

Contents

Summaryiv
Introduction	1
Factors Shaping Adoption of Bioengineered Crops	1
Producer Profitability	2
Consumer Preferences	2
Environment	2
Other Factors	3
Objectives and Roadmap	3
The Extent of Adoption of Bioengineered Crops	4
Herbicide-Tolerant Crops	4
Insect-Resistant Crops	4
Box 1. USDA Survey Data	5
Diffusion of Bioengineered Crops	8
Modeling the Diffusion of GE Crops	8
Empirical Results	9
Out-of Sample Comparison	11
Limitations	12
Conclusion	12
Factors Affecting the Adoption of Bioengineered Crops	13
Modeling Crop Adoption	13
Effect of Farm Size	16
Effect of Other Factors	18
Box 2. Previous Research on the Factors Affecting Agricultural Technology Adoption	14
Microeconomic Impact of Adopting Bioengineered Crops	20
Econometric Models	20
Field-Level Analysis	20
Whole-Farm Analysis	20
Empirical Results	21
Field-Level Results	21
Whole-Farm Results	23
Interpretation of Results on Adoption and Net Returns	24
Limitations	25
Box 3. Previous Research on the Economic Impact of GE Crop Adoption	22
Adoption and Pesticide Use	26
Pesticide Use Patterns	26
Pesticide Measurement Issues	27
Impact of Adoption on Pesticide Use	27
Pesticide Toxicity and Persistence	28
Soil Losses and Runoff	28
Conclusions	30
References	31

Appendix I. A Dynamic Diffusion Model for GE Crops	38
Appendix II. An Empirical Tobit Model To Examine the Factors Influencing Adoption	46
Appendix III. Using Whole-Farm Data To Model the Financial Impact of Adoption	52
Appendix IV. A Simultaneous Adoption Model for Herbicide-Tolerant Soybeans and No-Till	58