

# Journal of Agricultural and Applied Economics

Volume 27, Number 2

December, 1995

## Contents

### Submitted Articles

- |   |  |
|---|--|
| Restricting Pesticide Use   | <i>Whittaker, Lin and Vasavada</i>                             |
| Double-hurdle Model with Bivariate Normal Errors                  | <i>Gao, Wallis and Cramer</i>                                  |
| High-Value Agricultural Products under NAFTA                      | <i>Onianwa</i>   |
| Responsiveness of U.S. Rice Acreage to Price and Production Costs | <i>Salassi</i>   |
| Modeling Economic Growth with Unpredictable Shocks                | <i>Goetz and Ready</i>   |
| Estimating and Reporting Daily Cotton Market Prices               | <i>Brown, Ethridge, Hudson and Engels</i>                      |
| Uncertain Yields in Sectoral Welfare Analysis                     | <i>Lambert, McCarl, He, Kaylen, Rosenthal, Chang and Nayda</i> |
| Valuation of Intangible Capital in Agriculture                    | <i>White</i>   |
| Differences in Nursing Home Access, Quality and Cost              | <i>Yu and Bradford</i>   |
| Alternative Fluid Milk Procurement Systems                        | <i>Nubarn and Kilmer</i>                                       |
| Farm Operator Employment History and Off-Farm Employment          | <i>Stallmann and Nelson</i>                                    |
| The Local Economy and the Willingness to Move                     | <i>Broomhall</i>   |
| Rational Expectations and Georgia Soybean Acreage Response        | <i>Ahouissoussi, McIntosh and Wetzstein</i>                    |
| Diversity Sources for Fresh Produce                               | <i>Lohr and Hanson</i>   |
| Rural Roads and Intergovernmental Aid                             | <i>Deller and Walzer</i>                                       |
| Japanese Discrimination Against Australian Beef Imports           | <i>Weatherspoon and Seale</i>                                  |
| Nature-based Tourism and the New Environmental Paradigm           | <i>Luzar, Diagne, Gan and Hanning</i>                          |
| Post CRP in the Texas High Plains                                 | <i>Johnson and Segarra</i>                                     |
| Computer and Information Use by Commercial Farmers                | <i>Amponsah</i>  |
| Welfare Losses Under Alternative Oligopoly Regimes                | <i>Bhuyan and Lopez</i>  |
| Household Expenditures on Fruits and Vegetables                   | <i>Nayga</i>   |
| Trade and Agricultural Policy for Peanuts                         | <i>Borges</i>  |
| Contingent Valuation in Food Policy                               | <i>Buzby, Ready and Skaes</i>                                  |
| Use-value Assessment in Preserving Farmland                       | <i>Tavernier and Li</i>  |
| Importance Ratings of Meat Attributes by Consumers                | <i>Hui, McLean-Mayinsee and Jones</i>                          |
| Fluid Milk Purchase Patterns in the South                         | <i>Jensen</i>  |
| The Economic Value of Hiking                                      | <i>Casey, Vukina, and Danielson</i>                            |
| Nominal and Real Historical Risk Measures                         | <i>Ford and Musser</i>   |

*A Journal of the*  
Southern Agricultural Economics Association

# Journal of Agricultural and Applied Economics

Volume 27, Number 2

December, 1995

Copyright © 1995 by the Southern Agricultural Economics Association

## 1995 Editorial Council

Ntam Baharanyi  
Melvin Blase  
Garnett Bradford  
Wen S. Chern  
George C. Davis  
Bruce Dixon  
Gary F. Fairchild  
Fred Gale  
Orlen Grunewald  
Catherine K. Halbrendt  
Richard Kazmierczak  
Henry Kinnucan  
David Letson  
Rigoberto A. Lopez  
Christopher S. McIntosh  
Patricia E. Norris  
Zacch I. Olorunnipa  
Teofilo Ozuna  
James W. Pease  
Stan Spurlock

*Tuskegee University*  
*University of Missouri*  
*Clemson University*  
*Ohio State University*  
*University of Tennessee*  
*University of Arkansas*  
*University of Florida*  
*USDA/ERS*  
*Kansas State University*  
*University of Delaware*  
*Louisiana State University*  
*Auburn University*  
*University of Miami*  
*University of Connecticut*  
*University of Georgia*  
*Oklahoma State University*  
*Florida A&M University*  
*Texas A&M University*  
*Virginia Polytechnic Institute and State University*  
*Mississippi State University*

## Editorial Staff

Joan D. Enerlich

*Technical Editor and Administrative Assistant*

## Editorial Policy

The purpose of the *Journal* is to provide a forum for creative and scholarly work in agricultural economics and related areas. Contributions on methodology and applications in business, extension, research and teaching phases of agricultural economics are equally encouraged. Only submitted articles recommended by the editorial council are accepted for publication. Criticism of articles is encouraged and comments and replies will be published, subject to editorial review.

## Editorial Communications

Editors of this *JAAE* volume are:

Angelos Pagoulatos, Barry W. Bobst and David L. Debertin  
Department of Agricultural Economics  
400 Ag. Eng. Bldg.  
University of Kentucky  
Lexington, KY 40546-0276

Manuscript submissions and correspondence should be sent to the editors of the 1996-98 Volumes

Chung L. Huang or Michael E. Wetzstein, Editors  
Journal of Agricultural and Applied Economics  
Connor Hall  
University of Georgia  
Athens, GA 30602-7509

---

**Journal  
of  
Agricultural  
and  
Applied  
Economics**

**Volume 27, Number 2  
December, 1995**

**Published by  
Southern Agricultural Economics Association**

---

# Contents

## Articles

- Restricting Pesticide Use: The Impact on Profitability by Farm Size  
Gerald Whittaker, Biing-Hwan Lin and Utpal Vasavada . . . . . 352
- Double-hurdle Model with Bivariate Normal Errors: An Application to U.S. Rice Demand  
X. M. Gao, Eric J. Wailes and Gail L. Cramer . . . . . 363
- The Potential For High-Value Agricultural Products Under The North American  
Free Trade Agreement: The Case of Beef in Mexico and Canada  
Okwudili O. Onianwa . . . . . 377
- The Responsiveness of U.S. Rice Acreage to Price and Production Costs  
Michael E. Salassi . . . . . 386
- Modeling Economic Growth with Unpredictable Shocks: A State-Level Application  
for 1960-90  
Stephan J. Goetz and Richard C. Ready . . . . . 400
- An Automated Econometric Approach for Estimating and Reporting Daily Cotton  
Market Prices  
Jeff E. Brown, Don E. Ethridge, Darren Hudson and Carlos Engels . . . . . 409
- Uncertain Yields in Sectoral Welfare Analysis: An Application to Global Warming  
D.K. Lambert, B.A. McCarl, Q. He, M.S. Kaylen, W. Rosenthal, C.C. Chang and W.I. Nayda . . . . 423
- Valuation of Intangible Capital in Agriculture  
Fred C. White . . . . . 437
- Rural-Urban Differences in Nursing Home Access, Quality and Cost  
Wei Yu and Garnett Bradford . . . . . 446
- Alternative Fluid Milk Procurement Systems For Florida Dairy Farmers  
Christopher A. Nubern and Richard L. Kilmer . . . . . 460
- Employment History and Off-Farm Employment of Farm Operators  
Judith I. Stallmann and James H. Nelson . . . . . 475
- The Influence of the Local Economy and the Willingness to Move on Human Capital  
Accumulation in Central Appalachia  
David Broomhall . . . . . 488
- Rational Expectations Estimation of Georgia Soybean Acreage Response  
Nicolas B. C. Ahouissoussi, Christopher S. McIntosh and Michael E. Wetzstein . . . . . 500
- Diversity of Sources for Fresh Produce: Implications for Local Markets  
Luanne Lohr and Steven D. Hanson . . . . . 510

Structural Shifts in the Treatment of Intergovernmental Aid: The Case of Rural Roads Steven C. Deller and Norman Walzer . . . . .	522
Do the Japanese Discriminate Against Australian Beef Imports?: Evidence From the Differential Approach Dave D. Weatherspoon and James L. Seale, Jr. . . . .	536
Evaluating Nature-based Tourism Using the New Environmental Paradigm E. Jane Luzar, Assane Diagne, Christopher Gan and Brenda R. Henning. . . . .	544
An Evaluation of Post Conservation Reserve Program Alternatives In The Texas High Plains Phillip N. Johnson and Eduardo Segarra . . . . .	556
Computer Adoption and Use of Information Services by North Carolina Commercial Farmers William A. Amponsah . . . . .	565
Welfare Losses Under Alternative Oligopoly Regimes: The U.S. Food and Tobacco Manufacturing Industries Sanjib Bhuyan and Rigoberto A. Lopez . . . . .	577
Determinants of U.S. Household Expenditures on Fruit and Vegetables: A Note and Update Rodolfo M. Nayga, Jr. . . . .	588
Trade and the Political Economy of Agricultural Policy: The Case of the United States Peanut Program Robert B. Borges . . . . .	595
Contingent Valuation in Food Policy Analysis: A Case Study of a Pesticide-Residue Risk Reduction Jean C. Buzby, Richard C. Ready and Jerry R. Skees . . . . .	613
Effectiveness of Use-value Assessment in Preserving Farmland: A Search-theoretic Approach Edmund M. Tavernier and Farong Li . . . . .	626
An Empirical Investigation of Importance Ratings of Meat Attributes by Louisiana and Texas Consumers Jianguo Hui, Patricia E. McLean-Meynsse and Dewitt Jones.. . . .	636
Fluid Milk Purchase Patterns in the South: Effects of Use of Nutrition Information and Household Characteristics Kim Jensen . . . . .	644
The Economic Value of Hiking: Further Considerations of Opportunity Cost of Time in Recreational Demand Models James F. Casey, Tomislav Vukina and Leon E. Danielson . . . . .	658
A Comparison of Nominal and Real Historical Risk Measures Beth Pride Ford and Wesley N. Musser . . . . .	669

<b>1995 Reviewers</b> .....	686
<b>Announcing a New Journal</b> .....	687
<b>Guidelines for Submission of Manuscripts</b> .....	688