Project 1 – Effect of the Financial Crash on U.S. Livestock Exports and Imports

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* In what way did the crisis affect the overall volume of livestock imports and exports?

Overall, the market for U.S. livestock imports and exports did not appear to be affected very much by the financial crash. U.S. exports in all three markets declined slightly after the 2008 financial crash, but there were other declines of equal proportions in the years following, so we cannot say definitively that the crash was the sole reason for the decline.

* Which commodities were most affected by the crisis? Which were least affected?

All three major commodities we looked at (chicken, beef, and pork) showed at least some decline following the financial crash. We also looked to see if any of these exports or imports were volatile – we wanted to see whether or not the amount exported or imported fluctuated very much from year to year. We found that the export market was much more consistent than the import market, which was overall much smaller (one sixth the size of the export market). Accordingly, the export market was much more stable than the import market, which was more subject to fluctuations. The export markets for the different commodities showed slight decreases around the time of the crash, but rebounded quickly and then showed similar fluctuations at later points in time. The import markets fluctuated more, but did not appear to do so in a way that corresponded with the financial crash. The chicken and pork export markets stayed mostly consistent for the entirety of the surveyed time period; the beef export market decreased sharply during the crash but has stayed very stable in the years following.

* How did a country’s GDP relate to the impact the financial crisis had on its livestock exports and imports?

After initial data exploration, there were some interesting differences in overall GDP and GDP per capita. For instance, while China has a high overall GDP, it ranks much lower on GDP per capita. Looking at the change in GDP volume did not show a dramatic decline in 2008. However, comparing the percentage by which GDP rose or fell year-to-year clearly showed the decline occurring between the years of 2008 and 2009. The year-to-year percentage change was the best metric for comparing GDP to livestock imports and exports over time.

The graphs used are included in the presentation.