

## A Brief on Beef

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VOL. 2, ISSUE 1, MAY 2023

May marks National Beef Month in the United States. According to the [2017 Census of Agriculture data](#), there are nearly 730,000 beef farms across the country that account for 35% of all U.S. farm operations. More than 89 million head of cattle were recorded in the January 1 cattle report from [USDA NASS](#). Commercial production of beef nationally reached more than 28 billion pounds in 2022, according to USDA's [May WASDE report](#). The most recent WASDE report also indicated 3.5 million pounds of beef were exported in 2022.

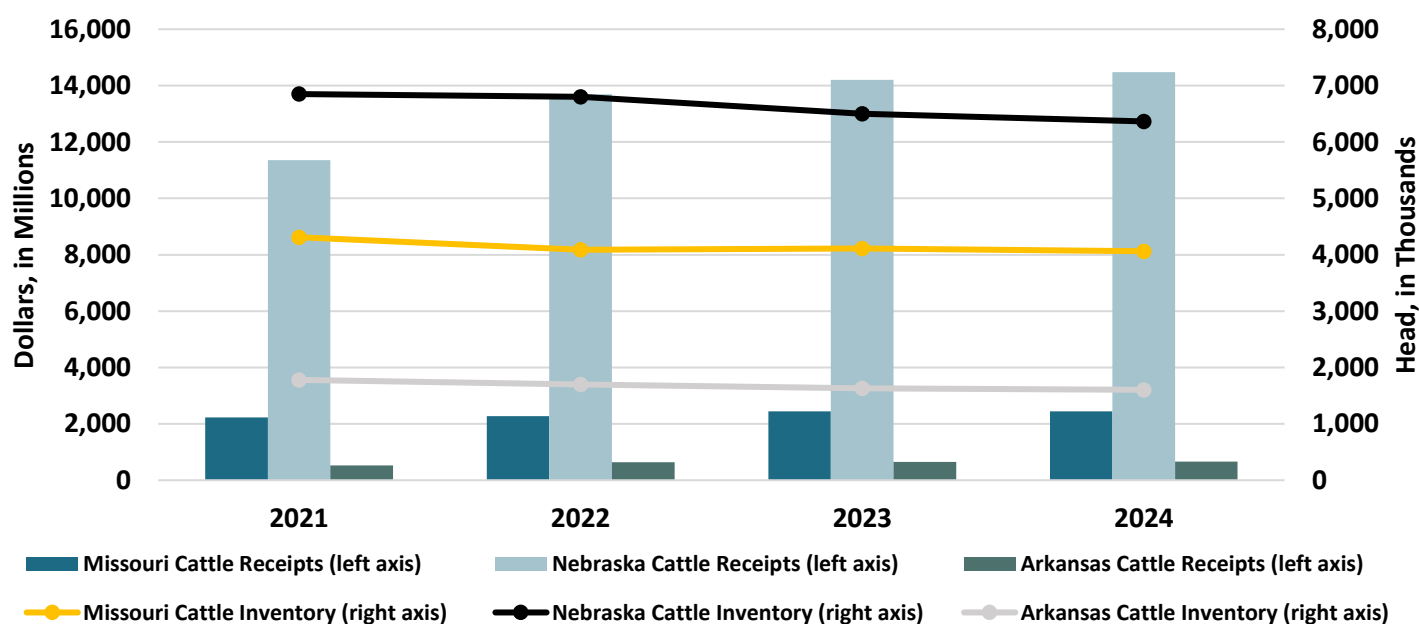
This beef brief will take a closer look at the financial and economic impact of beef production and key differences within RaFF's collaborating states, based on the spring 2023 farm income outlooks.

### Economic impact of beef

Nationally, the beef industry continues to be a top contributor to the broader agriculture industry. A [2017 assessment of U.S. beef production](#) from the Beef Checkoff found that the beef industry contributed more than \$165 billion in added value to the U.S. economy and nearly 2.1 million jobs.

Similar impacts are seen across RaFF's collaborating states. In RaFF's top beef production states, tens of thousands of jobs and billions of dollars in added value drive state economics. For example, a 2021 [economic contribution study of Missouri agriculture and forestry](#) found that the state's cattle industry (not including meat processing) provided \$0.5 billion to the state economy, along with more than 16,000 jobs. Researchers at the University of Nebraska-Lincoln found that the [economic impact of the cattle industry](#) (including beef and dairy) was to the tune of \$14.37 billion to the state economy in 2017, as well as an excess of 70,000 jobs. Finally, a 2022 [report on the Kansas beef industry](#), produced by the Kansas Department of Agriculture, found that the state's beef industry's impacts result in \$15.6 billion added to the state economy and more than 66,000 jobs. Despite Arkansas' strong poultry production numbers, the state's beef industry makes significant economic contributions. According to the [Arkansas Department of Agriculture](#), the state's cattle industry contributed \$385 million to Arkansas' state economy in 2012.

**Figure 1. Changes in Cattle Inventory and Receipts Across RaFF Collaborating States, 2021-24**



Source: Rural and Farm Finance Policy Analysis Center graphic using data from the spring 2023 farm income outlooks for Missouri, Nebraska and Arkansas.

## Key stories from RaFF farm income outlooks

Beef inventories and receipts varied across RaFF's collaborating states, largely due to geographic differences and abnormal weather patterns straining production. The spring 2023 farm income outlooks for Missouri, Nebraska and Arkansas highlight changes in inventory and impact in terms of cattle receipts. Figure 1 highlights the following insights.

In Missouri, strong consumer demand for animal protein continued to support cattle prices. Despite cattle inventories remaining lower than January 2021 numbers, the state saw growth between 2022 and 2023; atypical weather did not affect herd inventories as significantly as other RaFF collaborating states. Cattle receipts are projected to increase \$167 million to \$2.45 billion, which accounts for 16% of all farm receipts in the state.

As mentioned in previous coverage of the Nebraska farm income outlook, drought significantly impacted livestock receipts in the Cornhusker state. Cattle and calf receipts are projected to rise more than \$500 million and account for nearly 45% of all farm receipts, despite tight inventories caused by weather-related herd liquidation; these liquidations were offset by higher prices.

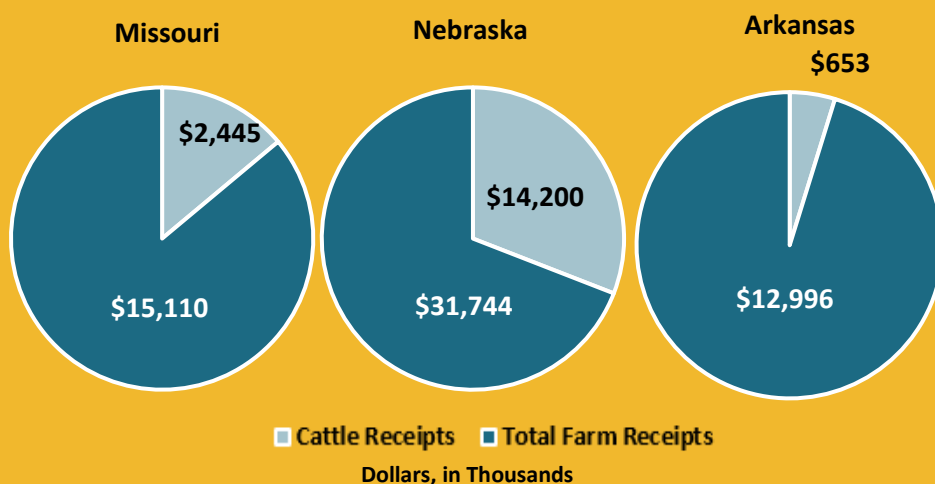
Arkansas was another state adversely impacted by drought conditions and subsequent herd liquidations. Cattle inventories shrank to start 2023. Despite tighter marketings, cattle receipts are expected to rise \$15 million in 2023 – roughly 5% of total farm receipts for the state.

In summary, the beef industry remains a key economic driver at the state and national level. To see how inventories and receipts shift in 2023 and beyond, stay tuned for the fall 2023 farm income outlooks in September and October of this year.

## Key Takeaways

- ▶ The United States beef industry provides a multibillion-dollar contribution to the national economy, along with millions of jobs.
- ▶ Cattle inventories and receipts vary across RaFF's collaborating states, dependent upon geographic differences and production challenges.
- ▶ Figure 2 highlights the differences between states' cattle receipts as a share of total farm receipts projected in 2023.

**Figure 2. Cattle Receipts as a Share of Farm Receipts Across RaFF Collaborating States, 2023**



Source: Rural and Farm Finance Policy Analysis Center graphic using data from the spring 2023 farm income outlooks for Missouri, Nebraska and Arkansas.

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