



DatelineERS

New ERS research and analysis at: www.ers.usda.gov

Economic Research Service

January 2009

U.S. Department of Agriculture

ERS is a main source of research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.



Commodity Markets and Trade

ERS Outlook reports provide timely analysis of major commodity markets and trade.

This Month

- Wheat
- Feed
- Rice
- Oil Crops
- Livestock, Dairy, and Poultry
- Sugar and Sweeteners

All reports along with a calendar of future releases are available at:

www.ers.usda.gov/publications/outlook

Would a Price Reduction Increase Fruit and Vegetable Consumption by Low-Income Americans?

www.ers.usda.gov/Publications/ERR70

Americans' diets, particularly those of low-income households, fall short of Government recommendations in the quantity of fruits and vegetables consumed. Some proposals suggest that a price subsidy for those products would encourage low-income Americans to consume more of them. *Fruit and Vegetable Consumption by Low-Income Americans: Would a Price Reduction Make a Difference?* estimated that a 10-percent subsidy would encourage low-income Americans to increase their consumption of fruits by 2.1-5.2 percent and vegetables by 2.1-4.9 percent. The annual cost of such a subsidy for low-income Americans would be about \$310 million for fruits and \$270 million for vegetables, and most subsidized Americans would still not meet Federal dietary recommendations.

Million Dollar Farms in the New Century

www.ers.usda.gov/Publications/EIB42

Million-dollar farms—those with annual sales of at least \$1 million—accounted for about half of U.S. farm sales in 2002. By 2006, million-dollar farms dominated U.S. production of high-value crops, milk, hogs, poultry, and beef. *Million Dollar Farms in the New Century* reveals the shift to million-dollar farms is likely to continue because they tend to be more profitable than smaller farms, giving them a competitive advantage. Most million-dollar farms (84 percent) are family farms; that is, the farm operator and relatives of the operator own the business. The million-dollar farms organized as nonfamily corporations tend to have no more than 10 stockholders.

The Transformation of U.S. Livestock Agriculture

www.ers.usda.gov/Publications/EIB43

U.S. livestock production has shifted to much larger and more specialized farms. The various stages of input provision, farm production, and processing are now much more tightly coordinated through formal contracts and shared ownership of assets. Important financial advantages have driven these structural changes, which in turn have boosted productivity growth in the livestock sector. But structural changes can also generate environmental and health risks for society, as industrialization concentrates animals and animal wastes in localized areas. *The Transformation of U.S. Livestock Agriculture: Scale, Efficiency, and Risks* relies on farm-level data to detail the nature, causes, and effects of structural changes in livestock production.

A Comparison of Household Food Security in Canada and the United States

www.ers.usda.gov/Publications/ERR67

The extent to which a nation's population achieves food security is an indication of its material and social well-being. *A Comparison of Household Food Security in Canada and the United States* describes differences in the prevalence of household-level food insecurity between Canada and the United States at the national level and for selected economic and demographic subpopulations. Canadians were less likely to live in food-insecure households (7.0 percent of the population) than were U.S. residents (12.6 percent). The percentage of the population living in households with very low food security (characterized by self-assessed inadequacy of food intake and disrupted eating patterns) was also lower in Canada (2.4 percent) than in the U.S. (3.6 percent). To a great extent, the same demographic and economic characteristics were associated with food insecurity in both countries. However, differences in population composition could account for only about 15 to 20 percent of the overall Canada-U.S. difference in food insecurity among adults and 20 to 30 percent of the difference among children.



Columbia: A New Ethanol Producer on the Rise?

<http://www.ers.usda.gov/Publications/WRS0901/>

Colombia's sugarcane-based ethanol industry, after operating for only 3 years, is the second most developed in the Western Hemisphere. Most Colombian ethanol plants are energy self-sufficient and even generate surplus power that is sold to the national electric grid. Colombia's sugarcane-based ethanol production is increasing; proposed expansion projects have the potential to more than triple daily production from 277,000 gallons in 2007 to almost 1 million gallons in 2010. Most of the expansion is intended for exports, principally to the United States. However, it is unlikely that Colombia could export ethanol anytime soon because domestic production is insufficient to meet nationwide requirements that gasoline contain a 10-percent ethanol blend.



USDA's 85th Agricultural Outlook Forum Global Agriculture & Rural America in Transition Food & Energy: Expectations & Realities

February 26-27, 2009
Crystal Gateway Marriott Hotel
Arlington, Virginia

Join us for USDA's annual Agricultural Outlook Forum as the new Secretary of Agriculture as well as Government, farm, and industry leaders discuss the future of American agriculture. Attendees can register for the Forum now at: www.usda.gov/oce/forum.

*Registration fee waived for accredited members of the news media (www.ameetingplace.com/usda/media).

How to get more information...

More information about the items featured in DatelineERS can be found on our Website: www.ers.usda.gov by going to the web address listed in each article. This newsletter is available online at www.ers.usda.gov/news