

# Agriculture industry overview

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Industry Overview From the birth of the nation, farming has played a crucial role in the U. S. economy. Initially European agricultural practices were adopted while settlers from the area began to populate the Americas.

Agriculture in Colonial America was important to society because it was the primary livelihood for 90% of the population, and most of the farms were specifically used to create food for family use. As settlers moved west, they took advantage of the cooler climate to grow wheat, leading to the “ wheat frontier. ” In the south, cotton and tobacco served as the regions cash crop.

Industrialization and urbanization soon changed the agricultural industry into a lucrative market. The lucrative agricultural market has attracted over twenty two million American workers to produce, process, sell and trade the nation's food and fiber. Currently there are only 4. 6 million people who actually live on a farm. These farmers earn a fourth of the food profit, while the remaining profit is used for costs beyond the farm gate: wages and materials for production, processing, marketing, transportation and distribution.

Forty-two percent of America’s total land area is still actively used as farmland, which mainly yields soybeans, wheat, and corn. Livestock is also raised on the land and primarily includes dairy/beef cattle, swine, poultry, and sheep. Customer preferences regarding agriculture have also affected the industry. Today’s customers are more health conscious. Consumers now prefer the limited use of pesticides, hormones, and other chemicals. Family farms are able to produce the preferred organic products, but for an increased price.

Although consumers prefer the family farm because it fits their vision for good food, the corporate farms must exist in order to provide for the growing population. Even though corporate farms are allowed to use chemicals, they must use the crop protectants effectively and safely, in amounts that are no more than what is necessary to combat pests and diseases. Governance of the agricultural industry is both and federal and local responsibility. The U. S. Farm Bill is the primary agricultural and food policy tool of the federal government.

United States Department of Agriculture reviews the comprehensive omnibus bill almost every five years and then passes necessary amendments through congress. The laws and government support are very different for the agricultural industry compared to other industries. For example, the U. S. provides aid for agriculture including research into crop types and regional suitability as well as many kinds of subsidies, some price supports and loan programs. Also farmers are not subject to production quotas.

Lastly workplace laws regarding child labor and immigrant labor are exceedingly lax in the agricultural industry. Exemptions are made for children working on their family farm, and immigrants can more easily acquire agricultural work permits. Economic conditions for the past several years have been poor. Even though other industries are suffering, the agricultural industry is thriving. The dollar depreciation actually allowed for cheaper prices for foreign countries, and therefore caused exports to increase.

The growing population and limited land in Asia has also caused an increased number of exports from the U. S. agricultural industry. Russia recently experienced unusually high temperatures that caused a drought and killed a majority of the crops. The U. S. will be able to use this event to their advantage to once again increase exports. In order to take advantage of opportunities within the industry, farms can expect to increase the agricultural output in order to make a larger profit.