

Food, Feed, and Fuel:
How do we balance the three for
optimal growth?

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Key Question

What policies and investments are needed to ensure a balance between food, feed, and fuel production for optimal economic growth and sustainability in Iowa?

Iowa's Agricultural Statistics

1st in Corn, 2.02 billion bushels (2006)

Tied for 1st in Soybeans, 502 million bushels (2006)

1st in Hogs, 16.4 million head (Dec. 1, 2005)

8th in Cattle, 3.8 million head (Jan. 1, 2006)

1st in Layers, 51.2 million (2005-06)

1st in Ethanol, 1.6 billion gallons of capacity

1st in Biodiesel, 107 million gallons of capacity

31.6 million acres of farmland

25 million in crop production

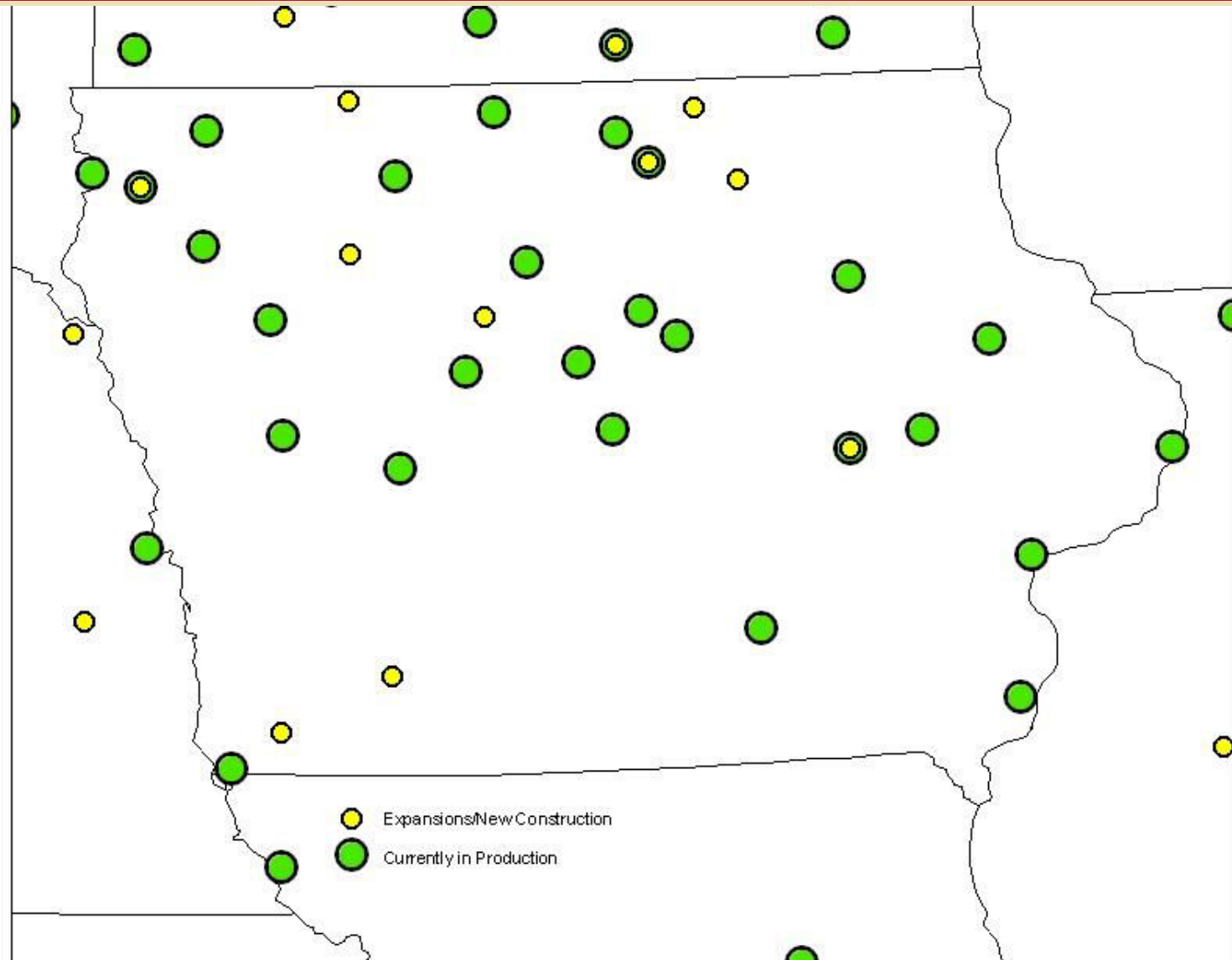
(23 million in corn and soybeans)

Iowa Ethanol Plants

Currently
25 plants
1.6 bill.
gallons

Expansions
11 plants
0.8 bill.
gallons

All proposed
plants would
raise
production to
7 bill. gallons

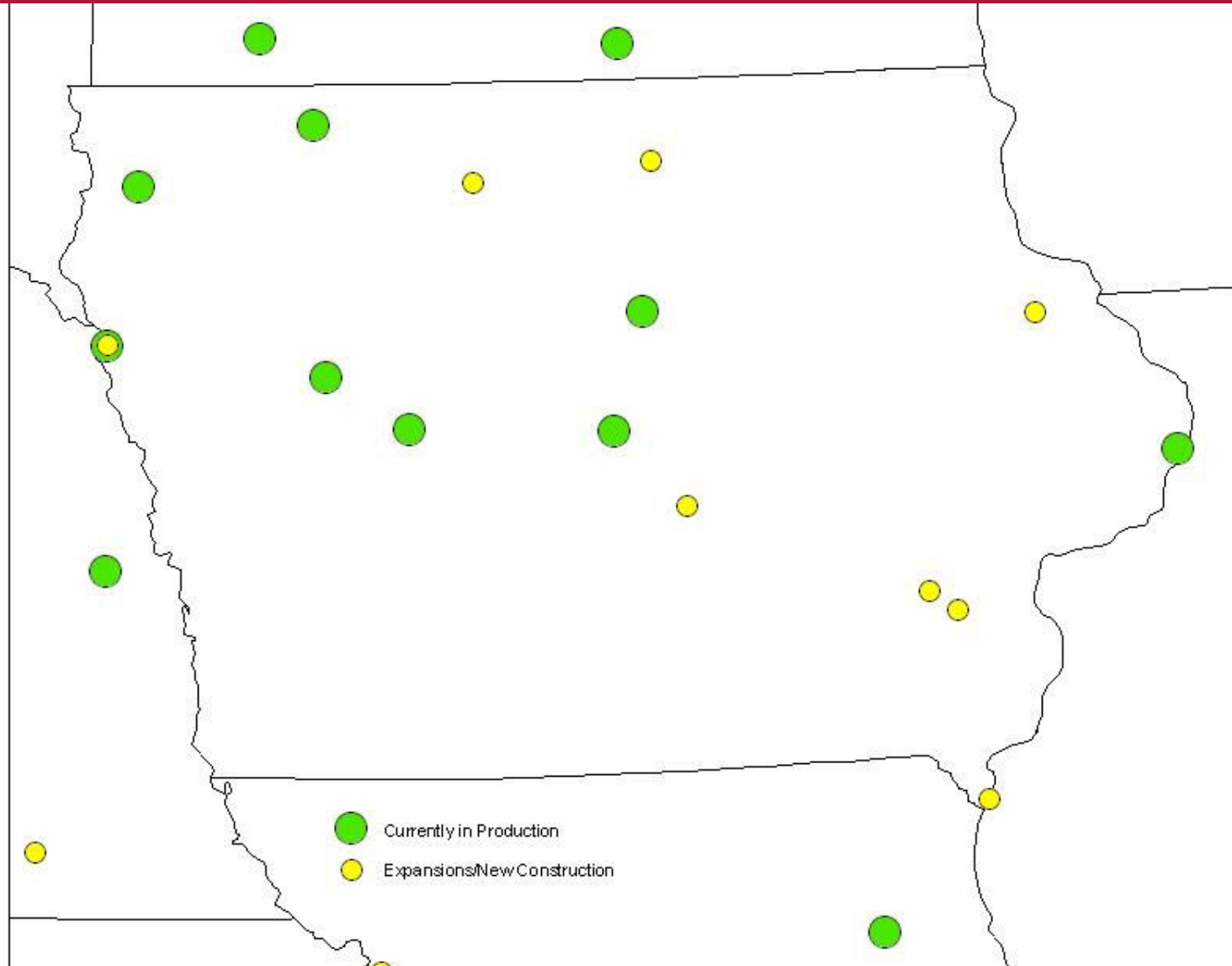


Iowa Biodiesel Plants

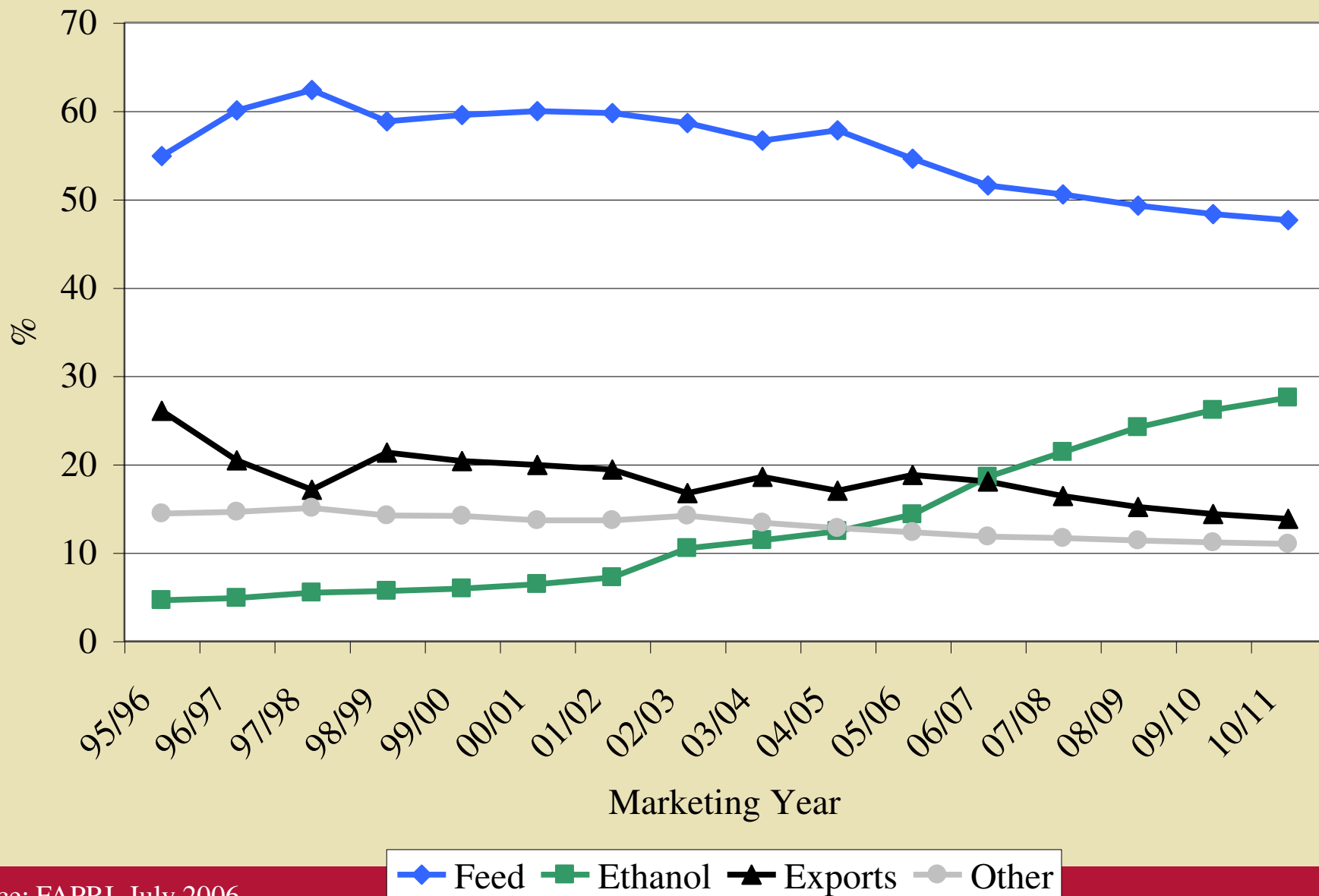
Currently
8 plants
107 mill.
gallons

Expansions
8 plants
235 mill.
gallons

2006 biodiesel
production in
U.S.
200-250 mill.
gallons



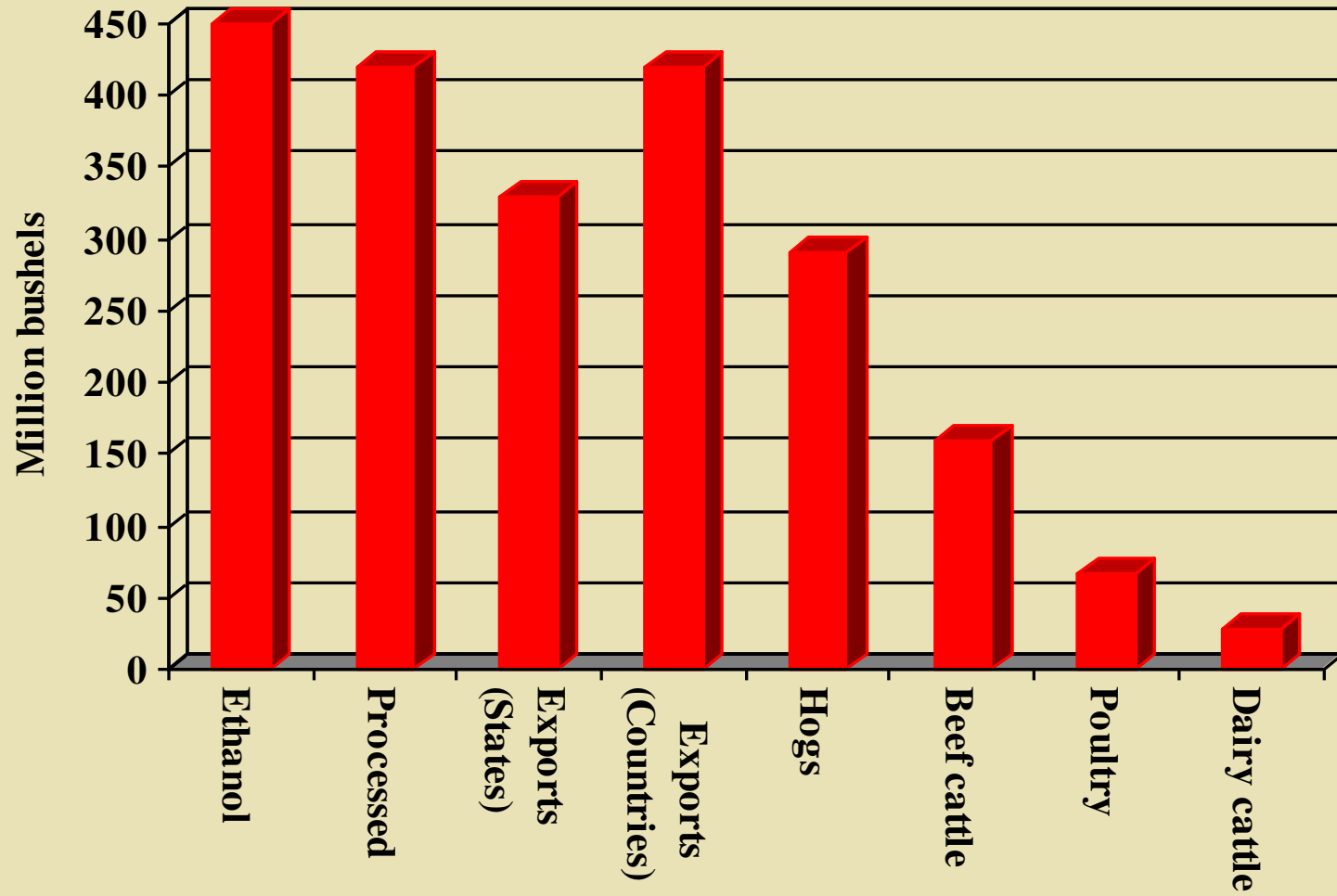
Last Summer's Projection for U.S. Corn Utilization



Corn Utilization for 2005

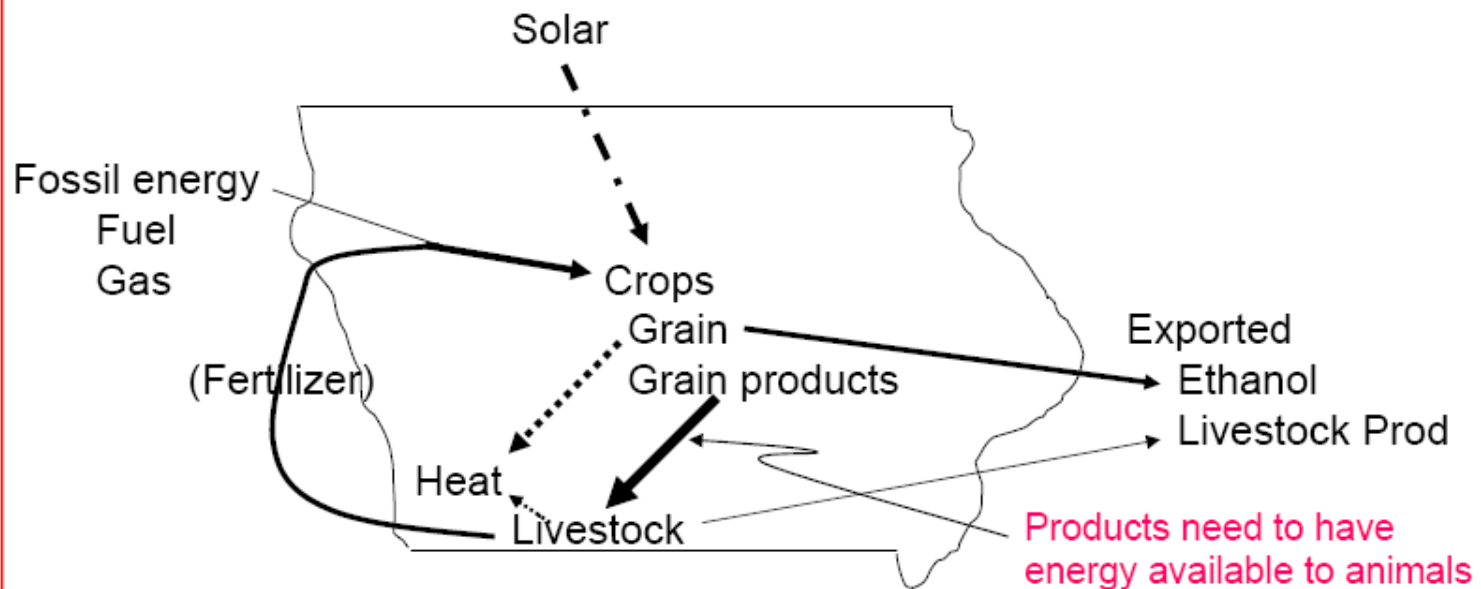
	Feed	Food and Other	Trade		Feed	Food and Other	Trade
	(thousand metric tons)				(thousand metric tons)		
World	469,538	218,258	75,098	India	6,100	7,300	100
U.S.	155,262	75,188	46,738	Indonesia	3,200	4,000	-550
Argentina	3,700	1,700	11,500	Japan	12,100	4,500	-16,500
Brazil	33,500	6,500	1,100	Mexico	12,900	15,500	-6,695
Canada	8,500	2,500	-1,350	South Africa	4,200	4,700	800
China	100,000	34,000	5,800	Africa	3,750	27,917	-3,340
Egypt	9,600	1,700	-5,300	Asia	840	4,030	- 270
E.U.	41,080	6,762	-910				

Use of Iowa corn – 2005-2006



Integration of Agricultural Systems

Agriculture Energy Balance in a Nutrient Recycling System Recycle Model

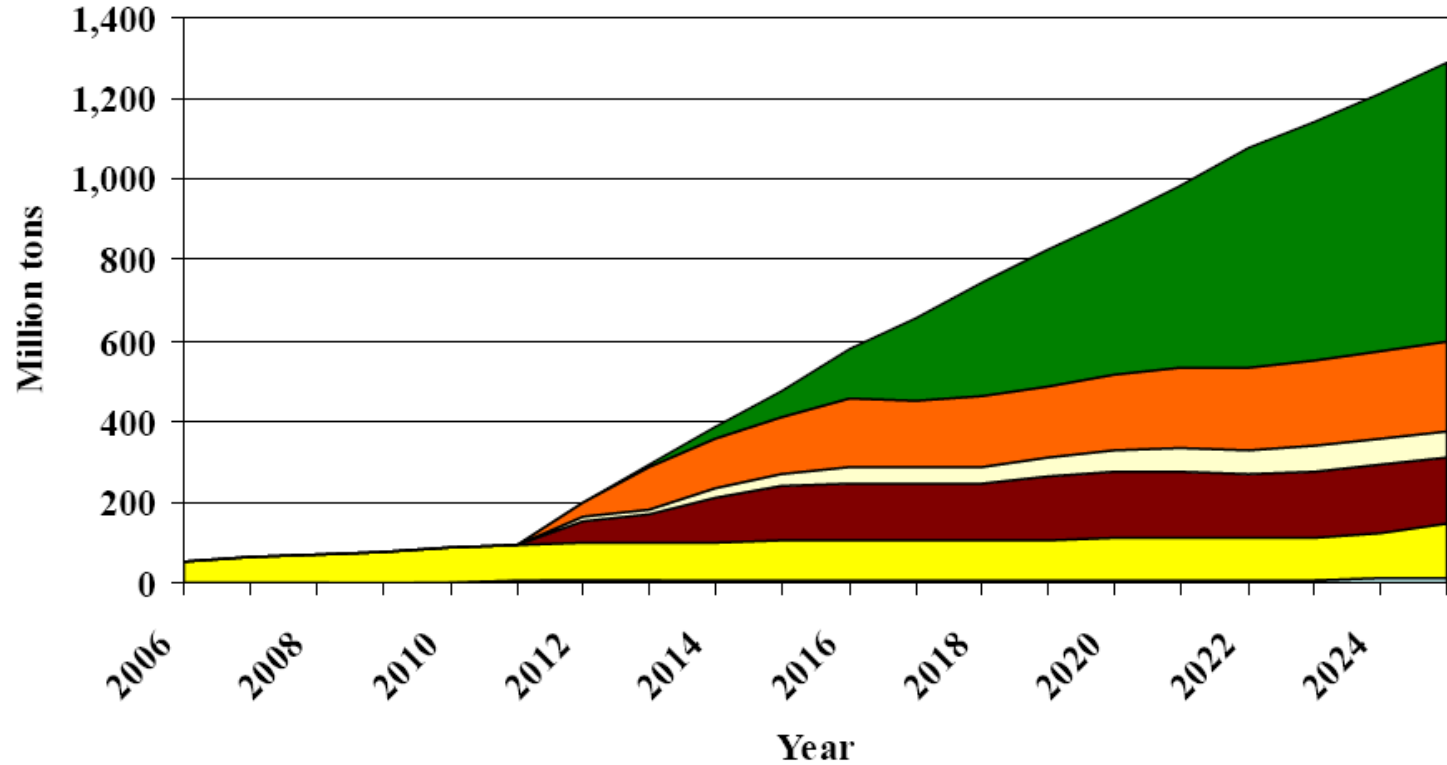


Exported energy is greater than imported fossil energy

- System requires less input of fossil energy
- Much of the economic activity stays in Iowa
- System is more ecologically sustainable

Greater diversification of crops

Looking Beyond Corn and Soybeans



Legend:

- Soybeans
- Corn Grain
- Wood Residue
- Straw
- Stover
- Ded. Energy Crops

Current Iowa Policies and Incentives

- Ethanol Infrastructure Cost-Share Program
- Alternative Fuel Vehicle Grants
- Ethanol and Biodiesel Tax Credits
- Biofuels Infrastructure Grants
- Alternative Fuel Loan Program
- E85 Fuel Exclusivity Contract Regulations
- State Renewable Fuels Standard
- Alternative Fuel Vehicle Acquisition Requirements
- Alternative Fuel Use Policies
- Alternative Fuel Tax Rates
- Alternative Fuel Labeling Requirements