



## Research

# Foreign Ownership of U.S. Agricultural Land

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## Executive Summary

- As Congress debates its economic and national security policy posture toward China, there has been increased scrutiny of Chinese ownership of U.S. agricultural land.
- While several recent studies point to an increase in Chinese-owned agricultural land, much of the conversation does not reflect the context of total private agricultural land ownership or Chinese ownership relative to individuals from other countries.
- This research presents a broad look at the data surrounding private ownership of U.S. agricultural land; it finds that roughly 3 percent of this land (in acres) is foreign owned, with less than 1 percent of that slice owned by Chinese nationals.

## Introduction

In recent years, there has been significant debate in Congress and the White House about the economic and national security impacts of the United States' engagement with China. Since late 2021, these conversations have included increased scrutiny of Chinese ownership of U.S. agricultural land. Currently, the federal government does not restrict foreign ownership of U.S. agricultural land, but the U.S. Department of Agriculture does collect reports of such acquisitions.

Members of Congress have proposed several pieces of legislation to have the federal government review or restrict purchases of U.S. agricultural land by Chinese entities, citing concerns for both national and food security. Some, ostensibly, believe that Chinese entities own substantial amounts of such U.S. land, or that the rate of increase of Chinese ownership is of particular concern.

Yet much of the analysis of Chinese ownership is not presented within the context of total foreign ownership of U.S. agricultural land, or within the context of the total amount of privately held agricultural land in the United States. This research presents a broad look at the data surrounding private ownership of U.S. agricultural land; it finds that roughly 3 percent of this land (in acres) is foreign owned, with less than 1 percent of that slice owned by Chinese nationals.

## Domestic and Foreign Ownership of U.S. Agricultural Land

Many in Congress have become increasingly concerned about the amount of agricultural land that is owned by foreign entities, with members claiming that there has been “an alarming increase in foreign purchases of farm land and food companies, particularly by China.”<sup>[1]</sup> Given this growing concern, it is crucial for members to understand the data published annually by the U.S. Department of Agriculture (USDA) on foreign ownership of U.S. agricultural land.

There are nearly 1.3 billion acres of privately owned agricultural land in the United States. Under the [Agricultural Foreign Investment Disclosure Act](#), foreign investors in U.S. agricultural land must report their transactions to USDA. USDA then publishes an annual report with data from these disclosures.<sup>[2]</sup> These annual reports provide the primary data sources for the charts and tables in this research.

Of the 1.3 billion acres of private agricultural land in the United States, foreign entities fully or partially owned roughly 40 million acres valued at \$74 billion in 2021. As demonstrated in Table 1, the top 10 foreign owners of U.S. agricultural land by acres were Canada, the Netherlands, Italy, the United Kingdom, Germany, Portugal, France, Denmark, Luxembourg, and Ireland. Individuals from these countries own three-quarters of the acres owned by foreigners.

**Table 1: Top 10 Foreign Owners by Acres of U.S. Agricultural Land, 2021**

Country of Foreign Investor	Total Acres	Total Value (US\$)
Canada	12,845,209	11,570,797,000
Netherlands	4,875,034	6,873,789,000
Italy	2,703,340	5,378,113,000
United Kingdom	2,537,898	4,914,555,000
Germany	2,269,292	6,652,248,000
Portugal	1,482,785	3,380,452,000
France	1,315,748	2,974,709,000
Denmark	856,474	1,126,811,000
Luxembourg	802,249	1,832,757,000
Ireland	759,732	430,765,000

This report primarily looks at foreign ownership of U.S. agricultural land by acres, as this is a measure of the amount of land that is comparable across the country. Some also examine foreign ownership of agricultural land by the total value of the land held by foreign entities. This can lead to different results. While useful, this metric can be misleading because land values vary greatly around the country. For example, agricultural land in Iowa was valued at an average of \$11,411 per acre, while in Texas agricultural land averages \$4,446 per acre.<sup>[3]</sup> Another benefit of viewing foreign ownership of agricultural land over time in terms of acres rather than land value is that it provides a measure that does not need to be adjusted for inflation.

As seen in Table 2, when sorted by total land value, the top 10 countries for foreign investors are Canada, the Netherlands, Germany, Italy, the United Kingdom, Portugal, France, Japan, Sweden, and China. While individuals from countries such as Japan, Sweden, and China own land valued at more than \$2 billion, the acreage of those holdings is substantially less than that of individuals from Ireland, which is the number 10 foreign holder of agricultural land by acres in Table 1.

**Table 2: Top 10 Foreign Owners by Land Value of U.S. Agricultural Land, 2021**

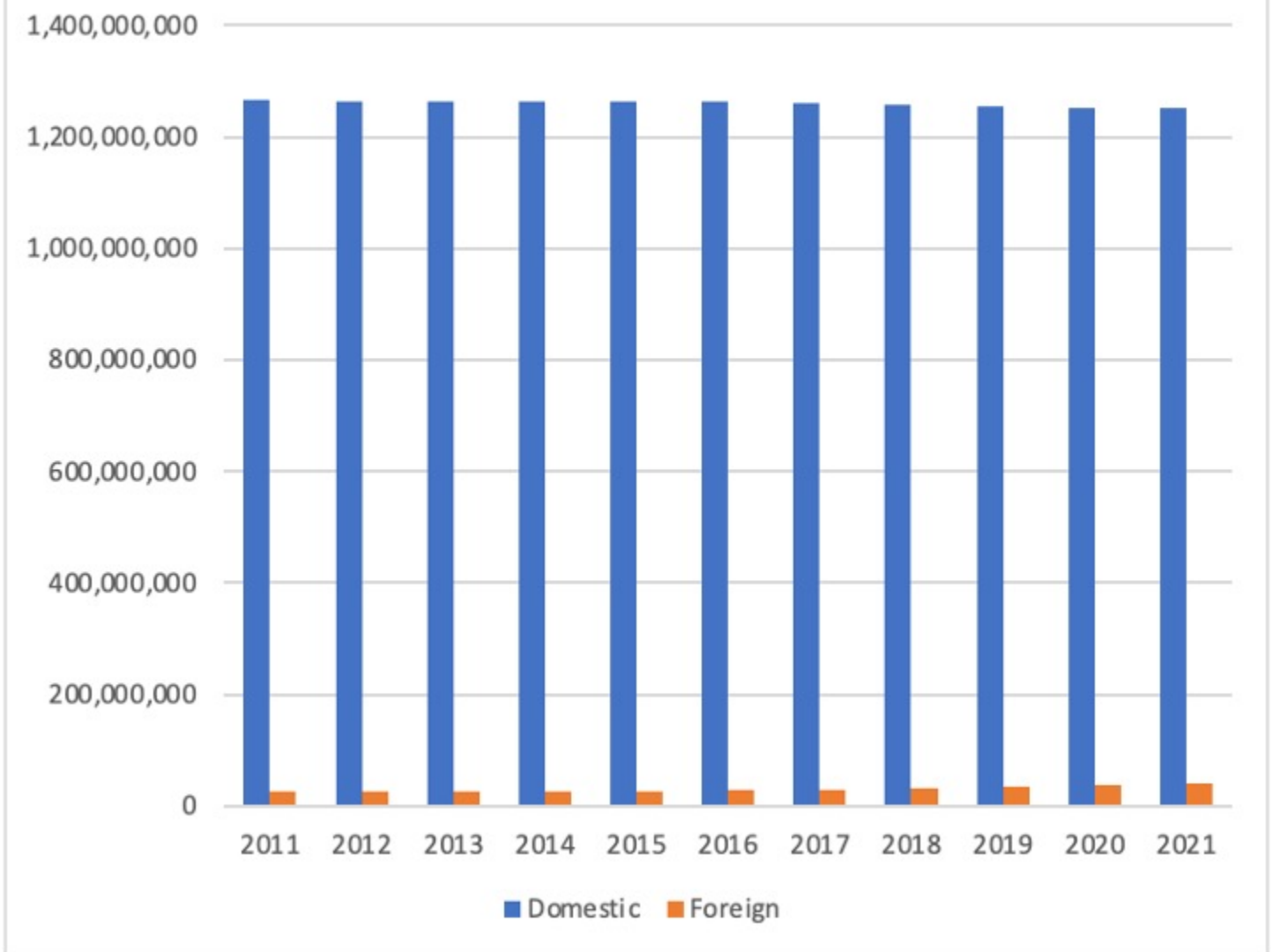
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France	1,315,748	2,974,709,000
Japan	636,258	2,959,088,000
Sweden	688,801	2,424,373,000
China	383,935	2,103,781,000

To understand the extent to which U.S. agricultural land is foreign-owned and how foreign ownership has changed over time, it is also essential to look at foreign ownership within the context of total private ownership of U.S. agricultural land. The acreage of privately owned U.S. agricultural land, roughly 1.3 billion acres, has not changed over the last decade. Foreign ownership of this land has changed somewhat, as shown in Chart 1. In 2011, 25.7 million acres of U.S. agricultural land was wholly or partly owned by foreign entities. In 2018, the number of foreign-owned acres crested 30 million and in 2021 foreign entities owned just over 40 million acres of U.S. agricultural land. On the other hand, in 2011, 1.26 billion acres of agricultural land was domestically owned, and in 2021, that number was 1.25 billion acres.

**Chart 1: Domestic and Foreign Ownership of U.S. Agricultural Land in Acres, 2011–2021**

## Domestic and Foreign Ownership of U.S. Agricultural Land in Acres, 2011-2021



In terms of percentages, as shown in Table 3, foreign entities owned 2 percent of U.S. agricultural land in 2011, and in 2021, foreign entities owned 3.1 percent of this land. The percentage increase of foreign ownership may be substantial, but in the context of total acres of agricultural land, foreign entities still own a marginal fraction of this land.

**Table 3: Percentage of Foreign Held U.S. Agricultural Land, 2011–2021**

Year	Percentage of Foreign Held U.S. Agricultural Land
2011	2.0
2012	2.0
2013	2.0

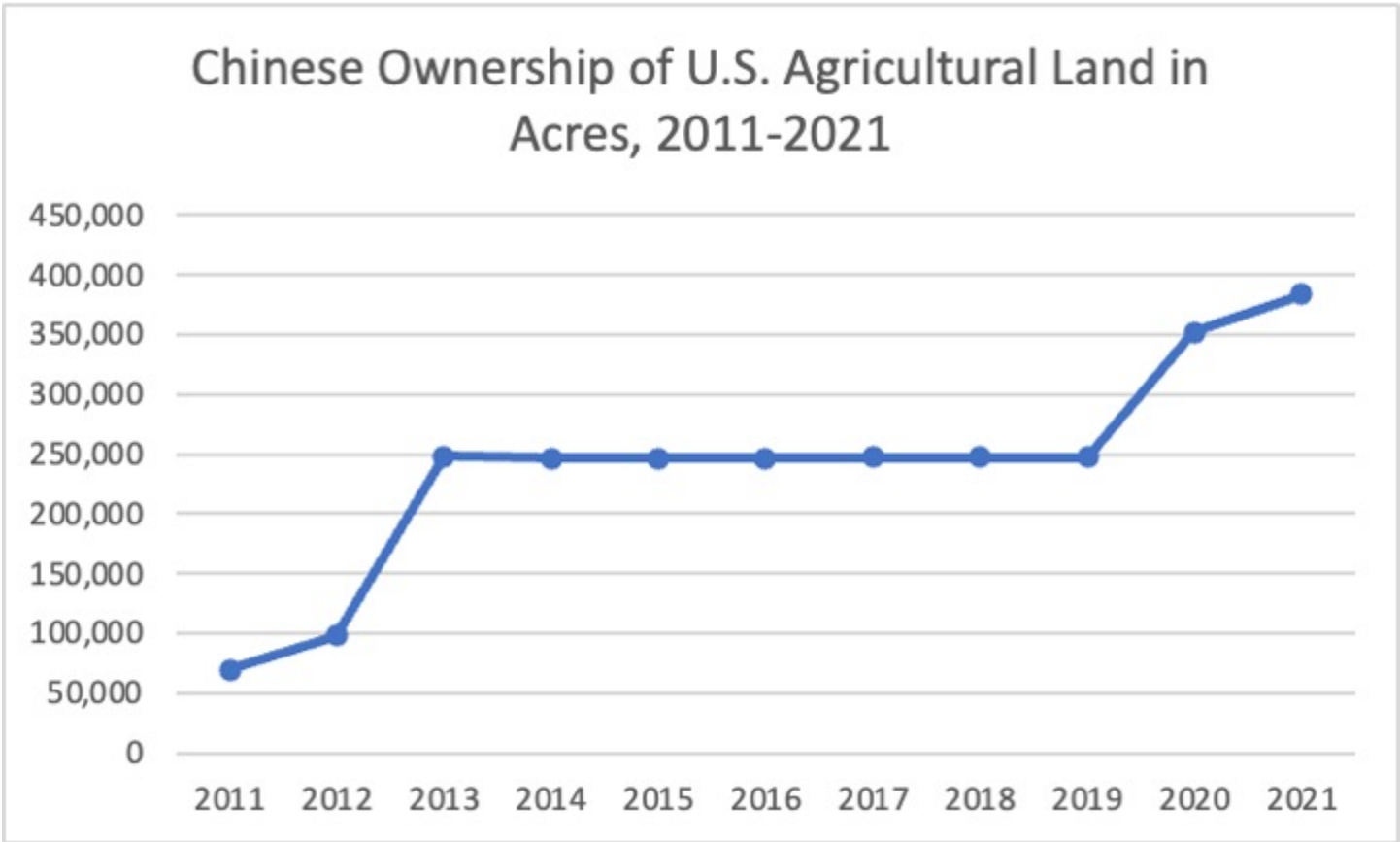
2014	2.1
2015	2.1
2016	2.2
2017	2.3
2018	2.5
2019	2.7
2020	2.9
2021	3.1

### **Chinese Ownership of U.S. Agricultural Land**

The primary debate in Washington, D.C. is not just about the concept of foreign ownership of U.S. agricultural land, but the extent to which Chinese entities own U.S. agricultural land. This concern has become especially pronounced as strategic competition between the United States and China increases in importance as a foreign policy issue. In 2011, Chinese entities owned 69,295 acres of U.S. agricultural land. The number of acres held by Chinese entities increased dramatically in 2013, as demonstrated in Chart 2, after the Chinese company Shuanghui International acquired the American company Smithfield, and thereby its agricultural land.<sup>[4]</sup> After this acquisition, Chinese entities owned 248,503 acres of U.S. agricultural land.

Shuanghui International’s purchase of Smithfield was highly debated at the time. The Senate Committee on Agriculture, Nutrition, and Forestry held a hearing in 2013 in which several members expressed concern with the acquisition, citing economic and food security.<sup>[5]</sup> The Chinese company voluntarily submitted the transaction to the Committee on Foreign Investment in the United States (CFIUS), an independent panel tasked with ensuring foreign investment in the United States does not harm national security, for review. Ultimately, CFIUS allowed the purchase of Smithfield to proceed.<sup>[6]</sup>

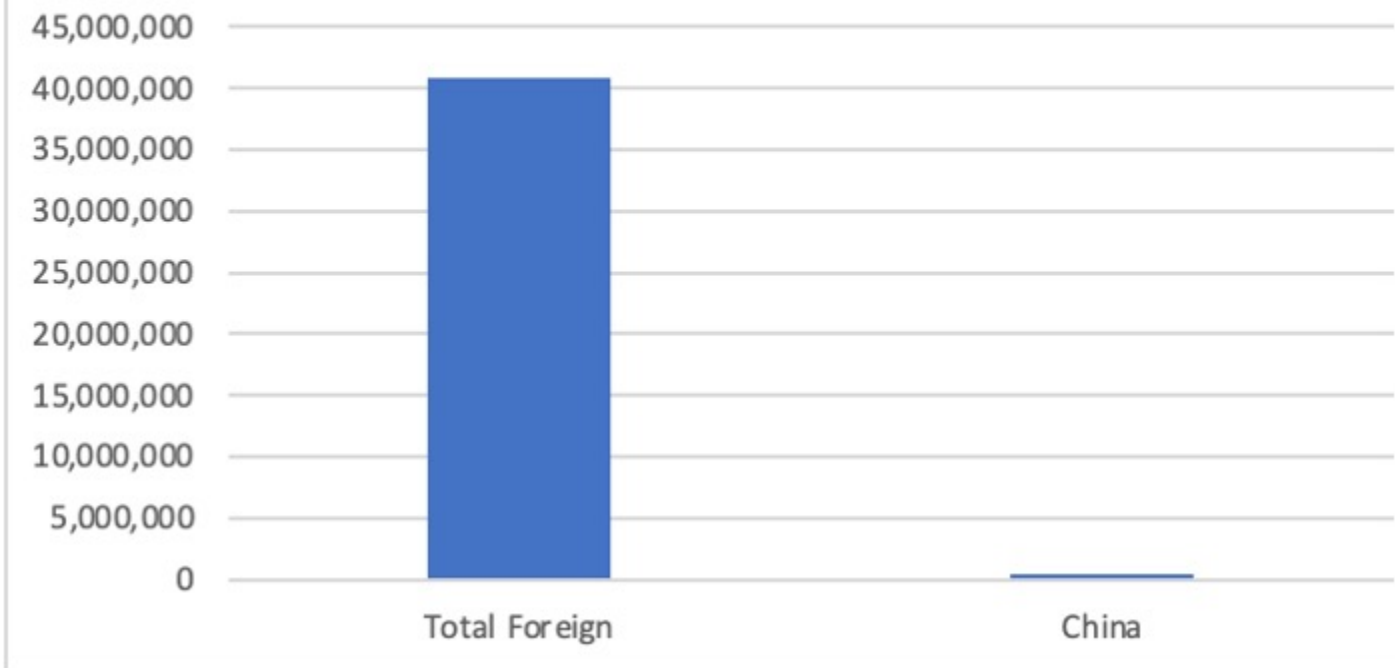
### **Chart 2: Chinese Ownership of U.S. Agricultural Land in Acres, 2011-2021**



For the next 6 years, Chinese ownership of U.S. agricultural land remained very steady at around 247,000 acres. Between 2020–2021, the Chinese national Sun Guangxin purchased roughly 140,000 acres of land in Texas. The owner wanted to develop a wind farm on a portion of the land, but that effort was blocked by the Texas State Legislature with the passage of the Lone Star Infrastructure Protection Act in 2021, which prevents Chinese, Russian, Iranian, and North Korea entities from participating in “critical infrastructure.”<sup>[7]</sup> Recent reports show that the Spanish firm Greenalia acquired the land in 2022 to develop the wind farm.<sup>[8]</sup> These two acquisitions represent most of the increase of Chinese ownership of U.S. agricultural land over the last decade. Moreover, Chinese entities’ ownership of this land is a small fraction of total foreign ownership of U.S. agricultural land, as shown in Chart 3. Chinese entities owned 0.94 percent of the total number of acres owned by foreigners in 2021 and 0.03 percent of total privately owned agricultural land in the United States.

**Chart 3: Total Foreign and Chinese Ownership of U.S. Agricultural Land in Acres, 2021**

## Total Foreign and Chinese Ownership of U.S. Agricultural Land in Acres, 2021



### Proposals for Increased Scrutiny

The federal government does not currently restrict how much agricultural land a foreign entity can own. Some states, however, do expressly impose restrictions on such ownership. As of January 2023, 14 states, mostly in the Midwest and Great Plains, prohibited or restricted foreign ownership of agricultural land.<sup>[9]</sup> Twenty-nine states expressly allow foreign entities to own agricultural land and 7 are silent on the issue. Texas is one of the states that expressly allows foreign owners for agricultural land, despite the Lone Star Infrastructure Protection Act. This is because the law itself restricts certain countries from engaging in infrastructure but allows physical ownership of farmland. Several states, including Florida, Alabama, Mississippi, and Montana have proposed legislation to change the way they treat foreign ownership of agricultural land. The California State Legislature passed a bill in 2022 that would have prevented these kinds of purchases, but it was vetoed by the governor.<sup>[10]</sup>

During the 117th and 118th Congresses, members in the House of Representatives and Senate introduced legislation to institute federal restrictions on foreign ownership of agricultural land. The primary bills are the [Promoting Agricultural Safeguards and Security \(PASS\) Act](#), the [Foreign Adversary Risk Management \(FARM\) Act](#), and the [Prohibition of Agricultural Land for the People's Republic of China Act](#). The PASS Act and the FARM Act would both add the Secretary of Agriculture to CFIUS and make changes to how CFIUS reviews agricultural land purchases, however, the degree of changes vary between the bills. The Prohibition of Agricultural Land for the People's Republic of China Act would prohibit entities associated with the Chinese Communist Party from purchasing U.S. agricultural land.

### Conclusion

As Congress debates imposing federal restrictions on foreign ownership of U.S. agricultural land, it is crucial

that members have a clear understanding of the extent to which foreigners own this land, as well as the ownership breakdown among countries.

[1] <https://www.cramer.senate.gov/news/press-releases/sen-cramer-cosponsors-bipartisan-bicameral-bill-to-protect-ag-industry-from-foreign-interference>

[2] <https://www.fsa.usda.gov/programs-and-services/economic-and-policy-analysis/afida/annual-reports/index>

[3] <https://www.card.iastate.edu/farmland/>; and <https://www.recenter.tamu.edu/data/rural-land/#!/state/Texas>

[4] <https://www.reuters.com/article/us-shuanghui-idUSBRE94S0K920130529>

[5] <https://www.wiley.law/alert-2772>

[6] <https://www.alston.com/-/media/files/insights/publications/2013/09/iclient-alerti-shuanghui-wins-cfius-approval-of-sm/files/view-client-alert-as-pdf/fileattachment/smithfield-cfiuseng.pdf>

[7] <https://devilsriverconservancy.org/press-releases/2023/1/17/foreign-renewable-energy-company-poses-threat-to-preserved-west-texas-land-and-river-basins-with-proposed-wind-farm>

[8] <https://greenalia.es/en/articles/greenalia-expands-its-us-presence-with-303-mw-blue-hills-onshore-wind-project-in-texas/>; and <https://renewablesnow.com/news/spains-greenalia-buys-controversial-texas-wind-project-from-spurned-chinese-developer-807068/>

[9] <https://crsreports.congress.gov/product/pdf/IF/IF11977>

[10] [https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill\\_id=202120220SB1084](https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202120220SB1084)