



THE SHRINKING ROLE OF TOBACCO FARMING AND TOBACCO PRODUCT MANUFACTURING IN THE UNITED STATES' ECONOMY

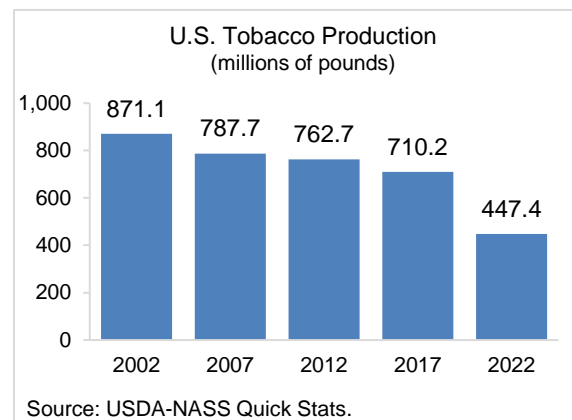
National Tobacco Farming Trends

Tobacco farming in the United States has been shrinking for years, with fewer tobacco farms producing less tobacco and playing an increasingly smaller role in the country's economy. In 2005, the \$10 billion buyout of tobacco farmers and quota holders as part of the termination of the federal tobacco price support program sharply accelerated these trends. Smaller family tobacco farms are no longer the rule but the exception as larger agribusinesses have taken their place.

	1997	2007	2017	1997-2017 Change	1997-2017 Change %
All Farms in USA	2,215,876	2,204,792	2,042,220	-173,656	-7.8%
All Tobacco Farms	93,530	16,234	6,237	-87,293	-93.3%
Tobacco farms of less than 50 acres	86,137	3,273	NA	NA	NA
Total Farm Acreage in USA	954,752,502	922,095,840	900,217,576	-54,534,926	-5.7%
Tobacco Farm Acreage	837,363	359,846	331,552	-505,811	-60.4%
Tobacco Farm Acreage - Percent of Total	0.09%	0.04%	0.04%	NA	NA

Source: U.S. Department of Agriculture, *2017 Census of Agriculture*, April 2019, and earlier editions (Census is done every five years), <http://www.agcensus.usda.gov/index.asp>. NA = Not Available.

The trends in the amount of tobacco harvested in the U.S. reflects the declines in tobacco farms. In the past 20 years, tobacco production in the U.S. has declined 48.6 percent, to 447.4 million pounds harvested in 2022.



National Tobacco Product Manufacturing Employment

In 2021 (the most recent year available), tobacco product manufacturing employment made up one-tenth of one percent of all manufacturing jobs in the U.S. Even in the two states with the most tobacco manufacturing (North Carolina & Virginia), related employment makes up less than 2% of all state manufacturing jobs, and even smaller fractions of total employment.

	1997	2003	2015	2021
Total USA manufacturing employment	16,885,806	13,865,811	11,168,264	11,205,977
Tobacco product manufacturing employment	33,635	24,516	12,972	11,248

Source: U.S. Census Bureau, Annual Survey of Manufactures, data for 2021 are the most recent available.

National Sales of Cigarettes

Taxed cigarette pack sales have also declined considerably in the United States over the past decade, making them a less significant factor in total retailer sales.

	1997	2010	2021	1997-2021 Change	1997-2021 Change %
Total Annual Cigarette Pack Sales	23,929 million	14,697 million	10,628 million	-13,098 million	-54.7%

Source: Orzechowski & Walker, *The Tax Burden on Tobacco*, 2021, annual industry-funded historical compilation.

The Toll of Smoking and Other Tobacco Use in the U.S.

While the number of farms and jobs from tobacco farming and manufacturing have been declining sharply in the United States, the harms and costs from smoking in the state remain high. For example:

- Smoking-caused deaths in the USA each year: 480,000+
- Annual smoking-caused excess healthcare costs in the USA: \$241.4 billion

Source: U.S. Department of Health and Human Services, *The Health Consequences of Smoking: 50 Years of Progress: A Report of the Surgeon General*, 2014. Healthcare costs in 2018 dollars. Shrestha, SS, et al., "Cost of Cigarette Smoking–Attributable Productivity Losses, U.S., 2018," *American Journal of Preventive Medicine* 63(4):478-485, July 27, 2022.

More active federal efforts to prevent and reduce smoking and other tobacco use would improve public health; save lives; increase worker productivity; reduce government, business and household costs; and strengthen the state's budget and economy.

Campaign for Tobacco-Free Kids, February 6, 2023