Incentives to Boost Conservation Tillage Adoption

Lyubov Kurkalova

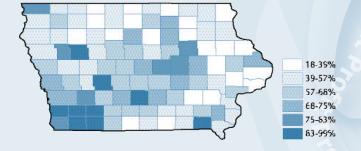
lyubov@iastate.edu 515-294-7695

Catherine L. Kling

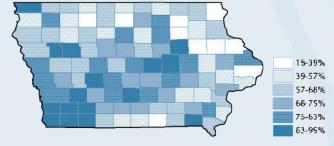
ckling@iastate.edu 515-294-5767

ith increasing public demand for clear air and clean water, many inside and outside Washington, D.C., have suggested that federal farm income support should be tied to enhanced conservation practices. Researchers in the Resource and Environ-mental Policy Division at CARD and in ISU's Department of Economics are trying to gauge the effect of a direct subsidy on the adoption of conservation tillage practices in the state of Iowa. The analysis used 1992 data and found that in that year, on average, a subsidy of \$2.40 per acre for corn and \$3.50 per acre per year for soybeans would have allowed Iowa farmers to overcome a possible profit loss and aversion to the risks they perceived in adopting conservation tillage practices. Because of varying soil, weather, and farmer characteristics, the adoption is predicted to differ significantly across Iowa. The full report, "The Subsidy for Adopting Conservation Tillage" (CARD Working Paper 01-WP 286), is available at ww.card.iastate.edu. A follow-up study in the works is an investigation of possible leastcost incentive payment policy designs.





CONSERVATION TILLAGE ADOPTION WITH A \$3/ACRE INCENTIVE PAYMENT



CONSERVATION TILLAGE ADOPTION WITH A \$5/ACRE INCENTIVE PAYMENT

