

**Export Market Development Program Study
Video News Release
Sept. 22, 2016**

Suggested Lead:

Growing and keeping export markets has a big effect on income for American farmers and ranchers, especially at a time of low farm gate prices. Two USDA export promotion programs play a critical role in that effort. Now the results are in from a major econometric study measuring the effectiveness of these programs. With more on this story, here's reporter Russell Nemetz.

Reporter:

THIS IS THE THIRD STUDY OF EXPORT PROMOTION PROGRAMS ADMINISTERED BY THE USDA'S FOREIGN AGRICULTURAL SERVICE SINCE 2002. INFORMA ECONOMICS WORKED WITH DR. GARY WILLIAMS OF TEXAS A & M UNIVERSITY, WHO LED THE RESEARCH AND FOUR OTHER NOTED AGRICULTURAL ECONOMISTS. PRESENTING THE RESULTS AT A RECENT INDUSTRY MEETING, DR. WILLIAMS SAID THE STUDY PROVIDED OVERWHELMING EVIDENCE THAT THESE PROGRAMS HAVE A SIGNIFICANT, POSITIVE EFFECT ON U.S. AGRICULTURAL EXPORT DEMAND, ON FARM INCOME AND ON THE GENERAL ECONOMY.

Dr. Gary Williams, Professor of Agricultural Economics and Co-Director of the Agribusiness, Food and Consumer Economics Research Center at Texas A&M University

Reporter:

THE STUDY ALSO SHOWED THAT FARMERS AND RANCHERS, WHO ACTUALLY CONTRIBUTE MORE THAN 70 PERCENT OF THE FUNDING FOR USDA'S EXPORT PROMOTION PROGRAMS, GET A STRONG RETURN ON THE INVESTMENT. DR. WILLIAMS SAID BETWEEN 2002 AND 2014, FARM CASH INCOME INCREASED BY MORE THAN 27 BILLION DOLLARS AND FARM ASSET VALUE GREW BY MORE THAN 14 BILLION DOLLARS BECAUSE OF THESE PROGRAMS. HE ADDED THAT THE FARM SECTOR BENEFITS MULTIPLY THROUGHOUT THE ENTIRE ECONOMY.

Dr. Gary Williams

DR. WILLIAMS EMPHASIZED THAT THE RESULTS OF THE STUDY SHOWED THAT THESE ARE MORE THAN JUST FARM EXPORT PROGRAMS.

Dr. Gary Williams

THAT'S A STRONG MESSAGE THAT MARKET PROMOTION PROGRAMS ARE VERY IMPORTANT TO NOT ONLY FARMERS AND RANCHERS BUT ALSO THE ENTIRE U.S. ECONOMY. I'M RUSSELL NEMETZ REPORTING.

Time: 3:00

Suggested Tag:

The study examined the effectiveness of the Market Access Program and the Foreign Market Development programs. These programs provide competitive grants for export development activities to non-profit farm and ranch organizations that put up funds from checkoff programs and other contributions. To learn more about the study, visit www.uswheat.org.

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