

Impacts of Selected Regulatory Policies on the Competitiveness of Florida Agriculture

Summary

Government regulations are pervasive and can have both positive and negative effects on society. Social regulations are one category of government regulations with concerns for health, safety, and the environment. Such regulations can be welfare enhancing when they are applied in a manner that corrects market failures or inefficiencies in the economy stemming from externalities associated with the production, distribution and consumption of goods and service. Yet, even if there is an increase in economic efficiency due to a change in policy, different groups within the economy will become better or worse off as the market equilibrium is changed. Moreover, it is widely acknowledged that these regulations can also frustrate commercial opportunities, leading to a reduction in national social welfare. Prospects are that social regulations will not decrease but will become more complex as production and consumption systems are increasingly linked across national borders, and there is growth in income and a strong desire on the part of consumers for environmental amenities, food safety, product differentiation, and product information. Economic welfare analysis provides a basis for assessing the net and distributional impacts among economic outcomes arising from such regulatory decisions. Models used can evaluate current as well as proposed measures, furnishing important information that policymakers can take into account in designing policies that realize their goals at the lowest cost to consumers, producers, and the international trading system. The purpose of this program is to evaluate the effects of selected health, safety, and environmental agricultural regulatory policies (Sanitary and Phytosanitary, Food Quality Protection Act, and Clean Air Act) on Florida and Southeastern U.S. agriculture, with a view to determining their potential impacts on the competitiveness of livestock and specialty crops produced in the region.

Projects

- o The Impact of the Methyl Bromide Phase-out on the U.S. Fresh Fruit and Vegetable I

Industry

- o Potential Economic and Trade Impacts of Selected Invasive Pests and Diseases on

Florida's Ornamental Industry

- o New Markets for U.S. Citrus: Changes in Bilateral U.S.-Argentine Trade
- o An Economic Model for Evaluating the Impact of Prohibiting the Use of Pesticides in

Grapefruit Production of Florida

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