Animal advocacy is not new. Prohibitions against animal cruelty and legislation to ensure animal welfare have long been part of the U.S. policy agenda. However, conflicts associated with animal advocacy have become more vigorous as animal advocacy has expanded to include the new dimensions of animal rights and zero-based animal use.

In this article, the dimensions of animal advocacy are discussed as an evolving continuum of thought regarding the relationship between humans and other animals. Next, the policy and economic context of the animal advocacy debate regarding commercial livestock production are reviewed. The paper ends with an integrated set of policy-related observations.

The Animal Advocacy Continuum

Historically, humans have imposed prescriptions against killing animals with cruelty or malicious intent. However, during the 19th Century broader concerns arose about the humane care of animals used in agriculture, companionship, recreation, and research. A key issue was whether animals can experience suffering, not just at death, but also during their life. In 1873, the U.S. Congress passed a law which required that animals be unloaded for food, water, and rest for at least five consecutive hours after 28 hours in transit. In passing this law, Congress implicitly endorsed the growing public consensus that animals can suffer during their life.

During the last half of the 20th Century, arguments have been raised that animals possess rights which extend beyond the avoidance of suffering. Some humans argue that other animals possess rights which are equivalent to those possessed by humans. Stated with some simplicity, this animal rights movement raises concerns related to the contentment of animals. For example, animal rights advocates argue that modern confinement practices which inhibit an animal's natural behavior lower the animal's well being even if the practices do not cause suffering. Animal rights advocates would not necessarily prohibit the use of animals by humans, although some would permit their use only as companions.

In contrast to animal rights advocates, advocates of zero-based animal use would outlaw any use of animals by humans, including their use as companions. A key foundation for this viewpoint is the argument that placing an animal in an unnatural environment is a violation of the animal's moral rights. Farm groups often associate zero-based animal use with all animal advocates, but this position is actually at one end of the animal advocacy continuum and is embraced by only a very small number of people.

The Policy Context

Animals can adapt to stress to some extent, but extreme stress may result in increased incidence of injury, disease, and mortality, as well as decreased reproductive prolificacy. Therefore, given their pursuit of private profit, commercial livestock producers as a group are unlikely to use production practices which cause stress and suffering that result in economic losses. On the other hand, producers are unlikely to adopt livestock practices which increase animal well being, but reduce their income.

Animal advocates argue that the well being of animals has a public value that is at least as important as the pursuit of private profits, and some argue that animal well being has a greater public value. The issues raised by animal rights and zero-based animal use advocates ask whether modern confinement production practices negatively affect the well being, in particular contentment, of animals. This core question translates into the public policy question: should commercial livestock husbandry practices be regulated to enhance animal well being, specifically their contentment?

Like other good husbandry issues such as soil conservation and control of pollution, the regulation of livestock production practices will eventually be decided by the political system. Society will be asked to strike a balance between (1) animal well being, a "product" not priced in any market, (2) the private profits earned by livestock producers, and (3) the expenditures by consumers for animal products.

Likely Policy Response and Economic Implications

The evolution of human thought regarding the rights of other animals suggest that humans will decide that other animals can experience contentment as well as suffering. Such an evolution in thought will likely lead to increased regulation of commercial livestock practices. On the other hand, the American political system tends to foster evolutionary compromise rather than revolutionary change. Given the evolutionary momentum of animal advocacy and the evolutionary restraint of the political system, a reasonable guess as to the public policy resolution of what constitutes good husbandry in commercial livestock production is increased regulation to enhance animal well-being, but the regulations will not eliminate prevalent livestock production practices.

Some legislated regulations undoubtedly will increase livestock production costs. Because livestock production occurs in a competitive market, higher per unit production costs will eventually be covered by higher output prices. Higher prices will
translate into lower consumption; however, the decline in consumption probably will be minimal because U.S. demand for livestock products is relatively inelastic (i.e., unresponsive) with respect to price. Because the change in consumption is likely to be minimal and prices will increase to cover the higher per unit production costs, marginal regulation of livestock production practices will have only minimal long term effect on U.S. livestock producers as a group. This conclusion assumes that the regulations will not increase costs enough to place U.S. livestock production at a comparative international disadvantage, resulting in increased U.S. imports of livestock products.

While producers as a group are unlikely to be major losers in the long run, individual producers could suffer large losses. In addition, producers as a group are likely to suffer losses during the implementation of regulations which increase production costs because they lack the economic power to immediately raise prices to offset the higher costs. Thus, transitory public assistance, such as cost sharing, could be provided to producers.

Consumers are likely to incur larger economic losses than producers because of the higher prices they will pay for livestock products. But, in a political tradeoff, they may be willing to transfer some economic welfare from themselves to other animals in the form of regulations to enhance animal well being. Consumers’ willingness to enhance animal well being is unlikely to include regulations which significantly impair the efficiency of livestock production because the resultant increase in prices is likely to result in an unacceptable loss in consumers’ own well being.

Final Observations

- Animal advocacy is an evolving concept that reflects public beliefs about the desired interrelationship between humans and other members of the animal kingdom.
- Reflecting the evolution of animal advocacy, it is likely that humans will decide that other animals can experience contentment as well as suffering.
- Because most humans relate to other animals as pets, they implicitly believe that the presence of humans is a right of domesticated animals. The presence of humans is a defining characteristic of modern livestock production. Thus, widespread existence of pets provides a common ground between the public at large and commercial livestock producers, which translates into public goodwill for livestock producers.
- However, strong pressures will exist for the commercial livestock industry to demonstrate good faith toward its own animal advocacy. The industry may find it desirable to establish self-policing procedures, with animal advocates serving on advisory boards.
- If the commercial livestock industry demonstrates good faith toward its own animal advocacy, the industry should suffer little economic impact from increased regulation to enhance animal contentment.
- The major economic implication of the current animal advocacy debate is the likely transfer of economic welfare from consumers to animals in the form of increased animal well being. This choice is the right of consumers in a democracy.

Another View on Farmland Prices

by Ray L. Brownfield

Rex Wilcox, Philip Raup, and John Scott, Jr. in the First Quarter 1992 issue of CHOICES, each identify certain factors which will affect land values through the year 2000.

Our experiences at Capital Agricultural Property Services, Inc., in managing purchases for investors and selling agriculture real estate throughout the United States lead us to believe that agricultural land values are developing into two tiers of value. High quality land is in one tier, and is typified by adequate rainfall or aquifers so that long-term irrigation needs can be met, nearness to shipping points or processing plants, and minimal sensitivity to environmental regulations. The nominal price of this kind of land will appreciate at an annual rate of 2-3 percent.

This type of land is in tight hands today, and current owners are receiving a very adequate return of possibly 5-8 percent. There is a great deal of interest in this type of land by investors, such as pension funds, who feel that it will be a very good investment for at least the next 10 years.

On the contrary, the second tier consists of marginal land in areas of minimal rainfall, primarily dependent upon dryland farming or irrigation, with possibly a porous soil structure, and with climatic factors limiting economic crop production and diversification. This class of agricultural land will have trouble maintaining its current market value, and may even depreciate by 1-2 percent per year over the next eight-year period.

As the three authors indicate in the First Quarter 1992 issue, many factors are going to strongly affect land values. If the GATT negotiations should be brought to a successful conclusion, it is quite possible that those areas of the United States in which feed grains are produced would profit tremendously from increased commodity prices which would be reflected in net earnings and therefore, land values. In fact, this action could possibly set off a new round of inflationary times in these areas of United States agriculture.

The 1995 farm bill will undoubtedly restrain the use of nitrogen and pesticides in the interest of clean water. Regulations limiting or restricting the use of certain pesticides and fertilizers could reduce overall net farm income. Again, it is likely that these types of regulations would have a greater negative effect in areas where soils are classified as marginal through either their topographical features or organic contents.

A capital gains tax reduction appears to be deferred, but after the election, it is possible that it will be restored, and if enacted, would have a positive effect on land prices and provide more optimism in the market.

There has probably been no better time than now to utilize cheap money to purchase a long-term investment which will support (if high quality) a cash return of 5-8 percent providing an internal rate of return of 7-11 percent. This is very competitive in today’s market as opposed to alternative investments, such as stocks or bonds, which still have a great deal of uncertainty.

In summation, I believe that the price of high quality land has the opportunity to show steady to moderate gains (2-3 percent) over the next three to four years after which, if GATT becomes reality and if government regulations are less onerous, buyer demands will increase resulting in an acceleration of farmland prices nearing 4-5 percent per year through the year 2000.