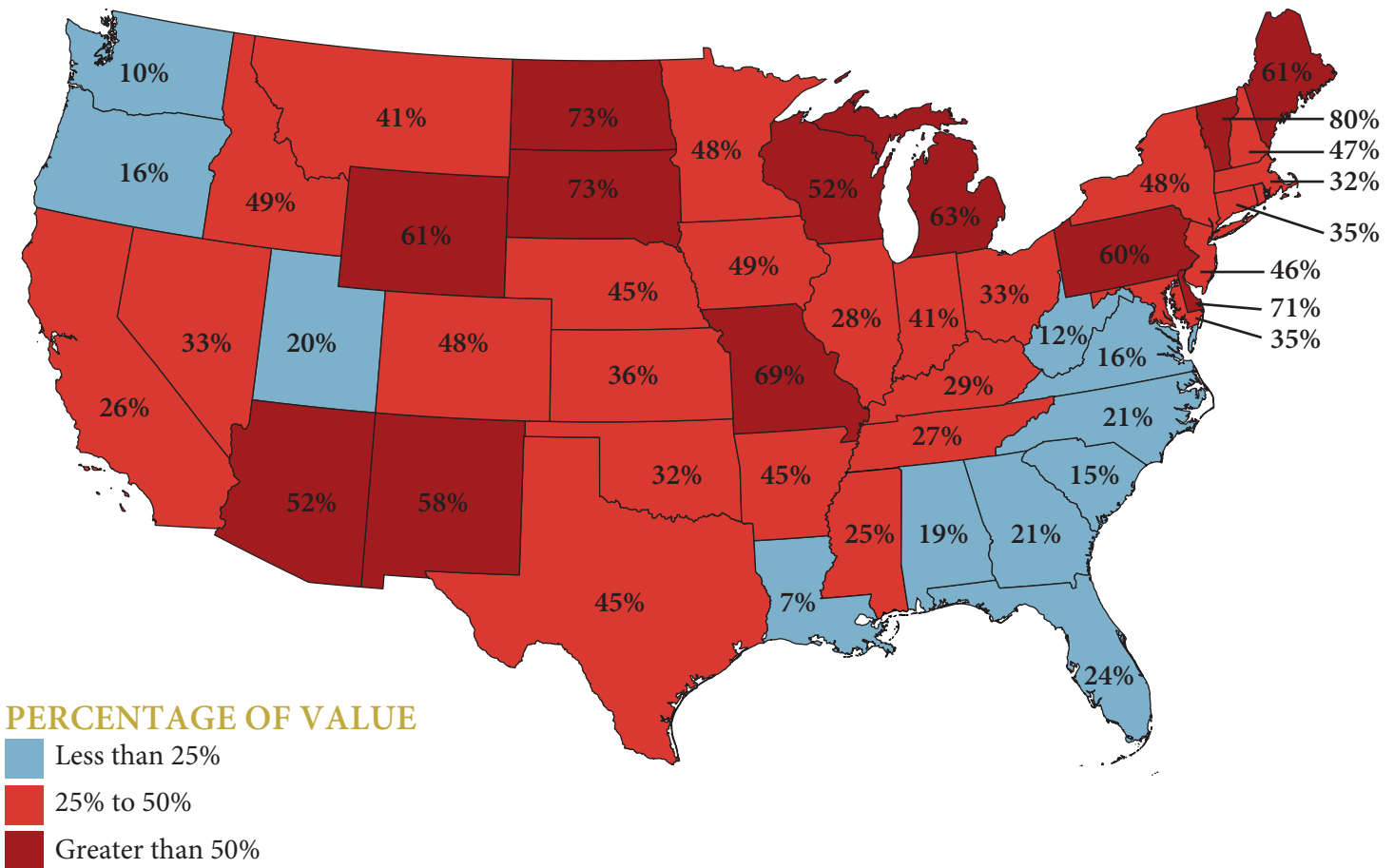


BACKGROUND

The United States entered into a free trade agreement with Mexico and Canada on January 1, 1994, commonly referred to as NAFTA, or the North American Free Trade Agreement. NAFTA created the world’s largest free trade area and largely because of this, Mexico and Canada are Nebraska’s two largest customers for agricultural goods. The American Farm Bureau Federation reports exports of Nebraska agricultural goods to these two countries exceeded \$2.9 billion in 2016 and accounted for 45 percent of Nebraska’s total agricultural exports that year.

Mexico and Canada were the third and fifth-largest customers of Nebraska beef in 2016. Mexico was the top customer for Nebraska corn, and the second-largest customer for Nebraska soybeans and wheat. Mexico and Canada were the second and fifth-largest importers respectively for distillers dried grains from Nebraska, and Canada was the top market for Nebraska ethanol. Any way you measure it, Mexico and Canada are critically important customers for Nebraska agriculture.

FIGURE 1. SHARE OF TOTAL AGRICULTURAL EXPORTS TO NAFTA, 2016



Source: USDA ERS, FAS, AFBF Calculations

FIGURE 2. VALUE OF TOTAL AGRICULTURAL EXPORTS TO NAFTA, 2016

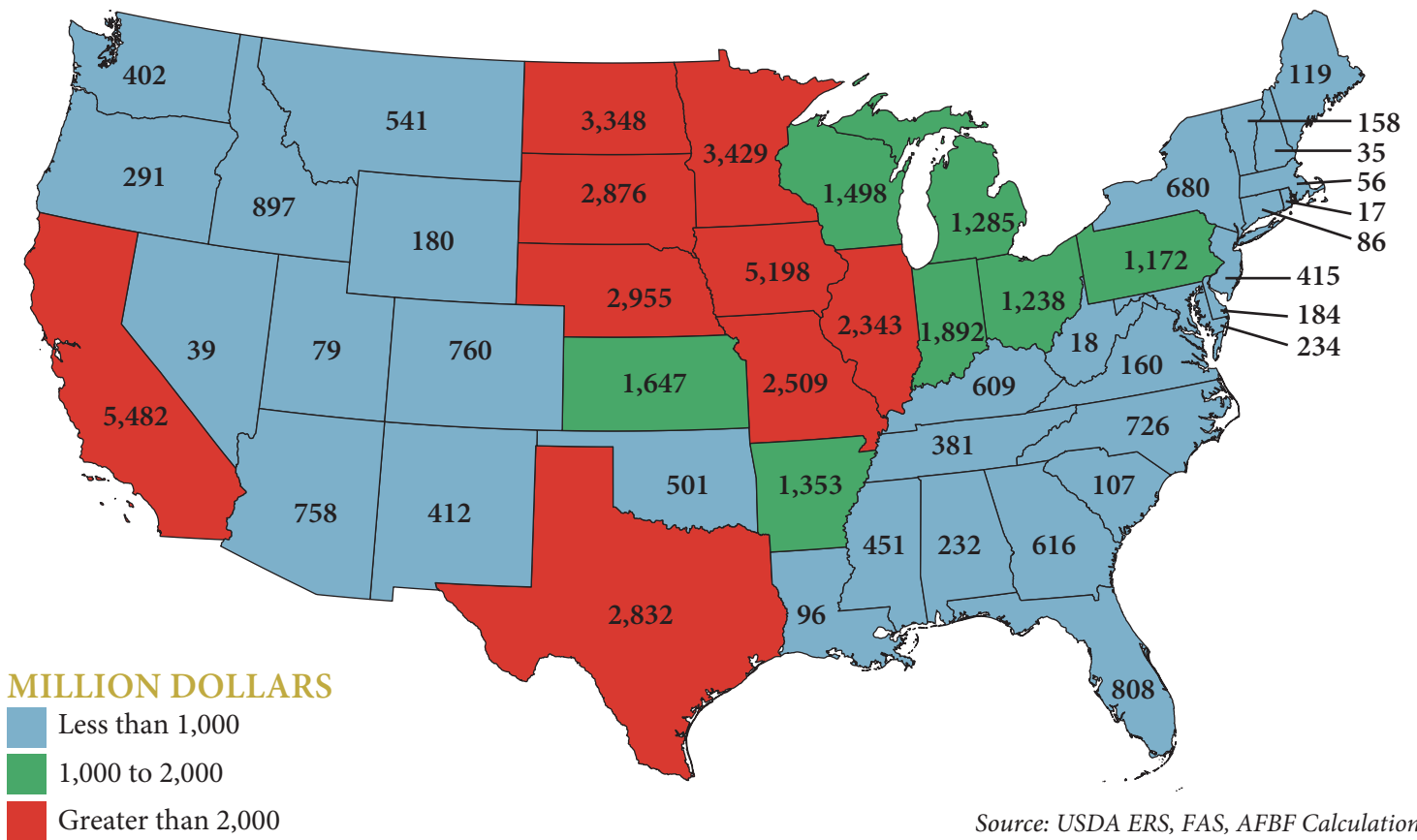


TABLE 1. NEBRASKA EXPORT VALUE (MILLION \$) TO MEXICO & CANADA, 2016

	Corn	Ethanol	DDGs	Soybeans	Soy Meal	Beef	Pork	Wheat
Mexico	\$320	----	\$21	\$251	\$142	\$132	\$13	\$44
Canada	\$8	\$4	\$4	----	\$2	\$115	\$63	----

Source: U.S. Census Bureau Trade Data, U.S. State Export Data

The United States, Mexico, and Canada are presently engaged in negotiations to update and modernize NAFTA. The negotiations started earlier this year and are expected to spill into next year. President Trump has threatened to withdraw the United States from NAFTA if the negotiations do not conclude to his satisfaction. The United States’ withdrawal from NAFTA could severely disrupt the flow of U.S. agricultural exports to Mexico and Canada. American Farm Bureau Federation economist John Newton says, “Total withdrawal from NAFTA would make U.S. farmers and ranchers less competitive in our top export markets—and could result in billions of dollars of agricultural products accumulating in inventories—further weakening the U.S. farm economy.” Because Mexico and Canada are Nebraska agriculture’s two largest customers, Nebraska has much at risk in the NAFTA negotiations.

One way to measure the prominence of exports to Mexico and Canada from Nebraska is to couch export value on a per unit basis. A per unit basis expresses the value of commodity exports in terms similar to prices received by farmers and ranchers. Table 2 shows the estimated per unit values of Nebraska exports to Mexico and Canada for selected commodities. The per unit values were calculated by dividing export values for each commodity by their respective production volumes or livestock inventory. The per unit value for soybeans includes the value of soybean meal exports, and the per unit value of corn includes the value of ethanol and distillers dried grains exports. These processed products are included to capture the overall value of the exports attributable to a commodity. The resulting figures provide a reasonable reflection of the value of exports to Mexico and Canada for farmers and ranchers in Nebraska. Clearly, the figures in Table 2 demonstrate that exports of these commodities to Mexico and Canada are key contributors to the value received by producers of these commodities.

TABLE 2. PER UNIT VALUE OF NEBRASKA EXPORTS TO MEXICO & CANADA, 2016*

Soybeans**	Beef	Corn**	Pork	Wheat
\$1.28/bu.	\$38.22/hd.	\$0.21/bu.	\$22.16/hd.	\$0.75/bu

**Estimates based on U.S. Census Bureau Trade Data, U.S. State Export Data, and USDA National Agricultural Statistics Service Data.*

***Includes value of soybean meal, ethanol, and distillers dried grains in per unit value estimates.*

VALUE OF NAFTA EXPORTS TO NEBRASKA COUNTIES

Data on the value of Nebraska agricultural exports to Mexico and Canada exist, but data on the value of exports to Nebraska counties does not. Counties do not share equally in the benefits created by agricultural exports. Each Nebraska county is unique and commodities are not produced uniformly across counties. Thus, the importance of Mexican and Canadian export markets for counties and the sensitivity of a county’s agriculture to these markets will vary.

To shed light on the relative magnitude of agriculture exports to Canada and Mexico to Nebraska counties, commodity export values were allocated to counties based on each county’s share of total state production. Commodity export values for each commodity were then summed to estimate the total value of exports to NAFTA partners. Commodities included in the analysis are corn, soybeans, wheat, beef, and pork. Processed goods such as soybean meal, distillers dried grains, and ethanol are also included and allocated to counties based on soybean and corn production. The estimated export values provide farmers and ranchers, industry stakeholders, and policymakers an idea of the prominence of exports to Mexico and Canada to a county. The analysis is not all-encompassing in that there are agricultural products exported from Nebraska to Mexico and Canada besides those included in the analysis. However, difficulty in obtaining export data or production data prevented their inclusion in the analysis.

This analysis also estimated a per farm value in each county for exports to Mexico and Canada. The per farm value is calculated by dividing the estimated total NAFTA export value calculated for each county by the number of farms in the county reported by the 2012 USDA Census of Agriculture. The resulting county figures provide another way to demonstrate the relative importance of exports to NAFTA partners.

Both estimates should be “taken with a grain of salt” and are not meant to denote exact dollar figures for county exports. Tracing the value of commodity exports back to a county is fraught with difficulty. For example, a commodity could be produced in one county, sold to an elevator in another county, and processed in a third county, dispersing the value of the exports across all three counties. Rather, the estimates are meant to provide approximate the significance of NAFTA exports by a commodity to a county. The appendix provides a further discussion of the approach used and difficulties of tracing export value to counties for those readers interested. Finally, not all counties have estimates for each commodity because data was lacking for some counties.

Table 3 lists the estimated total NAFTA export value for each county in descending order along with the estimated per farm export value. Figure 3 plots the county total export values on a map while Figure 4 plots the per farm values. Platte County, because of the breadth of its agriculture, is the most reliant of Nebraska counties on agricultural trade with Canada and Mexico in terms of total export value. Exports to the two NAFTA partners were estimated to be worth nearly \$35 million to Platte County. This equates to almost \$37,000 per farm. Other counties near the top include Cuming, Custer, and Holt counties with export values exceeding \$30 million. At the other end of the spectrum, Hooker and Arthur counties are the least reliant on trade with NAFTA partners with export values at less than \$1 million. In general, the eastern one-third of Nebraska’s counties is more reliant on trade with Mexico and Canada compared to those in the western portion of the state. This only makes sense given the degree of commodity production and livestock feeding which occurs in eastern Nebraska.

The importance of trade with Mexico and Canada across Nebraska counties looks different when measuring on a per-farm basis. On this scale, Phelps County scores as the most reliant on NAFTA trade with export value per farm exceeding \$55,000. Other counties more reliant on trade with these two countries on a per-farm basis are Kearney, Boone, Clay, and Fillmore counties. Exports of soybeans and corn and their processed goods are of primary importance to all these counties. Exports to NAFTA partners in Dawes, Douglas, Boyd, and Scotts Bluff counties are the least important to farmers and ranchers on a per farm basis.

Table 4 details the estimated export value for each commodity across the counties. Each county is unique in terms of the commodities of importance for exports to NAFTA partners. As noted above, Platte County tops the state in terms of total export value, and this is due primarily to the value of soybeans and its byproducts and pork exports, but exports of corn and its processed goods are relatively important as well. Exports of corn and soybeans and their processed goods, beef, and pork are of relatively equal importance to Holt County. Beef exports to Mexico and Canada bolster the importance of trade to Cuming and Custer counties.

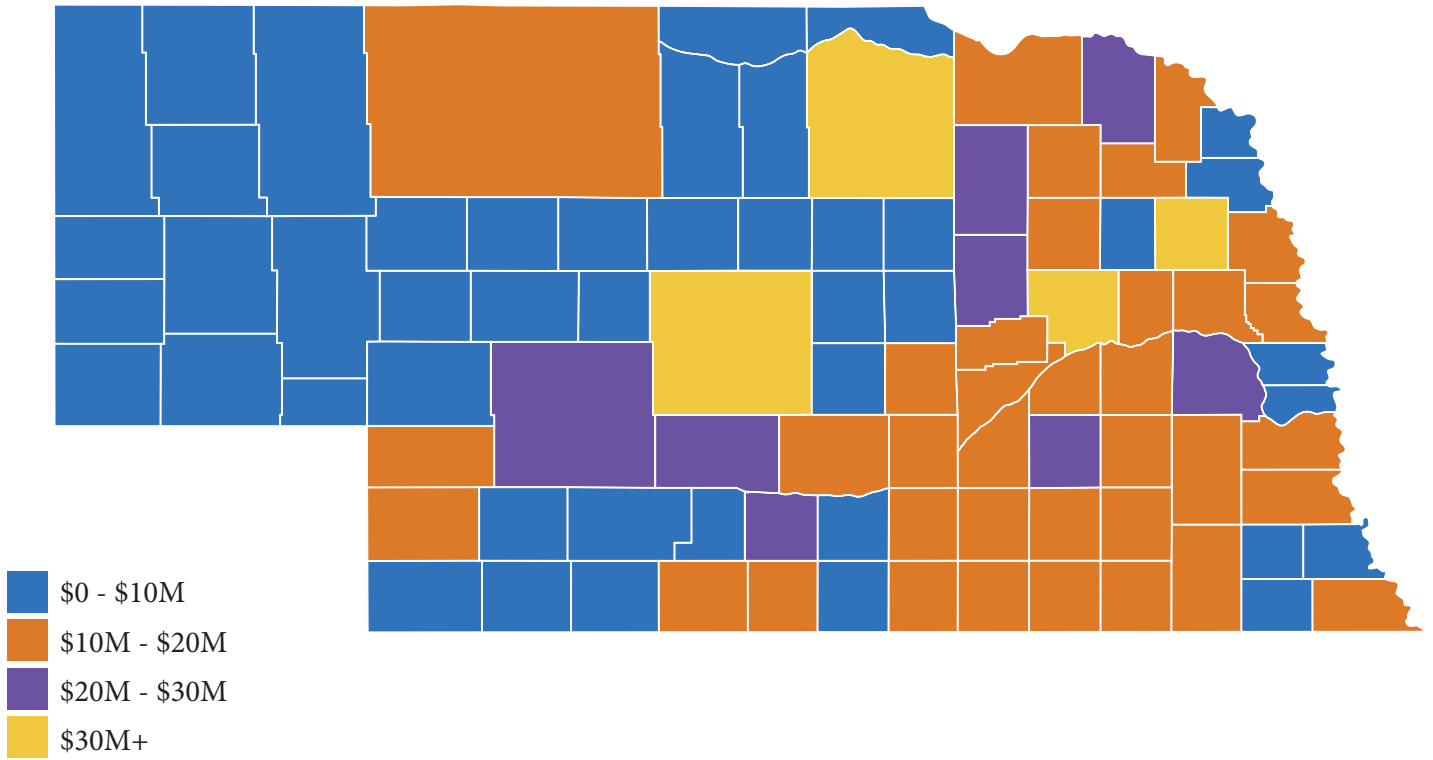
TABLE 3. ESTIMATED TOTAL NAFTA EXPORT VALUE AND PER FARM EXPORT VALUE

County	NAFTA Export Value (\$)	NAFTA \$ per farm	County	NAFTA Export Value (\$)	NAFTA \$ per farm	County	NAFTA Export Value (\$)	NAFTA \$ per farm
Platte	\$34,676,704	\$36,812	Lancaster	\$14,831,249	\$8,078	Sherman	\$7,301,046	\$17,635
Cuming	\$31,592,955	\$34,415	Wayne	\$14,756,050	\$28,487	Dundy	\$7,091,609	\$28,263
Custer	\$32,262,425	\$23,123	Polk	\$14,477,125	\$31,067	Scotts Bluffs	\$6,988,176	\$7,234
Holt	\$30,494,275	\$23,842	Saline	\$14,132,955	\$18,694	Stanton	\$6,811,476	\$11,004
Antelope	\$28,698,778	\$37,417	Richardson	\$13,373,698	\$18,171	Sheridan	\$6,549,382	\$12,219
Boone	\$27,173,992	\$42,065	Hall	\$13,287,290	\$22,407	Dakota	\$6,464,585	\$26,603
Dawson	\$26,060,288	\$32,333	Dixon	\$12,989,888	\$22,789	Johnson	\$6,106,493	\$10,403
Cedar	\$23,070,107	\$24,569	Chase	\$12,673,483	\$37,057	Thurston	\$5,879,179	\$16,020
Saunders	\$22,481,064	\$18,672	Nuckolls	\$12,574,623	\$28,907	Hitchcock	\$5,398,357	\$18,055
Phelps	\$22,464,573	\$55,468	Merrick	\$12,441,303	\$25,287	Rock	\$5,381,817	\$21,789
Lincoln	\$21,867,194	\$18,722	Washington	\$11,980,065	\$14,592	Hayes	\$4,666,664	\$19,858
York	\$20,558,555	\$38,001	Perkins	\$11,913,286	\$30,237	Wheeler	\$4,396,013	\$22,202
Gage	\$19,937,538	\$15,786	Nance	\$11,296,722	\$31,822	Sioux	\$3,823,547	\$10,801
Buffalo	\$19,931,273	\$19,055	Cherry	\$11,104,012	\$19,618	Sarpy	\$3,777,583	\$9,539
Fillmore	\$19,522,525	\$41,361	Howard	\$10,858,621	\$15,922	Banner	\$3,620,438	\$18,759
Clay	\$19,216,084	\$42,048	Webster	\$10,679,100	\$25,246	Kimball	\$3,482,978	\$8,664
Colfax	\$18,690,682	\$33,738	Harlan	\$10,235,257	\$28,431	Keya Paha	\$3,339,508	\$13,687
Seward	\$18,186,554	\$18,333	Furnas	\$10,102,902	\$25,971	Deuel	\$3,319,751	\$14,007
Madison	\$18,060,904	\$23,985	Morrill	\$9,617,046	\$18,783	Douglas	\$2,794,279	\$7,056
Hamilton	\$17,418,843	\$31,479	Frontier	\$9,475,763	\$29,892	Dawes	\$2,599,382	\$5,273
Dodge	\$17,418,843	\$22,710	Nemaha	\$9,324,637	\$20,675	Garden	\$2,408,251	\$9,227
Kearney	\$17,413,621	\$50,621	Valley	\$9,184,011	\$22,846	Garfield	\$2,125,002	\$9,403
Butler	\$17,348,435	\$20,653	Keith	\$8,949,810	\$23,067	Logan	\$2,086,616	\$14,004
Adams	\$17,325,731	\$30,557	Franklin	\$8,908,067	\$26,355	Boyd	\$1,917,532	\$7,209
Otoe	\$16,003,340	\$17,841	Cheyenne	\$8,494,844	\$15,306	Blaine	\$1,781,374	\$15,225
Knox	\$16,000,720	\$14,815	Greeley	\$8,426,670	\$21,662	McPherson	\$1,539,205	\$13,044
Thayer	\$15,791,214	\$36,554	Gosper	\$8,329,964	\$32,038	Grant	\$1,185,012	\$14,813
Jefferson	\$15,607,030	\$24,892	Pawnee	\$8,295,926	\$15,363	Loup	\$1,157,327	\$8,386
Burt	\$15,443,404	\$27,578	Box Butte	\$8,190,775	\$17,577	Thomas	\$1,012,994	\$11,644
Pierce	\$15,271,797	\$22,558	Brown	\$7,564,114	\$26,061	Arthur	\$993,881	\$11,693
Cass	\$14,831,249	\$20,688	Red Willow	\$7,443,787	\$18,380	Hooker	\$823,245	\$10,040

*Estimates based on U.S. Census Bureau Trade Data, U.S. State Export Data, and 2012 USDA Census of Agriculture.

**Includes value of soybean meal, ethanol, and distillers dried grains in per unit value estimates.

NAFTA EXPORT VALUE BY COUNTY



NAFTA EXPORT VALUE BY FARM

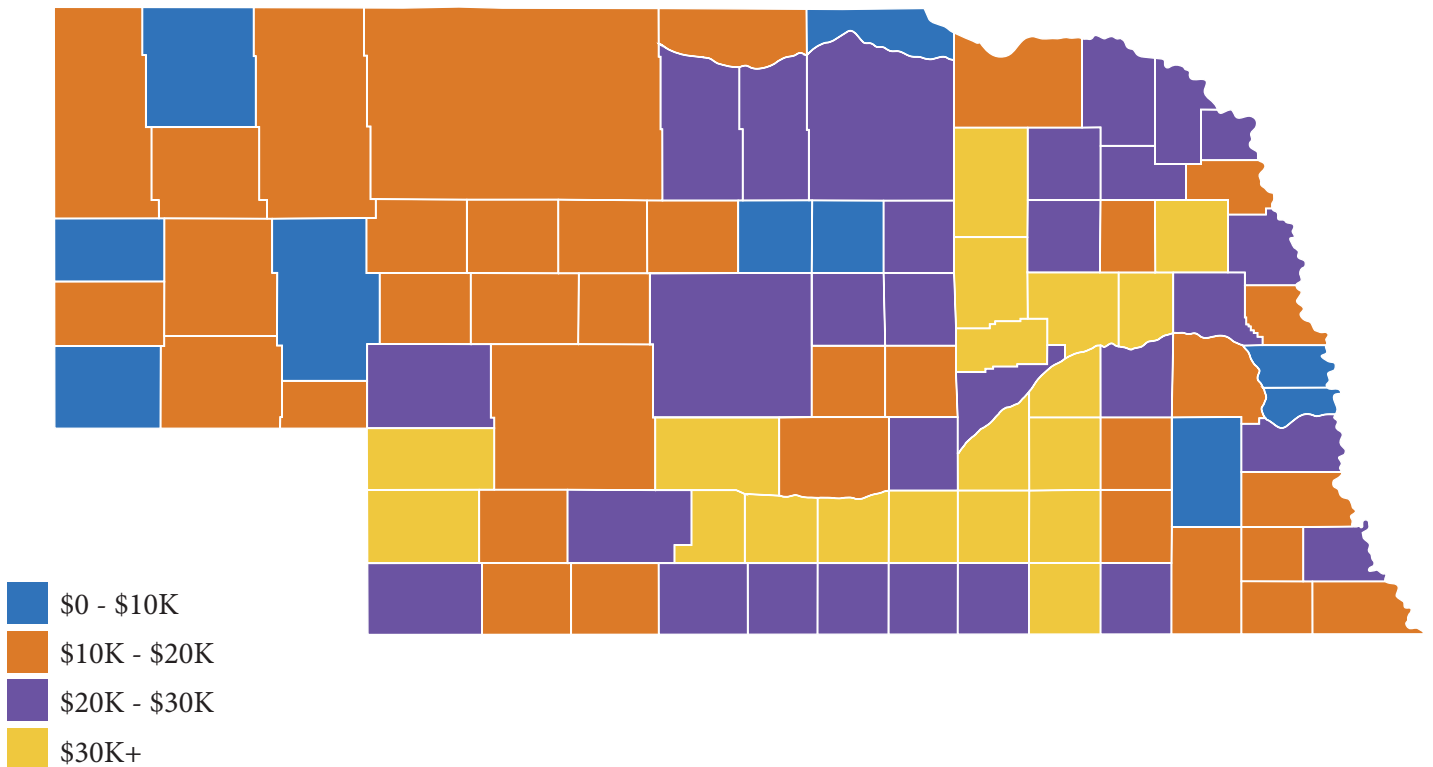


TABLE 4. ESTIMATED EXPORT VALUE BY COMMODITY

County	Soybean Export Value (\$)	Corn Export Value (\$)	Wheat Export Value (\$)	Beef Export Value (\$)	Pork Export Value (\$)
Adams	\$7,358,291	\$7,264,599	\$-	\$2,293,572	\$409,269
Antelope	\$10,906,567	\$8,513,976	\$-	\$4,396,013	\$4,882,221
Arthur	\$-	\$-	\$-	\$993,881	\$-
Banner	\$-	\$310,351	\$1,207,646	\$2,102,441	\$-
Blaine	\$-	\$99,421	\$-	\$1,681,953	\$-
Boone	\$9,753,893	\$7,295,446	\$-	\$3,746,168	\$6,378,486
Box Butte	\$-	\$2,139,511	\$3,259,001	\$2,790,513	\$1,750
Boyd	\$-	\$-	\$109,480	\$1,796,631	\$11,420
Brown	\$878,431	\$1,907,408	\$-	\$4,778,275	\$-
Buffalo	\$7,291,245	\$8,358,276	\$160,895	\$4,013,751	\$107,106
Burt	\$8,978,997	\$4,717,793	\$-	\$974,768	\$771,846
Butler	\$8,762,387	\$5,784,610	\$-	\$1,318,804	\$1,482,634
Cass	\$9,731,974	\$4,854,188	\$22,718	\$378,439	\$135,564
Cedar	\$9,083,434	\$7,087,916	\$-	\$4,778,275	\$2,120,483
Chase	\$915,693	\$5,612,543	\$2,322,627	\$3,822,620	\$-
Cherry	\$-	\$974,069	\$-	\$10,129,943	\$-
Cheyenne	\$82,260	\$-	\$6,157,054	\$2,255,346	\$184
Clay	\$6,957,304	\$6,265,769	\$72,339	\$1,987,762	\$3,932,908
Colfax	\$6,458,328	\$4,205,788	\$-	\$3,325,680	\$4,700,887
Cuming	\$9,590,146	\$6,351,174	\$-	\$11,467,860	\$4,183,775
Custer	\$6,638,836	\$8,757,808	\$248,255	\$11,276,729	\$4,340,796
Dakota	\$3,812,592	\$2,365,296	\$-	\$286,697	\$-
Dawes	\$-	\$-	\$-	\$2,599,382	\$-
Dawson	\$5,630,569	\$8,618,895	\$687,073	\$9,174,288	\$1,949,463
Deuel	\$-	\$-	\$2,622,745	\$695,717	\$1,289
Dixon	\$6,758,745	\$4,434,511	\$-	\$1,796,631	\$-
Dodge	\$8,908,083	\$5,410,469	\$-	\$1,605,500	\$1,494,791
Douglas	\$1,650,361	\$1,048,352	\$-	\$95,566	\$-
Dundy	\$387,190	\$2,388,589	\$1,754,674	\$2,561,156	\$-
Fillmore	\$9,057,647	\$7,967,557	\$-	\$1,204,125	\$1,293,195
Franklin	\$3,906,715	\$3,698,818	\$385,984	\$898,316	\$18,235
Frontier	\$1,775,428	\$3,414,278	\$1,985,592	\$2,217,120	\$83,346
Furnas	\$2,142,891	\$3,812,970	\$2,809,123	\$1,337,917	\$-
Gage	\$11,267,584	\$5,378,573	\$296,905	\$1,357,030	\$1,637,445
Garden	\$-	\$-	\$-	\$2,408,251	\$-
Garfield	\$-	\$423,936	\$-	\$1,701,066	\$-
Gosper	\$3,040,275	\$3,605,650	\$632,819	\$1,051,221	\$-
Grant	\$-	\$-	\$-	\$1,185,012	\$-
Greeley	\$3,335,535	\$2,797,563	\$-	\$2,293,572	\$-
Hall	\$3,451,576	\$7,086,027	\$-	\$2,637,608	\$112,079
Hamilton	\$7,083,660	\$9,030,598	\$-	\$1,586,387	\$305,386
Harlan	\$3,556,013	\$3,810,662	\$1,167,516	\$1,701,066	\$-
Hayes	\$-	\$2,564,223	\$-	\$2,102,441	\$-

County	Soybean Export Value (\$)	Corn Export Value (\$)	Wheat Export Value (\$)	Beef Export Value (\$)	Pork Export Value (\$)
Hitchcock	\$-	\$1,421,864	\$2,944,386	\$1,032,107	\$-
Holt	\$7,551,692	\$7,195,772	\$121,811	\$8,792,026	\$6,832,973
Hooker	\$-	\$-	\$-	\$821,863	\$1,381
Howard	\$3,678,501	\$3,905,929	\$40,280	\$3,096,322	\$137,590
Jefferson	\$7,237,092	\$3,782,964	\$294,513	\$1,108,560	\$3,183,901
Johnson	\$3,512,175	\$1,794,117	\$100,139	\$531,344	\$168,718
Kearney	\$7,105,579	\$6,880,176	\$293,318	\$3,134,549	\$-
Keith	\$1,232,356	\$3,705,533	\$1,871,254	\$2,140,667	\$-
Keya Paha	\$258,900	\$634,131	\$-	\$2,446,477	\$-
Kimball	\$-	\$511,795	\$2,236,687	\$733,943	\$553
Knox	\$6,093,443	\$5,071,160	\$57,841	\$4,778,275	\$-
Lancaster	\$8,873,271	\$4,698,907	\$83,698	\$840,976	\$334,396
Lincoln	\$3,503,150	\$7,201,648	\$837,730	\$10,321,074	\$3,592
Logan	\$-	\$978,056	\$-	\$1,108,560	\$-
Loup	\$-	\$-	\$-	\$1,127,673	\$29,655
Madison	\$8,287,908	\$5,708,859	\$-	\$3,555,037	\$509,100
McPherson	\$-	\$143,949	\$-	\$1,395,256	\$-
Merrick	\$5,061,968	\$4,293,710	\$-	\$1,739,292	\$1,346,334
Morrill	\$-	\$2,517,219	\$1,174,765	\$5,925,061	\$-
Nance	\$3,985,365	\$3,059,651	\$-	\$1,089,447	\$3,162,259
Nemaha	\$5,813,656	\$2,716,566	\$51,788	\$374,617	\$368,011
Nuckolls	\$5,582,863	\$4,338,195	\$809,332	\$1,471,709	\$372,523
Otoe	\$9,369,668	\$4,626,094	\$-	\$535,167	\$1,472,412
Pawnee	\$4,573,306	\$2,128,389	\$146,472	\$1,185,012	\$262,746
Perkins	\$-	\$6,466,794	\$4,146,801	\$1,299,691	\$-
Phelps	\$8,137,055	\$7,829,064	\$-	\$6,498,454	\$-
Pierce	\$7,711,571	\$5,572,464	\$-	\$1,987,762	\$-
Platte	\$10,811,156	\$8,454,802	\$-	\$4,969,406	\$10,441,340
Polk	\$7,060,452	\$4,779,066	\$-	\$2,637,608	\$-
Red Willow	\$1,419,569	\$3,577,742	\$-	\$2,446,477	\$-
Richardson	\$7,211,305	\$3,833,744	\$68,005	\$1,242,352	\$1,018,292
Rock	\$1,086,402	\$778,605	\$-	\$3,516,811	\$-
Saline	\$7,760,566	\$5,217,837	\$160,671	\$993,881	\$-
Sarpy	\$2,440,730	\$1,183,488	\$-	\$152,905	\$460
Saunders	\$12,665,234	\$6,977,541	\$-	\$2,675,834	\$162,455
Scotts Bluff	\$-	\$2,783,294	\$-	\$4,204,882	\$-
Seward	\$9,100,195	\$5,619,468	\$43,717	\$1,853,971	\$1,569,203
Sheridan	\$-	\$1,275,397	\$1,259,958	\$4,013,751	\$276
Sherman	\$2,480,699	\$3,081,055	\$-	\$1,739,292	\$-
Sioux	\$-	\$-	\$192,058	\$3,631,489	\$-
Stanton	\$-	\$3,838,781	\$-	\$1,873,084	\$1,099,612
Thayer	\$7,849,531	\$5,981,648	\$482,012	\$1,242,352	\$235,671
Thomas	\$-	\$-	\$-	\$1,012,994	\$-
Thurston	\$-	\$3,825,561	\$-	\$1,777,518	\$276,100

County	Soybean Export Value (\$)	Corn Export Value (\$)	Wheat Export Value (\$)	Beef Export Value (\$)	Pork Export Value (\$)
Valley	\$3,303,301	\$2,865,551	\$71,741	\$2,943,418	\$-
Washington	\$6,632,389	\$3,445,124	\$-	\$1,089,447	\$813,105
Wayne	\$7,879,186	\$5,252,251	\$-	\$1,624,614	\$-
Webster	\$3,812,592	\$3,031,743	\$929,574	\$2,905,191	\$-
Wheeler	\$-	\$-	\$-	\$4,396,013	\$-
York	\$8,335,614	\$9,319,755	\$-	\$1,739,292	\$1,163,894

**Estimates based on U.S. Census Bureau Trade Data, U.S. State Export Data, and 2012 USDA Census of Agriculture.*

***Includes value of soybean meal, ethanol, and distillers dried grains in per unit value estimates.*

CONCLUSION

The United States, Mexico, and Canada are presently engaged in negotiations to update and modernize NAFTA. President Trump has threatened to withdraw the United States from the agreement if the negotiations do not conclude to his satisfaction. U.S. agricultural exports to Mexico and Canada have grown tremendously since the agreement was first implemented in 1994. Withdrawal by the United States from NAFTA could severely disrupt the flow of U.S. agricultural exports to Mexico and Canada. AFBF economist John Newton says, “Total withdrawal from NAFTA would make U.S. farmers and ranchers less competitive in our top export markets—and could result in billions of dollars of agricultural products accumulating in inventories—further weakening the U.S. farm economy.” Because Mexico and Canada are Nebraska agriculture’s two largest customers, Nebraska farmers and ranchers have much at risk in the NAFTA negotiations.

This analysis examined various means to measure the relative value of exports to Mexico and Canada to Nebraska farmers and ranchers across Nebraska counties. Per unit values, the total dollar value by county, and per farm values of exports to Mexico and Canada were estimated to describe the reliance of different areas of the state to trade with NAFTA partners. The analysis identifies which Nebraska counties potentially have the most at risk if trade with the NAFTA partners is disrupted. It is hoped this analysis will help Farm Bureau members, industry stakeholders, and policymakers better understand how much Nebraska agriculture relies on export markets in Mexico and Canada.

APPENDIX: DESCRIPTION OF ANALYSIS

The production-based approach used in the analysis is patterned after the approach formerly used by the USDA Economic Research Service to allocate export value to states. Each county's production share of total state production for a commodity was calculated and multiplied by the commodity's total export value for the state. In this way, each county's export value for a commodity can be estimated. USDA Economic Research Service now uses a cash receipts-based methodology for allocating export value. This analysis uses the production-based methodology instead to take advantage of the most recent data available. Commodity cash receipts are only reported at the county level in the Census of Agriculture conducted every five years and the last census was performed in 2012.

The approach can provide reasonable estimates of the relative importance of exports to the counties, but it does have shortcomings. For example, the value of beef and pork exports includes other costs like processing, transportation, margins, etc. These costs are reflected in the export value attributable to a state, and will consequently be reflected in the county value estimates. In addition, the value of beef and pork exports adds value for producers of corn and soybeans, and this value is not reflected in county level values of these commodities. A commodity produced in one county can be sold in another county, and processed in a third county, further dispersing the value of the exports sold. However, even with these shortcomings, the figures can provide a reasonable approximation of the magnitude or importance of various commodity exports to NAFTA partners to counties.

County and state-level production data for 2016 for corn, soybeans, wheat, sorghum, and dry beans comes from USDA-NASS. Cattle numbers for 2016, including both cows and calves, also comes from USDA-NASS. County level data for hog numbers was not available, so a receipts-based approach was used using data from the 2012 USDA Census of Agriculture. Production data was not available for all counties due to the insufficiency of the data. Thus, some counties may not have estimates for a specific commodity. Nebraska 2016 export data to Mexico and Canada comes from the U.S. Census Bureau.

The analysis also sought to account for the export of products and byproducts which could be traced to a specific commodity, such as soybean meal, ethanol, and distillers dried grains. The export value for these processed goods was apportioned to counties based on counties' corn and soybean production share. To estimate the value of exports of beef and veal for each county, the share of each county's cattle inventory of the state's total inventory was calculated. The estimated share serves as a reasonable proxy of the importance of beef cattle in the county. Each county's share was then multiplied by the beef and veal export value for the state to estimate the value of beef exports to the county. Using this approach, estimated export value encompasses transportation costs, slaughtering-fabricating costs, and other transaction costs embedded in the price of the final product in the export market. Also, using total cattle inventory blends both the cow/calf and feeding sectors of the industry in the figures. However, given the goal of the analysis is to estimate the relative importance of NAFTA exports to Nebraska counties, it was felt the approach taken was reasonable.



Report completed Dec. 1, 2017