



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

CHOICES

The Magazine of Food, Farm, and Resource Issues

First Quarter 1991

Special Interview

EASTERN EUROPE in the 1990s

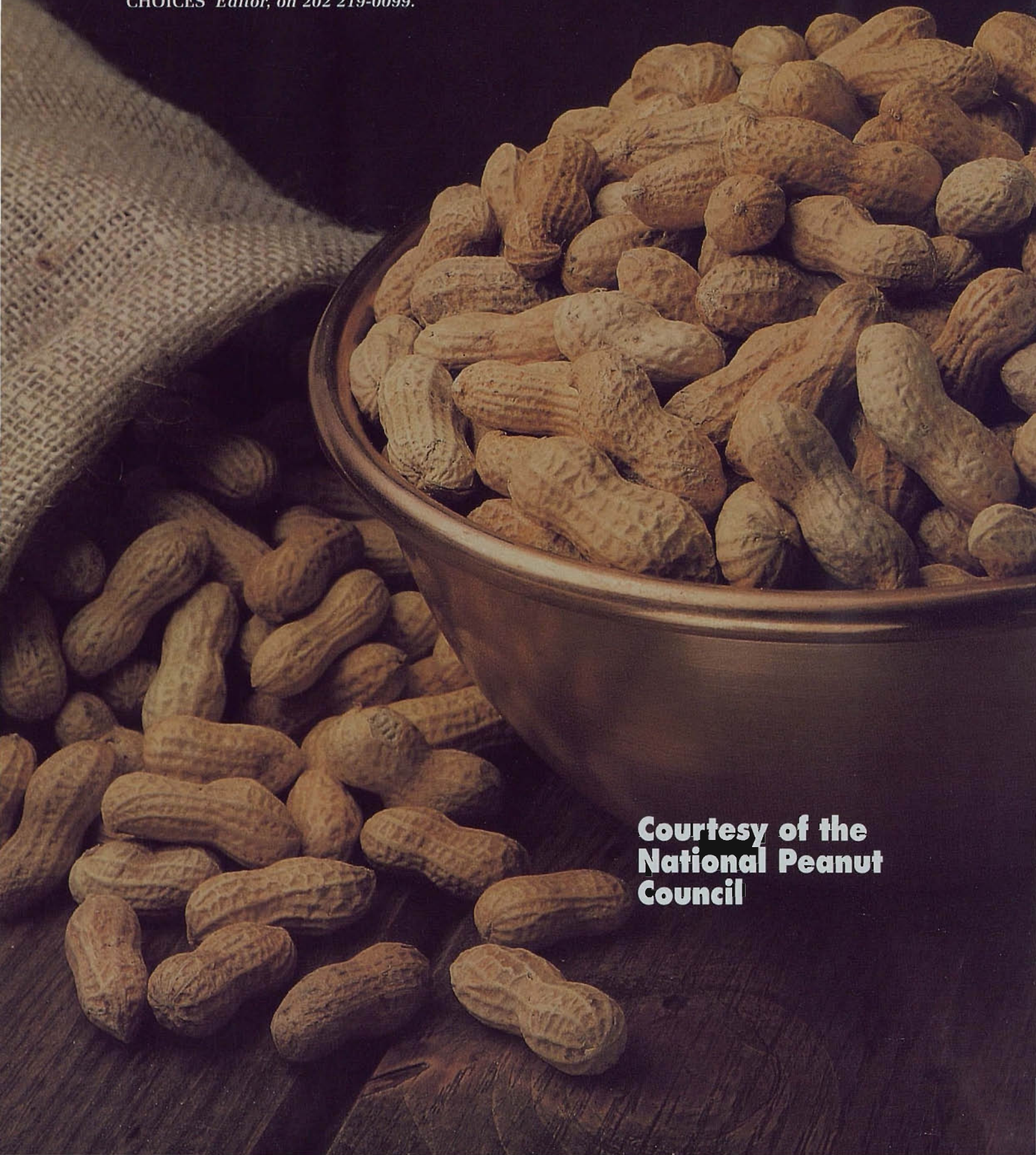
*with
Csaba Csaki
Rector, Budapest
University of
Economics*

Page 12



*Inside: Ruttan on "International Food Aid" page 3
Plus, Letters on "Ag Chemicals" page 40*

In each issue of CHOICES this page celebrates the abundance and variety of agricultural and forestry products that we enjoy. To the many people and organizations that make this page possible through their sponsorship, we say thanks. If you are associated with a product that should be featured in an upcoming issue, call Lyle Schertz, CHOICES' Editor, on 202 219-0099.



**Courtesy of the
National Peanut
Council**

CHOICES

The Magazine of Food, Farm, and Resource Issues

First Quarter 1991

SPECIAL FEATURE

12 An Interview with Csaba Csaki, Rector, Budapest University of Economics, on Eastern Europe in the 1990s

ARTICLES

3 International Food Aid:
Changed, But Contradictions Continue
by Vernon W. Ruttan

8 Forgiving LDC Debts:
Only Modest Ag Trade Effects
by Barry Krissoff and Daniel Pick

17 Economic Reforms and New Zealand Agriculture
by Ron A. Sandrey

20 bST and Milk:
Benefit or Bane?
by Anya M. McGuirk and Harry M. Kaiser

DEPARTMENTS

2 Gallery
About the Authors

22 Centerfold
*Robert D. Reinsel on a
Graphic History of the U.S. Wheat Market*

37 Do You Know
*Kathryn L. Lipton with the answers to
A Food Quiz*

38 Letters From You
*Harold F. Breimyer, Neil E. Harl, Greg Hanson,
Harold F. Breimyer, Leslie Kish, Bryant H. Wadsworth,
Harry Ayer, Neilson Conklin, Otto Doering, Ronald D.
Knutson, C. Robert Taylor, John B. Penson, Jr., Edward
G. Smith, John K. Hosemann, Harry Ayer, Neilson
Conklin, L. Tim Wallace, Patrick G. Boyle, Lamartine
Hood, Wayne Schutjer, Donald Evans.*

45 For Fun
*Peter G. Helmberger on
Vanquished in Vancouver*

DISEQUILIBRIA

27 Halfway to the Free Market: Voluntary Supply
Control with Biddable Income Support
by Lloyd D. Teigen

30 Putting Balance in U.S. Commodity Programs
by Leo V. Mayer

33 Seeking A Rural Development Policy:
Lessons From the National Commission on
Agriculture and Rural Development Policy
by Thomas D. Rowley and J. Norman Reid

36 There Must be a Better Way to Repair Milk Orders
by W. D. Dobson

Publisher:
The American Agricultural
Economics Association

Editor:
Lyle Schertz

Typography, Electronic Layout:
F.E.A. Laser Service, Timonium, Md.

Printer:
United Lithographics Services, Inc.

Publication Office:
12708 Oak Farms Road
Herndon, VA 22071 (202) 219-0099

Cover: Sarah Schmitt

Inside Front Cover:
Courtesy of National
Peanut Council

Advisory Council:
Paul W. Barkley Neil H. Pelsue, Jr.
Rodney Clouser Stephen Reiling
Allen Featherstone Shannon Stokes
B. Delworth Gardner Michele Veeman
Richard J. Herder Mike Woods
Jane E. Luzar Jeffrey Zinn

CHOICES (ISSN 0886-5558) is published quarterly by the American Agricultural Economics Association for people who want to be informed about food, farm, and resource issues—and the policies that affect them. Postage paid at Merrifield, VA, and additional mailing offices. All rights reserved. Quotation with credit is permitted. © 1991 Vol. 6, No. 1, American Agricultural Economics Association. Subscription rates for U.S.: Individuals—\$19.95 a year. Institutions—\$32.50 a year (four editions). In Canada add \$10 per year. Outside U.S. and Canada add \$20. Send Subscription correspondence to CHOICES, AAEE Business Office, Iowa State University, 80 Heady Hall, Ames, IA 50011-1070. Telephone (515) 294-8700. Send manuscripts to the Editor, Lyle Schertz, 12708 Oak Farms Road, Herndon, VA 22071. Telephone: (202) 219-0099. FAX (202) 219-0146.

GALLERY

...About the authors



Vernon W. Ruttan is a Regents Professor at the University of Minnesota. He is known world wide for his research in the fields of agricultural development, resource economics and research policy. Ruttan is a member of the National Academy of Sciences. His many award include the Alexander von Humboldt Award for his outstanding contribution to American agriculture. His most recent book, *Aid and Development* with Anne O. Krueger and Constantine Michalopoulos) is being published by the Johns Hopkins University Press.



Anya M. McGuirk is an Assistant Professor of Agricultural Economics and Statistics at Virginia Polytechnic Institute and State University where her specialties are applied econometrics and microeconomics. She received her M.Sc. in Agricultural Economics from the University of Reading (England) where she studied as a Marshall Scholar. In 1988 she obtained her Ph.D. from Cornell university, and subsequently received the AAEA Outstanding Ph.D. Dissertation Award. Dr. McGuirk grew up on a 500 acre livestock and crop farm in Bel Air, Maryland with her 14 siblings.



Harry M. Kaiser is an Assistant Professor of Agricultural Economics at Cornell University. He received a Ph.D. from the University of Minnesota in 1985 and since then has worked extensively in analyzing federal dairy policies. Kaiser also teaches a course in linear programming and works with dairy industry leaders in dairy policy matters. In 1986, he was a recipient of the American Agricultural Economics Association Group Extension Award. More recently, Kaiser has become involved on global climate change and its implications for agriculture.



Ron Sandrey recently joined the New Zealand Ministry of External Relations and Trade as a senior economist. Previously he worked with the Ministry of Agriculture and Fisheries. While with that Ministry Dr. Sandrey was responsible for writing parts of and coordinating the preparation of the book *Farming Without Subsidies*. Dr. Sandrey, a graduate of Oregon State University, has been employed by both Lincoln University as a lecturer and the New Zealand Treasury as a senior analyst. These experiences, as well as his earlier career as a sheep farmer, gives him a very broad perspective about the impact of agricultural policies in New Zealand.



Barry Krissoff is a Section Leader of the Macropolicy Section, Developing Economics Branch at the Economic Research Service. At ERS his research has focused on the effects of international trade and trade policy on developing market economies, particularly Latin American countries. Currently, Krissoff is investigating potential effects of a free trade area between the United States and Mexico. Prior to coming to ERS in 1985, he was as assistant professor at Western Michigan University and an economist at the Federal Reserve Bank of New York. Krissoff's Ph.D. is from the University of Virginia in economics.



Daniel Pick is an Agricultural Economist in the Macropolicy Section, Developing Economies Branch at the Economic Research Service. He completed his undergraduate work at the University of Arizona and received his Ph.D. from the University of California, Davis. There he majored in agricultural economics and completed a thesis focused on the relationships between macroeconomic variables and the international soybean markets. Pick's research interests include international trade and related policy implications. He is presently examining the effects of misalignments of exchange rates on agricultural exports of developing countries.