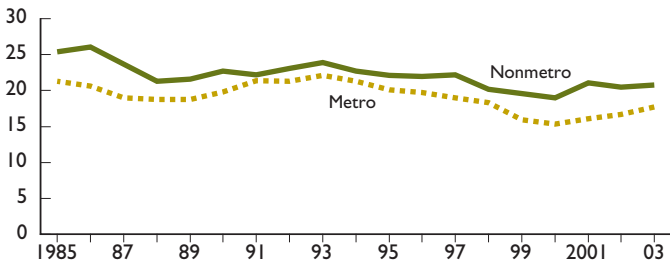
<sup>1</sup>Direct payments, countercyclical payments, loan deficiency payments, marketing loan gains, and other payments. <sup>2</sup>Food and feed grains, soybeans, other oilseeds, sugar beets, and sugarcane.

Source: USDA's 2003 Agricultural Resource Management Survey, Phase III.

## Rural America

**The metro-nonmetro gap in child poverty rates narrowed in the 1990s but widened again in the early 2000s**

Percent in poverty

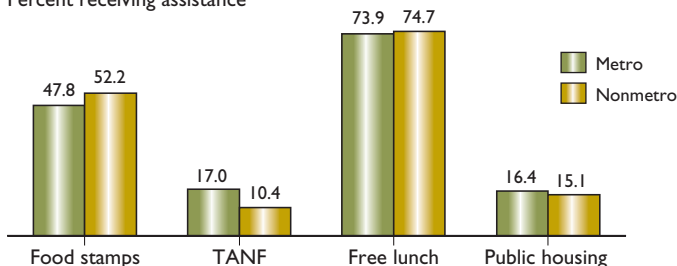


Note: Child poverty rates are based on children under age 18 in families.

Source: Calculated by ERS from Current Population Survey data files, 1986-2004.

**Higher shares of nonmetro poor children receive food stamps than metro children, 2004**

Percent receiving assistance



Note: Households must meet a low-income threshold to qualify for food stamps, Temporary Assistance for Needy Families (TANF), and free or reduced-price lunches.

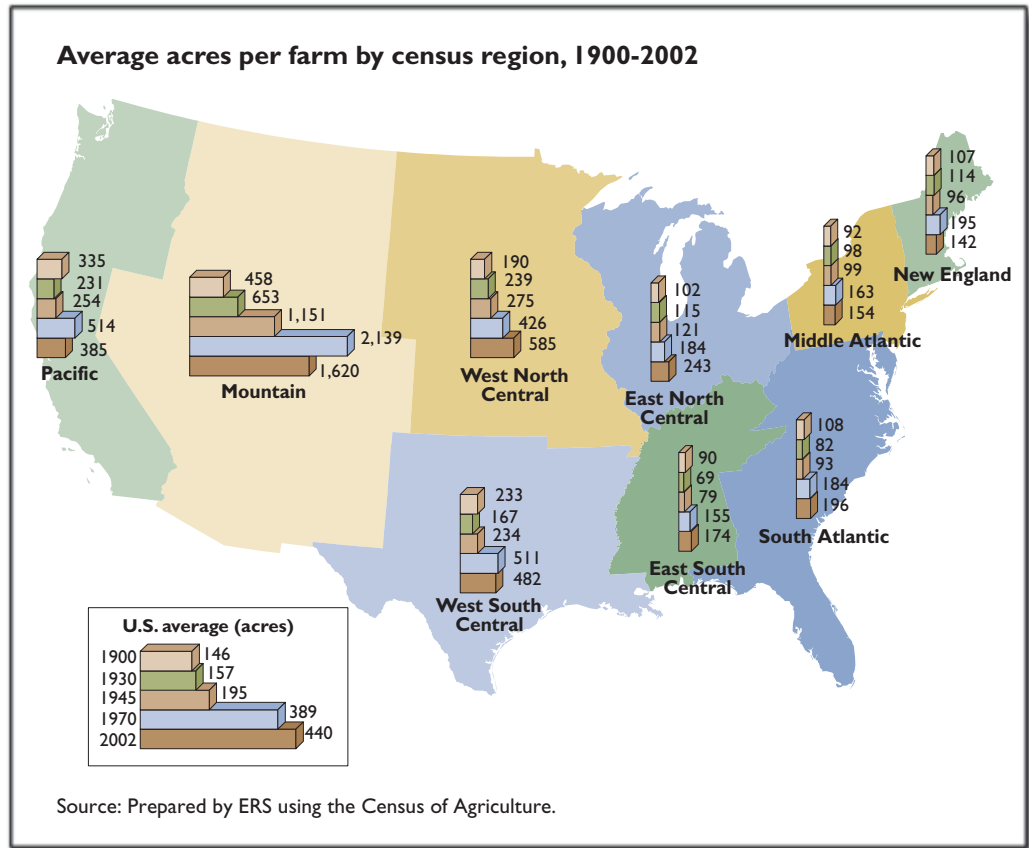
Source: Calculated by ERS from the March 2004 Current Population Survey.

**On the Map**

**Average farm size grows most rapidly in mountain States**

Average farm size in the U.S. has increased fairly steadily over the last century, but growth patterns vary by region and time periods. Snapshots of regional average farm size at five points in time (see “Milestones in U.S. Farming and Farm Policy” on page 10) illustrate a more complex picture of changing farm size in the U.S. than is apparent in national averages.

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**In the Long Run**

**Farm population as a share of total U.S. population**

Farm population has fallen steadily as a share of total U.S. population for more than a century. Less than half the U.S. population has lived on farms since these data were first collected in 1880.

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