Economic Review

Long-Term Pressures and Prospects for the U.S. Cattle Industry

by: Cortney Cowley

December 17, 2021

Recent disruptions in the cattle sector have highlighted long-term pressures on cattle producers' profitability.

By the end of 2020, prices for most major agricultural commodities had rebounded sharply from COVID-19-related disruptions. However, cattle prices have only recently reached pre-pandemic levels. The sluggish recovery in cattle prices was reinforced by major winter storms in early 2021, which resulted in significant losses to affected producers, and a May 2021 cyberattack on meatpacker JBS S.A., which caused significant production delays. Together, these disruptions have limited the industry's ability to recover from the pandemic and, alongside changing weather and consumer preferences, could have longer-term effects on the economic outlook for cattle producers.

In this article, Cortney Cowley examines long-term pressures and prospects for the U.S. cattle sector. Going forward, U.S. cattle production faces three key pressures that may affect profitability: vulnerabilities along the supply chain; extreme weather conditions, particularly drought; and shifting demand from U.S. consumers. Although these pressures may shape cattle production in decades to come, growing international demand for U.S. beef—especially from emerging market economies—offers some prospects for industry profitability.

Publication information: Vol. 107, no. 1
DOI: 10.18651/ER/v107n1Cowley

Author



Cortney Cowley

Assistant Vice President and Oklahoma City Branch Executive

Cortney Cowley serves as Oklahoma City Branch Executive and Assistant Vice President for the Federal Reserve Bank of Kansas City. Cowley joined the Bank in 2015 as an economist and was promoted to senior economist in 2021. In 2025, Cowley began her role as Branch Executive.As Oklahoma City Branch Executive, Cowley is the Bank's lead officer and economist in Oklahoma. She recruits and works closely with the Oklahoma City Branch Board of Directors and is responsible for briefing Kansas City Fed President Jeff Schmid, a member of the Federal Open Market Committee, on economic trends in the state. She also serves as a special advisor on agriculture to Vice Chair for Supervision Miki Bowman at the Federal Reserve Board of Governors. Cowley's team conducts research and surveys on key regional issues such as energy, manufacturing and migration.Cowley holds a Ph.D. in Agricultural Economics from Oklahoma State University, as well as a master's degree in Civil Engineering from Colorado State University and a bachelor's degree in Biosystems Engineering from Oklahoma State University, where she was named a Harry S. Truman Scholar. She is a member of the Economic Club of Oklahoma, Downtown Club of Oklahoma City, the Agricultural and Applied Economics Association and serves as an economic advisor on the campaign cabinet of the United Way of Central Oklahoma. Cowley, along with her husband and nine-year-old twins, lives on a small farm northwest of Oklahoma City.