

Economic, Political, and Global Demands on the United States Dairy Industry

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Abstract

Since 1970, average milk production per cow in the US has increased by 2321 kg. During this time, the number of cows has decreased by 2,010,000, and the number of farms with milk cows is less than one-third the previous level. These trends are likely to continue. Although increased productivity has made US producers among the most efficient in the world, many challenges will emerge in the near future. Reduced government involvement that is partially due to budget constraints will contribute to greater price variations than in the past; international trade may offer new opportunities for increased sales if current trade negotiations are successful; and environmental concerns, animal welfare issues, and consumer preferences will continue to challenge the industry. Basic and applied research, technology transfer, and responsible legislation will be needed to assist the industry in meeting these challenges. Most of all, active producer participation in setting research priorities and the legislative agenda is necessary for the industry to progress.

Key words: dairy industry; issues; trends

Abbreviations: **DTAA**, Dairy and Tobacco Adjustment Act; **EPA**, Environmental Protection Agency; **FACT**, Food, Agriculture, Conservation, and Trade; **FSA**, Food Security Act; **GATT**, General Agreement on Tariffs and Trade; **NAFTA**, North American Free Trade Agreement