

0203-NG-069 Economic Impact of Scab on Wheat and Barley: 1993-2001.

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PROJECT ABSTRACT

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Fusarium Head Blight (FHB) has led to major economic losses for wheat and barley producers in the past decade. Deoxynivalenol (DON) is a mycotoxin associated with FHB. Grain contaminated with DON (commonly known as vomitoxin) is subject to FDA advisory limits and is refused by many end-users. This has led to steep price discounts, as well as higher risks for producers and grain merchandisers.

This is a continuum of projects on the economic impact of scab. The objective of this research are two-folds:

Estimate the economic value of crop losses suffered by U.S. wheat and barley producers during the 1993 to 2001/2002 period. Building on the work of Johnson et al. (1998), GAO (1999), and Nganje et al. (2000), this involves estimating both yield losses and price effects, by region and year. Secondary impacts in the economies of wheat and barley producing states will also be considered. This will enable policy makers, industry representatives, and those in academia to evaluate the scab outbreak and make effective policy decisions.

Principal investigators for the project are agricultural economists with expertise in grain quality and impact analysis, secondary economic impact analysis, commodity market analysis, and food safety issues. The study will consolidate the methods, procedures, and data used in previous economic impact studies, of FHB and its mycotoxin (DON) on wheat and barley.