

For Immediate Release

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Global Tariff Contest Impacts the Mississippi River Valley Economy
Mississippi River Cities on Alert from Latest Chinese Tariffs

St. Louis, MO—U.S. agricultural exports to China are critical to the Mississippi River economy. U.S. exports of agricultural products to China totaled \$19.6 billion in 2017. China is the 2nd largest Ag export market for the United States behind Canada. China is the largest international destination for U.S. Soybeans importing more than 27 million tons of U.S. soybeans in 2017.

Half of the top ten soy-producing states in the US are along the Mississippi River with Illinois, Iowa, Minnesota, Missouri, and Arkansas raking as 1, 2, 3, 6, and 10. Agriculture is the third largest economy on the Mississippi River generating \$33 billion in annual revenue directly supporting 192,000 jobs just in the Mississippi River Valley alone.

“My state ranks second in U.S. soybean production. If China implements a tariff on soybeans, then the over \$14 billion in soybean exports enjoyed by the U.S. will take a hit and my state may feel that pain acutely,” said Frank Klipsch, Mayor of Davenport, IA and Co-Chair of the Mississippi River Cities & Towns Initiative.

Small family farms account for 90 percent of all U.S. farms and the U.S. is the largest producer and exporter of soybeans in the world accounting for a significant share of farm revenue making the implementation of tariffs from the nation’s top soybean purchaser particularly worrisome.

“Arkansas is the largest soybean producing state in the Lower Mississippi River Valley with the most production adjacent to the waterway. Over 20,000 jobs in my region are dependent on the soybean industry. Some of our farms export 100 percent of their soybeans. I think we need to be extremely careful in implementing these tariffs and take a hard look at how this could potentially hurt people,” cautioned Jay Hollowell, Mayor of Helena-West Helena, AR.

“In terms of production value, soybeans are the top row crop in my state of Mississippi and our region along the River had some of the highest concentrations of production. Soybeans brought-in over \$1 billion in revenue to Mississippi in 2017,” stated Errick Simmons, Mayor of Greenville, MS.

Not only would a tariff on soybeans from China potentially impact production, but it would also impact the nation’s freight industry as 50 percent of all US soybean production is exported to China.

“My city resides just south of Baton Rouge where the port of southern Louisiana begins. 20 percent of all US imports and exports pass through Louisiana ports. 32 percent of the cargo transported on the Lower Mississippi River is agricultural product. These tariffs can have ripple effects into the economy that we need to recognize potentially hurting ports from St. Louis to Memphis, to New Orleans,” asserted Lionel Johnson, Mayor of St. Gabriel, LA and Co-Chair of the Mississippi River Cities & Towns Initiative.

The tariffs up to this point had been a mixed-bag for the Mississippi with some being helpful, some causing concern. “We were watching these tariffs very closely as the steel and aluminum tariffs had varying impacts. But, now we’re in a territory that directly implicates our bread and butter,” calibrated Colin Wellenkamp, Executive Director of the Mississippi River Cities & Towns Initiative.

The Mississippi River Cities & Towns Initiative is comprised of 85 mayors and the association represents cities on the main stem Mississippi from Minnesota to Louisiana. More information can be found on our website at www.MRCTI.org

About the Mississippi River

The Mississippi River is critical natural asset. As the ecological linchpin to the 31-state Mississippi River Basin, the River supports the most agriculturally productive region on the planet; creates nearly \$500 billion in annual revenue; provides drinking water for more than 20 million people; transports 40 percent of the nation’s agricultural output; and directly supports more than one 1.5 million jobs.

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