Complexity and Collaboration

Public policy research as conducted by ERS was once highly specialized and somewhat hermetic. At one time, forecasting global trade was a relatively simple undertaking. Analysis of basic economic information, such as supply and demand for a small set of products and trading partners, yielded fairly robust projections. Now, trade forecasts need to account for a host of other variables—domestic policy changes in China, the potential spread of disease, and a much wider range of products—and need to do so in a dynamic fashion. Economic models and data sets are often the mere starting point for issues like biotechnology and nutrition, and investigations of these topics must transcend disciplines and organizations if policymakers are to benefit from the results.

ERS economists are increasingly joining forces with biologists, information technology experts, and nutritionists. For example, an analysis of the potential effects of soybean rust integrated an epidemiological model with a regional economic model. This approach illustrated how the economic effects of soybean rust could vary depending on biological factors related to the timing, location, spread, and severity of the disease, as well as the economic responses of soybean and other crop producers, livestock producers, and consumers.

Working with academic peers can bring new economic techniques to policy-related research. University researchers and ERS recently applied new techniques from experimental economics to analyze the effect of information on consumer decisions about biotechnology. They held experimental auctions to gauge consumers’ willingness to pay for food items with and without biotech labels and found that both the label and the source of the information mattered.

Collaboration with economists and other scientists takes place partly through competitive grants and exchanges. ERS funding for external collaborators has increased in recent years and includes competitive grants for research on food assistance, nutrition, and invasive species. Academic colleagues visit ERS regularly to present or attend seminars; some spend all or part of their sabbatical year with us. External funding also supports training the next generation of economists. My own dissertation 15 years ago linking domestic and international trade policy with an application to coffee markets was funded by ERS.

As part of the web of professional relationships, interaction with colleagues at professional meetings provides exposure to current research and enhances ongoing research. In July, the annual meeting of the American Agricultural Economics Association enabled ERS staff to present their research findings, as well as debate issues from farm payments to food safety. These interactions spawn new ideas and collaborations for ERS to tackle the increasingly complex issues that challenge public policy research today.

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