

Examining the Economic Contribution of Peanut Production in the Southeast

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Georgia, Alabama, Florida and Mississippi grow the majority of the peanuts consumed in the world. Georgia specifically is consistently ranked number one among peanut-producing states within the United States, with a 2015 Farm Gate production value of nearly \$685 million spread throughout the state. A thorough understanding of the role of this industry sector in the four state economies (Georgia, Alabama, Florida, and Mississippi) includes an examination of the relationship between it and the other sectors of the economy that provide the inputs and resources necessary to bring the final product to the farm gate. Another essential component is the spending of employees in all of the sectors, adding to the magnitude of the contribution.

The analysis utilized IMPLAN economic analysis software using the most recent data in conjunction with peanut production figures from the Farm Gate Value Report, USDA and information from the University of Georgia National Center for Peanut Competitiveness representative farms. The analysis revealed that the peanut industry contributed significantly to both the local and state's economy in terms of economic contribution and employment. These economic consequences signify the interrelationships between the high-value peanut production sectors, sales in the input industries that provide the resources to bring the peanuts to the farm gate, the spending of the workers in each as a result of the income they receive as well as many other sectors across the individual states.