

Metro-area farms & development. . . Field crop acreage. . . Wheat supplies. . . Sweet corn. . . Canada's dairy export subsidies

U.S. Corn & Wheat Acreage Decline, While Soybean & Cotton Rise

Planted area for eight major U.S. field crops (corn, soybeans, wheat, barley, sorghum, oats, cotton, and rice) is expected to total 249.9 million acres in 2001, an overall decline of nearly 5 million acres from last year, when prices were higher for most crops at planting time. U.S. farmers—responding to planting delays for corn, relatively high soybean loan rates, and full planting flexibility under the 1996 Farm Act—planted an estimated record 75.4 million acres of soybeans in 2001. Higher expected returns and changes in crop insurance are making cotton more attractive than competing crops. For corn, weaker price expectations and rising input costs may have reduced plantings in 2001 to an estimated 76.1 million acres.



Canada's Subsidized Dairy Exports: The Issue of WTO Compliance

A *World Trade Organization* (WTO) compliance panel ruled against Canada in July in a dispute over the country's subsidized dairy exports. The ruling represents the third time since May 1999 that the WTO, in response to complaints from the U.S. and New Zealand, has found Canada's dairy export subsidies to be inconsistent with its WTO commitments. Under the WTO Agreement on Agriculture, countries agreed to hold the volume of subsidized exports to specific levels. Canada's dairy exports have exceeded those limits. Canada has announced its intention to appeal the July decision.

U.S. Wheat Supplies To Drop In 2001/02

Despite a strong domestic market for wheat products, U.S. wheat harvested area continues to drop, down more than one-third from its peak in 1981. Adverse weather is expected to push winter wheat harvested area in 2001 to its lowest level since 1988. Sharply reduced wheat production in 2001, combined with lower carryin stocks and only slightly higher

projected imports, will likely drop total wheat supplies to a 5-year low for the 2001/02 marketing year. Low returns relative to other crops, combined with planting flexibility provided under current government programs, have led to the substitution of competing crops for wheat. The low returns to wheat are due largely to lackluster export performance.

How Sweet It Is: Fresh Sweet Corn

Corn-on-the-cob is back. After more than a decade of nibbling, Americans enthusiastically embraced fresh-market sweet corn during the 1990s. U.S. sweet corn demand has trended higher over the past decade, due largely to improved quality, consistency, and marketability. Consumption reached record highs in the 1990s, enticed by new sweeter varieties and value-added packaging. The strong demand, along with rising production and higher shipping-point prices, pushed average crop value up to \$456 million. Among the developments supporting further growth in fresh sweet corn consumption will be an increase in off-season demand and the general upward trend in fresh vegetable use.

Development at & Beyond the Urban Fringe: Impacts on Agriculture

Urbanization and development are affecting the nature of U.S. agriculture, particularly at the urban fringe. Development at and beyond the urban fringe is following two routes: incremental expansion of urban areas, and scattered large-lot residential development in rural areas (greater than 1 acre per house). These patterns of development are creating conditions in which a variety of metro farm types coexists, reflecting different adaptations to urban influence.

Farms in metro areas are an increasingly important segment of U.S. agriculture, making up 33 percent of all farms and 18 percent of farmland. While low-density, fragmented settlement patterns can disrupt traditional agricultural landscapes, they do leave room for some agricultural production to continue. However, to adapt to the accompanying rise in land values and the increasing contact with new residents, metro-area farmers may have to alter their operations to emphasize higher value products, more intensive production, and urban marketing savvy.

Dissecting the Challenges of Mad Cow & Foot-and-Mouth Disease

Two animal diseases currently affecting European agriculture—foot-and-mouth disease (FMD) and bovine spongiform encephalopathy (BSE or "mad cow disease")—have made headlines throughout the world. Simultaneous occurrence of these diseases in Britain earlier this year caused confusion and concern among consumers worldwide. The combined costs to the country's economy have been shared by agriculture, consumers, tourism, and trade. Both diseases affect producers and consumers through changes in livestock product prices, availability of goods, and costs of production. Trade is also affected as governments restrict imports from infected countries.