The United States Department of Agriculture (USDA) was established by Congress in 1862 and implemented by President Lincoln at the conclusion of the Civil War. It was critical to understand the production and availability of agricultural commodities as the war recovery was underway. Agricultural information was also needed to support the price discovery process in the maturing grain exchanges located in New York and Chicago.

The Chicago Board of Trade (CBOT) was formed in 1848 by a group of businessmen who wanted to bring order to the Midwest’s chaotic grain market. At that time, farm prices were ruled by boom or bust cycles and spring and fall volatility. As market price discovery matured, it was clear that farmers needed an independent source of production data so prices reflected the reality of growing conditions.

The first crop report was released in July 1863 to answer this need. The report included these introductory words, "The relationships between agriculture, manufactures, and commerce, demand that something should be done to obtain and publish, at brief intervals during the crop season, reliable information of the amount and condition of these crops. Ignorance of the state of our crops invariably leads to speculation, in which, oftentimes the farmer does not obtain just prices and the consumer is not benefited."

CBOT futures contracts were standardized in 1865 and 150 exchange members offered contracts that guaranteed a certain price in a distant month for the farmer. These offerings also introduced speculation in the commodity markets for investors looking to capture profits from price changes.

1/History of the Chicago Board of Trade, Reference for Business
The present day agricultural statistics program is still rooted in those ideals from the first crop report. The need for an independent, unbiased review of crop and livestock production continues so farmers know the price discovery process is based on real world information, not someone’s opinion. It’s based on data collected directly from farmers.

Fundamental technology advancements in agriculture like tractors, seed genetics or satellite guided input applications have revolutionized agricultural production through the last 150 years.

In a similar way, advancements in the science and process of sample survey and estimation techniques have revolutionized NASS business practices. Objective yield measures, area sampling frame, weekly crop progress and condition reports and models based on satellite imagery have all evolved from the desire to improve the quality, completeness, accuracy and timeliness of the data needed for an efficient commodity market for farmers.

The following charts show the history of estimates and milestones in history.
Understanding NASS Crop and Livestock Estimates Through History

USDA, NASS, Upper Midwest Region, MN
March, 2022

Livestock and Poultry Inventory, Minnesota, 1866-2022

Beef and Dairy Milestones

- 1895 - Milk pasteurization began
- 1897 - First hammer mills used to prepare feed
- 1922 - Capper-Volstad Act passed
- 1927 - USDA beef grading stamps appear on packaging
- 1940's - Meat packing became MN largest employer
- 1950's - 1960s Dairies offer square milk cartons reducing the cost to consumers
- 2006 - MN nutrient management plans required for feedlots
- 2008 - MN ethanol production byproduct DDGS feedstuff widely available
- 2020 - Covid-19 pandemic affects dairy industry

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Beef: Turkeys, Chickens, Hogs

- Turkeys: 46,000,000
- Chickens: 23,546,000
- Hogs: 9,400,000