



Crossroads Resource Center

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Tools for Community Self-determination

Pathfinders Region, Iowa Local Farm & Food Economy

Highlights of a data compilation

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Pathfinders RC&D

Davis, Jefferson, Keokuk, Mahaska, Van Buren and Wapello Counties, Iowa

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Pathfinders Region (Iowa)

102,000 residents receive \$2.2 billion income annually (2004), and pay \$101 million of taxes each year [Federal Census, BLS].

The region's farms (2002; from U.S. Agricultural Census)

Land:

- 5,666 farms. This is 6% of Iowa's total.
- 322 (6%) of these are 1,000 acres or more.
- 1,178 (21%) are less than 50 acres.
- One-third (1,923) of the region's farms are 50 to 179 acres in size.
- Thus, 55% of the region's farms are less than 180 acres.
- 1.6 million acres of land in farms.
- 944,000 acres of harvested cropland.
- 181 acres of irrigated land.
- Average value of land and buildings per farm is \$458,000.

Sales:

- \$450 million of crops and livestock sold (annual average for 1998-2004; Bureau of Economic Analysis).
- \$254 million of livestock and products sold (average for 1998-2004; BEA).
- Thus, 56% of agricultural sales are livestock or livestock products.
- 2,856 (50%) of the region's farms and ranches sold less than \$10,000 in 2002.
- 3,937 farms (69%) collected \$32 million in federal support payments. Note that the Bureau of Economic Analysis reports far more government subsidies than does USDA (see below).
- 39% of region farms reported net losses in 2002 — even after subsidies are taken into account.

Cattle & Dairy:

- 2,242 ranches and farms (39%) hold an inventory of 185,000 cattle.

- 123,000 (66% of these cattle) were sold in 2002.
- The region's cattle sales totaled \$80 million, a 16% increase from 1997.
- Pathfinders Region sells 4% of the cattle sold in Iowa.
- 114 farms raise milk cows, down from 137 in 1997. A total of \$7 million of milk and dairy products were sold from these farms.

Other livestock & animal products:

- 532 farms sell hogs and pigs (There were 878 in 1997).
- Hog and pig sales totaled \$117 million in 2002, 18% less than the 1997 level of \$143 million.
- 275 farms raise sheep and lambs, selling \$2.4 million.
- 93 farms sell poultry and eggs. Sales were not disclosed, in order to protect private firms.
- There were 67 farms selling poultry in 1997.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 42 farms raise vegetables or melons.

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- 37 of the region's farms raise fruit.

Grains:

- 2,335 (41%) of the region's farms sell corn for grain.
- 2,304 farms sell soybeans.
- 388 farms sell oats for grain, a total of 459,000 bushels.

Direct and organic sales:

- 40 farms sold \$1 million of organic foods in 2002.
- 400 farms in Iowa sold \$13 million of organic food products.
- 118 farms sell \$386,000 of food directly to consumers. This is a 3% decline in the number of farms (122 in 1997) and a 24% decrease in direct sales from 1997 to 2002.

Balance of Cash Receipts and Production Costs (BEA):

Pathfinders Region ranchers and farmers sell \$450 million of food commodities per year (1998-2004 average), yet spend \$478 million to raise them, losing an average of \$28 million in production costs each year. This includes 2004, when farm income improved due to increased cattle and crop sales.

39 % of the region's farms and ranches lost money in 2002 (Ag Census). Producers endured a total loss of \$194 million over the last 7 years, with only one year of positive cash flow selling crops and livestock. Pathfinders region farmers earned \$101 million more from selling commodities in 1969 than they earned in 2004 (in 2004 dollars).

Farmers and ranchers earn another \$20 million per year of farm-related income — primarily custom work, rental income — and collect another \$70 million of federal supports each year, to help cover the costs of farming. (seven-year average for 1998-2004).

The region's consumers:

Pathfinders Region consumers spend \$231 million buying food each year, including \$132 million for home use. Most of this food is produced outside the region. Only \$386,000 of food commodities (0.1%) are sold by farmers directly to consumers.

Change in net household assets: a \$174 million loss in 2004 alone (BLS).

Farm and food economy summary:

Farmers lose \$28 million each year producing food commodities, and also spend \$200 million buying outside inputs, while consumers spend \$140 million buying food from outside. This is a total loss to the region of \$370 million of potential wealth *each year*. This loss amounts to 82% of the value of all food commodities raised in the region.

Pathfinders Region: markets for food (2004):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 32
Fruits & vegetables	21
Cereals and bakery products	15
Dairy products	18
“Other,” incl. sweets, fats, & oils	45

Pathfinders Region: markets for energy (2004):

Gasoline & Motor Oil	\$ 67
Electricity	40
Natural Gas	26
Fuel Oil	4

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

For more information:

To see results from *Finding Food in Farm Country* studies in other regions of Minnesota, Iowa, California, Hawaii: <http://www.crcworks.org/fffc.pdf>.

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>.

To view a PowerPoint presented by Ken Meter at the Community Food Security Coalition annual meeting in October, 2006: <http://www.crcworks.org/crcppts/cfsc06.pdf> (this is a PDF file).

To get a brief list of essential food facts, many of which are cited in the presentation above, <http://www.crcworks.org/foodmarkets.pdf>.

To link to further analysis of farm and food economies in the U.S.: <http://www.crcworks.org/econ.html>.

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