GLOBAL MARKETS AND THE FUTURE OF AMERICAN AGRICULTURE

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Seizing the Opportunities from Trade

Global Markets and the Future of American Agriculture

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Global food and agricultural markets are changing rapidly.
Growth markets are in the developing countries

Population growth is more rapid in developing countries

Population Growth Rate (in percent)
- 0 - 1
- 1.1 - 2
- 2.1 - 3
- 3 - 4.6
- No Data

Source: Economic Research Service, USDA
Diets diversify as incomes rise

Calories per capita

- Bangladesh
- Philippines
- Brazil
- Spain
- United States

- Other animal
- Meat
- Other plant
- Grain
Productivity is growing faster than domestic demand
Exports are crucial to farm returns
U.S. trade in high value products has increased sharply.
NAFTA is now the most important U.S. market

U.S. Agricultural Exports

- W. Europe
- E. Asia
- NAFTA
We have made progress…

Use of Export Subsidies Reported to the WTO

$ billion


1 Not all countries have notified the World Trade Organization (WTO) as yet for this year.
But large inequities in tariffs remain

Average agricultural bound tariff (62 percent)