From Northeast China to the Midwest

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AMMO Club, November 6th, 2017
To Many Iowans, I am the New Mike Duffy
A Quick Introduction: Dr. Wendong Zhang

– Grown up in a rural county in NE China
– Attended college in Shanghai and Hong Kong
– Ph.D. in Ag Econ in 2015 from Ohio State
– 2012 summer intern at USDA-ERS on farm economy and farmland values
– Research and extension interests:
  land value/ownership http://card.iastate.edu/farmland/
  agriculture and the environment

China Ag: quarterly Ag DM articles
China’s Provinces

My Hometown
My Hometown: Shenxian, Shandong Province
Intensification of Land-Use in China

Greenhouse – plastic film - Shandong Province
Fudan University, Shanghai
BSc. in Environmental Science
University of Hong Kong
Pudong, Shanghai in 30 years
High-Speed Rail in China

Planned Network of High-Speed Rail Lines to Be Built By 2030

Source: National Development and Reform
I like to travel
China

$21.4 billion  U.S. Agricultural Exports, 2016

Top 5 U.S. Exports
1. Soybeans ($14.2 billion)
2. Course Grains* ($1.0 billion)
3. Hides & Skins ($949 million)
4. Pork ($578 million)
5. Cotton ($550 million)
*Excluding Corn

Export Growth 2006-2016
- $6.7 billion
- 219% Increase
- $21.4 billion

#1 Among U.S. Agricultural Export Markets, 2016

Source: FAS Global Agricultural Trade System (GATS) BICO HS-6
China’s Ag Imports by Source Country 2001-2015 ($ Billion)

Source: Choices 2017 Q2 Issue
Of maize and markets: China’s new corn policy

By Qianrong Wu, economics graduate student, qianrong@iastate.edu; Wendong Zhang, extension economist, wdzhang@iastate.edu

China sets 2020 target for nationwide ethanol use to cut corn stocks
Of Maize and Markets: China’s New Corn Policy

Source: http://www.quandl.com/

Wu and Zhang 2016
Ag Policy Review
Of Maize and Markets: China’s New Corn Policy

Million metric tons

Source: USDA FAS Grain: world markets and trade
Of Maize and Markets: China’s New Corn Policy

Wu and Zhang 2016
Ag Policy Review

http://chinaag.org/services/production/

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Extension and Outreach

Wu and Zhang 2016
Ag Policy Review

CARD
Center for Agricultural and Rural Development
China's Ethanol Industry in 2016

4th largest producer – 1 Bil gal.
- After US, Brazil and EU
- Corn ethanol 64%
- Also uses cassava, sorghum, corn stover
- Imported 225 mil. gal, mainly from U.S.
- Tariff rose from 5% to 30%

China consumes 40 bil. gal gasoline; 1 bil. gal ethanol in 2016
China’s projected corn import potential and the role of ethanol

![Graph showing trends in production, consumption, and projections from 2010/2011 to 2020/2021.](image-url)

**Graph Elements:**
- **Production**
- **Production projection**
- **Consumption**
- **Consumption projection (without mandate)**
- **Consumption projection (with mandate)**

**Key Notes:**
- The graph illustrates the historical trends and projections for corn production and consumption in China.
- The projection lines indicate potential changes in consumption with and without mandates.
Econ 364: Rural Property Appraisal
Thank You!

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