

# What is the issue, why does it matter?

Marca Weinberg  
Economic Research Service  
U.S. Department of Agriculture

*ERS-FF workshop*  
*"Data Needs for Agri-Environmental Policy Modeling and Analysis"*  
*Washington, DC -- Oct 15, 2007*

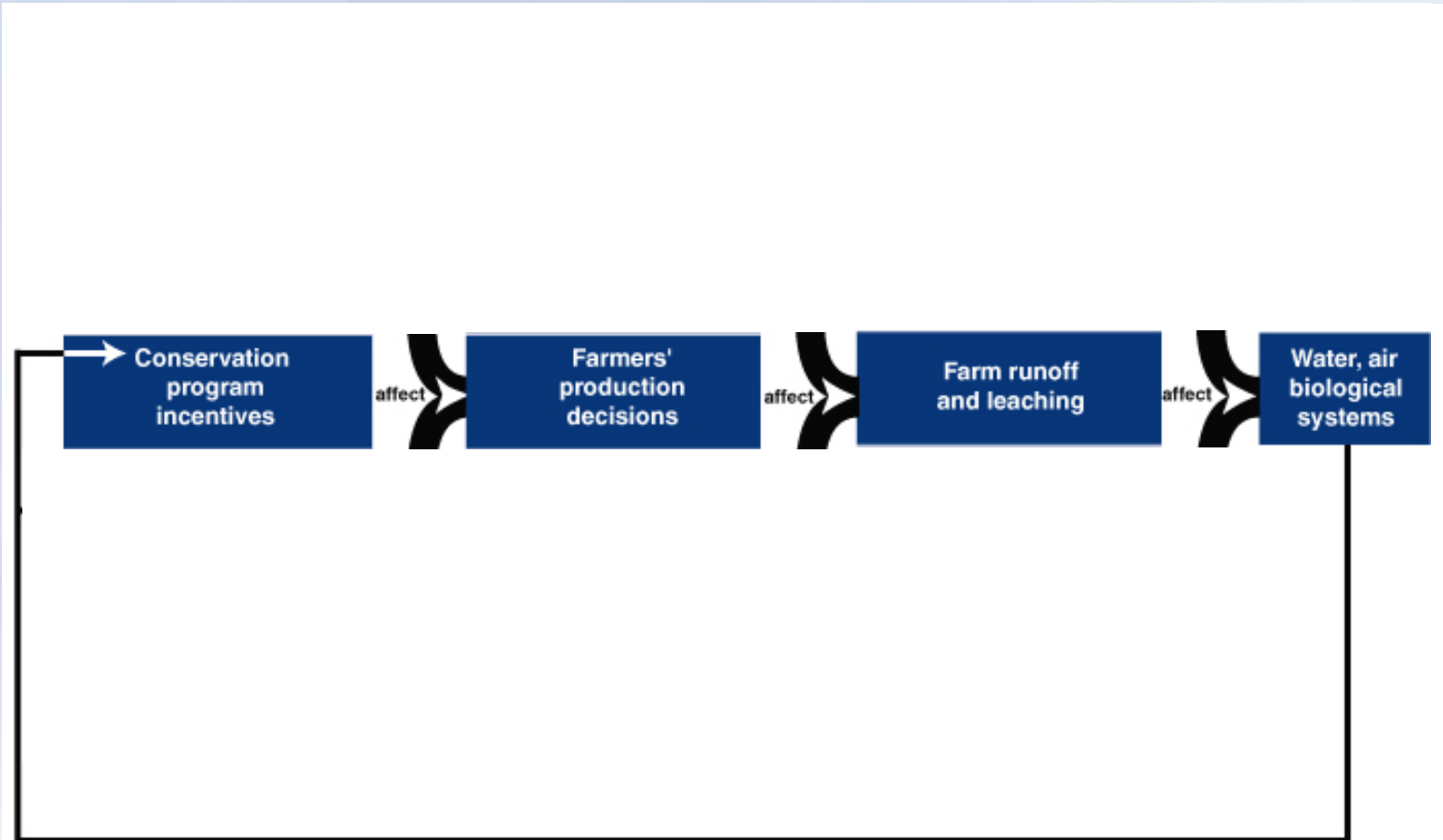


# Why evaluate agri-environmental policies?

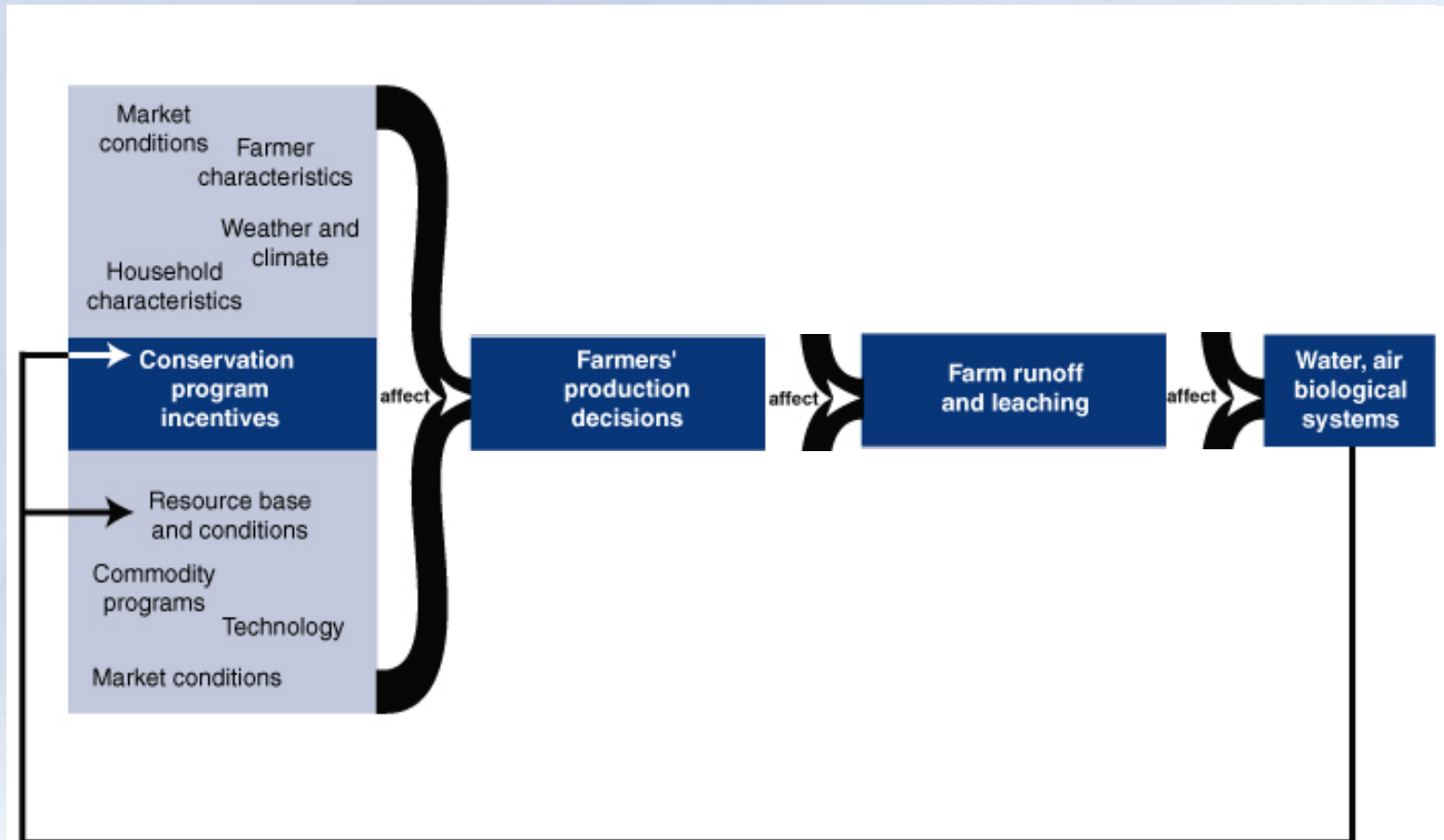
- Inform the policy design process
  - Economic efficiency
  - Environmental effectiveness
  - Distributional implications
  - Unintended consequences
- Improve program performance (ex-ante, “ex-now”)
- Evaluate program performance (ex-ante, ex-post)



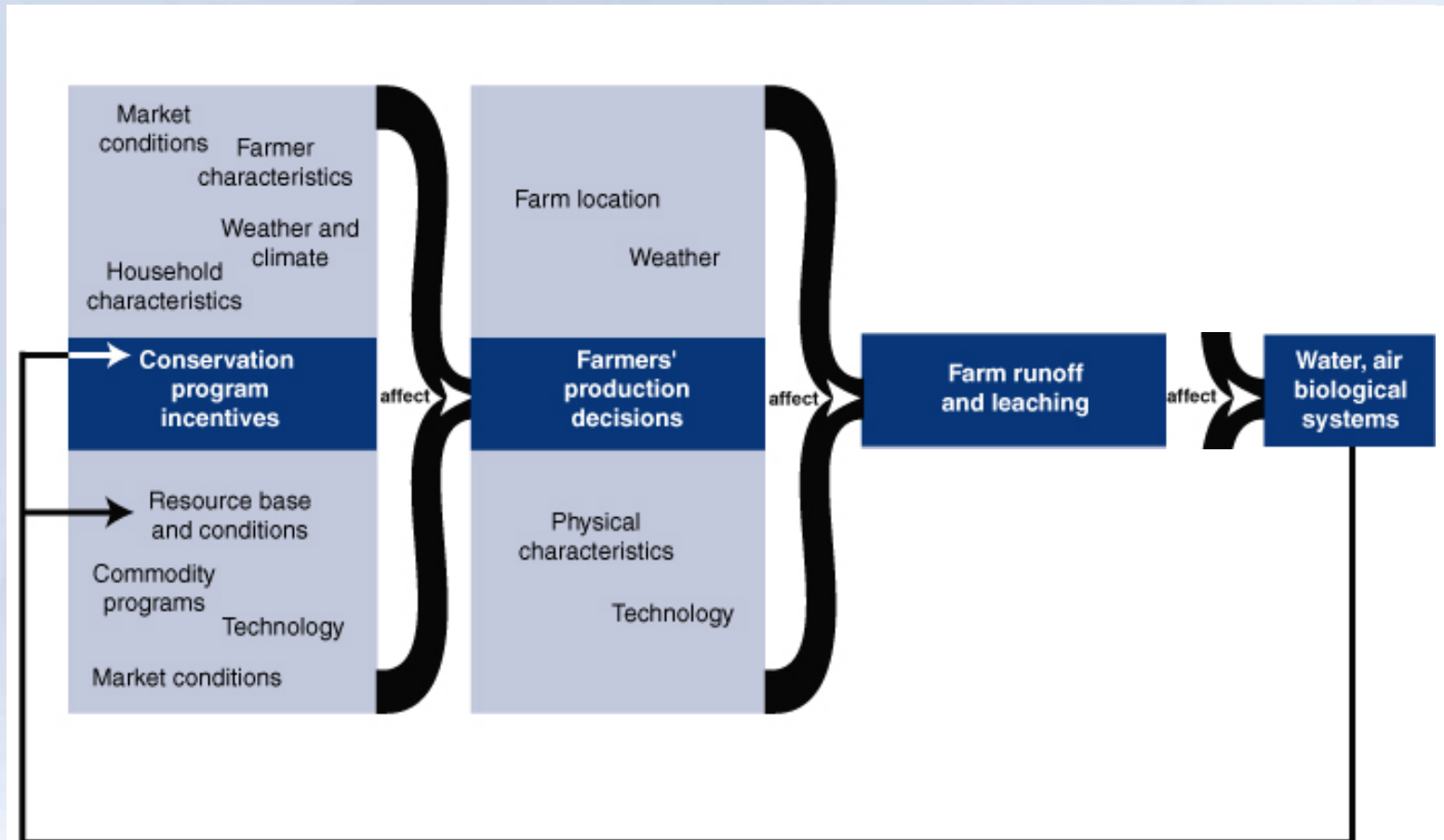
# Incentives link to outcomes through a series of complicated interactions



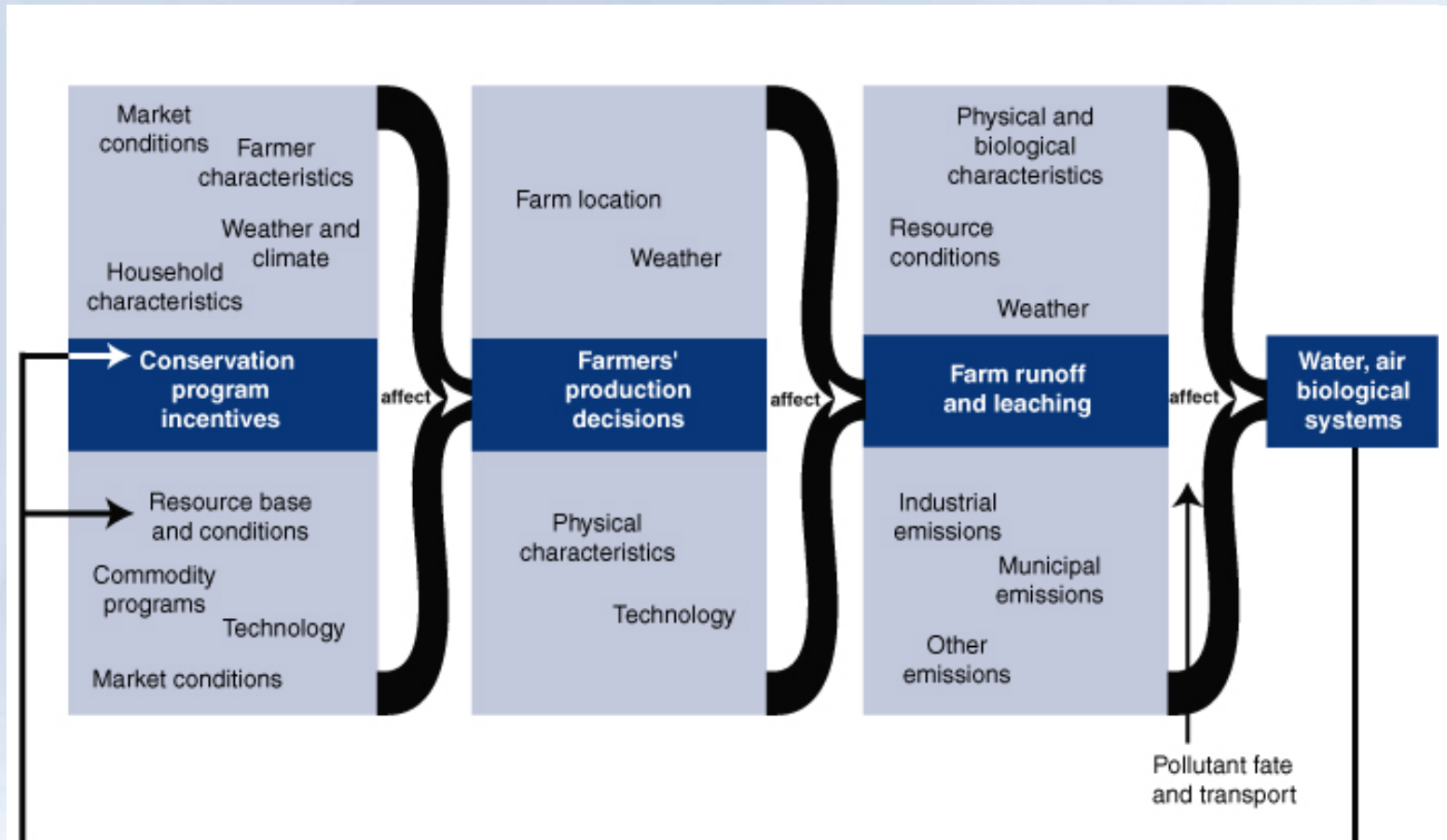
# Incentives link to outcomes through a series of complicated interactions



# Incentives link to outcomes through a series of complicated interactions

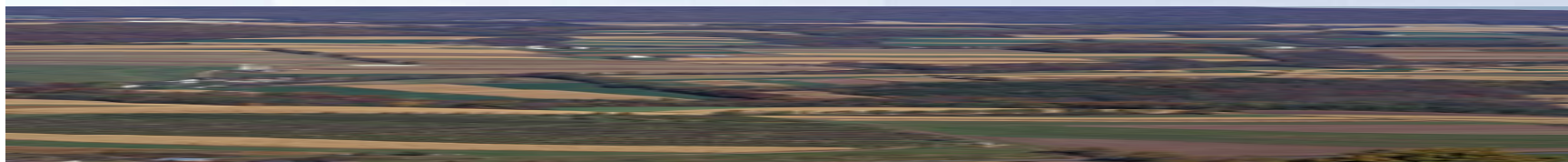


# Incentives link to outcomes through a series of complicated interactions



# Concluding Remarks

- How do different farmers decide what practices to implement, in the presence of a conservation program?
  - Isolating the unique effect of programs requires analysis to extract the influence of other factors that affect farm-level decision-making
  - Requires data on all factors potentially affecting farmers' decisions, sufficient to allow statistical segregation of program-related effects from other influential factors



## Concluding Remarks, cont.

- How do the farm practices attributable to conservation programs affect environmental quality?
  - Where, and under what resource conditions, are practices implemented in response to the program located?
  - Which agri-environmental indicators will be used to measure program success?
  - Ideally, indicators will link to behavioral change AND environmental characteristics the public values

