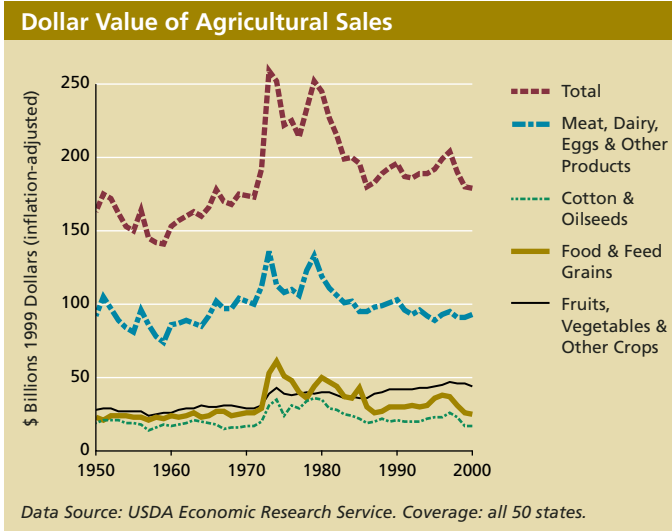


SYSTEM DIMENSIONS	CHEMICAL AND PHYSICAL	BIOLOGICAL COMPONENTS	HUMAN USES
Extent Pattern	Nutrients, Carbon, Oxygen Contaminants Physical	Plants and Animals Communities Ecological Productivity	Food, Fiber, and Water Recreation and Other Services

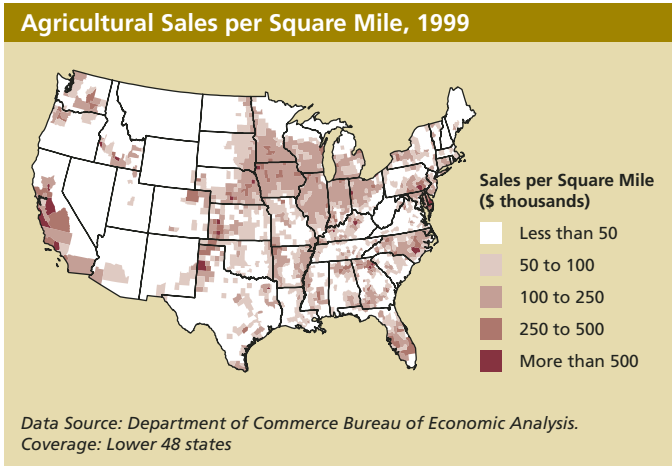
● Monetary Value of Agricultural Production



What Is This Indicator, and Why Is It Important?

This indicator reports the dollar value of the annual output of major crops and livestock. The value is determined by multiplying the amount of output by the prices received by farmers (in 1999 dollars). The data are presented both nationally over time and by location for the most recent year available (in this case, 1999).

Farming is a business, and the monetary value of the goods produced is an indication of the importance to society of those goods. In addition, some areas have high concentrations of agriculture or produce high-value crops (or both). In these areas, farming is often a significant component of the local economy.



What Do the Data Show?

The gross value of agricultural output (adjusted for inflation) was about \$180 billion in 1999, or about 10% more than in 1950. Over this half-century, however, there were major fluctuations—from a low of about \$140 billion in 1959 to a high of about \$260 billion in 1973. Livestock products consistently account for about half of overall agricultural income. Agricultural production is concentrated in the Midwest, but there are concentrations of very high agricultural sales in many areas across the country.

Discussion

Advances over the last 50 years have enabled farmers to produce more per acre of land (p. 106) and to increase total physical outputs, while requiring, in general, fewer inputs (p. 107). However, as

shown here, these advances have not translated into steadily increasing farm sales. Note that the values reported here are gross revenues, meant to represent the value of the harvest from croplands—they reveal nothing about the profitability of American farming. This indicator also reports the money received by farmers, not the retail price of farm products.

The technical note for this indicator is on page 238.