

US Agriculture and the World Market

Objective

Students will read about world trade and graph numbers from a chart showing US agricultural exports.

Background

More than likely you are wearing something that was not made in the United States. Your shoes may have been made in Mexico or your shirt in Turkey or China. Perhaps you have eaten bananas from Costa Rica or grapes from Chile. Because of world trade, countries can buy goods from, or sell goods, to other countries of the world. There are rules to be followed regarding trade, and an international organization, the World Trade Organization (WTO), works to keep world trade as fair and equal as possible for all countries.

Creating goods for export to other countries stimulates a country's economy. New jobs are created, and living standards are raised. There is less reliance on foreign aid. Because of trade, consumers get a larger selection of products, and the competition can help keep quality up and prices down. Manufacturers also have more markets in which to sell their product.

Some people are wary of global trade, however. Imported goods that are similar to what is produced domestically may increase competition and cause citizens to lose their jobs. To help prevent this and alleviate such fears, some countries add tariffs to imported goods to bring the price up so they are more expensive than domestically produced goods. Unfortunately, tariffs make it harder for poor countries to sell their goods.

Agricultural subsidies are payments made to farmers by the government. Farmers who get subsidy payments can sell their goods for less money and still have enough income to support their families. Subsidies help keep food prices low for consumers, but farmers from countries without subsidies cannot sell their goods for as little as the subsidized farmers and so find it difficult to find markets for their products. World trade is a complicated matter; it is not always easy to make it fair for all involved.

Background source: The World Bank, US Department of Agriculture Economic Research Service

Social Studies

1. Read and discuss background and vocabulary.
2. Provide copies of the import and export charts included in this lesson.
—With a partner or in a small group, students will discuss the data. What are the most valuable imports and exports? What are the least valuable? The US imports the most and least by volume of which products? What did students learn that surprised them?
3. Students will choose one of the products the US imports and research to find what countries it is imported from. Students will write a report about the country's agriculture and list other products it exports.

Oklahoma Academic Standards

GRADE 6
Social Studies: 1.1,2,5;
2.1C; 4.4

GRADE 7
Social Studies; 1.1,2,5

Extra Reading

Andrews, Carolyn, *What is Trade? (Economics in Action)*, Crabtree, 2008.

Haerens, Margaret (editor), *The World Trade Organization (Opposing Viewpoints)*, Greenhaven, 2010.

Miller, Debra A., *Fair Trade (Current Controversies)*, Greenhaven, 2010.

Thompson, Gare, *What is Supply and Demand? (Economics in Action)*, Crabtree, 2009.

Vocabulary

export—to ship goods out of a country

import—to bring goods into a country

subsidy—financial aid that encourages the production of a product

tariff—tax on imported goods

US Agricultural Exports

Year-to-Date and Current Months

	June.	July.	Change	Oct.-Jul	Oct-Jan	Change
ITEM	2018	2018	June-July	2017	2018	'17-'18
Ag import values	million dollars	million dollars	percent	million dollars	million dollars	percent
live animals	46	55	-21	612	717	17
red meat & products	1,274	1,235	-3	11,683	12,807	10
poultry meats & products	400	409	2	3,868	4,218	9
dairy products	480	435	-9	4,523	4,748	5
hides & skins	133	102	-24	1,654	1,378	-17
grains & feeds	2,923	2,890	-1	25,895	25,948	0
wheat	384	436	13	5,133	4,100	-20
rice	105	121	14	1,495	1,419	-5
corn	1,318	1,230	-7	8,474	9,284	10
animal feeds & oil meal	1,268	1,138	-10	9,444	10,724	-8
soybeans	1,257	1,256	0	20,975	19,274	14
vegetable oils	258	236	-9	2,780	2,586	-7
fruits & products	653	671	3	5,236	5,381	3
fruits, fresh	508	539	6	3,874	3,972	3
fruits, prepared	145	132	-9	1,361	1,409	3
fruit juices	82	72	-13	836	769	-8
vegetables & products	617	543	-12	6,189	5,964	-4
vegetables, fresh	235	196	-16	2,161	2,192	1
vegetables, processed	383	347	-9	4,028	3,773	-6
tree nuts and preparations	589	546	-7	7,523	8,299	10
cotton and linters	578	446	-23	5,286	6,003	14
sugar & tropical products	437	409	-6	4,056	4,168	3
Volumes	1,000 metric	1,000 metric	percent	1,000 metric	1,000 metric	percent
red meats & products	363	356	-2	3,775	3,838	2
poultry meats	294	301	3	2,914	2,996	3
nonfat dry milk	60	58	-3	2,914	2,996	3
wheat	1,530	1,766	15	23,307	17,109	-27
rice	185	213	15	3,483	2,643	-24
coarse grains	7,171	6,875	-4	53,887	57,141	6
corn	7,117	6,766	-5	48,437	52,406	8
sorghum	43	96	123	5,317	4,626	-13
soybeans	3,256	3,427	5	52,221	50,112	-4
oil meal	1,358	1,149	-15	9,237	11,302	22
vegetable oils	221	206	-7	2,502	2,247	-10
fruits, fresh	246	248	1	2,494	2,442	-2
fruits, prepared or preserved	52	48	-8	587	518	-12
fruit juices	55	48	-13	605	509	-16
vegetables, fresh	233	198	-16	2,140	2,055	-4
vegetables, preserved or processed	216	200	-7	2,631	2,285	-13
nuts & preparations	112	107	-4	1,577	1,618	3
cotton & linters	311	237	-24	2,967	3,331	12

Source: Economic Research Service compiled from Census Bureau data, US department of Commerce

Oklahoma Ag in the Classroom is a program of the Oklahoma Department of Agriculture, Food and Forestry, the Oklahoma State Department of Education and the Oklahoma Cooperative Extension Service.

US Agricultural Imports

Year-to-Date and Current Months

	June.	July.	Change	Oct.-July.	Oct-July	Change
ITEM	2018	2018	June-July	2017	2018	'06-'07
Ag import values	million dollars	million dollars	percent	million dollars	million dollars	percent
live animals	187	177	-5	2,172	2,250	4
red meat & products	796	822	3	6,720	7,286	8
beef & veal	543	538	-1	4,199	4,645	11
pork	127	137	8	1,401	1,398	0
dairy products	234	263	12	2,499	2,513	1
cheese	95	106	11	978	1,070	9
grains & feeds	1,106	1,153	4	9,511	10,992	16
grain products	739	758	3	6,567	7,407	13
oilseeds & products	726	779	7	7,511	8,029	7
vegetable oils	530	585	10	5,823	6,163	6
fruits & preparations	1,355	1,221	-10	13,849	14,699	6
fruits, fresh or frozen	1,082	927	-14	11,492	12,041	5
fruits, prepared	273	294	8	2,357	2,658	13
fruit juices	169	148	-13	1,641	1,834	12
vegetables & preparations	1,072	1,057	-1	11,318	12,261	8
vegetables, fresh or frozen	757	736	-3	8,323	9,136	10
vegetables, prepared	294	294	0	2,776	2,882	4
tree nuts & preparations	313	302	-3	2,732	2,907	6
cotton & linters	1	0	-100	3	3	3
wine	495	542	9	4,921	5,301	8
malt beverages	473	501	6	4,121	4,461	8
essential oils	252	294	17	2,557	2,723	6
cut flowers & nursery stock	131	118	-10	1,660	1,768	7
sugar & related products	356	427	20	3,828	3,971	4
confections	158	176	11	1,462	1,561	7
cocoa & products	324	370	14	4,539	3,871	-15
coffee & products	523	523	0	5,547	5,144	-7
rubber, natural	137	101	-26	1,425	1,322	-7
VOLUME	1,000 metric	1,000 metric	percent	1,000 metric	1,000 metric	percent
wine 2/	86	99	16	1,041	1,033	-1
malt beverages 2/	374	394	6	3,306	3,488	6
cattle & calves	155	127	-18	1,546	1,622	5
beef & veal	99	100	1	829	846	2
dairy products	99	100	1	829	846	2
processed grains, excluding feed	283	222	-22	2,318	2,648	14
fruits, fresh or frozen	1,077	1,038	-4	10,713	10,963	2
vegetables, fresh or frozen	679	656	-3	7,953	8,508	7
vegetable oils	397	436	10	4,496	4,756	6
sugar & related products	314	400	28	3,387	3,577	6
cocoa & products	94	104	12	1,323	1,147	-13
coffee & products	135	135	0	1,419	1,353	-5

2/ = thousand hectoliters.

Source: Economic Research Service compiled from Census Bureau data, US Department of Commerce