



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.*

atD 9001
N275
c-3
mm

SMA

FoodReview

the magazine • of food economics

United States Department of Agriculture • Economic Research Service • October-December 1991 • Volume 14 Issue 4

CURRENT SERIALS
ACQ. / SERIALS BRANCH



**Issues Confronting
Livestock Production
and Marketing**

Editor's Notes

FoodReview (ISSN 1056-327X) is published quarterly by the Commodity Economics Division, Economic Research Service, U.S. Department of Agriculture.

Send questions, requests, and editorial comments to *FoodReview*, Room 228 USDA, 1301 New York Avenue, NW., Washington, DC 20005-4789.

Annual subscriptions are \$11.00 to U.S. addresses (\$13.75 foreign). Multiyear subscriptions are also available. Call toll free 1-800-999-6779 (weekdays 8:30-5:00 ET) to charge your order to Visa or MasterCard. Or, order by mail from ERS-NASS, Box 1608, Rockville, MD 20849-1608. Make check or money order payable to ERS-NASS. Please include your complete address and daytime telephone number. Sorry, but refunds cannot be issued.

The use of commercial or trade names does not imply approval or constitute endorsement by USDA or ERS.

Economics Editor:

Stephen L. Ott
(202) 219-0313

Managing Editor:

Mary E. Maher
(202) 219-0499

Art Director:

Robert Gresh

Editorial Staff:

Martha R. Evans
Cliola Peterson
Karen Sayre

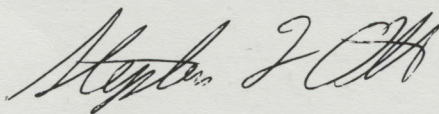
Food production, processing, and nutrition are complex. One must understand the complexity of our food system to propose improvements. Many proposals for improving our food system involve animals. This issue of *FoodReview* focuses on issues surrounding livestock production and marketing.

With increased environmental awareness, agricultural production practices are being scrutinized for their impacts on soil and water quality. Our lead article discusses how forage-based cattle production can protect and improve soil and water quality.

Consumers' concerns about value are also addressed. The article on meat slaughtering costs shows that larger firms have cost advantages over smaller firms. With larger firms controlling a greater share of supplies, there is concern about concentration in the industry. To date, such concern is not warranted based on analysis of the prices paid to farmers and those charged to consumers.

Animal products consist of more than meat, milk, and eggs. Fish and seafood products are also becoming important in our diet. Increasing amounts are being produced on farms instead of being harvested from the wild.

With the importance of meat and meat products in our diets and in the industry, some question human use of animals. One article addresses these concerns and some of the debate.



Stephen L. Ott
Economics Editor

Contents of this magazine may be reprinted without permission.

FoodReview

C O N T E N T S



Issues Confronting Livestock Production and Marketing

2 Cattle and Forages Can Play a Vital Role in Sustainable Agriculture

Rotating crop plantings and forage cover will aid in reducing soil erosion and water contamination, while helping to hold down the need for heavier fertilizer and pesticide use in grain production. With more emphasis on forage, cattle will play an important role in maintaining an economically and environmentally sound agricultural production system.

6 Controversy Over Livestock Growth Hormones Continues

Biotechnological advances in growth hormones are out of the lab and in the process of being approved for commercial use. Some say they will revitalize the livestock industry with better products and lower costs. Others are concerned about overproduction, food safety, animal welfare, and the future of small farms.

10 Beefpacking Costs Are Lower for Larger Plants

Economies of size are demonstrated with computer-simulated beef slaughtering and processing plants. Larger plants reap the economic advantages of considerably lower costs as plant size increases, as plants move from a one- to a two-shift operation, and as plants and equipment are fully utilized. But, smaller plants can find ways to compete.

14 Meat Price Spreads Are Not Proof of Price Gouging

When meat prices fall at the feedlot but not at the grocery store, the spread between wholesale and retail prices widens—as has been the case for some time. This growing spread usually means that retail price changes lag behind farm price changes, *not* that there is excessive concentration in the meat industry.

18 Aquaculture: A Diverse Industry Poised for Growth

The United States is in the odd position of being the world's largest exporter of seafood while still being a net importer. With wild harvesting at close to maximum rates, the future for commercial production of fish looks promising—if this industry can overcome the challenges of foreign competition, resource constraints, and food safety concerns.

24 The Ethics of Animal Agriculture

Issues surrounding animal welfare are a crucial factor for the livestock industry today. Indeed, ethics may transcend technology in determining the future course of animal agriculture. But exactly what is animal welfare?

The Federal Front

28 USDA Actions

30 Food and Nutrition Legislation

33 Food Labeling Regulations Changing

40 Domestic Food Assistance Costs Are Rising