

Characterizing Participation in Conservation Programs

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Workshop on Data Needs for Agri-Environmental
Policy Modeling and Analysis
October 15, 2007

Motivation

- “To increase adoption of conservation practices, the Administration proposes reserving 10 percent of farm bill conservation assistance for beginning farmers [and] socially disadvantaged producers...”
 - USDA 2007 Farm Bill Proposals, p. 57

Motivation

- Examining beginning and socially-disadvantaged producer participation
 - How many enrolled
 - Geographic distribution
 - Types of practices
 - Resource concerns addressed
 - Cost of contracts

EQIP and “Socially-Disadvantaged” producers

- Focus on EQIP cost-share funding for structural practices
- Who are “socially-disadvantaged” producers?
 - Initially use Limited-Resource Producers
- Primary data resources:
 - Protracts
 - ARMS

The Data Environment

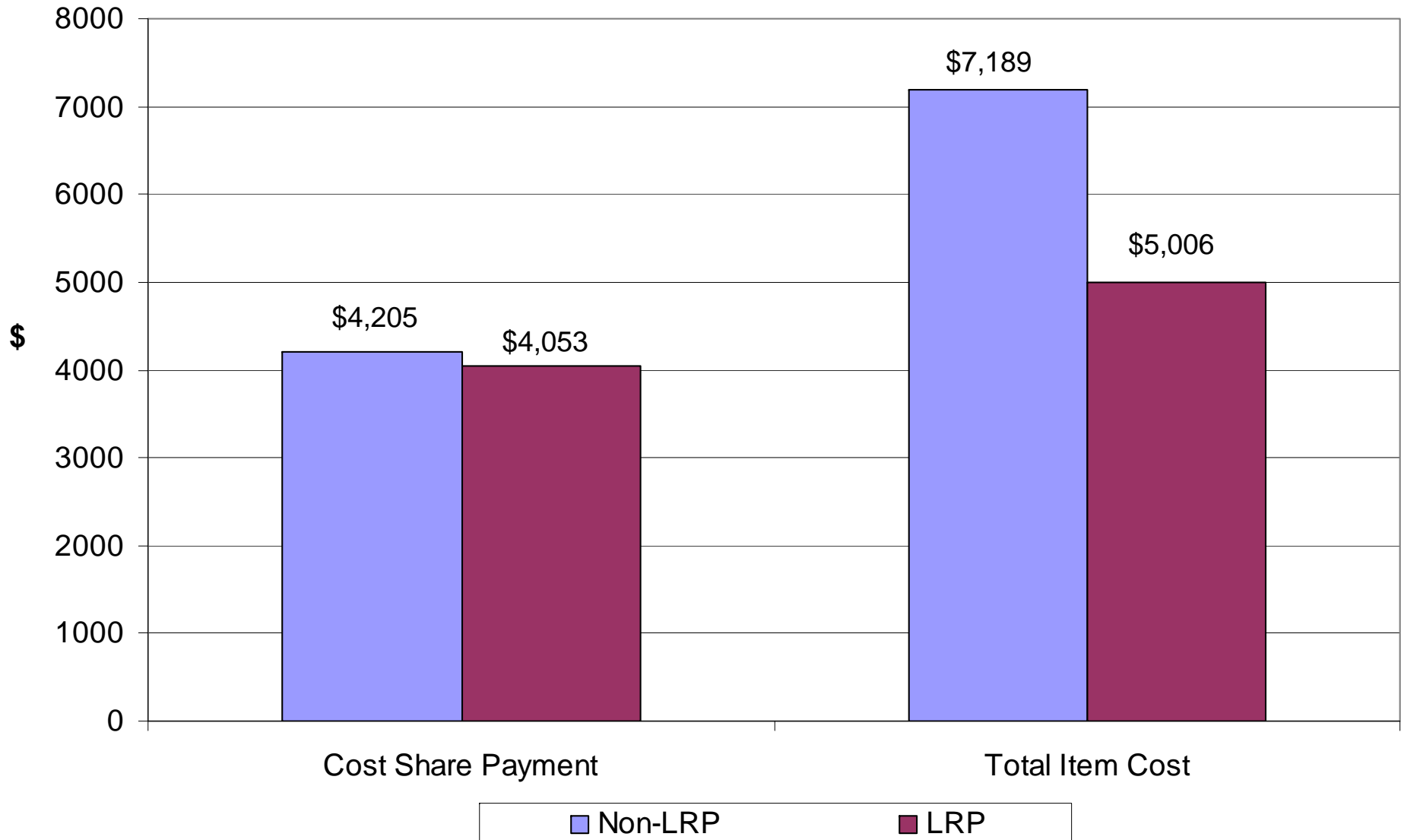
- Protracts:
 - Detailed EQIP contract data
 - Description of practices and resource concerns
 - Contract cost information
 - Includes BF and LRP designation
 - No other household/individual information
- ARMS
 - Producer survey, regardless of participation
 - Detailed production and household information
 - Limited information about conservation programs

Highlights of Results

- LRP appear to be underrepresented in EQIP:*
 - 4.0% of EQIP contracts are LRP
 - 9.9% of surveyed farms (ARMS) are LRP

* Source: ERS calculations from Protracts database of EQIP contracts (2006) and ARMS database (2006).

Average cost share payment and total cost of practices in 2006, by Limited Resource Producer status



Source: ERS calculations from Protracts database of EQIP contracts (2006).

Frequency of Resource Concerns, by Producer Type

	Resource Concern			
	Plant Condition	Soil Erosion	Domestic Animals	Water Quality
LRP	27.6	17.4	21.7	13.0
Non-LRP	24.1	18.7	17.6	17.4

Source: ERS calculations from Protracts database of EQIP contracts (2006) and ARMS database (2006).

Highlights of Results

- LRP appear to be underrepresented in EQIP
- Average cost share amounts similar, but average practice costs lower for LRP
- LRP address slightly different resource concerns

Taking Stock

- What we have:
 - Relative participation of LRP
 - Geographic distribution of participants
 - Comparison of costs between LRP and other producers
 - Conservation practices
- What we do not have
 - Within-group comparisons: are participants and non-participants different?
 - Household and individual characteristics
 - Farm, production, and field characteristics

Filling in the Gaps

- Individual and household characteristics to assess differences between participants and non-participants
 - Education
 - Race and Hispanic origin
 - Employment status

Filling in the Gaps

- Why do we need individual characteristics?
 - Filling in the “cells”: A hypothetical scenario

	Non-Participants	Participants
LRP	High-school education	College education
Non-LRP	College education	College education

Filling in the Gaps

- Farm and field characteristics in Protracts
 - Size of operation
 - Acres benefiting from conservation practice
 - Link to underlying resource conditions

Filling in the Gaps

- Why do we need farm/field characteristics?
 - Scaling of costs: Another hypothetical

Producer Type	Avg. Item Cost	Avg. Acres Benefit	Cost per Acre Benefit
LRP	\$5,006	50	\$100.12
Non-LRP	\$7,189	60	\$119.82

Conclusions

- Summary:
 - Need for basic individual, household, and farm level characteristics linked to contract info
- What else can we do with this information?
 - Modeling participation