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NEBRASKA'S AGRICULTURAL EXPORTS

Importance of Nebraska as the 9th ranking state in the nation and 4th in the top-ranking region, the West North Central, in value of agricultural commodity shipments in fiscal 1965-66 has been revealed in a new study by the Economic Research Service of the U.S. Department of Agriculture. Because Nebraska is one of the ten leading states in farm exports in this country, which is in turn the world's largest exporter of such commodities, explicit world market information pertaining to the state has long been sought. The significance of such information is considerable both to Nebraska farmers and to that part of the business community dependent, to whatever extent, upon the agricultural sector of the economy.

Although total U.S. exports of agricultural products have been known annually, it has been extremely difficult to identify and report farm exports for states and regions. Customarily the stake of each state in the nation's total foreign agricultural market has been derived solely on the basis of producer contribution to the U.S. total as shown by production and sales data. This method has given only a rough approximation of actual exports by states and regions.

Recently, however, Robert L. Tontz, Chief, and Isaac E. Lemon, Agricultural Economist, of the Trade Statistics and Analysis Branch of the Foreign Development and Trade Division of the USDA developed a much more sophisticated technique by which they were able to derive more accurate statistics. Their figures, which are both the most authoritative and the most recent available, are highly revealing both with respect to Nebraska's place in the nation's total farm export market and to its stake in the export of specific items.

The world export price, the official basis for valuation of U.S. exports, rather than the domestic price, has been used in the USDA study to reflect more accurately the regional and state shares in the total agricultural export market, and these figures are the basis for Tables I-III which accompany this article. The export value is defined as the value at port of (Continued on page 4)

TABLE I
AGRICULTURAL COMMODITY EXPORTS BY REGIONS AND LEADING STATES 1965-66

	Value of Exports			Commercial Exports		Gov't-Financed Exports		
	Rank in Nation	Amount (Million Dollars)	% of National Total	Amount (Million Dollars)	% of National Total	Amount (Million Dollars)	% of National Total	Percent Commercial
United States		6,680.9	100.0	5,066.0	100.0	1,614.9	100.0	75.8
West North Central		1,785.3	26.7	1,288.5	25.4	496.8	30.8	72.2
Iowa	4	426.1	6.4	384.4	7.6	41.7	2.6	90.2
Kansas	5	392.2	5.9	195.2	3.9	197.0	12.2	49.8
Minnesota	8	240.5	3.6	192.3	3.8	48.2	3.0	80.0
Nebraska	9	232.3	3.5	177.7	3.5	54.6	3.4	76.5
North Dakota	11	205.6	3.1	113.7	2.2	91.9	5.7	55.3
Missouri	12	204.3	3.0	163.7	3.2	40.6	2.5	80.1
South Dakota	-	84.3	1.2	61.5	1.2	22.8	1.5	73.0
East North Central[1]		1,395.4	20.9	1,141.4	22.5	254.0	15.7	81.8
Illinois	1	666.0	10.0	563.0	11.1	103.0	6.4	84.5
Indiana	6	317.3	4.7	263.3	5.1	54.0	3.3	83.0
Ohio	10	218.7	3.3	168.2	3.3	50.5	3.4	76.9
West South Central[2]		966.9	14.5	676.6	13.4	290.3	18.0	70.0
Texas	2	485.4	7.3	355.3	7.0	130.1	8.1	73.2
Arkansas	13	200.8	3.0	164.0	3.2	36.8	2.3	81.7
South Atlantic[3]		738.4	11.1	622.6	12.3	115.8	7.2	84.3
North Carolina	7	306.0	4.6	250.2	4.9	55.8	3.5	81.8
Pacific[4]		724.2	10.8	584.0	11.5	140.2	8.7	80.6
California	3	485.2	7.3	436.9	8.6	48.3	3.0	90.0
East South Central[5]		369.2	5.5	290.1	5.7	79.1	4.9	78.6
Mountain[6]		365.2	5.4	224.2	4.4	141.0	8.7	61.4
Middle Atlantic[7]		169.4	2.5	124.2	2.5	45.2	2.8	73.3
New England[8]		34.3	.5	31.3	.6	3.0	.2	91.3
Other[9]		132.6	2.0	83.1	1.6	49.5	3.1	62.7

Source: Dollar Values from U.S. Agricultural Export Shares by Regions and States, Fiscal Year, 1965-66, Tontz and Lemon, Economic Research Service, USDA, Table I, pp. 11-15. Percentages computed, Bureau of Business Research.

[1]Also includes Michigan, Wisconsin. [2]Also includes Oklahoma, Louisiana. [3]Also includes Delaware, Virginia, West Virginia, Maryland, South Carolina, Georgia, Florida. [4]Also includes Washington, Oregon, Hawaii, Alaska. [5]Kentucky, Tennessee, Alabama, Mississippi. [6]Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada. [7]New York, New Jersey, Pennsylvania. [8]Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut. [9]Includes exports not apportioned among states.

Business Summary

December's dollar volume of business in Nebraska increased 2.2% over last year compared with a 4.0% increase for the U.S. Nebraska's physical volume rose 3.2%; the U.S. physical volume was up 3.1% over a year ago. Dollar volume changes from last month were +6.1% for Nebraska and +2.5% for the U.S. with physical volume changes from last month +4.9% and +1.1% respectively. Construction activity in Nebraska remained down from the previous year (-16.1%). The only other indicator showing a decline from a year ago for Nebraska was electricity produced (-1.6%).

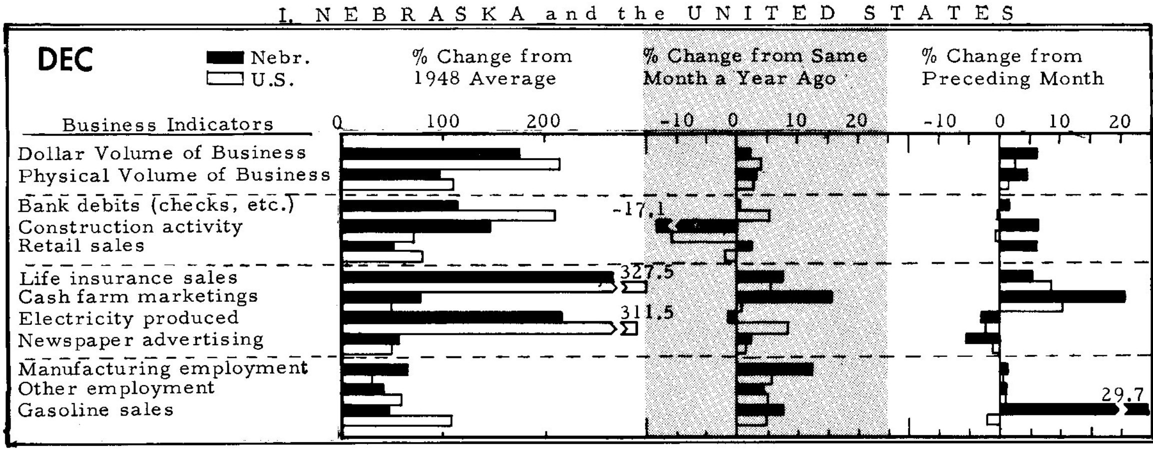
January's retail sales in Nebraska were 6.4% higher than a year ago. After seasonal adjustments, sales were down 9.9% from December. For the individual cities year-ago changes ranged from -10.9% for Beatrice to +20.3% for Falls City. Building material (-12.2%), department stores (-6.3%), and home equipmen (-2.9%) were the individual types declining from a year ago. The greatest increases were in farm equipment (+41.6%) and luxury goods (+30.0%).

Unadjusted city indexes of business activity increased in 19 of 21 reporting cities over January a year ago. The state index was 4.8% above January, 1966.

All figures on this page are adjusted for seasonal changes, which means that the month-to-month ratios are relative to the normal or expected changes. Figures in Chart I (except the first line) are adjusted where appropriate for price changes. Gasoline sales for Nebraska are for road use only; for the United States they are production in the previous month.

E. L. BURGESS

I. NEBRASKA and the UNITED STATES



II. PHYSICAL VOLUME OF BUSINESS
% of 1948 Average

Month	Nebr. 1965-66	U.S. 1965-66
Dec.	188.1	203.6
Jan.	182.5	207.2
Feb.	194.0	207.6
Mar.	193.9	210.3
Apr.	190.3	209.0
May	186.5	206.0
June	198.0	209.9
July	197.7	210.5
Aug.	197.8	208.4
Sept.	194.8	208.6
Oct.	190.6	209.2
Nov.	185.2	207.3
Dec.	194.2	209.6

III. RETAIL SALES for Selected Cities. Total, Hard Goods, and Soft Goods Stores. Hard Goods include automobile, building material, furniture, hardware, equipment. Soft Goods include food, gasoline, department, clothing, and miscellaneous stores.

JAN City	No. of Reports*	Per Cent of Same Month a Year Ago			Per Cent of Preceding Month
		Total	Hard Goods	Soft Goods	Total
THE STATE	902	106.4	105.6	106.9	90.1
Omaha	93	99.0	92.1	104.7	92.5
Lincoln	87	103.5	105.3	102.0	98.9
Grand Island	37	103.2	92.1	113.3	82.6
Hastings	34	95.5	97.9	93.3	96.5
North Platte	21	115.5	130.4	105.1	84.7

JAN City	No. of Reports*	Per Cent of Same Month a Year Ago			Per Cent of Preceding Month
		Total	Hard Goods	Soft Goods	Total
Fremont	35	92.7	87.2	97.4	90.5
Fairbury	27	92.2	81.5	100.9	84.2
Norfolk	32	108.3	106.1	110.2	76.2
Scottsbluff	37	103.2	109.6	97.7	80.5
Columbus	29	107.5	100.2	116.2	82.1
McCook	21	107.7	102.6	113.2	94.2
York	31	106.7	108.3	105.7	88.0

IV. RETAIL SALES, Other Cities and Rural Counties

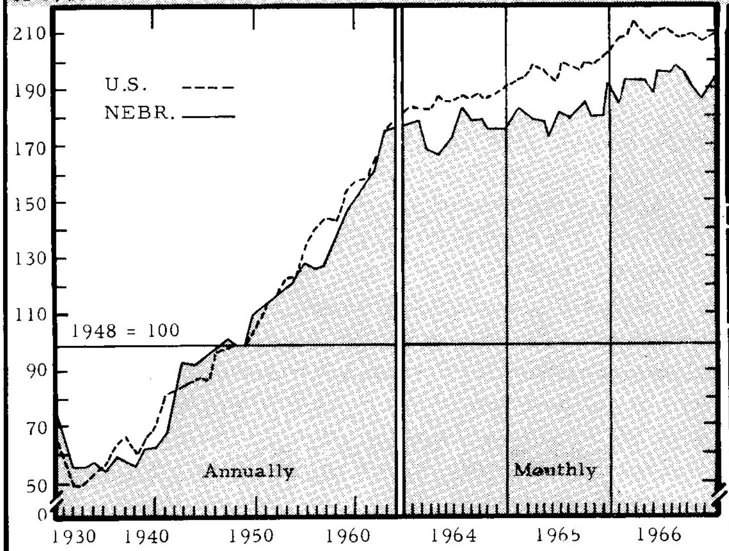
JAN Locality	No. of Reports*	Per Cent of Same Month A Year Ago	Per Cent of Preceding Month
Kearney	20	104.8	78.7
Alliance	30	112.8	76.9
Nebraska City	23	106.9	87.5
Broken Bow	16	103.6	86.2
Falls City	18	120.3	95.5
Holdrege	21	107.4	83.1
Chadron	28	96.8	82.7
Beatrice	23	89.1	91.5
Sidney	25	107.6	85.3
So. Sioux City	13	113.5	107.1
Antelope	11	105.4	79.8
Cass	26	98.5	83.1
Cuming	13	98.9	94.0
Sand Hills**	28	94.7	87.8
Dodge***	12	102.0	94.0
Franklin	10	114.2	93.8
Holt	14	91.1	68.9
Saunders	17	95.7	96.6
Thayer	9	93.0	93.3
Misc.Counties	61	118.7	89.1

V. RETAIL SALES, by Subgroups, for the State and Major Divisions

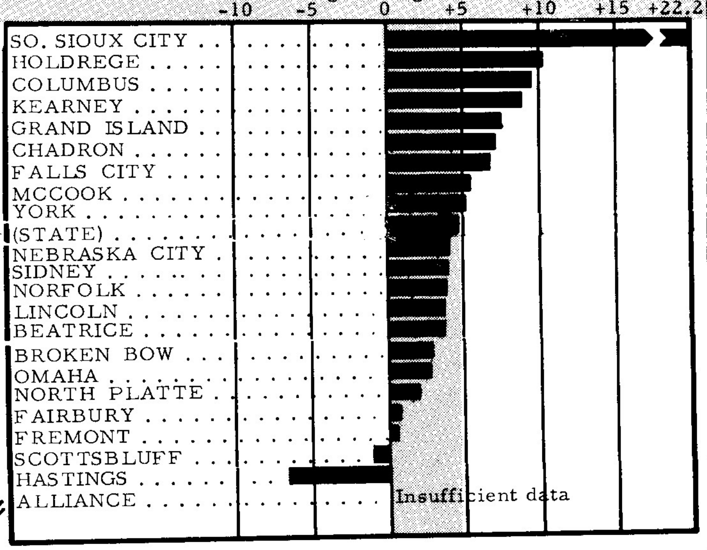
JAN Type of Store	Per Cent of Same Month a Year Ago			
	Nebraska	Omaha and Lincoln	Other Cities	Rural Counties
ALL STORES****	106.4	104.9	105.0	109.0
Selected Services	105.7	112.6	103.6	100.9
Food stores	107.1	106.2	105.7	109.3
Groceries and meats	108.5	106.5	107.0	111.9
Eating and drinking pl.	105.5	107.2	103.4	105.9
Dairies and other foods	103.3	101.4	104.6	104.0
Equipment	106.2	109.4	98.3	110.8
Building material	87.8	84.1	88.1	91.1
Hardware dealers	104.4	107.9	101.3	103.9
Farm equipment	141.6	187.7	104.1	132.9
Home equipment	97.1	96.3	104.2	90.9
Automotive stores	104.0	101.8	106.9	103.4
Automotive dealers	104.9	103.9	107.8	103.1
Service stations	100.1	93.6	103.1	103.7
Miscellaneous stores	105.9	103.7	105.6	108.4
General merchandise	93.7	87.1	92.2	101.8
Variety stores	112.9	111.3	112.9	114.6
Apparel stores	104.7	103.6	113.4	97.1
Luxury goods stores	130.0	117.2	108.7	164.2
Drug stores	101.7	100.3	103.0	101.7
Other stores	118.0	135.8	122.2	95.9
Liquor stores	113.8	115.7	129.9	100.8

*Not including liquor stores ***Outside Principal City ****Not including Selected Services and Liquor Stores
**Including Hooker, Grant, Dawes, Cherry, and Sheridan Counties

Per Cent of 1948 — PHYSICAL VOLUME OF BUSINESS



UNADJUSTED CITY INDEXES
Percentage Change, Jan. 1966 to Jan. 1967



Figures on this page are not adjusted for seasonal changes nor for price changes. Building activity includes the effects of past as well as present building permits, on the theory that not all building is completed in the month the permit is issued. E. L. B.

VI. CITY BUSINESS INDICATORS

JAN — Per Cent of Same Month a Year Ago

State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	104.8	108.0	60.3	106.4	105.8	107.9	100.2	104.9	102.3
Beatrice	103.7	105.4	82.9	89.1	121.3	113.9	113.6	89.1	106.8
Omaha	102.9	106.8	44.6	99.0	105.0	114.1	99.4	114.5	100.4
Lincoln	103.7	112.5	99.2	103.5	102.9	111.4	92.6	103.6	104.7
Grand Island	107.5	108.8	52.0	103.2	112.2	116.3	105.6	107.0	- -
Hastings	93.4	101.2	55.1	95.5	71.6	88.7	103.9	110.4	88.1
Fremont	100.6	100.0	28.4	92.7	109.0	NA	101.5	108.0	NA
North Platte	102.0	NA	72.2	115.5	103.7	112.9	84.5	104.2	98.2
Kearney	108.9	119.7	37.5	104.8	116.6	124.5	105.2	95.2	NA
Scottsbluff	99.0	105.6	49.5	103.2	123.6	102.5	81.3	98.9	91.4
Norfolk	103.8	89.2	69.9	108.3	108.5	95.5	103.0	109.0	113.7
Columbus	109.5	115.1	55.1	107.5	112.4	109.7	108.4	113.2	106.7
McCook	105.5	117.5	25.7	107.7	116.7	102.1	NA	99.2	106.6
Sidney	104.0	101.8	323.5	107.6	102.7	92.6	96.0	132.2	NA
Alliance	NA	NA	NA	112.8	NA	NA	NA	NA	94.5
Nebraska City	104.2	117.2	42.1	106.9	104.8	35.7	114.0	100.9	NA
So. Sioux City	122.2	142.9	902.1	113.5	108.8	102.0	NA	123.8	NA
York	105.1	99.0	160.2	106.7	105.7	95.9	94.0	108.9	- -
Falls City	106.8	106.7	141.9	120.3	102.3	116.6	101.6	82.6	95.3
Fairbury	100.7	98.0	25.7	92.2	106.1	100.1	109.8	98.6	108.1
Holdrege	110.2	NA	385.6	107.4	113.8	109.4	83.2	105.1	NA
Chadron	107.1	106.5	50.0	96.8	117.2	107.0	107.9	112.6	NA
Broken Bow	103.0	125.1	85.9	103.6	102.7	103.8	102.1	90.0	117.2

JAN — Per Cent of Preceding Month (Unadjusted)

State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	91.7	96.6	96.2	66.7	101.7	113.0	99.8	68.9	74.1
Beatrice	86.6	106.2	68.3	65.8	105.8	120.6	100.7	56.9	71.8
Omaha	90.7	96.4	88.4	69.7	98.4	109.7	100.4	78.6	79.6
Lincoln	94.4	105.9	135.6	73.9	104.7	118.0	89.5	76.5	77.5
Grand Island	94.3	94.7	101.1	59.6	107.5	132.5	109.9	59.4	- -
Hastings	76.6	92.6	73.2	73.5	66.9	105.6	111.2	64.2	58.7
Fremont	88.2	98.1	89.8	67.8	99.7	NA	97.0	59.4	NA
North Platte	81.3	NA	84.1	62.8	112.2	96.6	87.6	59.3	72.3
Kearney	86.0	93.0	74.2	60.4	90.7	126.9	101.1	58.3	NA
Scottsbluff	83.6	91.3	94.0	60.8	125.9	126.9	77.5	71.7	69.2
Norfolk	83.0	85.6	75.1	57.1	135.2	103.0	100.4	63.1	70.8
Columbus	86.4	94.1	75.4	58.7	116.4	118.6	99.5	76.7	72.1
McCook	90.8	103.2	95.3	69.4	105.3	107.2	NA	43.5	73.9
Sidney	99.6	100.8	189.1	64.7	112.0	120.0	86.1	71.1	NA
Alliance	87.8	67.3	83.8	51.8	112.4	128.6	94.9	95.7	76.7
Nebraska City	81.1	98.6	79.4	65.1	107.7	68.5	95.5	63.1	NA
So. Sioux City	95.6	107.9	161.0	76.8	102.1	NA	NA	56.0	NA
York	88.7	95.0	72.8	65.2	115.2	108.1	101.5	65.8	- -
Falls City	84.8	96.6	87.4	73.3	90.7	127.0	87.8	59.2	64.3
Fairbury	89.1	102.4	77.6	64.1	105.7	113.9	108.2	53.4	70.7
Holdrege	79.3	111.3	67.9	62.7	109.4	128.1	75.6	54.5	64.3
Chadron	104.3	88.8	116.2	60.5	126.9	133.3	107.9	62.7	NA
Broken Bow	78.8	69.6	77.8	65.4	99.3	112.7	98.6	65.8	69.2

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(Continued from first page) exportation and is based on the selling price (or cost if not sold) and includes inland freight, insurance, and other charges to the port.

With $232.3 million in farm exports last year, Nebraska moved up from 5th place in 1960 to 4th among the seven states in the West North Central Region, accounting for 14% of the regional total and 3.5% of the national total. This region, which supplied well over one-fourth (26.7%) of the nation's farm exports, led all other regions in the U.S. in fiscal 1966 with total sales of $1,785.3 million. Total national exports of farm commodities amounted to $6,681 million and are expected to surpass $8 billion by 1970. These figures amount to between 15% and 20% of cash farm marketings for both the state and nation.

If Nebraska no more than maintains its present proportion in the projected total for 1970, its export sales of agricultural commodities would then amount to over $280 million, an increase of 20% above the present level. The state has a much greater potential, however, because the three principal national exports - wheat, feed grains, and soybeans - are also Nebraska's leading farm exports. In the U.S. each of the three categories has long since reached the exclusive "Billion Dollar Export Club," the soybean category being the most recent to achieve this status. Nebraska, which exported less than 6% of the region's soybeans, has not contributed to the export of soybean oil or soybean meal, but will almost certainly begin exporting these products in quantity before 1970, and with continued annual increases in production of other farm commodities should be able to increase its stake in the world market for all other leading products, as well.

Agricultural products are exported by two methods - commercial sales for dollars and government-financed programs. The bulk of our farm exports is sold through regular commercial channels, and such dollar sales were responsible for over four-fifths of the rise in total agricultural exports from the U.S. from fiscal year 1960 to fiscal 1966. Most government-financed sales have been made under Public Law 480, the Agricultural Trade Development Assistance Act of 1954. P.L. 480 operates through sales for foreign currency, donations for disaster relief or to promote economic development, barter, and long-term supply and dollar credit sales.

In the last fiscal year over half of our government-financed exports were sold for foreign currency, which must be spent within the purchasing country; foreign donation programs accounted for nearly one-fifth of such exports; about 15% moved under the barter system whereby agricultural commodities were traded for various kinds of assets abroad, and the remainder of the government-financed sales were for dollars on long-term credit.

In this state, where the largest export sales volume was in the feed grain category, 76 1/2% of the total value of farm exports in-

TABLE II
VALUE OF EXPORT SHARES OF AGRICULTURAL COMMODITIES, WEST NORTH CENTRAL REGION & STATES BY PRINCIPAL TYPES OF EXPORT, 1965-66

	Wheat	Wheat Flour	Total Feed Grains	Soybeans	Soybean Oil	Dairy Products	Meats & Meat Products	Hides & Skins	Lard & Tallow	Total (Including All Others)
				(Millions of Dollars)						
United States	1,273.4	129.7	1,351.2	734.4	140.0	174.1	115.2	139.3	182.2	6,680.9
Government-Financed Program	857.7	101.4	112.3	0.2	98.2	91.4	- - -	3.1	11.1	1,614.9
Commercial Sales	414.7	28.3	1,238.9	734.2	41.8	82.7	115.2	136.2	171.1	5,066.0
West North Central Region	515.8	50.1	474.1	269.6	31.2	49.1	44.9	44.3	72.8	1,785.3
Government Program	347.8	39.1	39.5	0.1	21.9	25.9	- -	1.0	4.5	496.8
Commercial Sales	168.0	11.0	434.6	269.5	9.3	23.2	44.9	43.3	68.3	1,288.5
Iowa	1.3	3.0	152.7	108.0	23.5	11.0	17.9	15.5	29.0	426.1
Government Program	0.9	2.3	12.7	0.1	16.5	5.8	- -	0.4	1.8	41.7
Commercial Sales	0.4	0.7	140.0	107.9	7.0	5.2	17.9	15.1	27.2	384.4
Kansas	253.4	19.6	50.0	16.2	- -	3.0	4.4	5.3	7.1	392.2
Government Program	170.9	15.3	4.2	- -	- -	1.6	- -	0.1	0.4	197.0
Commercial Sales	82.5	4.3	45.8	16.2	- -	1.4	4.4	5.2	6.7	195.2
Minnesota	15.3	13.5	62.1	50.7	7.7	26.8	6.8	6.4	10.9	240.5
Government Program	10.3	10.6	5.2	- -	5.4	14.1	- -	0.1	0.7	48.2
Commercial Sales	5.0	2.9	56.9	50.7	2.3	12.7	6.8	6.3	10.2	192.3
Nebraska	58.6	3.5	98.6	15.4	- -	2.4	8.6	10.2	14.0	232.3
Government Program	39.5	2.7	8.2	- -	- -	1.3	- -	0.2	0.9	54.6
Commercial Sales	19.1	0.8	90.4	15.4	- -	1.1	8.6	10.0	13.1	177.7
North Dakota	126.1	- -	43.2	3.7	- -	1.2	0.3	0.6	0.5	205.6
Government Program	85.0	- -	3.6	- -	- -	0.6	- -	- -	- -	91.9
Commercial Sales	41.1	- -	39.6	3.7	- -	0.6	0.3	0.6	0.5	113.7
Missouri	34.4	10.5	37.8	70.5	- -	2.4	4.3	4.3	6.9	204.3
Government Program	23.2	8.2	3.1	- -	- -	1.3	- -	0.1	0.4	40.6
Commercial Sales	11.2	2.3	34.7	70.5	- -	1.1	4.3	4.2	6.5	163.7
South Dakota	26.7	- -	29.7	5.1	- -	2.3	2.6	2.0	4.4	84.3
Government Program	18.0	- -	2.5	- -	- -	1.2	- -	0.1	0.3	22.8
Commercial Sales	8.7	- -	27.2	5.1	- -	1.1	2.6	1.9	4.1	61.5
				Percentage						
West North Central Region As Percent of U.S. Total	40.5	38.6	35.1	36.7	22.2	28.2	39.0	31.8	39.9	26.7

Source: Dollar Values, U.S. Agricultural Export Shares by Regions and States, Fiscal Year, 1965-66, Tontz and Lemon, Economic Research Service, USDA, Table I, pp. 11-15. Percentages computed, Bureau of Business Research.

commercial sales which totaled $177.7 million, compared
o million in exports through government programs in fiscal
the region, commercial sales constituted over 72.2% of the
hereas in states such as Kansas and North Dakota where
nd wheat flour, which figure heavily in government-financed
ns, were the principal exports, commercial sales amounted
49.8% and 55.3% respectively.

ska marketed $58.6 million in export wheat, of which only
more than 32% was sold through regular commercial chan-
nd had export sales of wheat flour totaling $3 1/2 million,
out the same proportion being commercial sales. Soy-
which constituted the state's third highest commodity ex-
mounted to $15.4 million, almost entirely in commercial
Lard and tallow exports ranked 4th and came to $14 million,
h only a small proportion (less than 6 1/2%) was marketed
government programs.

ncipal exports from the region, Nebraska had the advantage
iderable diversity, ranking 2nd in each of 4 major categor-
ed grains, meats, hides and skins, and lard and tallow; 3rd
at; and 4th in soybeans. Almost 21% of the feed grains
e region came from this state, with Iowa in first place ac-
g for over 32% of the regional total. The same rank pre-
ith respect to hides and skins, of which Nebraska exported
he regional total and Iowa almost 35%. Iowa and Nebraska
d the one-two spots in exports of lard and tallow, 40% and
espectively. Nebraska was 3rd in the region in export of
nd 5th in wheat flour, being exceeded by Kansas and North
in the former, and by all states except Iowa and South Da-
the latter.

and Minnesota were the only states in the region which sold
n oil in the export market and were also the only states
articipated extensively in the world market in protein meal.
e a large soybean plant is opening in Lincoln this year and
oybean processing plants have been projected for the state,
obable that Nebraska will be in the export market with soy-
oducts before long. Although soybeans rank behind corn and
grain sorghum, and hay in crop production in the state,
e is increasing from year to year, and the state ranks first
ation in soybean yield per acre, 29.5 bushels.

ne of exports of hides and skins from Nebraska exceeded
s of meat and meat products, dairy products, and poultry
ed. Value of exported hides was over $10 million, almost
y from commercial sales; meat and meat products, exclud-
ltry, came to $8.6 million; and dairy products, $2.4 million,
mewhat more than half of the latter being marketed through
ment-financed programs.

d States agricultural exports include mainly unprocessed
mmodities, but also include some processed and semi-pro-
products. The leading unprocessed exports from this re-
e wheat, feed grains, and soybeans, although the exports in-
lso a considerable amount of wheat flour, soybean oil and
meat, and dairy products. Last year Nebraska had an impor-
ke in the export of several farm products which as a per-
e of U.S. sales constituted in the Tenth Federal Reserve
t the following impressive proportions: tallow, 42%, sor-
rains, 31%, and corn, 30%.

es are available (Table III) to compare export shares by re-
nd states in 1965-66 with fiscal year 1959-60, and also with
4, which was the year preceding the inauguration of Public
0 regulating exports. Farm product exports attributed to

TABLE III
VALUE OF EXPORT SHARES, AGRICULTURAL COMMODITIES
Fiscal Years 1953-54, 1959-60, and 1965-66
(Millions of Dollars)

	1965-66	Rank in Region	1959-60	Rank in Region	1953-54	Rank in Region	% Increase 1953-54 to 1965-66
U.S.	6,680.9		4,516.8		2,935.9		127.6
West No. Central Region	1,785.3		998.1		524.7		240.2
Iowa	426.1	1	211.0	2	103.8	1	310.5
Kansas	392.2	2	225.5	1	93.3	2	320.3
Minnesota	240.5	3	156.5	3	87.4	3	175.1
Nebraska	232.3	4	135.4	5	72.8	5	219.0
North Dakota	205.6	5	85.7	6	54.8	6	275.1
Missouri	204.3	6	150.9	4	81.0	4	152.2
South Dakota	84.3	7	33.1	7	31.6	7	166.7

Source: Dollar Values from U.S. Agricultural Export Shares by Regions and States, Fiscal Year, 1965-66, Tontz and Lemon, Economic Research Service, USDA, Table II, p. 20. Percentages computed, Bureau of Business Research.

the West North Central Region increased 240% ($1,260 million) and accounted for 34% of the $3,745 million gain for the entire country in the 12-year-period. Nearly 2/3 of the increase occurred during the last 6 years. In Nebraska the percentage increase in 12 years was 219% or 21 percentage points less than the regional increase, and in the last 6-year-period the state increased 71.6% compared to 78.8% in the region. In Iowa and Kansas, the leading export states in the region, farm exports increased over 310% and over 320%, respectively, in the 12-year-period, and rose approximately 102% and 74% in the last six years. Nebraska, which was 4th in percentage increase of farm exports in the 12-year-period, improved its regional rank by moving up from 5th to 4th place in total volume of export sales.

Export sales of agricultural commodities from the nation as a whole rose only 127.6% in the 12-year period, whereas as noted above the region increased by 240%. Although Nebraska's increase was somewhat less than that of the region, it was far in excess of the national increase. In the past six years farm exports from this state rose 23.7 percentage points more than such exports from the nation, but 7.2 points less than from the region as a whole. Six North Central States - Illinois, Iowa, Kansas, Indiana, Nebraska, and Minnesota - along with Texas, contributed one-half the increase in farm commodity exports from 1953-54 to 1965-66. These states plus eight others accounted for 3/4 of the gain in total U.S. exports during the period.

In the West North Central Region, Iowa, Kansas, and Minnesota ranked 1-2-3 in total volume of farm exports in 1953-54 and 12 years later, but Kansas and Iowa traded places in 1959-60, due to large exports of wheat and wheat flour in that year. Ranked by percentage increase, however, South Dakota and North Dakota showed the greatest rise in the past 6 years, roughly 155% and 140%, respectively.

Under the Food and Agriculture Act of 1965, commodity programs support the market price at around world levels to continue the competitive position of feed grains in world markets and virtually to eliminate the need for government export payments. In the case of feed grains the support price is thus geared to continuing the upward trend in such exports. With wheat the market price will be supported around the feed-value level and competitive world price levels, as the commodity program is designed also to continue the rising export value for U.S. wheat. Recently an official of

-exporting firm cautioned that farmers and agri-business should not be too optimistic, however, about indefinite con-n of Public Law 480 since the nation's supply of wheat has o dwindle.

r sales of food are growing in the more developed countries those with better incomes are broadening the market for rains by eating more meat, milk, and eggs, while wheat to find reasonably good demand among those at the lower the income scale.

ing legislation and agreements have protected the American from large and sudden increases in highly competitive mports. Agricultural exports are affected, however, by f the inconsistencies of the U.S. trade policy. Our govern-ubsidizes its exports of wheat but objects to the Common countries paying export subsidies to farmers, and although t imports of beef from South America and other countries educed, we are eager to find export markets for our own oducts. There are many who feel that until the system of quotas is modified and until the international commodity nents are liberalized, agricultural and other exports, al-expected to show some growth, are not likely to increase dly as might be hoped.

ently a proposal for an international grains agreement is be-ated at trade talks in Geneva which could have considerable ce on future agricultural exports. One point in the agree-volves access to import markets and would set up a formu-r which exporting nations would be assured a certain per-e of the domestic markets of importing countries, plus a of market growth. Another point calls for a higher price on wheat and this has the approval of most farm experts ree that the present range of minimum and maximum prices he International Wheat Agreement is much too low. A relat-more controversial point has to do with an agreement among ng nations to manage wheat supplies so that the world price e kept above the minimum price. If the world price fell to nimum price, however, this could lead to an allocation of ts and some extremely serious problems.

his and other reasons there is no unanimity among farm in the U.S. with respect to the proposal, and the European nic Community and other importing nations are said to be an enthusiastic about the access, wheat pricing, and food aid s of the proposal. Whether other countries are willing to the agreement may depend upon promises of concessions hey can exact with respect to industrial imports into the ebraskans have every reason to follow with interest further ments in the trade negotiations at Geneva which are sched-end June 30.

s been noted, some price-supported commodities get export nt assistance from the government to make the prices of mmodities competitive in world trade. Export assistance ncluded in the value of our exports. Last year it amounted million and benefited over $1 billion worth of commercial exports and slightly more than that amount of exports under ment-financed programs. The export payment rates are as necessary in accord with changes in agricultural legis-nd to meet changing supply and export demand situations. alyzing the outlook for farm exports in 1967, agricultural ists predict that exports under government-financed pro-may continue near the $1.6 billion level of last year with more emphasis on long-term dollar credit sales, but tha growth of exports will come mainly from dollar sales of products. Significant relevant facts about export trade with Ja the U.S. farmer's top customer abroad, were reported in a re issue of Farm Index: Japan is likely to become the first $1 bi outlet for this country's farm products; competition is keen, h ever, in this rapidly changing and highly prized market; ev product we sell to Japan is at least partly available from ano source; and that nation, faced with a growing import bill and quent balance of payments problems, naturally makes an effo buy where the purchases will develop the market for expo Japanese manufactured goods.

Other factors also affect farm exports to Japan. A growing erence for hard wheat, for example, has made it hard for the to retain its share of the wheat market, since hard wheat g here has to be transported from our central states to west ports where the Japanese prefer to buy, but this adds to our and location problems. Thus far this country has compete stockpiling hard wheat on the west coast and has offered Japan at prices competitive with Canadian wheat.

During the past ten years exports of U.S. feed grains have increasing at a much more rapid pace than feed grain produ or sales. Exports, which were about 5% of our total feed production in the early 50's amounted to about 18% of our 1965 duction. The U.S. share in the world market for feed grain also shown a marked increase from 31% in the early 50's to 50% in fiscal 1966.

Export predictions are subject to frequent changes because depend on such variables as U.S. and world supplies, estin output, anticipated demand, and world prices. It is now conc that our ability to meet continued heavy demands for export grains will depend on production because figures just rele show that supplies are dwindling much more rapidly than had expected. Wheat exports are uncertain due to larger world than estimated.

Soybeans and soybean products have shown a spectacular tive increase in export trade. Before World War II, trade in beans was small and was largely accounted for by China. No world net trade in soybeans is nearly 7 million tons, soybe about 600,000 tons, and soybean meal about 2.5 million tons these totals, the U.S. supplies over 90%. Export demands fo beans are expected to become stronger due to increased de both from Europe and Japan. A possible increase next y 1/10th more than last year's record export of 251 million b has been forecast by the USDA which warns, however, th amount of increase will depend on the size of the competitive eign oilseed crops as well as the level of soybean prices. current outlook is for export oilseeds and products to excee year's $1,224 million and to set a sixth consecutive record.

All the statistics point up the significant stake which Neb has in the international market for agricultural commodities cause most experts expect the export demand for U.S. farm ucts to grow more rapidly than domestic demand, the outlo continued growth of farm exports is considered to be good, p ularly if existing deterrents to world trade can be minimiz domestic production can be stepped up. World markets fo products are becoming highly competitive, however, and exp of export trade in these commodities requires intensive prom

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