

Early Mornings In Iowa

By Mark Imerman, Professional Staff Economist
Department of Economics
Iowa State University
imerman@iastate.edu

I am one of those people you see riding a bike down the country roads of central Iowa. In mid-summer, when the sun comes early, I can ride 20 miles before most people are awake, but the best time of year for riding is now.

I grew up on an Iowa farm, running tractors down the road early in the morning at about bicycle speed with hay rakes, wagons, and plows. My favorite farm memories are of the early mornings when summer was on its way out, before the silos were filled and the sun breached the horizon. I often get those memories on my rides.

I am still awestruck by the abundance that is rural Iowa. One fifth of the corn and pork grown in the United States comes from the fields that I ride through. Iowa is consistently the first or second largest producer of corn, soybeans, pork, and (recently) eggs in the nation. We are the sixth largest producer of cattle.

On a bicycle it seems endless – 49,477 square miles of productive farmland. 88.7 percent of Iowa's total land area. Where else is so much natural bounty packaged in such a small contiguous area? I appreciate the vast oceans and high mountains, but what I love about Iowa is the raw power of its productivity. Iowa's power is not in its beauty; its beauty is in its power.

The power of that abundance stretches far beyond Iowa's farms. It provides deep roots for a larger agri-food industry. In 2002, 8.2 percent of Iowa's Gross State Product came directly from the farm and food processing sectors. This was the highest percentage of any state in the nation. The USDA credits 20.6 of Iowa's 2002 employment to a wide range of farm and food industries (farms, farm inputs, and food processing, distribution, and retailing).

I recently participated in a study by economists at Iowa State University for the Coalition to Support Iowa's Farmers that investigated the size and value of Iowa's agri-food industries. We estimated that Iowa's agri-food industries directly account for 19 percent of the value of Iowa's industrial output. This is a large number, but it is a simple accounting. Many of the inputs used in the production and processing of Iowa's agri-food output are also products of Iowa. When we credited the value of Iowa-produced inputs to the value of final agri-food products, we found that 25 percent of Iowa's overall industrial output goes into agri-food sector exports from Iowa.

This does not count the agri-food products that Iowans themselves consume (the corn flakes, ethanol, eggs, beef, poultry, pork, milk, etc.) or the distribution system that delivers agri-food products to Iowans' homes (the wholesalers, truckers, grocers, restaurateurs, etc.) Think about it. One of every four dollars received by Iowa industries for output sales is payment for agri-food products exported from the state. These dollars buy inputs, pay salaries, and provide investment capital for the Iowa economy, making Iowa a better place to live, to work, and to raise a family.

This is not just on the farm. Every urban area in Iowa has a food processing presence. A growing portion of this is high-tech industry, providing better jobs, working conditions, food, and lives through which Iowa looks to the future. Many urban Iowans produce agri-food inputs, either directly in the form of machinery and ag chemicals, or indirectly, supplying the myriad of inputs (energy, nuts and bolts, etc.) that go into food production and processing.

For me, it all starts in the countryside at bicycle speed as the sun comes up. I am 25 years from the farm, but farming and the agri-food sector are more important to me than ever. My bicycle probably costs what my dad spent for a small used tractor. I can afford that partly because of the growing efficiency of the Iowa farm and agri-food system. As food takes up a smaller portion of my budget, there is room for other things. Much that we all take for granted lies in the decreasing portion of income needed to pay the grocery bill.

Part of our educations, vacations, and recreational activities is a product of the fact that Iowa is not ag dependent, but is ag capable. Iowa's mature and highly efficient farm industry produces staples in abundance. Iowa's high-tech processing industry turns those staples into products that everyone in the nation uses every day.

I see that every summer morning on a bicycle in central Iowa.