

U.S. Pork – Kind of a Pig Deal

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In October, the United States recognizes Pork Month. According to USDA, the U.S. is the world's third-largest producer and consumer of pork and pork products. The 2017 [Census of Agriculture](#) suggests that there are more than 66,000 pig farms across the country, and the latest [USDA Quarterly Hogs and Pigs report](#) reports roughly 74.3 million head of hog inventory as of September 2023. The [October WASDE report](#) indicated that pork production reached nearly 27 billion pounds in 2022.

The U.S. has been one of the world's top five annual pork exporters since 2000. In 2022, [exports of U.S. pork and pork products exceeded \\$7 billion](#) in total value and grew an average 2.4% from 2013-22; top five export markets include Mexico, Japan, China, Canada and South Korea. This brief will examine the economic impact of the pork industry and will explore differences among RaFF's collaborating states, based on the fall 2023 farm income outlooks.

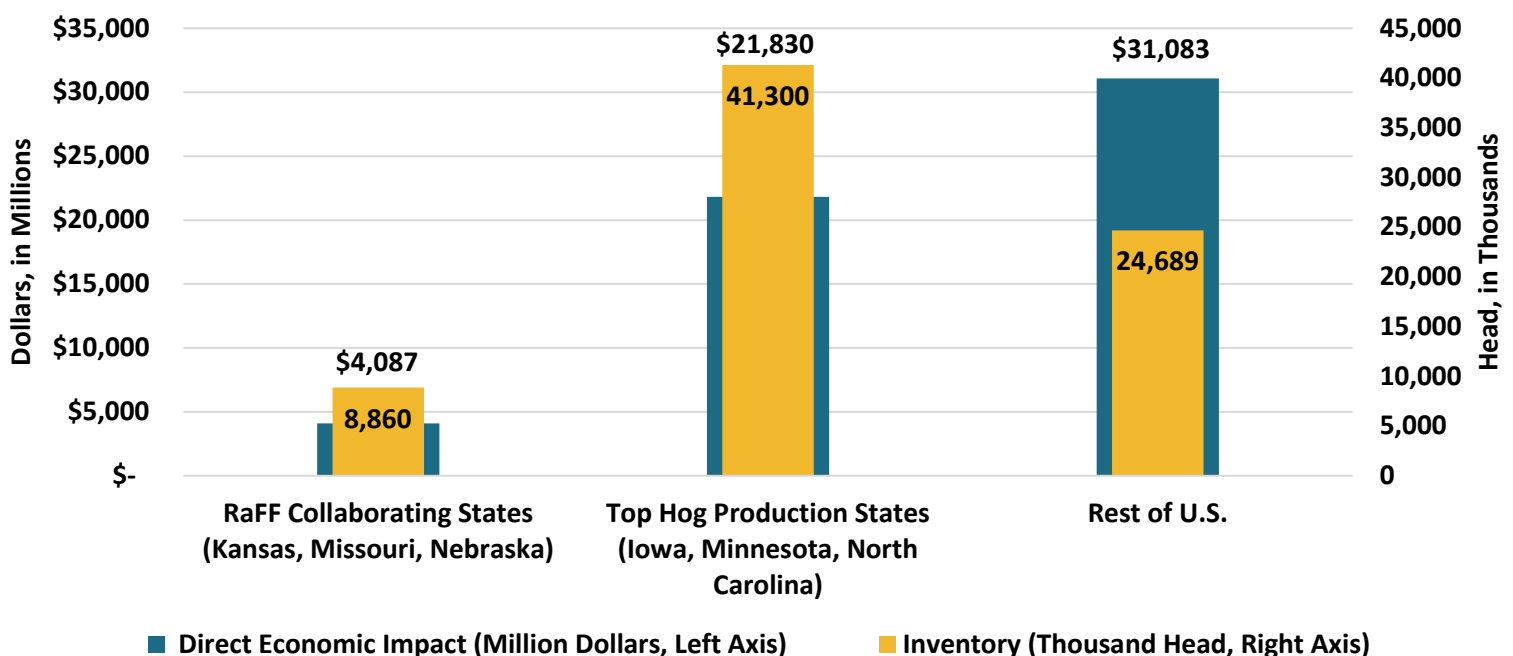
Key Takeaways

- ▶ The U.S. pork industry provides significant value to the agricultural economy at state and national levels, from direct economic impact to jobs and personal income.
- ▶ Hog inventories and receipts vary across RaFF's collaborating states, dependent upon geographic differences, production challenges and processing facility density.

Economic impact of the pork industry

Nationally, pork provides a significant value-add to the agriculture economy. A [2021 economic impact study](#) shared by the National Pork Producers Council (NPPC) found that the U.S. pork industry supported a total economic contribution of \$57 billion in added value (GDP) and 610,000 jobs nationally. NPPC also analyzes economic impact for a select set of states. Three of RaFF's collaborating states (Kansas, Missouri and Nebraska) have pork industries that contribute a cumulative \$4 billion in economic impact. Figure 1 provides a comparison between RaFF's collaborating states, top pork production states and the rest of the U.S. in terms of total hog inventory and economic impact.

Figure 1. Hog Production and Economic Impact Among States, 2022



Key stories from RaFF farm income outlooks

Much like beef and dairy, pork production varies in its contribution to farm income. The fall 2023 farm income outlooks for Arkansas, Kansas, Missouri and Nebraska highlight changes in hog inventory and receipts. Figure 2 depicts changes in hog receipts, by state, for 2021-24.

Arkansas is recognized as a poultry state and sees a smaller share of hog receipts. In December 2022, the total market hog and breeding herds rose, but are projected to drop slightly in December 2023. Marketings saw a slight increase from 2022 to 2023, and are projected to see another small increase in 2024. Receipts declined \$9 million in 2023 but are projected to increase in 2024. The state's roughly \$64 million in 2023 hog receipts account for 0.85% of all livestock receipts.

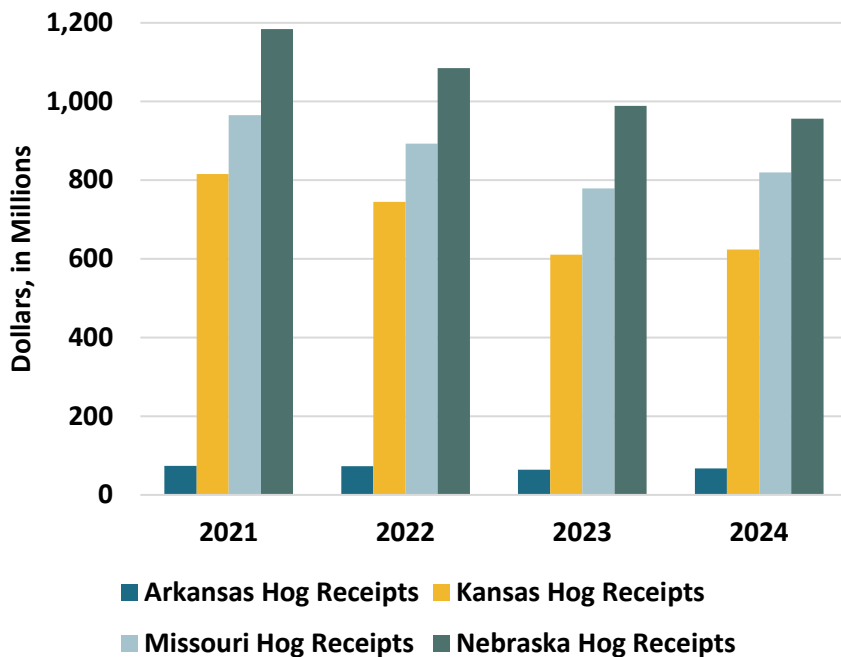
In Kansas, the total market hog and breeding herd inventory dropped 4% in December 2022. Despite increased marketings, hog receipts dropped \$135 million for 2023. Looking ahead, projections indicate that total inventory will decrease again, while marketings see another uptick. Kansas' \$611 million in 2023 hog receipts accounts for nearly 4% of the state's total livestock receipts.

Missouri's total market hog inventory saw a decrease for the second consecutive year in 2022. In the short-term, total inventory and marketings are projected to see an uptick in 2024. While hog receipts fell \$114 million in 2023, projections indicate a positive turn in receipts for 2024. The state's \$0.78 billion in hog receipts account for nearly 13% of total livestock receipts.

A largely beef production state, Nebraska saw similar declines in total hog inventory in December 2022. However, total marketings increased 7% in 2023 after a 14% drop between 2021 and 2022. Projections for 2024 indicate an increase in total inventory, but marketing and receipts are estimated to decline. Nebraska's nearly \$1 billion in hog receipts account for 5.6% of total livestock receipts in the state.

Despite the hog industry's challenges and difficult outlook for some states, it should be noted that the industry continues to pack a punch as an economic driver and important piece of the agricultural economy.

Figure 2. Hog Receipts by RaFF State, 2021-24



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

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