



# Crossroads Resource Center

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***Tools for Community Self-determination***

## **West Central Minnesota's Food & Farm Economy**

*Highlights of a presentation*

by Ken Meter, Crossroads Resource Center (Minneapolis) for the  
**West Central Minnesota Regional Sustainable Development Partnership**  
Annual Meeting — November 17, 2005

### **West Central Minnesota Region**

12 Counties — *Big Stone, Chippewa, Douglas, Grant, Kandiyohi, Lac Qui Parle, Pope, Renville, Stevens, Swift, Traverse, and Yellow Medicine*

173,000 residents hold \$ 3.1 billion in annual purchasing power

### **The region's farm families**

10,011 farm families

- 12 % of Minnesota farms
- 17% of Minnesota farm acreage
- 23 % of state's corn
- 22 % of soybeans
- 29 % of sugar beets
- 14 % of livestock sales
- 20 % of vegetable acreage
- 7 % of state's orchards
- 7 % (\$562,000) of Minnesota's organic production
- 271 farms sell \$871,000 of food directly to consumers

Region's farmers produce \$ 1.44 billion of food per year (1993-2003 average), yet spend \$1.59 billion to raise it, losing an average of \$153 million in production costs each year since 1993. This is a total loss of \$1.7 billion over the last 11 years! 34 % of the region's farms lost money in 2002.

### **The region's consumers:**

The region's consumers spend \$354 million buying food each year, mostly from outside the region, while farmers lose \$150 million each year.

### **Farm and food economy summary:**

Farmers lose \$150 million each year producing food commodities, and also spend \$ 600 million buying outside inputs, while consumers spend \$ 250 million buying food from outside. This is a total loss of \$1 billion of potential wealth *each year*. This loss amounts to 70 % of the value of all food commodities raised in the region.

**WC Minnesota: markets for food**

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 29.7
Fruits & vegetables	48.3
Cereals and bakery products	21.9
Dairy products	33.5
"Other," incl. sweets, fats, & oils	67.1

**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 a keynote appearance to the Minnesota Rural Partners Summit in July, 2005: <http://www.crcworks.org/metersummit05.pdf>.

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

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