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might well be warranted. That will depend on two major factors, the level of input prices and the prevalence and success of productivity increasing technologies. Input prices could conceivably fall dramatically under current legislation; however, practical factors, world events, and Mother Nature will likely intervene to lessen or prevent large drops. Bovine growth hormone and other productivity increasing technologies could have dramatic effects and seem to be on the horizon of commercial application. Although the expected dates of their first application continue to be postponed, such technologies will not be delayed forever, and less dramatic ones will inexorably push productivity up even if at a slower rate. Increases in dairy farm productivity will be

important in the future, as it has been in the past, but new technologies may not provide any large boost to production before the FSA expires. If they do, it is quite possible that measures such as another buyout would be used to blunt the price cuts that would otherwise be required.

Barring a drastic turnabout in Congressional and administrative philosophies, the path set for dairy policy by the FSA will be adhered to at least through the end of the decade. Programs such as the buyout are an important part of the fabric of the FSA, but the long-run path for dairy policy is more than ever before defined by government's willingness to let price move in response to market conditions—even if it means moderate but persistent drops in the support price.

Even though the buyout can be expected to help in restraining production, price increases are unlikely for quite some time. But, policies such as the buyout, to augment and blunt price cuts may become increasingly important. The dairy industry faces a future of further and probably larger increases in productivity, induced by new technologies and the improved and expanded use of existing technologies; they also face a government less willing to support farm prices and incomes. In this environment the challenge for dairy policy will be to meet social goals relative to a farm and rural community that has been depressed and faces further adjustment stress rather than to focus on purely economic goals relative to supply and demand in dairy markets. **■**

Eugene Lamb on A New Focus on Swamp and Sodbusting **Busters Can Lose Farm Program Benefits**

Two features of the 1985 Farm Bill may be the least understood provisions by CHOICES readers. One relates to "sodbusting;" the other to "swampbusting." They are especially significant because individual farmers and ranchers could lose other farm program benefits if they convert wetlands and if they cultivate highly erodible land. The 1985 farm legislation is the first time in the history of the United States that this tie has been made.

Swampbuster Provisions

Under swampbuster provisions, farmers who apply for USDA program benefits are required to certify that they are not producing any agricultural commodity on wetland converted after December 23, 1985. Further, farmers who are in violation of the Wetland Conservation provision will be ineligible for USDA farm program benefits for any crop that is produced on any land they own or operate. Except for wetlands which are determined to be of minimal value, conservation plans for farms will not be approved by the local conservation district if they include conversion of existing wetlands.

The effect of these provisions could

be important because of the attractiveness of farm program payments such as deficiency payments and because of the significant amount of wetlands that could be potentially converted.

It is estimated that 76 million acres in the nation are wetlands and that 5.1 million have the potential of being converted to cropland.

Sodbuster Rules

Farmers who apply for USDA program benefits must certify that they have not broken out highly erodible land for production of agricultural commodities since December 23, 1985. If highly erodible land has been broken out for production, farmers must certify that the commodity is being produced under a conservation plan approved by the local conservation district or they become ineligible for benefits for any crop they produce on any land they own or operate. Further, producers will be encouraged to enroll eligible highly erodible lands in the Conservation Reserve.

USDA program benefits that would be denied under the regulations are USDA price and income supports, disaster payments, crop insurance, FmHA loans, Commodity Credit Corporation storage payments, farm storage facility loans, and other programs under which payments are made with respect to commodities produced by the farmer. ASCS has also indicated that ACP cost-sharing

will not be allowed on lands in violation.

Perhaps the most significant provision, conservation compliance, requires that January 1, 1990, all highly erodible croplands, regardless of when they were broken out, must have an approved conservation plan for production of agricultural commodities if the producer is to remain eligible for USDA program benefits. The producer will have five years (January 1, 1995) to implement the approved conservation plan.

USDA's Soil Conservation Service in their 1982 National Resources Inventory estimates that nearly 118 million acres of cropland currently in production are classified as highly erodible. These highly erodible lands comprise 30 percent of the total cropland in the U.S., but account for nearly 60 percent of the soil erosion occurring on cropland. Another 225 million acres of agricultural lands have medium or high potential for conversion to cropland. There are over 76 million acres of wetlands in the contiguous United States, 5 million of which have either medium or high potential for conversion to cropland.

For more information about the Swamp and Sodbuster programs, write to: National Association of Conservation Districts, 1025 Vermont Avenue, NW., Suite 730, Washington, D.C. 20005 or: Soil Conservation Service USDA, Washington, D.C. 20250. **■**

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