

## Invited Papers

### WAEA Presidential Address

#### **"The Future of Agricultural Research in the 21st Century." Vicki A. McCracken (Washington State University)**

A changing political environment, resource base, and institutional framework has put pressure on the agricultural research system to change. Sources of support for research have shifted, with private funds increasing in importance. Federal special research grants are increasing and formula funds are decreasing. For colleges of agriculture to maintain a key role in future research, we need to continue to make appropriate changes. Some of the issues critical to our future success include excellence, relevance, communication, accountability and evaluation of research, tenure, reward structure, systems approaches, interdisciplinary teams, linkages/partnerships, and changing clientele.

### Keynote Address

#### **"Privatizing Public Assets: Measuring the Benefits and Costs." Charles W. Howe (University of Colorado)**

The paper considers natural resource systems currently owned and managed by the federal government and identifies criteria for the possible devolution of these assets to more localized levels of ownership and management—of which private ownership is the extreme. Several schools of thought regarding privatization are identified and critiqued, leading to the identification of potential benefits and costs of devolution. Potential benefits include better management of single purpose natural resource systems and recreational lands catering largely to local populations. Potential costs include loss of "value of vastness," inability to reassemble lands if desired in the

future, failure to account for nonuse values, and increased vulnerability to anti-environmental pressures stemming from the globalization of commerce. Specific proposals are considered for the public lands and the water resources sectors.

### Session: Public Lands Policy: Continuing Problems, New Approaches

#### **"The Political Economy of Public Land Use." B. Delworth Gardner (Brigham Young University)**

Federal ownership and management of the public lands have created a situation of rent-seeking frenzy, inflated rhetoric, wasted resources, and squandered investment opportunities. The primary commodity user groups, grazers, and timber harvesters have declined in importance whereas conservationists and recreationists have gained. Still, historical use preferences and continuing rent seeking have produced use entitlements that are impervious to changing costs and demands and thus result in large wealth losses to consumers and taxpayers. Privatization of the public lands is probably politically infeasible, but simulated market processes can be utilized to replace political allocations and improve efficiency.

#### **"Grazing Fees versus Stewardship on Federal Lands." Jeffrey T. LaFrance (University of Arizona) and Myles J. Watts (Montana State University)**

We present a model of the conflict of interest between the Bureau of Land Management and public lands ranchers in a dynamic principle-agent framework with two-sided asymmetric information and uncertainty. The agency is uncertain about the rancher's compliance with the grazing lease. The rancher is uncertain about the agency's monitoring efforts. In an optimal

cheating strategy, a noncompliant rancher masquerades as a compliant one. The hazard rate for the first monitoring time augments the real discount rate in such a rancher's decision problem. Grazing fees increase the cost of compliance and are inversely related to the long-run forage stock.

**Session: Pesticide Policy: Tough Issues, Fresh Ideas**

**“Pesticide Use and Regulation: Making Economic Sense Out of Externality and Regulation Nightmare.” David Zilberman (University of California, Berkeley)**

It is argued that economics plays a secondary role in setting pesticide policy. Improved economic literacy among scientists is needed to improve policies. Economists need more biological knowledge to become more relevant to the policy process. Existing policies reflect heterogeneity and multidimensionality of the side effects of pesticides that cannot be addressed by uniform

policies. Introducing pesticide-use reporting requirements and restricting the right to prescribe pesticides to certified individuals will enable introducing efficient pesticide regulations.

**“Self-reporting and the Optimal Enforcement of Environmental Laws When There Are Remediation Benefits, Penalty Assessment Costs, and Heterogeneity in the Likelihood of Violators’ Apprehension.” Rob Innes and Dennis Cory (University of Arizona)**

Many environmental laws encourage violators to self-report their status to government enforcers. This paper studies self-reporting enforcement regimes, extending prior work by incorporating ex post benefits of environmental cleanup, modeling administrative costs of penalty assessment more generally, and allowing violators to be distinguished by different probabilities of apprehension. All three extensions impart economic advantages to the use of self-reporting beyond those identified elsewhere.

## **JARE Editor's Report for 1995-96**

This report is for the second year of the Oklahoma State University (OSU) editorship. The major change made in the last year is that Allen Press is now doing the desktop publishing instead of The Printed Page. Allen Press will continue to do the printing. The July 1996 issue contains articles from both desktop publishing sources. The switch to Allen Press will provide increased proofreading services, print quality equivalent to 2450 dpi, and prompt service. Allen Press is charging \$26 per page (after a \$6/page discount for providing electronic copies) plus \$7 per figure and a substantial charge for galley corrections. We previously paid \$19 per page to The Printed Page with no extra charges. The service provided by Linda Carroll at The Printed Page is appreciated, and the switch was initiated by her rather than by us.

In the past year, we received 80 new manuscripts which were sent out for review. This number is within the range received in past years but is towards the low end. Of these 80 new manuscripts, 22 have been rejected, 28 were encouraged to be revised and re-submitted, 15 were not published with varying opportunities for revision, 1 was accepted subject to minor revision, and 1 was withdrawn by the author. In addition, one manuscript was rejected by the editor without a review. For first reviews, the average time from receipt of the manuscript until the editorial decision was sent to the authors was 76 days. Of the 179 manuscripts submitted during the OSU editorship, 56 have been accepted, for an acceptance rate so far of 31%.

Only two invited papers from 1995 were submitted. One was accepted subject to minor revisions and the other was returned for extensive revisions. All 3 invited papers submitted from the 1994 meetings have been published. The small portion of invited papers submitted is disappointing.

The contributions of the authors and the many reviewers are greatly appreciated. The dedication to excellence of associate/technical editor Deborah Bransford has contributed greatly to the quality of *JARE*.

## REVIEWERS, July 1995-June 1996

- |                      |                       |                      |
|----------------------|-----------------------|----------------------|
| Abdalla, C. W.       | Collins, Robert A.    | Havenner, Art        |
| Abler, David G.      | Cotterill, Ron        | Hayenga, Marvin L.   |
| Adam, Brian          | Coulibaly, Nouhoun    | Heien, Dale          |
| Adamowicz, Wiktor L. | Coyle, Barry          | Hellerstein, Daniel  |
| Adams, Richard       | Cramer, Gail          | Helmberger, Peter    |
| Ahrendsen, Bruce     | Davis, George C.      | Henneberry, Shida R. |
| Alberini, Anna       | Devadoss, Stephen     | Hennessey, David     |
| Allen, P. G.         | Dicks, Michael        | Hoag, Dana           |
| Alston, Julian M.    | Dixon, Bruce          | Houston, Jack        |
| Aradhyula, Satheesh  | Driscoll, Paul        | Huffaker, Ray G.     |
| Araji, A. A.         | Duffy, Michael        | Huffman, Wallace     |
| Arias, Joaquin       | Durham, Catherine A.  | Hurd, Brian H.       |
| Azzam, Azzeddine     | Eales, James          | Hyberg, Bengt T.     |
| Bailey, DeeVon       | Eastwood, David       | Irwin, Scott         |
| Barrell, Alison      | Englin, Jeffrey       | Jensen, Helen        |
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| Berrens, Robert      | Featherstone, Allen   | Johnson, Phillip     |
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| Biere, Arlo          | Fernandez-Cornejo, J. | Jordan, Jeffrey      |
| Bierlen, Ralph       | Feuz, Dillon          | Kahl, Kandice        |
| Binkley, Clark       | Fletcher, Stanley     | Kalaitzandonakes, N. |
| Binkley, James       | Florkowski, Wojciech  | Karp, Larry          |
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| Blaylock, James      | Frasier, Marshall     | Kenkel, Phil         |
| Bohman, Mary E.      | Fulton, Joan          | Kenyon, David        |
| Brester, Gary        | Fulton, Murray        | Kilkenny, Maureen    |
| Brown, Mark          | Ganderton, Philip     | Kim, C. S.           |
| Bryant, Kelly J.     | Goddard, Ellen        | Lambert, David K.    |
| Bullock, David S.    | Goldman, George       | Lansford, Notie      |
| Bulte, Erwin         | Goodwin, Barry        | Larson, Douglas M.   |
| Buschena, David      | Gould, Brian W.       | Larue, Bruno         |
| Buzby, Jean          | Green, Richard        | Lee, John            |
| Calvin, Linda        | Guitierrez, Paul      | Lee, Jonq-Ying       |
| Capps Jr., Oral      | Halbrendt, Catherine  | Leitch, Jay          |
| Caputo, M. R.        | Haley, Steven         | Lenz, John           |
| Carter, Colin        | Hall, Charles R.      | Leuthold, Raymond    |
| Chern, Wen           | Halstead, J. M.       | Levedahl, J. William |
| Colby, Bonnie        | Hansen, Larry         | Lin, B. H.           |
| Collender, Robert N. | Hardie, Ian           | Lin, Jordan          |
| Collins, Alan        | Harris, Thomas R.     | Lohr, Luanne         |

Loomis, John B.  
Lopez, Rigoberto A.  
Love, Alan H.  
Luckert, Martin K.  
Manderscheid, Lester  
Marsh, John M.  
Marsh, Richard  
McCarl, Bruce  
McConnell, K. E.  
Meilke, Karl  
Mendoza, Meyra  
Menkhaus, Dale  
Mercier, Stephanie  
Misra, Sukant  
Mittelhammer, Ron C.  
Mjelde, James  
Morrison, Cathy  
Moss, Charles  
Nayga Jr., Rodolfo  
Neff, David  
Newman, David H.  
Norris, Pat  
Novak, Frank  
O'Brien, Daniel  
Önal, Hayri  
Painter, Kathleen  
Patrick, George  
Patterson, Paul  
Perry, Greg  
Peterson, Everett  
Plain, Ron  
Poe, Gregory L.  
Prato, Anthony  
Price, David W.  
Provencher, Bill  
Purcell, Wayne  
Randall, Alan  
Ready, Richard  
Ribaud, Marc  
Richardson, James  
Royer, Jeffrey S.  
Schmitz, John  
Schreiner, Dean  
Seale Jr., James L.  
Segarra, Eduardo  
Shabman, Leonard  
Shaw, Douglass  
Sheldon, Ian  
Shonkwiler, Scott  
Shumway, C. Richard  
Skees, Jerry  
Skold, Melvin  
Stiegert, Kyle  
Stoecker, Art  
Taylor, C. Robert  
Taylor, R. G.  
Taylor, Tim  
Teisl, Mario  
Thilmany, Dawn  
Tilley, Dan  
Tomek, Bill  
Tronstad, Russell  
Turner, Steve C.  
Unnevehr, Laurian  
Van der Sluis, Evert  
van Kooten, G. C.  
Van Ravenswaay, Eileen  
Van Tassell, Larry  
Vasavada, Utpal  
Vroomen, Harry L.  
Wahl, Thomas  
Walburger, Allan  
Wang, Qingbin  
Ward, Clem  
Watts, Myles  
Wessels, Cathy  
White, Fred  
Whittington, Leslie  
Williams, Jeffrey  
Wilson, Paul N.  
Wisner, Robert  
Wu, JunJie  
Yanagida, John  
Yen, Steven T.  
Zapata, Hector  
Zulauf, Carl

## WAEA 1995 Award Winners

### Outstanding Masters Thesis

STEVEN Y. WU, "Commodity Policies and Agricultural Chemical Use: An Econometric Analysis." The University of Arizona

SATHEESH ARADHYULA, Advisor

Honorable Mention:

JOSEPH L. KROGMEIER, "Exploring Price and Quantity Discovery in Forward and Spot Markets: An Experimental Economics Approach." University of Wyoming

DALE MENKHAUS, Advisor

### Outstanding Extension Program

JAMES MINTERT and TED C. SCHROEDER, "Integrating Research and Extension: Livestock Marketing in Kansas." Kansas State University

Honorable Mention:

JOHN P. HEWLETT, "Western Integrated Ranch/Farm Education." University of Wyoming

### Outstanding Published Research

DAVID A. HENNESSY, Iowa State University. "Microeconomics of Agricultural Grading: Impacts on the Marketing Channel." *American Journal of Agricultural Economics* 77(November 1995):980-89.

Honorable Mention:

RANDLE R. RUCKER, Montana State University; WALTER N. THURMAN, North Carolina State University; and DANIEL A. SUMNER, University of California, Davis. "Restricting the Market for Quota: An Analysis of Tobacco Production Rights with Corroboration from Congressional Testimony." *Journal of Political Economy* 103(February 1995):142-75.

**JARE Published Research Award**

D. DEMCEY JOHNSON and WILLIAM W. WILSON, North Dakota State University. "Competition and Policy Conflicts in Canada-U.S. Barley Trade." *Journal of Agricultural Resource Economics* 20(1995):64-81.

Honorable Mention:

DAVID K. LAMBERT and J. SCOTT SHONKWILER, University of Nevada, Reno. "Property Rights, Grazing Permits, and Rancher Welfare." *Journal of Agricultural and Resource Economics* 20(1995):146-64.

**Outstanding Undergraduate Instructor**

SHIDA RASTEGARI HENNEBERRY, Oklahoma State University

## Past Presidents, Western Agricultural Economics Association 1927-94

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D. Barton DeLoach	1947-48	LeRoy F. Rogers	1982-83
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Sidney M. Hoos	1951-52	Glenn A. Helmers	1986-87
M. M. Kelso	1952-53	Oscar R. Burt	1987-88
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G. B. Wood	1956-57	A. Gene Nelson	1991-92
H. R. Stucky	1957-58	Rulon D. Pope	1992-93
Roy E. Huffman	1958-59	Douglas L. Young	1993-94
E. J. Working	1959-60	Dale J. Menkhaus	1994-95
R. E. Seltzer	1960-61	Harry Ayer	1995-96
William E. Folz	1961-62		

### Past Editors

#### *Western Journal of Agricultural Economics, 1977-91, and Journal of Agricultural and Resource Economics, 1992-94*

Peter J. Barry	1977-79	C. Richard Shumway	1986-88
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James N. Trapp (Associate)	1981-82	David W. Price	1989-91
Darrell L. Hueth	1983-84	Jeffrey T. LaFrance	1992-94
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## GUIDELINES FOR SUBMITTING MANUSCRIPTS TO *JARE*

Contributors are requested to use the following guidelines in preparing manuscripts for submission:

1. *Cover Letter.* In a cover letter accompanying the manuscript, indicate (a) why the manuscript would interest *JARE* readers; (b) whether the material in the manuscript (or modification thereof) has been published, is being published, or has been submitted for publication elsewhere; (c) that the material in the manuscript, to the best of the author's knowledge, does not infringe upon other published material protected by copyright; and (d) that the author has read and agrees to the policy on data access and estimation procedures outlined below.
2. *Data Access and Estimation Procedures.* Authors should report, describe, and/or reference the complete estimation process undertaken to derive the results presented in the manuscript. This should include data documentation as well as model specifications estimated but not reported in the manuscript. Authors are expected to make data used available at cost upon request for five years.
3. *Title Page.* On a separate page, provide the title of the manuscript and author(s) name(s) centered and in boldface type. At the bottom of the same page, provide university title(s), institutional affiliation(s), acknowledgments of colleague reviews and assistance, and institutional support as an unnumbered footnote. **Do not place the name(s) of the author(s) on the first page of the text.**
4. *Abstract.* Include an abstract of 100 words or less, followed by up to eight key words listed alphabetically.
5. *Text.* Double-space all text, including the abstract, acknowledgments, endnotes, and references. Allow one inch margins on all sides—left justified only (*jagged* right).
6. *Style, Grammar, and Punctuation.* *JARE* uses *The Chicago Manual of Style* by the University of Chicago Press and *Webster's Third New International Dictionary* for style, format, and spelling.
7. *Endnotes.* Use superior numerals in the text to correspond with the numbered material on the endnote pages which follow the text.
8. *References.* List all works referred to in the text alphabetically and unnumbered on separate pages following the last table page. See current issues of *JARE* for format. Textual citations require either the author's last name within parentheses, or the author's name and year if more than one source by that author is also referenced.
9. *Figures and Tables.* Place each figure and table on a separate page following the text pages. Computer generated graphics are preferred. Refer to a current issue of *JARE* for correct format.
10. *Mathematics.* Consecutively number equations throughout the text. When displaying equations, place the equation number within parentheses flush left and the equation centered. Use italic type for all *variables*.
11. *Publication Costs.* Authors submitting manuscripts are expected to assume obligation for payment of page charges at the time their manuscripts are published. Current page charges are \$70/printed page.
12. *Submissions.* Send **four** good quality copies to the address below. **Do not send a disk copy until requested by the editor.** Receipt of manuscripts will be acknowledged by return mail.

Professor B. Wade Brorsen, Editor  
*Journal of Agricultural and Resource Economics*  
Department of Agricultural Economics  
Oklahoma State University  
Stillwater, OK 74078-0505

## **Western Agricultural Economics Association**

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WAEA calendar-year membership dues are \$25 for regular members in the U.S., Canada, and Mexico; \$12.50 for senior (retired) and \$10 for junior (student) members in the U.S., Canada, and Mexico; \$30 for regular members overseas; \$17.50 for senior (retired) and \$15 for junior (student) members overseas. Lifetime membership is available for those who are at least 55 years of age. All members receive this journal.

Library and other institutional subscription prices are \$40 in the U.S., Canada, and Mexico; \$44 in all other countries.

Applications for membership, payments of dues, subscription charges, changes in address, and other inquiries should be addressed to E. Bruce Godfrey, Secretary-Treasurer, WAEA, Department of Economics, Utah State University, Logan, UT 84322-3530.