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INSTITUTE NEWS

New Report Helps Readers Understand Pesticide Reduction

A new report from the Wallace Institute helps readers understand and evaluate the economic predictions in studies about restricting the use of, or reducing the risks from, agricultural pesticides. *The Myths and Realities of Pesticide Reduction: A Reader's Guide to Understanding the Full Economic Impacts*, by Edward Jaenicke, investigates the common themes in a diverse body of current research on pesticide economics.

The full implementation of last year's Food Quality Protection Act is likely to generate a new round of economic studies that attempt to predict the impacts on consumers and agricultural producers of the loss or restriction of certain pesticides, according to the report. It is also likely to rekindle a debate which centers on two premises: that the health and/or environmental risks of using certain pesticides may outweigh their economic benefits, and that using pesticides is not the only way to control agricultural pests effectively.

There are four reasons why studies on the consequences of pesticide reduction confuse or inadvertently mislead readers, according to the new report:

- Current studies often do not examine the benefits of pesticide reduction. Nonregulatory studies almost always focus only on the costs of pesticide reduction.

- Farmers usually learn to cope with new regulations through innovative adjustments. Most studies quote experts who predict that crop yields will decline when broad restrictions are imposed on pesticide use, ignoring the fact that farmers and pest-control suppliers can innovate with pest-control approaches.
- Current studies do not always put predicted costs in perspective. Statistics on the costs of pesticide reduction can be used misleadingly, when they could actually advance the cause of pesticide reduction.
- Current studies generally ignore the full range of policy alternatives. Economic impact research has focused largely on direct pesticide restrictions such as bans or cancellations.

The first step toward understanding studies on the impacts of pesticide reduction is identifying major issues that may be unclear to readers, according to the new report; the second step is to look at the assumptions that underlie the predictions made in those studies. Here is the report's checklist of questions to ask about those assumptions:

- How flexible are the pest-control policy mechanisms examined in the study?
- How far would the restriction shift policy from the status quo?

- How are the effects of pesticide reductions on yields calculated?
- How are researchers calculating the costs to consumers of farmers' efforts to reduce pesticide use?
- What role does international trade play in assessing the impact of pesticide reduction?
- Do researchers take into account where and how crops are grown as a result of pesticide reduction?
- How do researchers approach the issue of food quality?
- Do researchers ignore environmental-related benefits from reduced pesticide use?
- Do researchers ignore the production-related benefits of reduced pesticide use?

The report also makes recommendations for researchers analyzing pesticide reduction strategies who are trying to clarify the scope and inherent limitations of their work.

The Myths and Realities of Pesticide Reduction is \$6 from the Wallace Institute, 9200 Edmonston Rd., #117, Greenbelt, MD 20770; (301) 441-8777; e-mail hawiaa@access.digex.net

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Merrigan Named to Facilities Review Task Force

The USDA has appointed Kathleen Merrigan, Senior Analyst at the Wallace Institute, to the new 15-member Facilities Review Task Force. The Task Force will recommend to Agriculture Secretary Dan Glickman and Congress priorities for agricultural research facilities in the next decade.

USDA Appoints National Commission on Small Farms

The USDA has formed a National Commission on Small Farms to study the problems of "the foundation of our rural communities," according to the USDA. Agriculture Secretary Dan Glickman directed the Commission to look at a range of problems and issues, including credit, risk management, education, and outreach, and to recommend improvements to better serve small and beginning farmers.

The Commission will also look at ways in which the USDA can ensure that small farms are treated fairly and have an equal opportunity to compete in vertically-integrated agricultural systems, and ways to encourage small farms to adopt farm operations and production practices, such as value-added cooperatives or direct market-

ing, that can help to improve their profitability.

"We must continue to find ways to help small and disadvantaged producers find ways to make a decent living, keep their land, and make their small farms economically viable," said Glickman.

Dr. Desmond Jolly of Davis, California, a member of the Wallace Institute's Board of Directors, is Vice Chair of the Commission. Dr. Frederick Magdoff, another member of the Wallace Institute's Board of Directors, is also a member of the Commission. For more information about the Commission, contact Jennifer Yezak Molen at (202) 690-0648.

Sustainable Ag Enters the Mainstream, Says Los Angeles Times

Once a "fringe notion," sustainable agriculture "is entering the agricultural mainstream, endorsed by big vintners in California, corn growers in Wisconsin, and truck farmers in Maine," according to a front-page article in *The Los Angeles Times* (July 21, 1997). "The reason: a spreading realization that the abundance resulting from the post-World War II push toward high-yield industrial agriculture has pro-

duced enormous consequences — in tainted ground water, depleted soil and shrinking farm towns." Sustainable agriculture, the article says, "favors techniques that preserve the environment and people's health while providing the nation's dwindling ranks of family farmers with a decent living and a reason to plow on instead of relinquishing their fields to agribusiness giants or housing developers."

The movement now includes approximately 5 percent of U.S. farmers who use sustainable practices — including the California vineyards owned by E&J Gallo Winery. The article prominently features Fred Kirschenmann, President of the Wallace Institute's Board of Directors, whose "innovations have won over many a reluctant ag advisor, researcher and farmer."

Wallace Lecture, Annual Report Now Available

"Second Thoughts on the Agricultural Revolution: Henry A. Wallace in His Last Years," the 1997 Henry A. Wallace Annual Lecture, and the 1996 Annual Report of the Wallace Institute are now available. The Wallace Lecture is \$5, and the Annual Report is free from the Wallace Institute, 9200 Edmonston Road, #117, Greenbelt, MD 20770; (301) 441-8777.

Congress Maintains Funding for Sustainable Ag Programs

The U.S. Congress has approved final appropriations for Fiscal Year 1998 that maintain funding levels for most sustainable agriculture programs. A House-Senate conference is expected to meet in the near future to resolve the few differences between the House and Senate versions of the USDA appropriations bill. Here are the funding levels approved by the House and the Senate for several discretionary sustainable agriculture programs:

SARE: An \$8 million appropriation was approved by both the House and the Senate for the Sustainable Agriculture Research and Education program, the same as last year.

SAPDP: A \$3.3 million appropriation was approved by both the House and the Senate for the SARE (Chapter 3) Professional Development Program, the same as last year.

ATTRA: A \$1.3 million appropriation was approved by the House for Appropriate Technology Transfer for Rural Areas, the same as last year; the Senate approved \$1.5 million.

OFPA: A \$500,000 appropriation was approved by the House for the Organic Foods Production Act, the same as last year; the Senate approved \$1 million, the same amount President Clinton had requested.

In addition, funding for mandatory programs was "unscathed" and unchanged from the requested amounts, according to Ferd Hoefner of the Sustainable Agriculture Coalition.

CFO: A \$15 million appropriation was approved for the new Conservation Farm Option, created to foster innovation in

natural resource protection and enhancement.

EQIP: A \$200 million appropriation was approved for the Environmental Quality Incentives Program, the same as the FY97 appropriation.

WRP: A \$164 million appropriation was approved for the Wetlands Reserve Program, an increase from the FY97 appropriation of \$119 million.

CFSA: A \$2.5 million appropriation was approved for the Community Food Security Act, the same as the FY97 appropriation.

FRA: A \$100 million appropriation was approved for the Fund for Rural America, the same as the FY97 appropriation.