

The 2009 All-Iowa Ag Economic Contribution Analysis

Frequently Asked Questions

Q. What is the purpose of the analysis?

A. The purpose of the analysis is to accurately define the scope and impact of agri-food sector industries on Iowa's economy and for each county in Iowa. For this analysis, Iowa agriculture is defined as food production, food and feed processing, ag input manufacturing and related services.

Q. What are the key findings of the analysis?

A. Iowa agriculture is very interconnected with Iowa's economy as a whole. In fact, agriculture is to Iowa what auto manufacturing is to Detroit. The strong presence of ag production and processing and myriad of ag-related industries located in communities small and large also helps buffer Iowa from the severity of economic downturns experienced by less ag-intensive states. Iowa's agriculture and ag-related industries have and will continue to play an important role in Iowa's long-term economic prosperity.

Q. What are the key economic highlights found by the study?

A.

- More than one of every four dollars (\$72.1 billion of \$269.1 billion) of Iowa's total industrial output is derived from the agriculture and ag-related industries.
- Farming employs only one of every 18 Iowans while providing the base for a much larger complex of agri-food industries, including food processing and the manufacture of farm machinery, chemicals and fertilizer. Taking those jobs into account means that one of every 6 Iowans (331,880 of 2,009,426) is employed by farming, food processing or the farm input industries.
- One of every ten dollars in personal income in the state is generated by Iowa's agriculture and ag-related industries.
- Farming and ag-related industries in Iowa account for \$22.8 billion (19 percent of Iowa's total) in total value added (difference between the actual sales value of a product and the cost of its inputs).
- 20 percent Iowa's counties derive at least one half of their total output from ag and ag-related industries.
- 44 percent of Iowa's counties derive at least one fourth of their jobs from ag and ag-related industries.
- 12 percent of Iowa's counties derive at least one fifth of their labor income from ag and ag-related industries.
- 32 percent of Iowa's counties derive at least one third of their total value added from ag and ag-related industries.

Q. Economic conditions have changed since 2007; what does this mean for the conclusions reached by this report?

A. 2007 was a very good year for not only agriculture, but most industries within Iowa. Iowa's agriculture and ag-related industries have at least maintained or increased their significance by several important measures since 2002. This fact, coupled with the basic and necessary nature of agriculture, would lead one to believe that its importance has not diminished since 2007; phrased differently, the total value of agriculture (as with most industries) may have changed since 2007, but its share has remained stable.

Q. What information sources were used by the researchers?

A. 2007 U.S. Census of Agriculture, U.S. Bureaus of Economic Development and Labor Statistics, the United States Department of Agriculture, and the IMPLAN economic modeling software from MIG, Inc.

Q. What is the IMPLAN economic modeling system?

A. IMPLAN is a generalized social accounting system that tracks the purchases and sales of commodities between industries, businesses and consumers. Successive rounds of transactions stemming from an initial economic event, such as the production of agricultural commodities, are added together to provide an estimate of direct, indirect consumer-related and total effects of the activity.

Q. Who paid for the analysis?

A. The analysis was funded by the Coalition to Support Iowa's Farmers. The Coalition to Support Iowa's Farmers is a collaborative effort involving the Iowa Cattlemen's Association, Iowa Corn Growers Association, Iowa Farm Bureau Federation, Iowa Pork Producers Association, Iowa Poultry Association, Iowa Soybean Association and Iowa Turkey Federation. Its mission is to help Iowa's communities prosper by offering livestock farmers timely assistance in following regulations, identifying good locations for new livestock farms, implementing best management practices that safeguard air, soil and water quality and enhancing neighbor relations.

Q. Where can I obtain a copy of the report?

A. A complete copy of the report, plus individual county data, can be found at the Coalition to Support Iowa's Farmers web site: www.supportfarmers.com. For additional information or to arrange an interview with the author of the analysis, contact: Aaron Putze, APR, Executive Director, Coalition to Support Iowa's Farmers, 800-932-2436; (cell) 515-225-5531.