So They Say

What agricultural and resource economists are finding about food, farm, and resource issues

- **Farming the Internet.** "... farmers and ranchers who take advantage of the Internet will gain greater access to markets, be more successful and more credit-worthy." Heuer, R. "Dot-coms Shake-Up Ag Industry." Ag Lender: Profitable Lending to Agriculture 4, no. 6(June 2000):14.

- **China's Diet.** "... China's dietary pattern is indeed moving from the developing country [pattern] toward the developed country [pattern], but its direction is not toward the U.S. Increases in meat consumption are accompanied by increases in seafood consumption. That is, China's dietary pattern is moving toward the dietary patterns of Asian developed countries like Japan, Korea, and Hong Kong." Jhono, C., N. Suzuki, and H.M. Kaiser. "Will China's Diet Follow Western Diets?" Agribusiness: An International Journal 16, no. 3(Summer, 2000):271-280.

- **Institutional Economics.** "I believe [institutional economics] lives on today as a lively element inside today's mainstream economics. U.S. economics has always been more empirical — more "econometric" if you will — than the German Historical School ever was. Labor economics and the many evolving sectors in applied economics operate today light years away from the *a priori* assumptions of Ricardoan and Austrian dogmatism." Samuelson, P.A. "The Golden Virtue of Eclecticism in Economics." The American Economist 44, no. 1(Spring 2000):3-4.

- **Contingent Valuation.** "It is suggested that the CVM enquiry process can be understood not just as a way to obtain information about people's preference quantified in 'commodity' terms of price for a given good/service, but more profoundly as a reciprocal learning process where both the researchers and the interviewers might come to appreciate more about the range of perspectives that may be brought to bear on the valuation problem. Even within the confines of the information obtainable through a CVM survey format, a researcher who adhered rigidly to a schema of analysis and interpretation based on the neo-classical axioms of optimal producer and consumer choice, would be missing a lot of relevant information." O'Connor, M.. "The VALUE project — an introduction." Ecological Economics 34, no. 2(August 2000):165-174.

- **From the Past.** "It is an interesting time to be leaning over the fences of America's Farms. There are discussions, even arguments, in the land about whether farmers ought to change the way they farm ... There have been arguments like this heard before ... It is the basic question about farming splits into many smaller ones. The answers multiply and become contradictions. Hence this effort to sort the questions into different shelves, the answers into different bins ... There is only one new idea developed here: there are really no new ideas in arguments about agriculture." Wojcik, J. "The Arguments of Agriculture: A Casebook of Contemporary Agricultural Controversy." West Lafayette, IN: Purdue, Univ. Press, 1989.

- **GMs in the UK.** "GM food remains contentious, though rarely because of specific hazards, and for reasons marginal to the risk-assessment procedure. There has been little expert disagreement, though a few scientists claim that the GM process generates unpredictable risks in food. Consumer NGOs cast doubt on safety assessments in general, e.g. on grounds that these products of a novel technology have not yet had a long-term large-scale use." Levidow, L. and S. Carr. "UK: Precautionary Commercialization" Journal of Risk Research 3, no. 3(July 2000):261-270.

- **Expert Opinion.** "Different users assess expert opinion from different positions. These involve different interests, and therefore, it is inevitable that the credibility of the opinion will be articulated differently. In certain cases the articulation is as follows: if the opinion is in accord with the interests, the credibility is high, no matter how it relates to the scientific correctness of the opinion." Konic, B. "Why are Some Experts More Credible Than Others?" Environmental Impact Assessment Review 20. (August 2000): 427-434.

- **Mechanization.** "Case studies of rice and processing tomatoes show that harvest mechanisation has reduced labor use by 92% to 97% and has also reduced labor costs, down from half to two-thirds of total costs to less than 20%." Thompson, J.F. and S.C. Blank. "Harvest Mechanization Helps Agriculture Remain Competitive." California Agriculture 54, no. 3(May-June 2000):51-56.

- **Pesticides.** "There are widely held concerns over environmental contamination from agricultural pesticide applications in Europe. Until recently, the prevailing view was that if pesticides were applied properly, that is, in accordance with manufacturers' instructions, safety would be ensured through the testing required before commercialization of a new pesticide. That assumption and the practice of regulating pesticide use solely by means of authorization is now being challenged as environmental monitoring and knowledge increases." Wassink, G.A. and T.A. Feitshans. "Pesticide Policies in the European Union," Drake Journal of Agricultural Law 5, no. 1(Spring 2000):223-249.

**CUMULATIVE INDEX**

A cumulative index of all CHOICES articles through December, 1999 is now available at the magazine's website. The articles are arranged by author in seventeen categories. The address is:<www.aaea.org/choices/subject/>
Limited Vision and Unintended Consequences

L imited vision can result in unintended outcomes as we do our work. How can we counter it? The answer is not simple.

Remember when regression analysis first swept us away? Industry wanted applications, but academics wanted models. Misinterpretations came from not differentiating between “association” and “cause.” Instead of resolving the misinterpretations, we created complicated models often based on tenuous assumptions because we lacked knowledge of biological and other data or because of the restrictive “ceteris paribus” conditions.

Agricultural economists working in industry, government, or academia almost always cut complex problems down to “manageable size.” This is laudable only when the resolution leads to intended outcomes. In some cases, we have fooled ourselves with phrases like “maximum economic yield,” best management practices (BMP) and integrated pest management (IPM) because our cost-benefit analyses only glorified when we increased yields and worshiped the short-term bottom line. And look at the long-term damage: costs of aquifer rehabilitation, air pollution reduction, and land degradation will haunt future generations.

We seem to jump on fads without assessing the risk of the jump. And, to our own detriment, we ride them to the end. Our current response to “industry realignment” and declining university budgets seems to be driven by efforts to tap into permissive financial resources no matter what the cost to research integrity or, in the case of academics, the responsibility of public service. In universities, there is pressure to charge the consumers of university-generated information. No matter that the very people who have provided their properties and data as laboratories are among those being charged. Academic economists sometimes make matters worse by promising the industries that fund them their ability to privatize the valuable results of the research.

An option for academics is consulting, which, if done ethically and with appropriate approvals, is helpful to everyone. However, an unintended consequence is that the consultant can be seduced into wanting both the rewards of academia and the opportunity to run a private company. This would not be allowed in industry where either you are in or you are out.

Former President Kennedy of Stanford University recently identified two conflicts of interest: one is doing for private gain what one should do as community service; the other is spending so much time consulting that it detracts from the job for which one is actually paid — a nice distinction that raises personal ethics to a high level. In academia, an unintended result of ignoring these conflicts is the creation of student and public confusion as they observe personal greed overriding the stated Land Grant goal of serving the public interest.

Perhaps our politically-reduced budgets reflect the academics’ neglect of people’s needs. Yet the more either industry or academic economists work in policy analysis, the more vulnerable their work becomes. Vested interests balk forcefully at analysis that restricts their perceived rights. Such objections have been frequent. Recent examples include objections to burning harvest stubble, development of limited agricultural lands, increased dust and odors from cultivation, confined animal operations, and the redirection of water. Why must we wait to develop creative resolutions to these kinds of problems?

Understanding professional reluctance is easy when economists do not feel supported by their firms and institutions. When private entities close to research funding find formal analysis objectionable from their own point of view, jobs can be lost, university politics become intense, and academic freedom drops to a low ebb. Such situations are present, and if we allow them to continue, all of us will suffer: we as individuals, our firms, our students, our educational programs, and the public.

One key to mitigating these problems of vision and interpretation lies in enhanced personal communication. With a growing information overload, people need help in using available data. In order to do this, we need more people-to-people contact; more open discussions about issues to help informed management and laypersons talk their ways to understandable analysis. The “intimacy factor” is missing, and while some may laugh it down, many new managers focus on it. Medical and law schools are introducing curricula to address this issue; the food industry is seeking ways to achieve “trust” and consumer confidence; and large corporations are opening their books to competitors in order to form profitable and legal alliances. Meanwhile, scientists and economists are faced with creating a higher publicly-accepted level of credibility.

We cannot achieve trust and credibility at arm’s length. This trust is earned through observing credible performance directed toward perceived needs. Why else should the public, or private sector, continue to fund us? ■

L. Tim Wallace earned his BA degree at Harvard then went on to advanced degrees at Oregon State and Purdue. He was an extension Economist at UC–Berkeley for 30 years before his retirement in 1998. He now divides his time between his home in Berkeley and a second home in Washington’s San Juan Islands.
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Industrial hog production in the Jinagsu Province of China. Over the last two decades, China's imports of livestock products have been increasing faster than exports.

Photo courtesy of Henning Steinfeld, MO

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Food Quality Protection Act: Origin and Outcome
by Linda-Jo Schierow

When the U.S. Congress unanimously voted for significant changes to laws concerning pesticide sale, usage and residues they created the Food Quality Protection Act (FQPA) to be the vehicle of change. Here we look at the origin of this legislation and its focus.

Apples, Kids and Core Science
by Charles M. Benbrook

FQPA is the first U.S. environmental statute to require the use of advanced risk assessment and management methods in dealing with "vulnerable groups." Now EPA faces a big task in completing and defending the policies required for implementing FQPA.

FQPA:
A Farmer's Perspective
by Keith W. Eckel

Growers are concerned about the loss of use of safe and effective crop protection tools. This loss could do serious harm to family farms while providing no real increase in consumer safety. Are recent U.S. Environmental Protection Agency actions based upon sound science and fair testing, or FQPA politics?

Working out the Bugs
by Sarah Lynch, Deana Sexson, Chuck Benbrook, Mike Carter, Jeff Wyman, Pete Nowak, Jeb Barzen, Steve Diercks, John Wallenda

A continuing effort in Wisconsin models a promising pathway toward addressing both public and producer concerns over pesticide risk and pest control. The results of this initiative include a 37 percent reduction of toxicity unit applications from targeted pesticides across its first three years.

So They Say

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by L. Tim Wallace

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Graphically Speaking:
Don't Call It Waste: Phosphorus Available
by Verel W. Benson, D. Todd Farrand, and Robert E. Young III
SIMEON EHUI, a national of Cote d'Ivoire (Ivory Coast) obtained his Masters and Ph.D. degrees from Purdue University. Currently, he is Coordinator of the Livestock Policy Analysis Program at the International Livestock Research Institute.

THOMAS HERTEL is a Professor in the Department of Agricultural Economics at Purdue University, specializing in the economy-wide analysis of trade policies. He is the founding director of the Global Trade Analysis Project (GTAP).

ALLAN RAE is Professor and Head of the Department of Applied and International Economics at Massey University, New Zealand. His Ph.D. is from the University of New England, Australia. His major research interest is agricultural trade and policy analysis, with a major focus on the Asia/Pacific region.

ALEJANDRO NIN is in the Ph.D. Program in Agricultural Economics at Purdue University. He is currently working on livestock productivity convergence and international trade in livestock products.

R. G. TAYLOR is an assistant professor of agricultural economics at the University of Idaho, where he has a research and extension appointment working with community and natural resources issues. Garth's irrigation expertise is from the shovel up, on an Idaho family farm.

ARI MICHELSEN is professor of agricultural economics and Resident Director of the El Paso Research and Extension Center, Texas A&M University. He is president-elect of the university's Council on Water Resources.

RAY HUFFAKER is professor of agricultural economics at Washington State University. He holds a Ph.D. in agricultural economics and a J.D. in law, both from the University of California at Davis. His water-related research has focused on agricultural water conservation and water markets.

LINDA-JO SCHIEROW is an environmental policy analyst in the Resources, Science, and Industry Division of the Congressional Research Ser-
JOHN WALLENDAL and his family farm 3100 acres of vegetable crops in Wisconsin’s golden sands region. An active supporter of biointensive IPM research, Wallendal was recently appointed to the elite EPA/USDA Committee to Advise on Reassessment and Transition (CARAT) to council the agencies on FQPA implementation. He is also recipient of the National Potato Council Environmentalist Award.

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