

farmdocDAILY LIVE | Coronavirus and Ag

US-China Agricultural Trade and Shifting Consumption Patterns in China



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Agricultural &
Consumer Economics

COLLEGE OF AGRICULTURAL, CONSUMER
& ENVIRONMENTAL SCIENCES



Wendong Zhang



Nick Paulson

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Agricultural & Consumer Economics

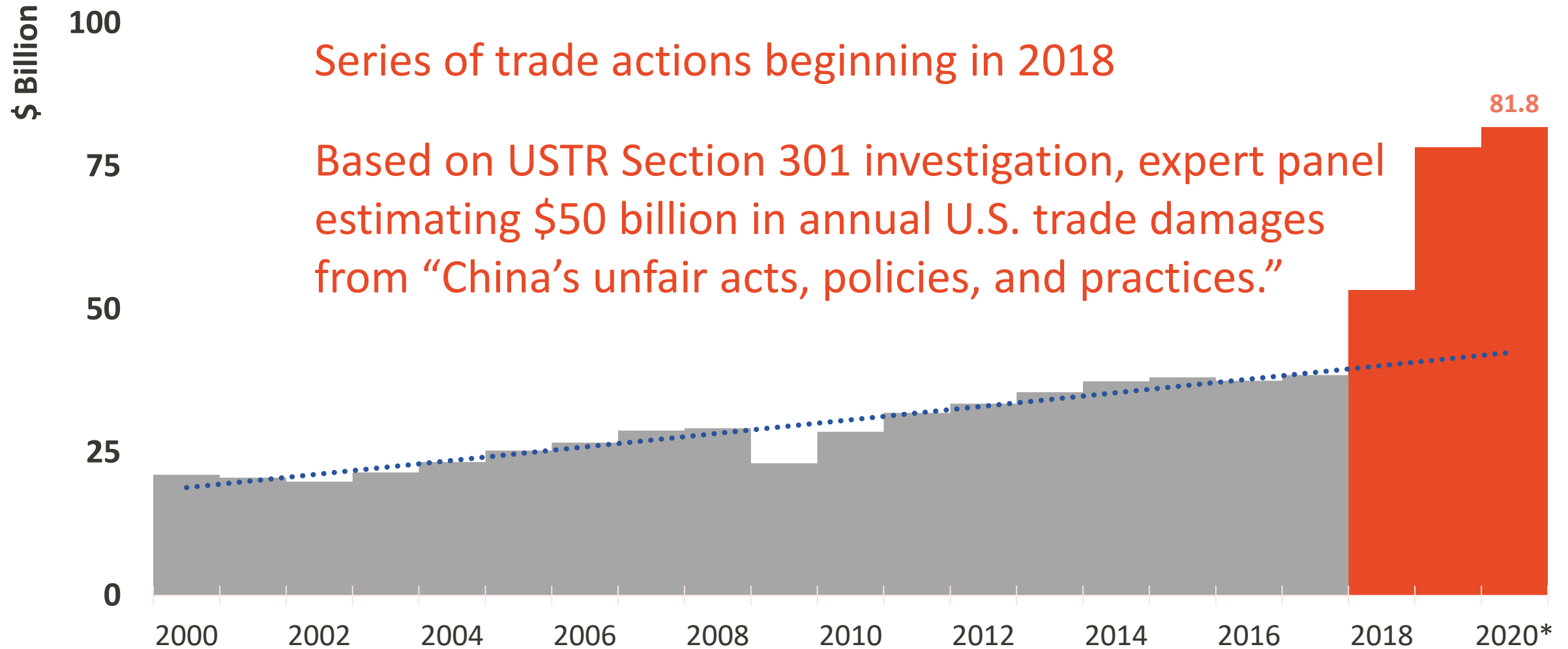
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Nick Paulson

U.S.-China Trade War

U.S. Federal Customs Revenue, 2000 to 2020 Q1



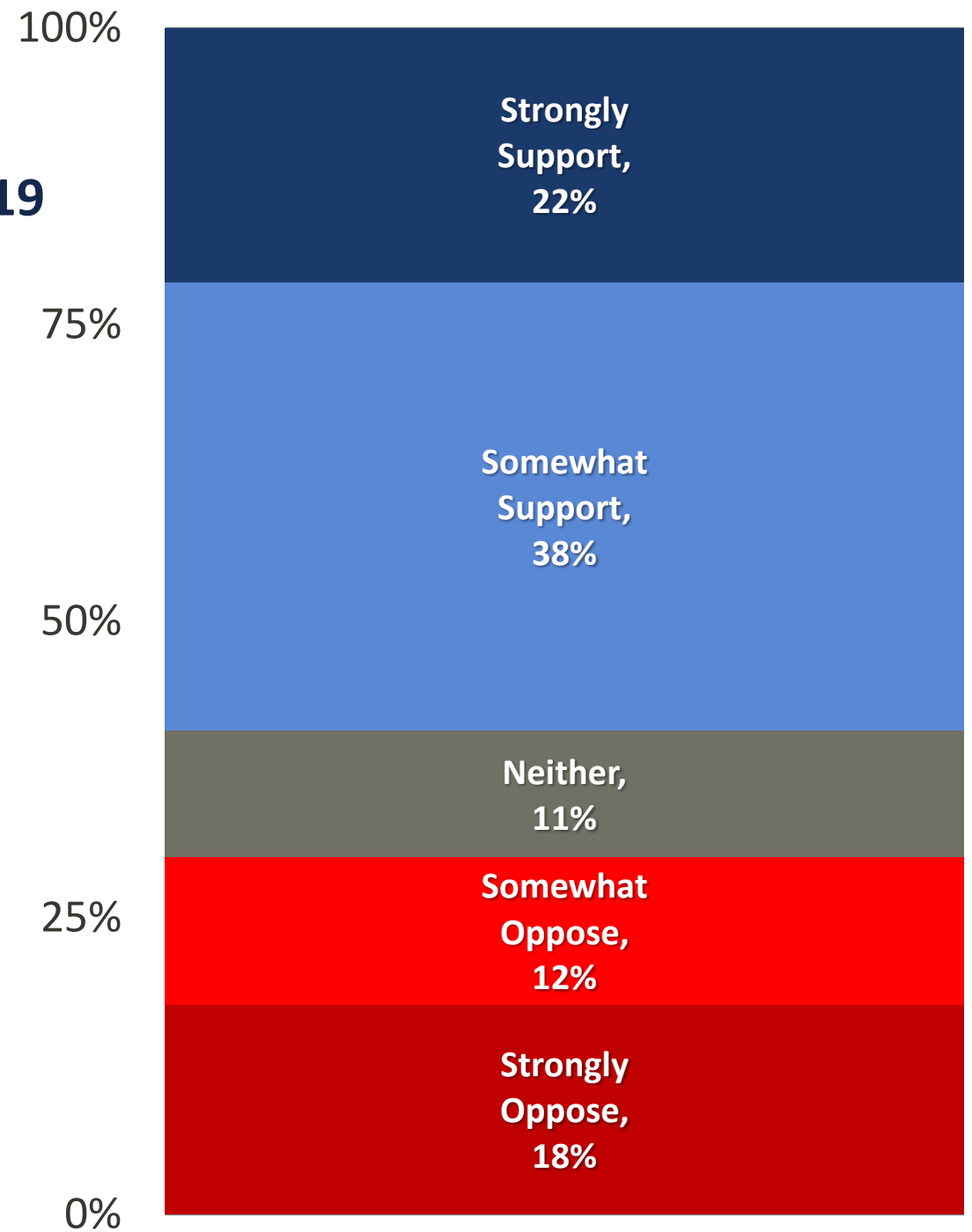
What is your level of support for raising tariffs on imports from China as a response to the Coronavirus?

- Strongly Oppose
- Somewhat Oppose
- Neither
- Somewhat Support
- Strongly Support

Survey results from **last year**

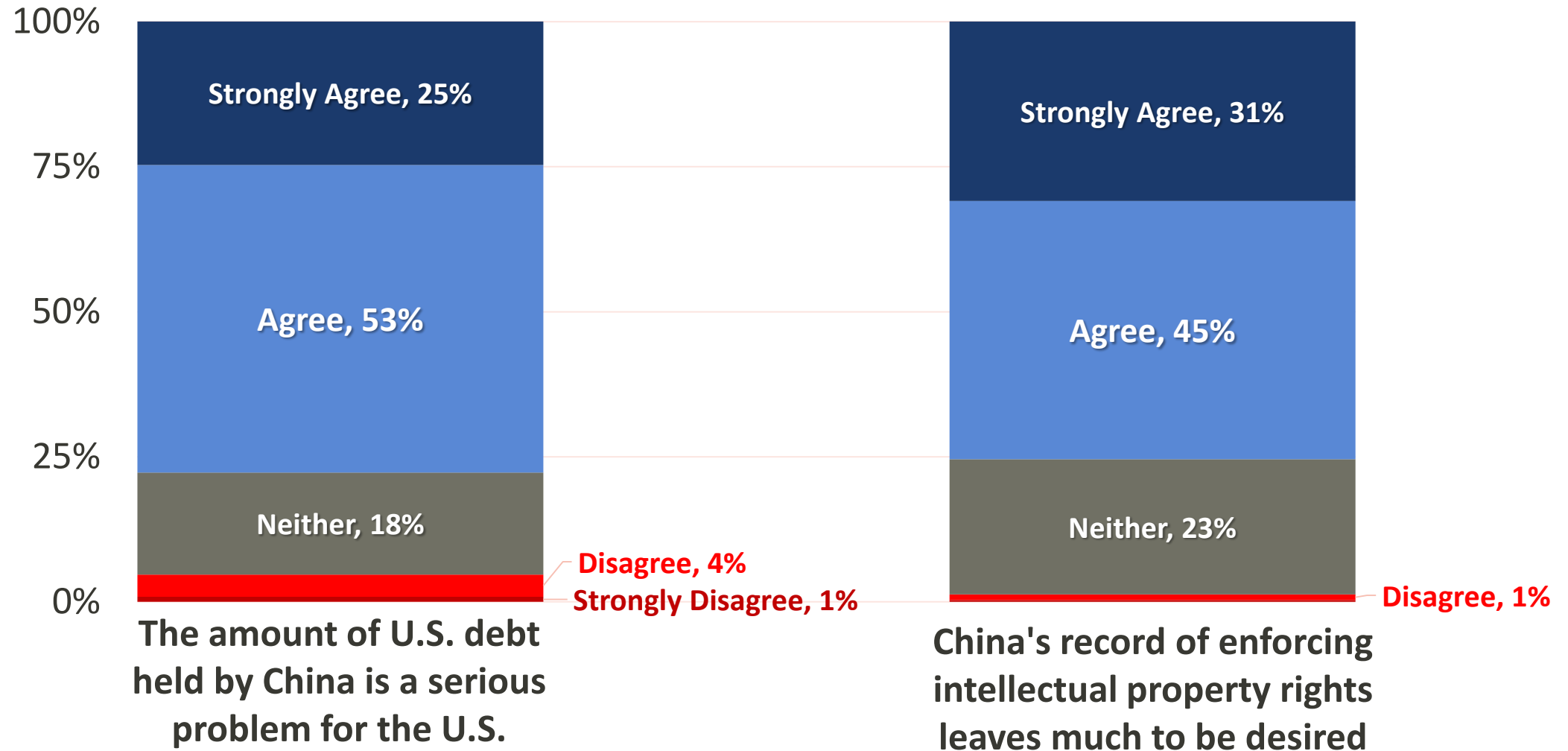
Qu et al., CARD Policy Brief 19-PB 26, October 2019

Respondent's Level of Support for Raising Tariffs on Products Imported From China



Survey results from last year

Qu et al., CARD Policy Brief 19-PB 26, October 2019



The amount of U.S. debt held by China is a serious problem for the U.S.

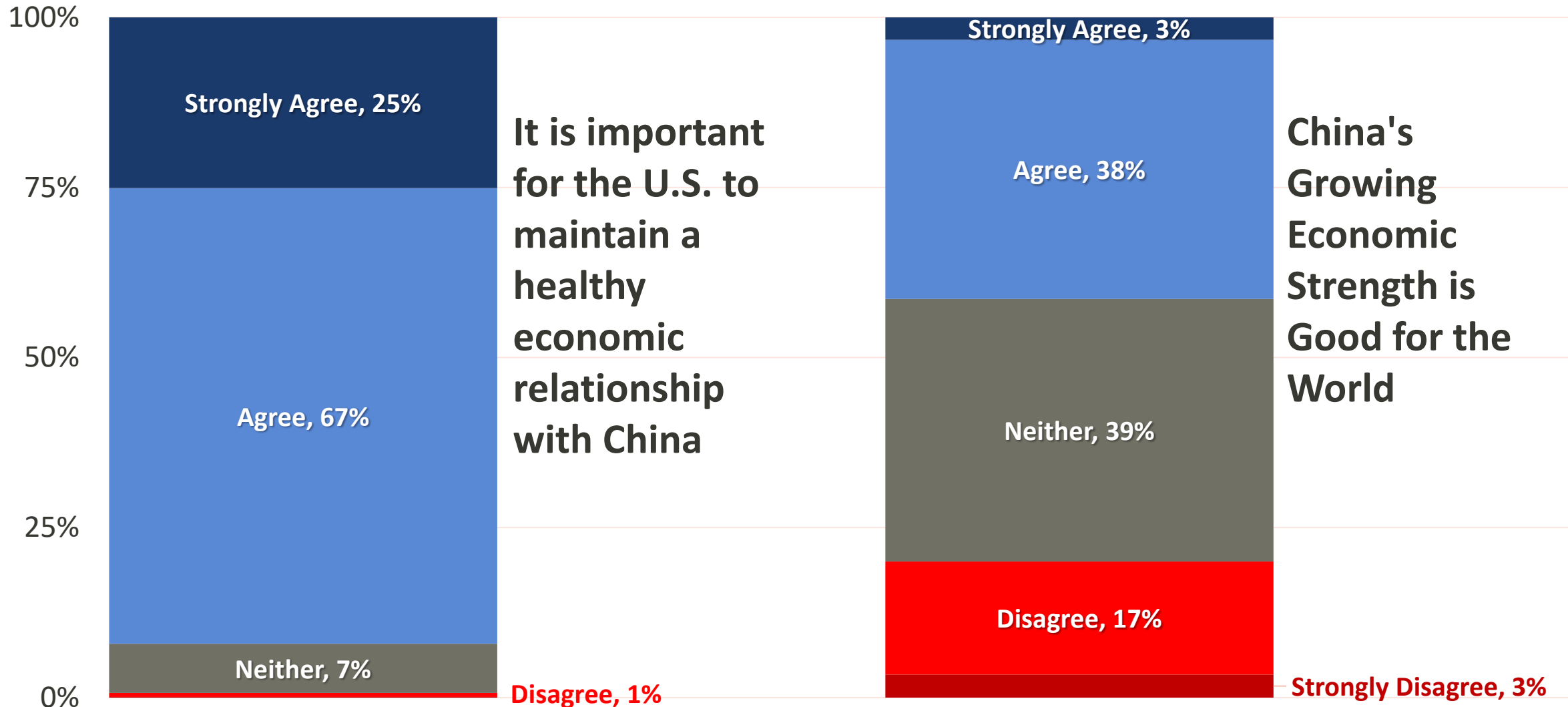
China's record of enforcing intellectual property rights leaves much to be desired

What is your level of support for canceling some U.S. debt held by China as a response to the Coronavirus?

- Strongly Oppose
- Somewhat Oppose
- Neither
- Somewhat Support
- Strongly Support

Survey results from **last year**

Qu et al., CARD Policy Brief 19-PB 26, October 2019



What is your view on the long-term outlook for demand growth in China and exports of U.S. agricultural products?

- U.S. ag exports to China will decline
- U.S. ag exports to China will remain stable
- U.S. ag exports to China will increase
- I don't know

US-China Agricultural Trade and Shifting Consumption Patterns in China

IOWA STATE UNIVERSITY
Extension and Outreach



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China Records First Ever Contraction in Quarterly GDP on Coronavirus

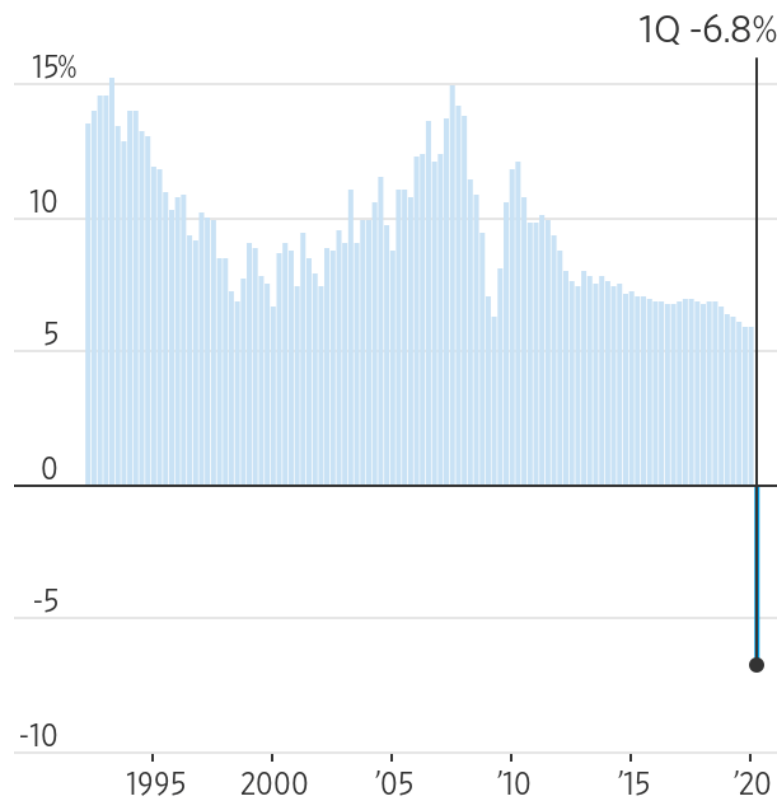
GDP contraction of 6.8% foreshadows pain likely to be reported world-wide

THE WALL STREET JOURNAL.

Viral Hit

China recorded its first GDP contraction since it began reporting quarterly figures in 1992.

Quarterly GDP, change from a year earlier



Source: National Bureau of Statistics via Wind


GDP PLUNGES AMID CORONAVIRUS

REAL GDP % CHANGE FROM PRECEDING QUARTER



SHADED AREA INDICATES RECESSION
SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS

yahoo! finance

A photograph of Donald Trump and several Chinese officials in suits, standing in front of American and Chinese flags. The image is partially obscured by a dark overlay containing text.

The coronavirus will delay agricultural export surges promised in trade deal with China March 2020

The novel coronavirus has shocked the world's economies.

The virus has spread to more than 100 countries and many U.S. states. This has rattled global stock markets, plunging the Dow more than 2,000 points on March 9 – the biggest one-day drop since the 2008 Great Recession.

Concerns about potential global economic decline has made implementation of the U.S.-China phase one trade deal uncertain. This deal requires China to purchase an additional **US\$12.5 billion worth of U.S. agricultural products in 2020**, and **\$19.5 billion more in 2021**.

In our recent research on the impacts of the U.S.-China trade war on U.S. agriculture, we argue that **China has the capability to make these purchases**, despite delays and disruptions to supply chains and trade flows caused by the coronavirus.

<https://theconversation.com/the-coronavirus-will-delay-agricultural-export-surges-promised-in-trade-deal-with-china-132227>

THE CONVERSATION

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Disclosure statement

Wendong Zhang receives funding from US Department of Agriculture Agriculture and Food Research Initiative (AFRI) Markets, Trade and Economics program with the project titled "Quantifying the Transmission of U.S.-China and Global Policy Impacts through a New Commodity-Specific International General-Equilibrium System".

Tao Xiong is a Professor of Agricultural Economics at Huazhong Agricultural University located in Wuhan, China, and currently a visiting scholar in Center for Agricultural and Rural Development (CARD) at Iowa State University.

Partners

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Iowa State University provides funding as a member of The Conversation US.

Unappreciated hazards of the US-China phase one deal

Chad P. Bown (PIIE)
January 21, 2020 5:00 AM

US export targets for agriculture, energy, and manufactured goods under phase one deal may be difficult to achieve

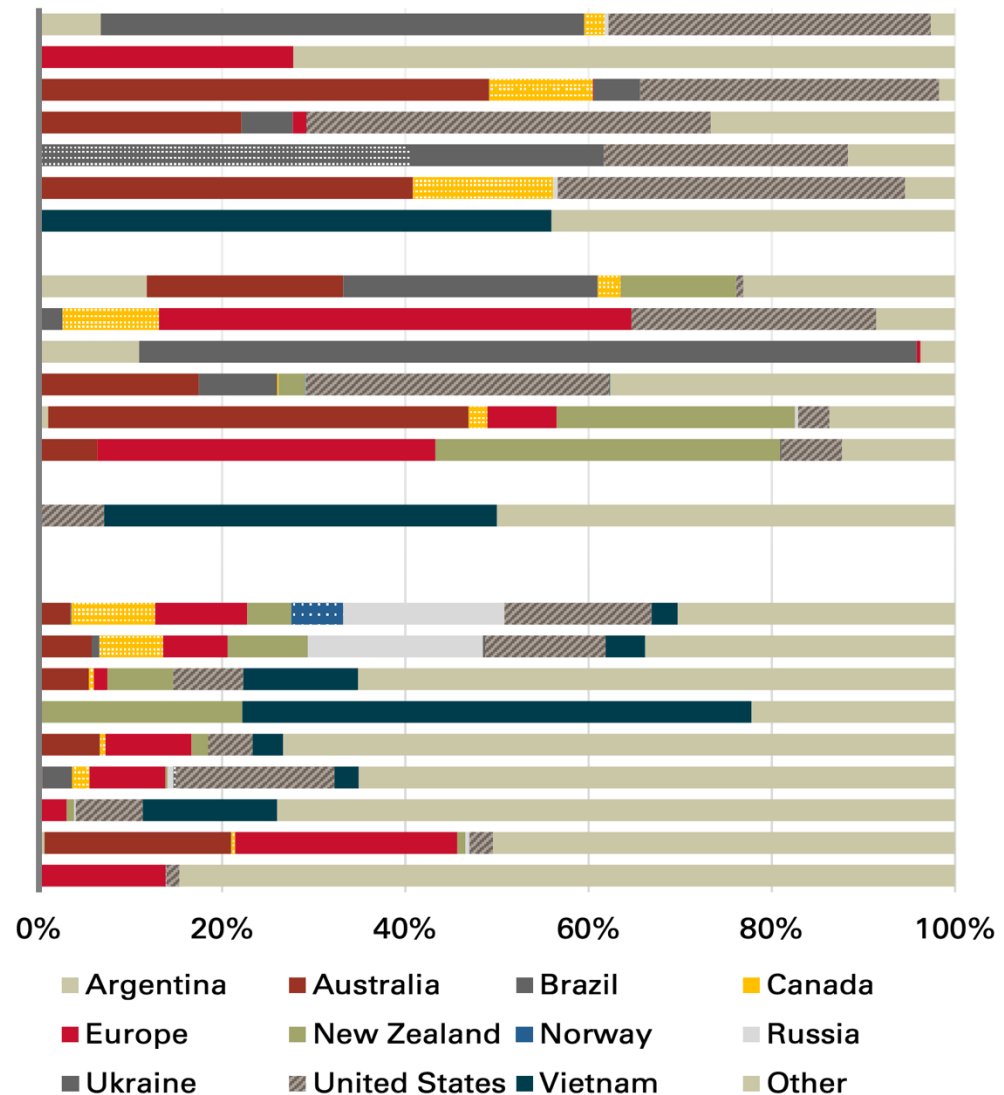
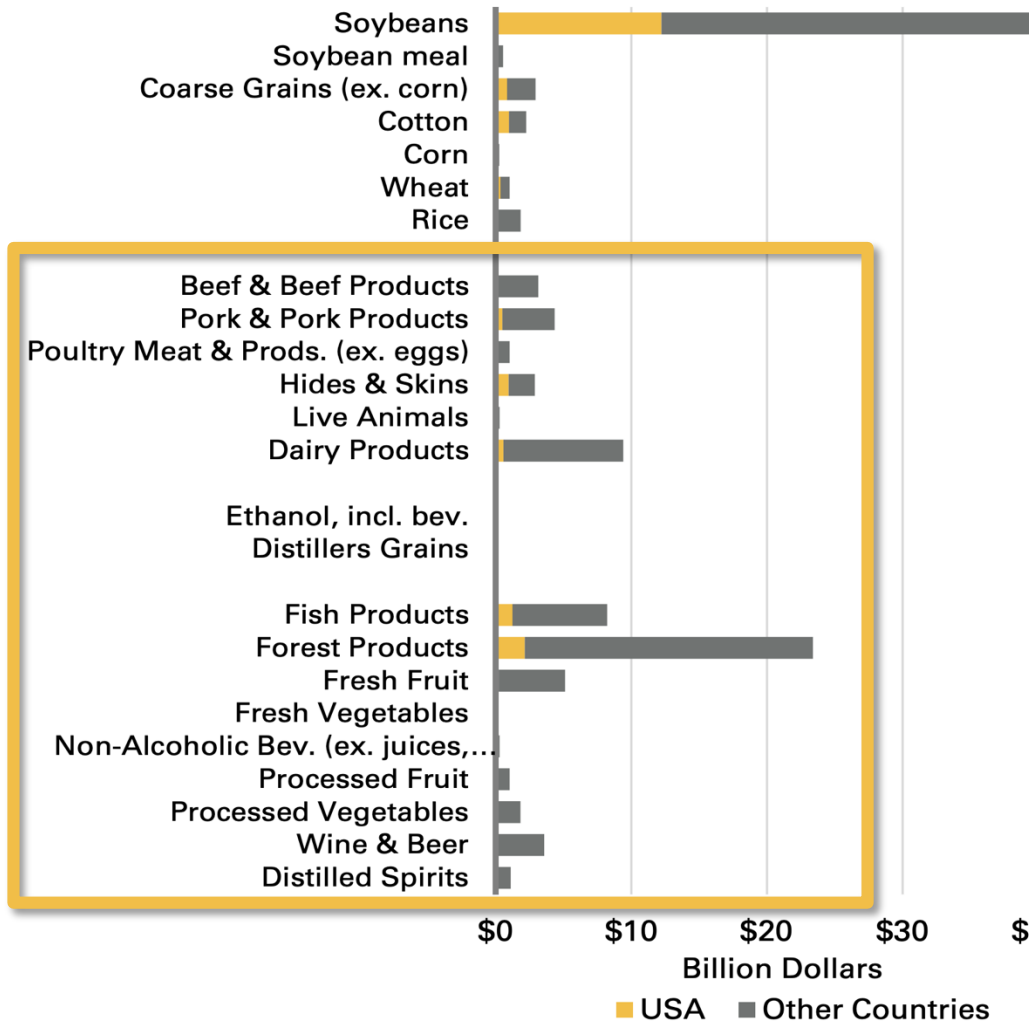
Total US exports to China by covered sector, billions USD

a. Agriculture

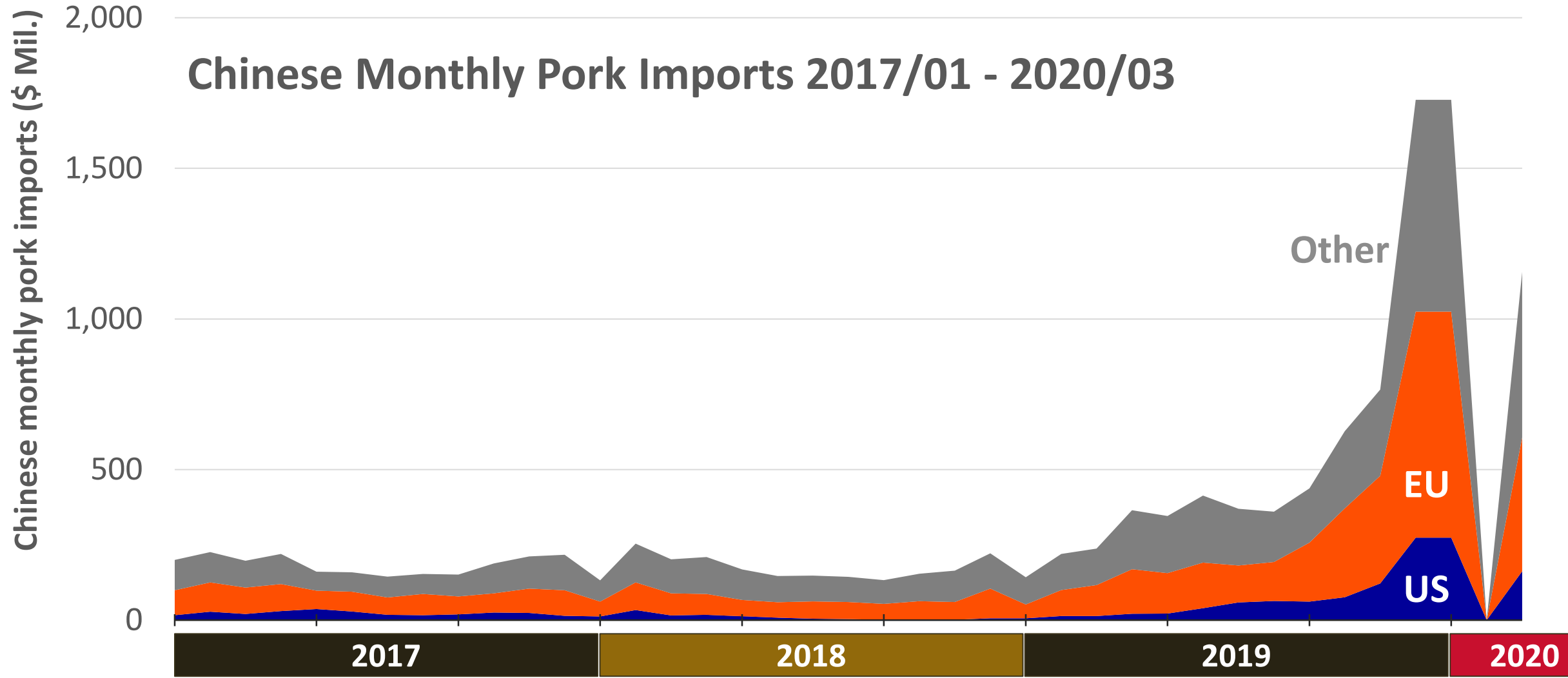


A possible & more balanced pathway for China's ag import surge?

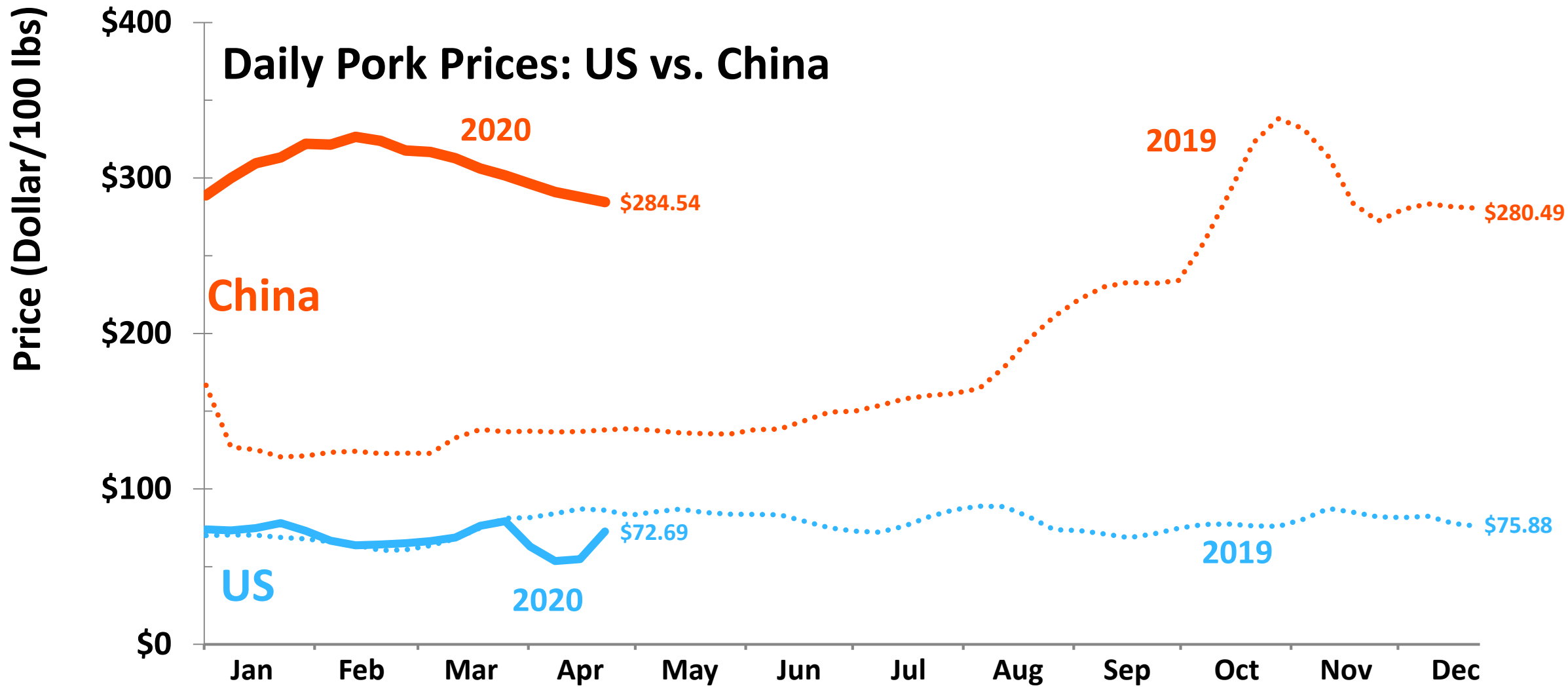
Key Chinese agricultural imports by commodity and country in 2017



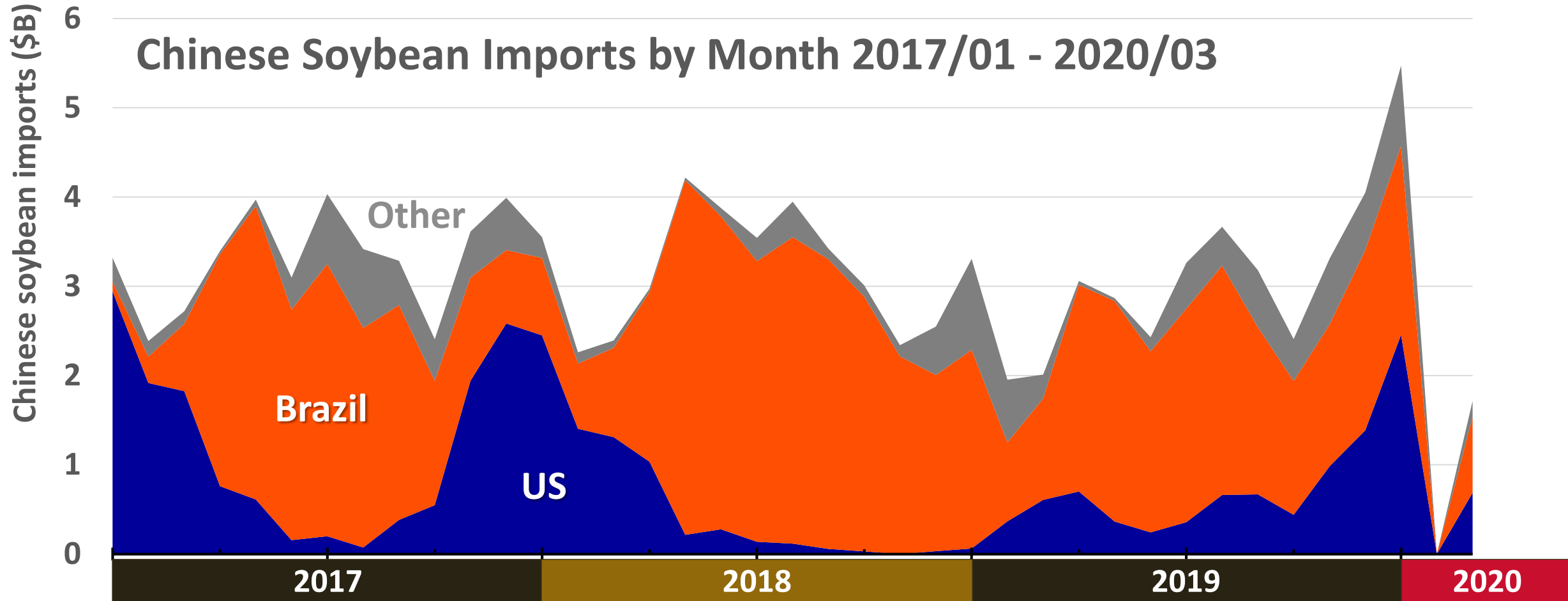
US Pork Exports to China Surged b/c ASF, so has Europe's



US Pork Exports to China Surged b/c ASF, so has Europe's



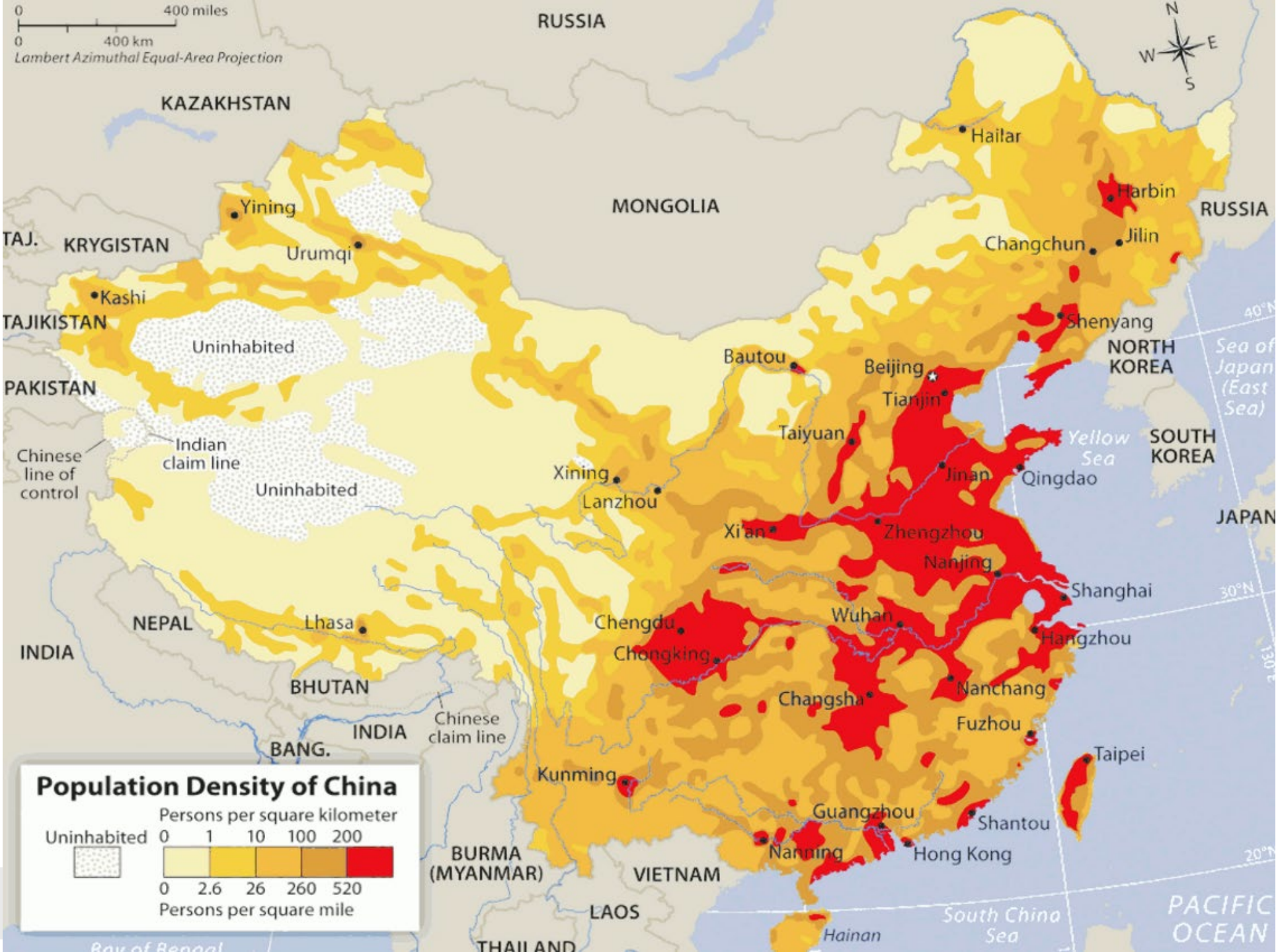
US Soybean Exports Comparable to 2019, but behind 2017



Source: UN Comtrade

What remains unchanged: Comparative advantage for US Ag



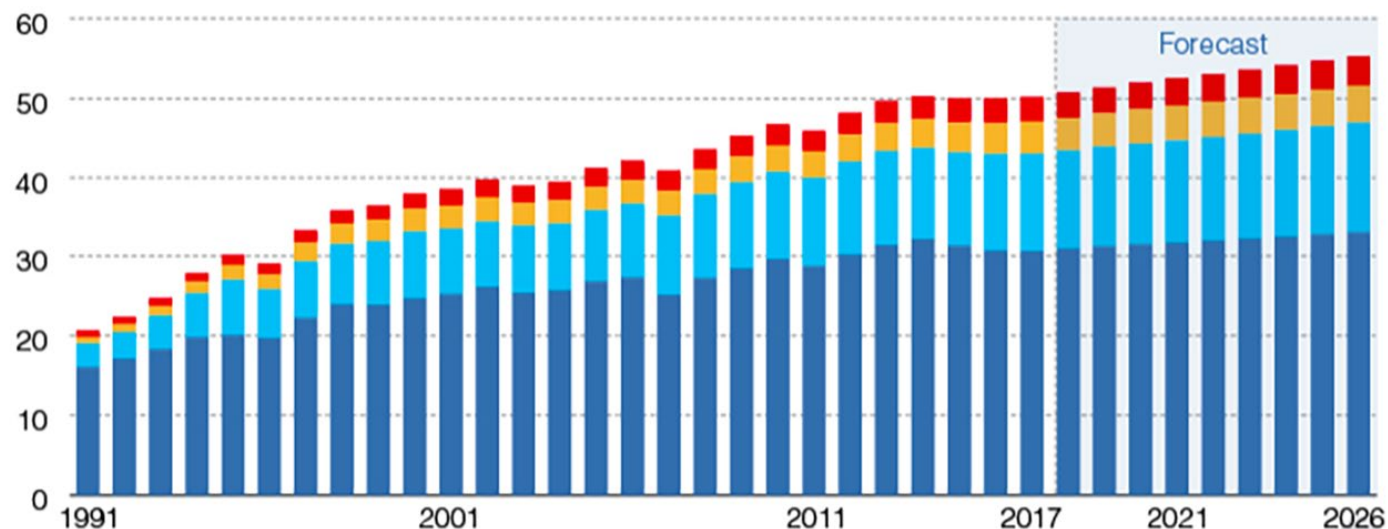


What remains unchanged after COVID-19: Chinese surging meat consumption & beyond

A Meatier Middle Kingdom

■ Pork ■ Poultry ■ Beef and veal ■ Sheep

Unit: Kilograms per capita



Source: 财新数据
Caixin Data

Original Sources: Organization for Economic Co-operation and Development, Food and Agriculture Organization of the United Nations

Caixin
ENGLISH | 财新中文

Oct 12, 2018 08:20 PM

DAILY CHART

Charts of the Day: China's Growing Meat Consumption

CHINADAILY 中国日报网
CHINADAILY.COM.CN

中文

Home / Business / Industries

Chilean cherries a hit with festive shoppers

By Ouyang Shijia | China Daily | Updated: 2019-02-12 09:45

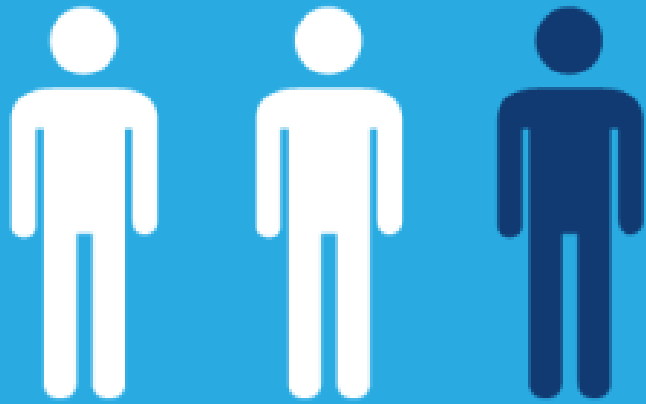


Consumers buy cherries at a supermarket in Guangzhou, capital of Guangdong province. [Photo by Li Zhihao/For China Daily]

What remains unchanged after COVID-19: Chinese surging middle class

88 percent of the next billion entrants
into the middle class will be in Asia

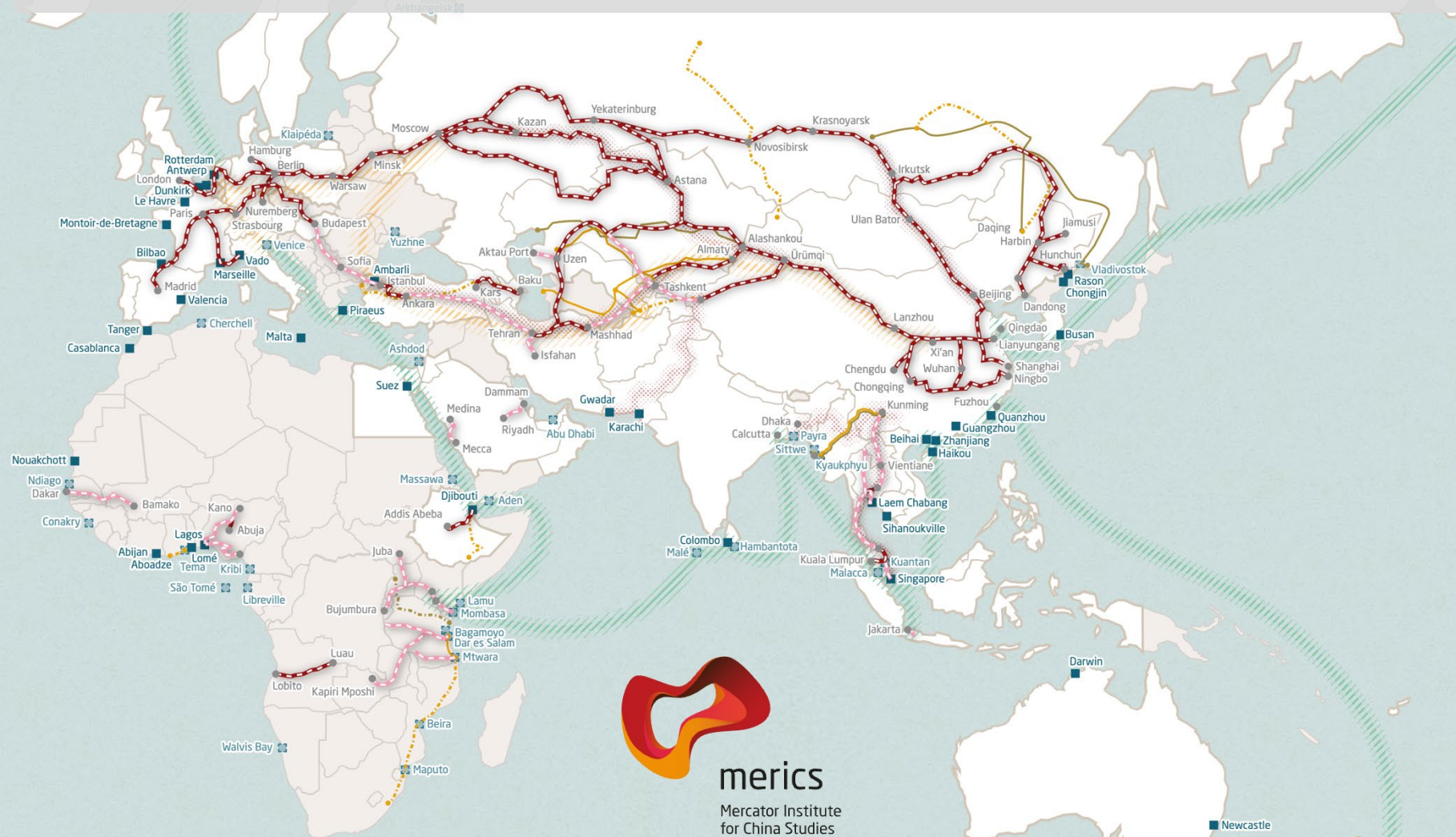
By 2030, Asia could represent 2/3
of the global middle class population.























BROOKINGS



What remains unchanged after COVID-19: Chinese continued overseas investment & diversification through BRI



		Existing	Planned
	Railroads		
	Oil pipelines		
	Gas pipelines		
	Ports		
	Silk Road Economic Belt		
	Maritime Silk Road		
	Economic Corridor		
	AIIB member states		

What has changed due to the coronavirus?

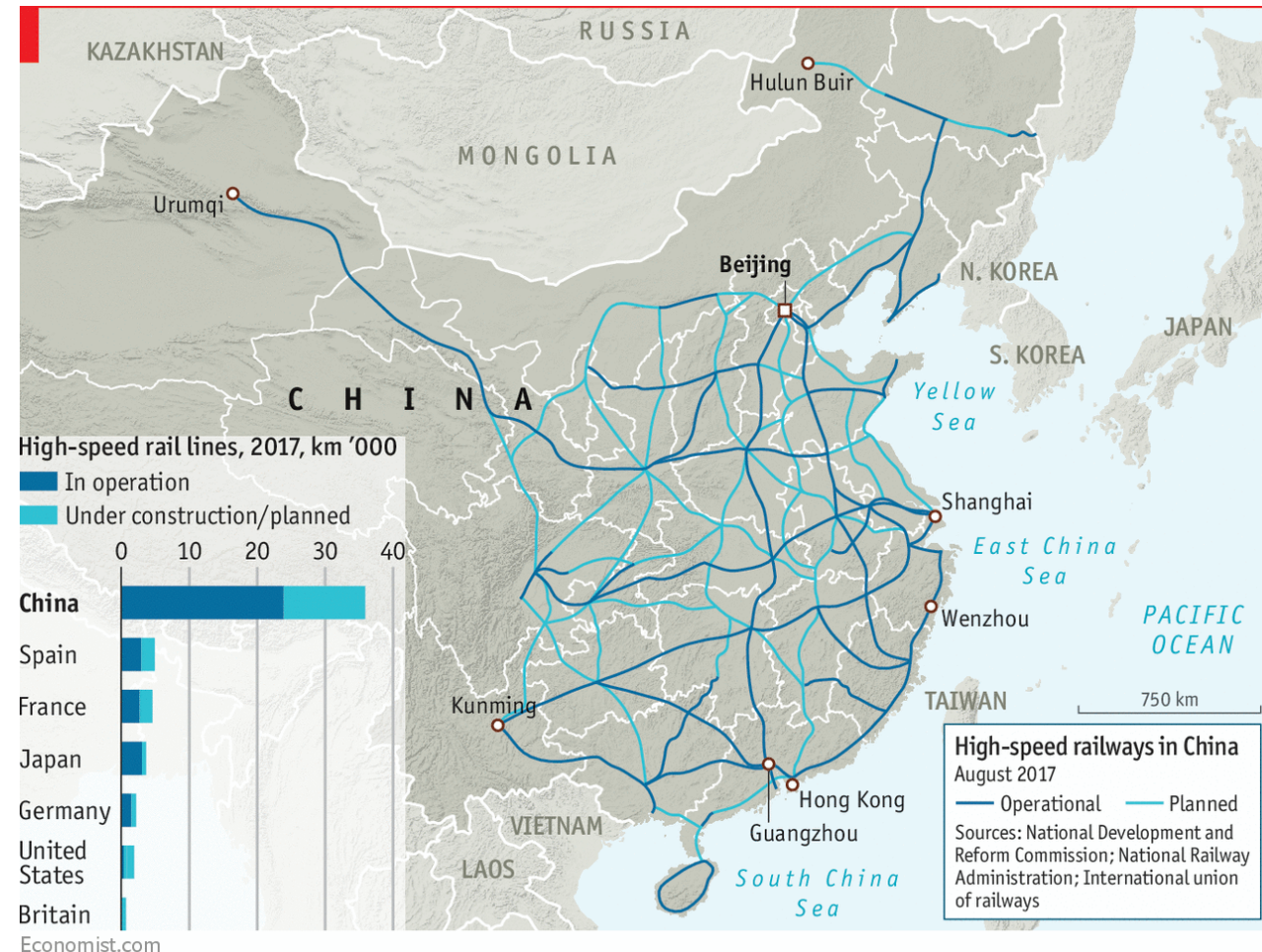
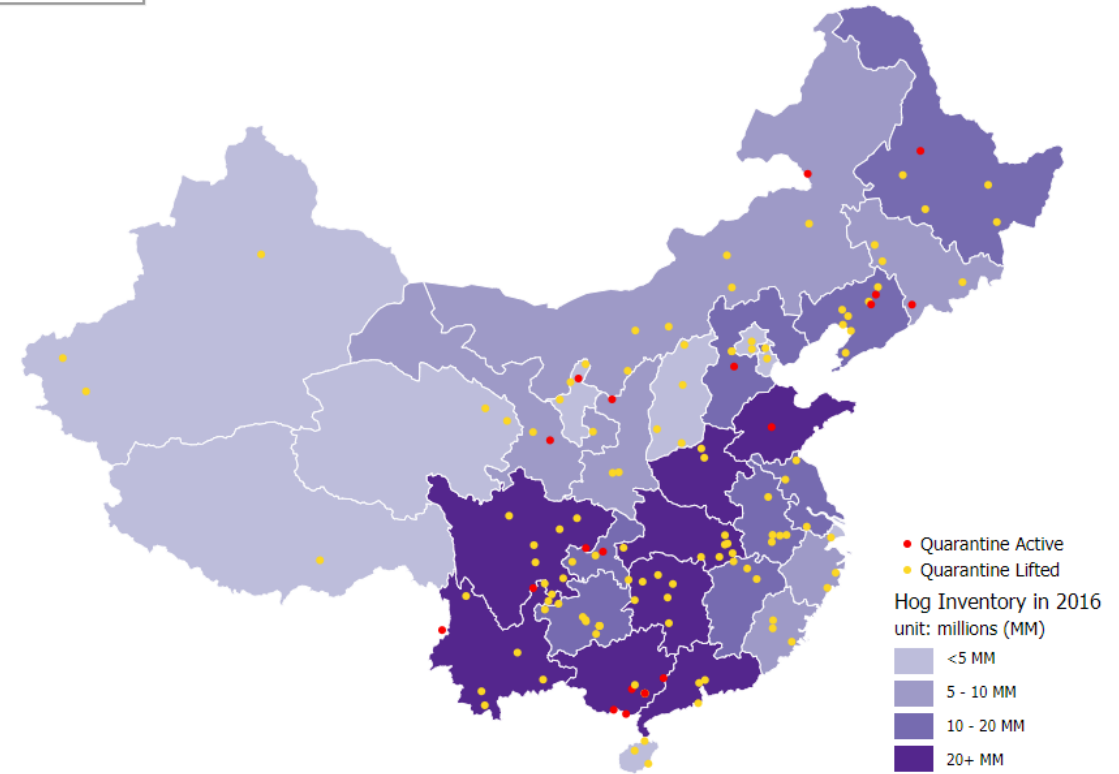
Chinese Livestock Industry Modernization

High Speed Rail & Social Governance



African Swine Fever Cases in China (Mainland)

Show All Cases Animation On off Map Base Data:



Changes in my hometown?

Greenhouse – plastic film - Shandong Province

A promotional video for Shenxian Vegetables. The video features a man in a suit, identified as the county mayor of Shandong Licheng, and two women. They are standing in front of a backdrop that reads "莘县蔬菜 SHENXIAN VEGETABLES | 中国蔬菜第一县 |" and "莘县蔬菜·健康生态". The video also shows a basket of fresh vegetables and a green bag of produce. Text overlays include "山东聊城莘县县长 高志国" and "给宝宝们送福利".

莘县蔬菜 SHENXIAN VEGETABLES | 中国蔬菜第一县 |

莘县蔬菜·健康生态

山东聊城(莘县)蔬菜博览会云
暨莘县农产品区域公用品牌发布会

主办单位
承办单位

山东聊城莘县县长
高志国

给宝宝们送福利

新粉2 1618861693 黄瓜九号链接

新粉1 春天816 买买买

In China, 500+ million consumers shop on mobile phones, even before the coronavirus

FINANCIAL TIMES

Yuval Noah Harari: the world after coronavirus

This storm will pass. But the choices we make now could change our lives for years to come

Yuval Noah Harari MARCH 20 2020

In this time of crisis, we face two particularly important choices. The first is between totalitarian surveillance and citizen empowerment. The second is between nationalist isolation and global solidarity.

<https://www.ft.com/content/19d90308-6858-11ea-a3c9-1fe6fedcca75>

澎湃
THE PAPER

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特朗普说中国将竭尽所能让他连任失败；
中方：没兴趣！美国男子听特朗普话，误食清洁剂身亡

2020-05-01 12:11 来源：澎湃新闻·澎湃号·政务

字号

青春上海 | + 关注

据报道，美国总统特朗普周三在白宫接受路透社采访时宣称，中国“将竭尽所能”使他在11月的总统大选中连任失败。



REUTERS

WORLD NEWS
APRIL 30, 2020 / 8:18 AM / UPDATED 33 MINUTES AGO

Exclusive: Trump says China wants him to lose re-election race

WASHINGTON (Reuters) - President Donald Trump said on Wednesday he believes China's handling of the coronavirus is proof that Beijing "will do anything they can" to make him lose his re-election bid in November.

在4月30日举行的外交部例行记者会上，路透社记者就此事向发言人耿爽提问，耿爽表示，中国没兴趣干预美国大选。

Chinese Lesson Time

美国

中华民族伟大复兴

危机

Thank You!



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The screenshot shows the CARD website interface. The header includes the CARD logo, Iowa State University name, and navigation links. The main content area features a section titled "2019 ISU Land Value Survey" with a sub-section "2019 ISU Land Value Survey". Below this, there is a paragraph of text and a link to a survey paper. A "What are you interested in?" section contains three icons: "2019 ISU survey results", "find more land value data", and "recent analysis & contact". The footer includes contact information for Iowa State University and a copyright notice for CARD.

www.card.iastate.edu/farmland

The screenshot shows the CARD website interface for the China Ag Center. The header includes the CARD logo, Iowa State University name, and navigation links. The main content area features a section titled "China Ag Center · Publications" with a sub-section "Wendong Zhang and Tao Xiong. 2020. 'The coronavirus will delay agricultural export surges promised in trade deal with China.'". Below this, there is a paragraph of text and a link to a publication. A "Chinese agriculture and related imports in 2017" section contains a bar chart comparing imports from the United States and other countries. The footer includes contact information for Iowa State University and a copyright notice for CARD.

www.card.iastate.edu/china

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Center for Agricultural and Rural Development

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Upcoming Webinars

Agricultural Law Issues and the COVID-19 Pandemic

11:00 to 11:45am CT, Friday May 8th

The COVID-19 pandemic has sent shockwaves through the agricultural production system and raised unique legal issues for input suppliers, crop and livestock producers, and processors. This webinar will explore the pandemic's impact on the legal enforceability of agricultural contracts, protections afforded under commodity specific statutes such as the Perishable Agricultural Commodities Act and the Packers and Stockyards Act, regulatory compliance issues with potential large-scale euthanasia of livestock, state-level meat inspection laws, application of the Defense Production Act in the agricultural context, and a new generation of farm foreclosure moratorium laws.

PPP – Eligible Uses and the Loan Forgiveness Process

11:00 to 11:45am CT, Tuesday May 12th

Many businesses, including farmers and other agricultural enterprises, applied for and received Payroll Protection Program (PPP) loans. To qualify for loan forgiveness, loan funds can only be used to pay for certain expenses. Join Bob Rhea and Dale Lattz from FBFM and Nick Paulson from the farmdoc team to discuss these issues.

Thank You for joining us!

Please submit your questions



The screenshot shows the farmdoc website interface. At the top, there's a navigation bar with 'ILLINOIS', 'EXTENSION', 'farmdocDAILY', and 'Farm Policy News'. Below that, the 'farmdoc DECISION OUTREACH CENTRAL' logo is on the left, and navigation links for 'Market Prices', 'Sections', 'Tools', 'Publications', 'Events', 'Sponsors/Donate', and 'About Us' are on the right. The main content area is titled 'Coronavirus and Ag'. It features a paragraph about the team discussing the impact of the coronavirus and a 'Submit Questions' button. Below this, there's a section for 'farmdoc daily live: Coronavirus and Ag' with links to 'View All', 'See Upcoming', and 'Register For Series'. The page displays a grid of 12 video thumbnails, each with a title, date, and 'Watch Video'/'Download Slides' buttons. The thumbnails cover topics like 'Setting the Stage', 'Lessons from Infectious Disease and Livestock', 'Financial Perspectives on Agriculture and Coronavirus', 'Global Transportation and Cash Flow Considerations', 'Outlook and Farm Policy Moving Forward', 'Acreage Decisions 2020', 'Impacts of Covid-19 on Agricultural Assets and Lending Markets', 'Scott Irwin and Jeff Bunting on Crop Supply Logistics this Spring', 'Rural Economy Stimulus: CARES and PPP Funding', 'Getting the 2020 Crop Planted', 'The Impact of the Coronavirus Pandemic on Food Prices and Retail Food Sector', and 'An Update on Policy and Political Outlook for Coronavirus Pandemic Relief'.

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