

PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

US is the 4th largest rice exporter; each of the 3 largest rice exporters export more than the US produces

US production and consumption of rice have increased markedly over the last half-century, but compared to Asian countries, the US plays a bit-role in world rice production. Most of the rice consumed in the US is domestically grown, though less now than years ago.

The US ranks considerably higher as a rice exporter than it ranks among other countries as a producer of rice. But the US quantity exported is a relatively small share of world exports while US exports represent a tiny share of world production. After excluding the ending stocks of the US and China, US exports are equal to 6 percent of the ending stocks of the rest of the world.

US rice production increased more than 260 percent between 1960 and 2012, from 38.7 million cwt. (hundredweight) to 139.6 million cwt. During that period US rice acreage increased from 1.6 million acres to 2.7 million acres. In 1960, US rice production accounted for 1.2 percent of world rice production, rising to as high as 2.2 percent in 1981 and falling to as low as 1.0 percent in 1983 before ending the period at 1.4 percent.

During that same period, the US export of rice increased from 20.3 million cwt. to 74.9 million cwt. while imports of rice into the US also increased. In 1960 the US imported 0.2 million cwt. By 2012 that number had risen to 14.7 million cwt., trimming US net exports of rice to 60.2 million cwt.

While domestic production met 99 percent of US consumption of rice at the beginning of the period, that number had fallen to 82.5 percent by the end. But, because of increasing rice consumption by US consumers, the amount of domestic consumption met by US rice farmers increased by 49.2 million cwt. over the period.

Net exports of rice accounted for 51.8 percent of production in 1960 falling to 43.1 percent in 2012. At the same time net exports of rice increased by 40.3 million cwt.

US exports of rice accounted for 14.5 percent of world rice exports at the beginning of the period under study, increasing to 29.6 percent in 1974 before beginning a long slow fall to 8.9 percent of world rice exports in 2012.

World rice production has increased from 3.3 billion cwt. to 10.3 billion cwt. over the 52-year period, an increase of 210 percent, with yields increasing from 11.2 cwt./ac. to 26.6 cwt./ac. Meanwhile US yields increased from 24.3 cwt./ac. to 52.1 cwt./ac.

Rice trade during the 1960-2012 period increased from 130.0 million cwt. to 776.5 million cwt. In 2012, 92.4 percent of all rice consumed in the world was consumed in the country in which it was produced.

China is the world's largest rice producer at 3.2 billion cwt. While China's rice yield per acre began the period at 11.8 cwt./ac., near the world levels, by 2012 China's yield was 42.2 cwt./ac. China's rice production and changes in stocks account for most of China's domestic consumption. Over the last 5 years, China has gone from being a net exporter of 20.4 million cwt. of rice to a net importer of 56.4 million cwt. (2012), with none of those imports coming from the US. Even though China was a net importer of rice in 2012, the USDA estimates that it had 1.0 billion cwt. in ending stocks.

The world's second largest rice producing nation is India at 2.3 billion cwt. in 2012. Of that, India exported 213.8 million cwt., placing it ahead of Vietnam (163.1), Thailand (154.3), the US (74.9) and Pakistan (66.1). Vietnam's rice exports are significantly less variable than those of India and Thailand. US rice exports have grown more slowly than those of its competitors.

While Indonesia is the world's third largest rice producer (805.8 million cwt.), it has remained a net importer of rice in most years. Bangladesh and Vietnam are the fourth and fifth largest rice producers. The US is not among the top eight rice producing countries.

The five leading rice importers in 2012 were China, Nigeria, Iran, Iraq, and the Philippines.

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