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Organic Food and the Consumer

Editor's Notes

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This quarter's *Food Review* links consumer environment and diet concerns with the larger issues of urbanization in traditionally farm communities, and competition in world markets for U.S. farm products.

Concerns about the environment and our health have generated debate among consumer groups about the use of pesticides in growing our food. Part of the debate focuses on the number of chemical sprays needed to provide picture-perfect fresh produce. Some argue that by not demanding cosmetic perfection, pesticide use could be greatly reduced.

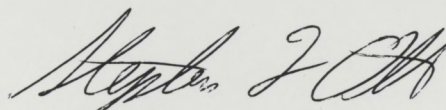
Are consumers willing to accept fresh produce that looks less than perfect? The results of a California survey suggest that they are if they can be assured that farmers indeed used fewer sprays to grow the fresh produce. However, there can be a fine line between cosmetic imperfection and other quality degradation. While some may be willing to buy produce that is not cosmetically perfect, consumers in another study rejected the idea of buying organically grown fresh produce with worm holes, blemishes, or soft spots. No matter what consumers ultimately accept, it should prove an interesting decade for the fresh produce industry, and over time we plan to provide you with insights on these and other environmental topics as they relate to the food industry.

We have been inundated with information about good nutrition. For example, messages pour in from TV ads, food manufacturers, and medical associations about the dangers of diets that are high in fat. But a recent survey shows that there is still confusion about acceptable substitutes.

A quiz, developed by USDA's Economic Research Service, will give you a chance to test your knowledge of facts about the food industry. The quiz was designed to educate as well as entertain you.

We've dropped "National" from our title in keeping with the international coverage of economic issues concerning the food industry. We've also opened up the look of the magazine so that the articles are better illustrated and easier to read.

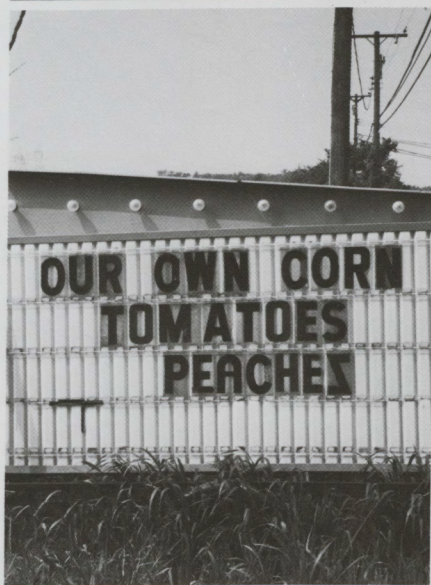
Enjoy the issue. We welcome your suggestions for future articles.



Stephen L. Ott
Economics Editor

FoodReview

C O N T E N T S



Linking Agriculture to the Economy

2 Farming Illustrates Linkages in U.S. and World Economies

Although farming employs only 2 percent of the work force and generates 1.4 percent of the gross national product, it remains an important link in the world economy because of its interrelationships with other industries.

6 Improving Supermarket Sales of Organic Produce

Organic produce is losing consumer approval at the marketplace. Increased sales will require merchandising that reaches a larger target market and addresses consumer concerns.

9 Consumers Choose Lower Pesticide Use Over Picture-Perfect Produce

Consumer research indicates that people will tolerate some imperfections in produce if they know chemical applications are reduced during production and after harvest.

12 Congress Mandates National Organic Food Standards

The new standards assure consumers that organic foods meet established criteria, but make no judgements that organic foods are more healthful, nutritious, or flavorful.

16 Diet/Health Concerns About Fat Intake

While changes in the American diet have lowered fat intake some, many women are merely substituting one source of fat for another.

21 Agriculture Adapts to Urbanization

New development patterns put agriculture within the reach of urbanization, and farmers are enjoying new marketing and employment opportunities.

26 U.S. Trade in Competitive World Markets

International trade links countries to the global economy, but trade patterns and production locations shift as countries advance their technology.

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