Reports of Interest

The Economic Research Service recently issued the following reports of interest to the food industry. To order copies, call toll free 1-800-999-6779 (8:30-5:00 ET).

An Updated Look at Jobs in Agriculture

This report evaluates the changing nature of the U.S. agricultural sector and how farms are increasingly dependent on a centralized food marketing system and on changing consumer demands. In rural areas, where agribusiness dominates, the local economy has difficulty generating employment and population growth.

Farm households depend on off-farm employment to improve the level and stability of their incomes. The number of jobs on farms continues a downtrend, and in food processing and marketing, jobs fell as those industries shrank during the 1980's. Wholesale and retail trade involving food and fiber products has been growing, but most of this employment is located in metropolitan areas.

Direct Government commodity program payments and net CCC loans contributed about 12 percent of total U.S. farm household income during 1984-88. But because Government payments are made only for selected commodities generally concentrated in specific geographic areas, the importance of Government payments to farm family well-being varied substantially across regions. A discussion of Government commodity programs and how they affect nonmetro economies is included in this report.

Agriculture-Related Employment: Farm Commodity Programs and Rural Economies. AIB-613. Mindy Petrulis, Thomas A. Carlin, and Wyn Francis. September 1990. $4.00.

Job growth in nontraditional industries is helping to restructure the rural economy.

Rural America's Restructuring Economy

During the past decade, America's rural economy has had a hard time keeping up with the urban economy. The rural economy has experienced high levels of unemployment, slow job and income growth, and widespread population losses. Rural areas may have passed through their hardest times, but trends do not point to a return to the boom years of the early 1970's.

Although the economic conditions are the result of cyclical downturns in several major rural industries, the economy is continuing to restructure. Job growth in nontraditional industries (industries other than farming, mining, forestry, and fishing) is a major factor in the industrial restructuring of the rural economy. Most growth since 1969 has been in private services. But there is no indication that long-term improvements in jobs or income levels will result. This report details the continuing restructuring of the rural economy.

Rural America: Economic Performance, 1989. AIB-609. J. Norman Reid and Martha Frederick. August 1990. $8.00.

Independent Enterprises in Rural Areas

An analysis of new firm survival and growth during 1980-86 shows that local, independent firms survived better and grew faster than corporate affiliates in rural, or nonmetro, areas. Independent firms quickly reached their optimum size after beginning operation. However, businesses that survived in rural areas expanded employment at less than half the rate of metro areas.

Most of the independent firms that survived in rural areas between 1980 and 1986 were natural-resource-based industries, low-wage manufacturing, and residential services. Rural areas have attracted affiliates of out-of-State firms in goods-producing industries, especially the less sophisticated operations in high-tech manufacturing. This report analyzes (1) the survival rates of new firms in nonmetro areas and how they compare with those in metro areas; (2) how rapidly surviving businesses expand employment; (3) whether or not ownership status is a factor in the rate of survival and growth; and (4) the relationship between ownership status and the location of surviving jobs.

Survival and Growth of Independent Firms and Corporate Affiliates in Metro and Nonmetro America. RDRR-74. James P. Miller. February 1990. $8.00.

Producing and Marketing Fruits and Vegetables

This publication is a bibliography which lists research reports on the economics and related areas of producing and marketing fruits and vegetables. The 753 references and cross-references were compiled from reports submitted by land-grant institutions and other USDA agencies to the Economic Research Service.

Included are references on costs, prices, grades, competition, projections, shipments, processing, statistics, computer products, and miscellaneous activities. The publications are referenced under 12 major headings, listed alphabetically by author. An author index is also included.

Bibliography of Economic Reports on the Production and Marketing of Fruits and Vegetables, 1981-89. BLA-102. Joan Pearrow and Nadine Lofton. September 1990. $11.00.

The Statistics of World Agriculture

This 552-page volume of statistics is designed to serve as a basic reference, providing reliable, up-to-date information on world, regional, and individual countries' economies and agriculture. Particular attention is given to data comparability. These data are used by ERS to prepare analyses to support policy decisions and to answer daily requests from policymakers, the academic and business communities, and the general public.

Beginning with this volume, this report will be printed every 2 years. This issue has been updated to 1989 and includes 14 geographic regions and 1 subregion, the European Community (EC-12). The 142 countries shown in this volume account for over 99 percent of world population. The electronic data backing this report covers 160 countries.

The publication includes a comprehensive section where data terms are defined and additional sources are listed.

World Agriculture: Trends and Indicators, 1970-89. SB-815. Agriculture and Trade Analysis Division, Economic Research Service, USDA. September 1990. $14.00.

Analyzing Agricultural Trade

Agricultural exports are important users of land, labor, and capital in the U.S. economy. Each $1 million worth of agricultural exports in 1987 required 31 workers and 3,500 harvested acres to produce. Ten years before, that same amount took 39 workers and 4,300 acres. These and other differences are reflected in the changes in prices and types of commodities produced for export.

This report examines the changes in the commodities exported to different regions and the implications of these changes to the U.S. economy. The report shows estimates for the land, labor, and capital used to produce U.S. agricultural exports for 1977, 1982, and 1987. The 1987 estimates are presented in greater detail for the countries and regions that are important markets for U.S. agricultural products.

Factor Intensity of U.S. Agricultural Trade. AER-637. Darryl S. Wills and Chinkook Lee. August 1990. $8.00. ■

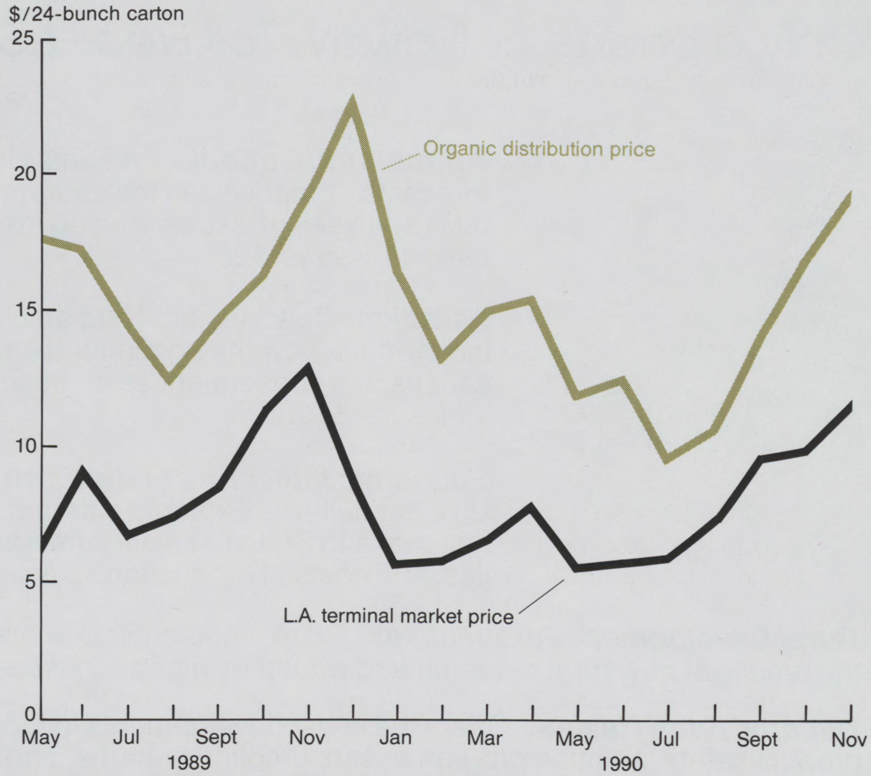
Organic Produce Costs More

Organically grown vegetables often cost more than those produced conventionally because farmers may pay higher costs for organic fertilizers, biological pesticides, hand labor, and equipment and other substitutes for synthetic chemicals. Also, marketing expenses, including transportation and handling costs, may be higher because marketing channels are less well developed for organically grown products. And because organic produce may spoil faster than conventional produce.

At the wholesale level, the price premium for organic vegetables is considerable. For example, the weekly price premium for organic green romaine lettuce has averaged over 100 percent more than the corresponding Los Angeles terminal market price during the last year.

Price Premium for Organic Romaine Lettuce

Average monthly wholesale prices

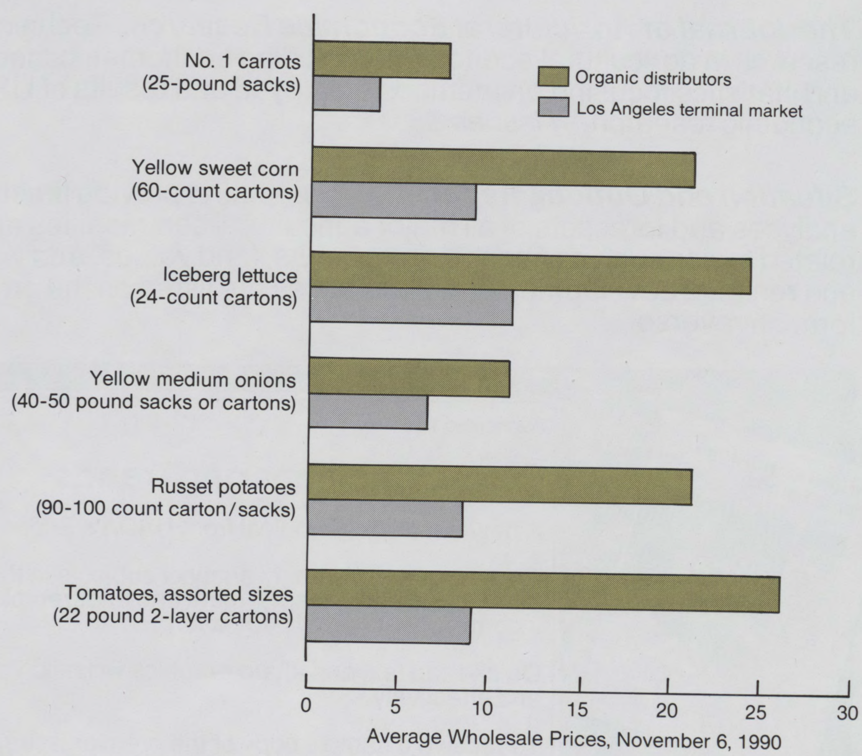


Source: Organic Wholesale Market Report, OMNIS, Colfax, Calif.
Contact: Catherine Greene (202) 219-0886

Recent price premiums for a range of selected major vegetables are also high. They have ranged from 68 percent for medium yellow onions to 200 percent for tomatoes.

Price Premium for Selected Organic Vegetables

$ per unit



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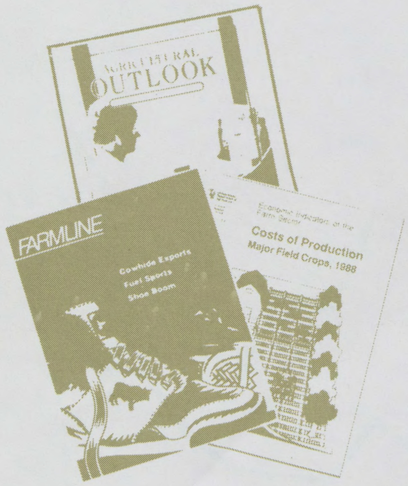


Agricultural Outlook. Presents USDA's farm income and food price forecasts. Emphasizes the short-term outlook, but also presents long-term analyses of issues ranging from international trade to U.S. land use. *11 issues $26.*

Farmline. Concise, fact-filled articles focus on economic conditions facing farmers, how the agricultural environment is changing, and the causes and consequences of those changes for farm and rural people. *11 issues $12.*

Economic Indicators of the Farm Sector. Updates economic trends in U.S. agriculture. Explores different aspects of income and expenses; national and State financial summaries, production and efficiency statistics, and costs of production. *5 issues $14.*

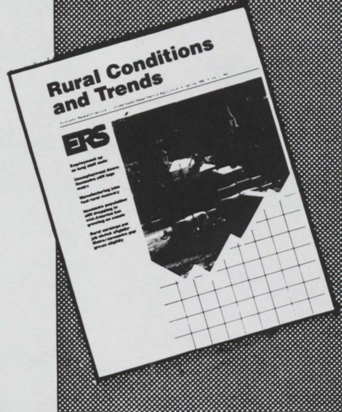
Rural Development Perspectives. Crisp, nontechnical articles on the results of new rural research and what they mean. *3 issues $9.*

National Food Review. Offers the latest developments in food prices, product safety, nutrition programs, consumption patterns, and marketing. *4 issues $11.*

Foreign Agricultural Trade of the United States. Updates the quantity and value of U.S. farm exports and imports, plus price trends. *8 issues $25.*

The Journal of Agricultural Economics Research. Technical research in agricultural economics, including econometric models and statistics focusing on methods employed and results of USDA economic research. *4 issues $8.*

Situation and Outlook Reports. These reports provide timely analyses and forecasts of all major agricultural commodities and related topics such as finance, farm inputs, land values, and world and regional developments. Specific titles are listed on the order form on reverse.



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