

The Economic Contribution of Production Agriculture in Hidalgo County, Texas

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Texas produces a variety of field, nursery, and vegetable crops, alongside a diverse mix of livestock, dairy, and poultry enterprises that generate economic activity in the state, regions, and counties where these commodities are produced. Hunting, fishing, timber and other agricultural-related activities can also generate economic activity. The focus of this analysis is on the economic contribution of production agriculture in Hidalgo County.

Table 1. County-Level Agricultural Receipts and Economic Contribution (2024)

		Economic Output (Sales) ⁴	Value Added ⁴	Jobs 4
Commodity	Cash Receipts ^{1,2}			
Cotton	\$30,248,345	\$62,750,286	\$34,090,002	705
Grapefruit	\$22,027,198	\$41,582,699	\$24,262,417	388
Grain Sorghum	\$20,135,372	\$41,130,910	\$14,202,697	279
Watermelon	\$17,676,800	\$35,184,804	\$17,548,584	275
Nursery	\$15,789,700	\$32,893,645	\$16,110,179	216
Oranges	\$15,576,842	\$29,405,789	\$17,157,508	274
Feed Corn	\$13,935,448	\$28,466,206	\$9,829,515	193
Sesame	\$2,786,890	\$5,861,881	\$3,352,859	28
Other Crops	\$2,150,084	\$4,610,056	\$2,298,730	29
Hay	\$1,561,700	\$3,352,895	\$1,667,739	22
Melons	\$1,389,750	\$2,766,229	\$1,379,670	22
Sunflowers	\$759,720	\$1,597,978	\$914,006	8
Total Crop	\$187,399,980	\$375,913,572	\$185,861,515	3,114
Cow Calf & Stockers	\$33,990,990	\$75,752,202	\$31,400,947	577
Fed Beef	\$6,365,350	\$14,185,797	\$5,880,323	108
Other Livestock	\$1,096,250	\$2,805,928	\$1,828,200	20
Goats	\$382,500	\$979,035	\$637,890	7
Total Livestock	\$41,835,090	\$93,722,963	\$39,747,360	712
Hunting	\$5,156,250	\$7,432,318	\$3,291,023	138
Other Ag Related	\$3,040,000	\$5,162,091	\$3,764,841	82
Recreation	\$1,345,000	\$2,298,599	\$1,672,324	36
Horses	\$300,000	\$512,699	\$373,009	8
Total Ag Related	\$9,841,250	\$15,405,706	\$9,101,197	264
Total Gov't Payments 3	\$5,802,495	\$6,295,020	\$3,219,069	44
Total Effects	\$244,878,815	\$491,337,261	\$237,929,141	4,134

Economic contribution analysis measures the gross change in economic activity associated with an industry, production agriculture at the county level in this case. Economic activity in production agriculture (direct effect) ripples through the regional economy as farms, ranches, and other agricultural-related enterprises purchase inputs (indirect effect) and pay employees who also make purchases (induced effect). Many farm and ranch production expenses are paid to local suppliers, or other suppliers in the region. Farmers and ranchers also spend part of their profits and/or wages on consumer goods - eating at local restaurants and buying groceries, fuel, utilities, and other consumer items. In turn, the employees of these businesses spend wages at local or regional businesses. Money is multiplied as it circulates through the economy. Of course, money also leaks from the county economy as businesses and households purchase goods and services from other parts of the region, state, nation, and world. These leakages reduce the overall economic contribution of agricultural production within the county.

The total effects in Table 1 are the sum of the direct, indirect and induced effects for each of the three indicators: *economic output* (cash receipts plus gross intermediate input sales by supporting industries), *value added* (contribution to the state's Gross Domestic Product, or GDP), and *jobs* (number of full-and part-time jobs). The original economic contribution from farm and ranch production (cash receipts, which includes crop insurance proceeds) leads to *total economic output*, which supports the number of *jobs* (annually) presented in Table 1. *Value added* represents the value added in production (gross receipts less the cost of inputs) through the use of land, labor, and capital. Labor income (not shown in Table 1) is a subset of *value added* which is a component of *economic output*. The three economic indicators represent separate measures of economic contribution and thus cannot be summed.

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¹ Hilfiker, Seth, and John Robinson. 2024 Estimated Value of Agricultural Production and Related Items, 2024, State, Counties and Extension Districts Texas A&M AgriLife Extension Service, Department of Agricultural Economics, May 2025.

² Risk Management Agency - USDA. 2024. Annual County Crop Insurance Indemnity Payments, 2024. https://public-rma.fpac.usda.gov/apps/SummaryOfBusiness/ReportGenerator

³ Environmental Working Group. 2024. Farm Subsidy Database. Washington D.C. Accessed data from EWG Farm Subsidy Database.

⁴ IMPLAN model, 2022 Data, using inputs provided by the user and IMPLAN Group, LLC, IMPLAN System (2022 U.S. data and software), 16905 Northcross Drive, Suite 120, Huntersville, NC 28078. http://www.implan.com