



Gardner Food and Agricultural Policy Survey: 2nd Quarter, How to Encourage Sustainable Food Production

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Given the strain on finite resources for food production there is a continued need for agricultural producers to adopt climate-smart production practices. There are many ways to encourage farmers to adopt certain production practices. Federal, state, and local government can require or provide incentives for farmers to adopt sustainable practices. Buyers, in particular grocery retailers and restaurants, and brands can also require or incentivize their suppliers to adopt sustainable practices. Finally, consumers can vote with their dollars and pay premiums for food produced with sustainable practices.

The government, for example, can be involved in mandating practices that reduce runoff making its way to waterways and incentivizing conservation practices. In the US, regulatory programs like the Clean Water Act, Clean Air Act and the Endangered Species Act can impose behavioral restrictions on some agricultural producers in an attempt to achieve better conservation outcomes, but many farmers are exempt from many federal environmental regulations (Bernstein, Cooper, and Claassen, 2004). Whereas, land retirement programs like the Conservation Reserve Program and the Agricultural Conservation Easement Program offer incentives in the form of payments and/or cost share to landowners to take environmentally sensitive land out of production. Additional examples of voluntary (incentivized) conservation programs include the: Environmental Quality Incentives Program, Conservation Security Program, and the Regional Conservation Partnership Program ([Bernstein, Cooper, and Claassen, 2004](#)).

Retailers and brands are also increasingly setting standards and requirements for their suppliers. Many food industry participants (e.g., PepsiCo, Walmart, Kellogg, Target, McDonalds) have committed to Science Based Targets to reduce their greenhouse gas emissions and some have committed to net zero

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emissions (e.g., [SBTi, 2022](#)). These participants also develop specific agricultural policies and goals for their suppliers relevant for their products – from shade grown coffee beans to deforestation-free feed. Recently, there has been an increased focus on regenerative agriculture (e.g., [Uldrich, 2021](#); [Olson, 2022](#)). Some consumers, too, have been willing to pay higher prices for labels associated with sustainable production practices ([Greene et al., 2017](#)). The most well-recognized label is USDA Organic, but new labels and claims have begun appearing in grocery stores (e.g., carbon-neutral eggs [Acosta, 2021](#)).

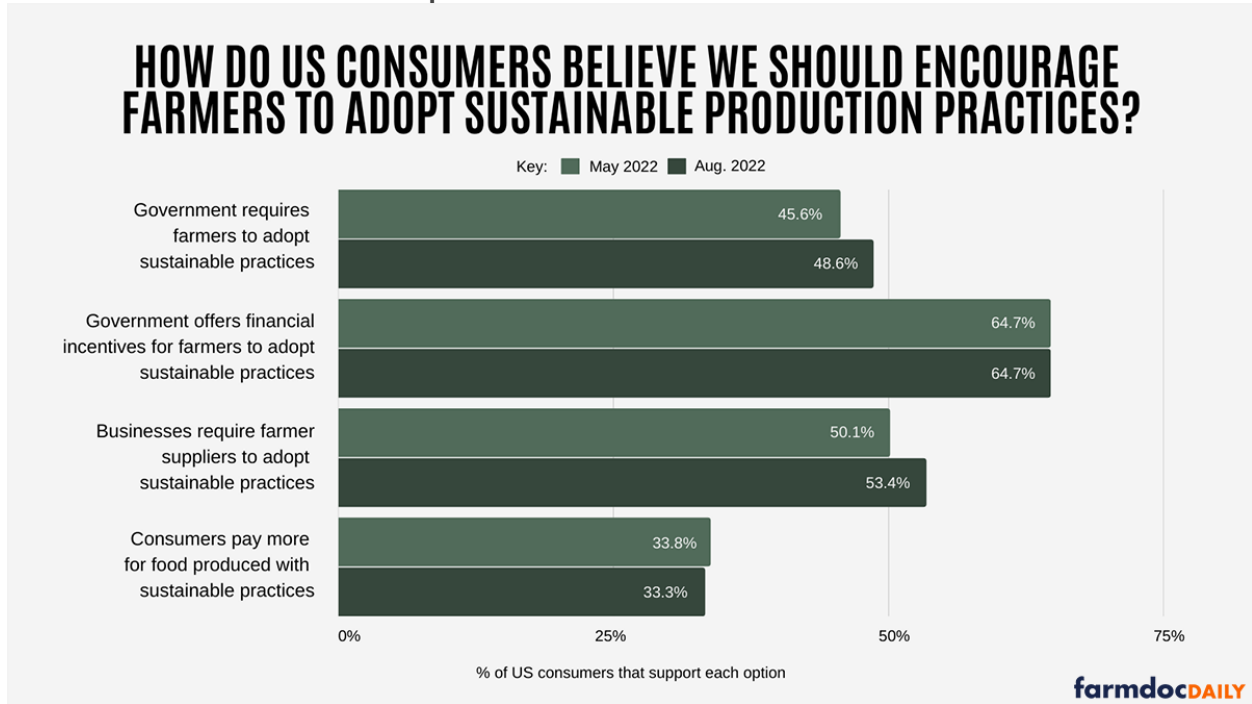
Ultimately, for farmers, a primary concern that doesn't always factor into corporate goals or consumer demands is the extent to which the practices make financial sense. The [2021 Large Commercial Producers survey](#) found that the most common reasons farmers adopt conservation practices were future productivity, government incentives, environmental concerns, and cost reduction. Whereas the most common reasons they did not adopt these practices were: concern about profits, insufficient financial incentives, poor experiences, and insufficient resources. Additionally, findings from [Neto, Gray, Castro, and Brewer](#) looking at farmers' willingness to adopt conservation practices highlighted the importance of being clear with farmers about costs, benefits, and return on investment and noted that farmers looked to retailers to provide equipment, supplies, and expertise (2020).

The different ways of encouraging farmers to adopt sustainable practices vary in their speed, adaptability, and influence. Different methods will also impact consumers in different ways, not all of which may come through in the survey. For example, companies can pass costs for sustainable practices onto consumers or push back on farmers and suppliers to absorb the costs; taxes or other policies that increase costs to companies can also be passed on to consumers. So, it is useful to understand consumer preferences for the various mechanisms that could be used. Here, we review results from the first and second quarter of the Gardner Food and Agricultural Policy Survey (*farmdoc daily*, [June 2, 2022](#); [August 18, 2022](#)), evaluating how US consumers believe we should encourage farmers to adopt sustainable practices. The survey was conducted using Qualtrics Panels and included approximately 1,000 participants, recruited to match the US population in terms of gender, age, income, and geographic region. The first and second quarter were conducted in May 2022 and August 2022, respectively.

How US Consumers Think We Should Encourage Sustainable Food Production

We asked, "There are many ways to encourage more sustainable production practices. Do you support or oppose each of the following ways to encourage more sustainable food production?" Participants were asked about four ways of encouraging sustainable production practices: (1) the government requires farmers to adopt sustainable practices, (2) the government offers financial incentives for farmers to adopt sustainable practices, (3) businesses like grocery stores and restaurants require farmer suppliers to adopt sustainable practices, and (4) consumers pay more for food produced with sustainable practices. The order of these four questions were randomized. Participants were asked to indicate whether they supported, opposed, or did not support or oppose each way to encourage sustainable production practices. The proportion of US consumers that supported the different ways for farmers to adopt sustainable practices, for Quarter 1 and 2, are presented in Figure 1.

Figure 1. Proportion of US Consumers That Support Different Ways to Encourage Farmers to Adopt Sustainable Production Practices



We find that over 64% of US consumers support the government incentivizing farmers to adopt sustainable practices and 45-48% support government *requiring* farmers to adopt sustainable practices. Over 50% of US consumers support businesses requiring farmer suppliers to adopt sustainable practices; however, only about 33% of consumers supported paying a premium for food produced with sustainable practices as a way to encourage sustainable production. There was little change between May 2022 and August 2022, with slight increases in support for government and businesses requiring farmers to adopt sustainable production practices in the August 2022 survey wave.

We also evaluated how these responses differed across political ideology (see Table 1). Overall, we find liberal consumers had higher levels of support for all options than either moderate or conservative consumers, with liberals expressing much stronger support for mandating sustainable production practices (by the government or industry). Views were more similar across political ideology for government incentivizing and consumers paying to encourage sustainable production practices. Additionally, we find little change between May and August 2022 for liberal or moderate consumers and slight increases in support from conservative consumers for both government requiring (increase of 5.5%) and businesses requiring sustainable practices (increase of 5.6%).

Table 1. Proportion of US Consumers That Support Different Ways to Encourage Farmers to Adopt Sustainable Production Practices by Political Ideology

Way to encourage farmers to adopt sustainable production practices	Liberals		Moderates		Conservatives	
	May 2022	August 2022	May 2022	August 2022	May 2022	August 2022
Government requires farmers to adopt sustainable practices	67.7%	65.7%	42.6%	44.3%	29.4%	34.9%
Government offers financial incentives for farmers to adopt sustainable practices	77.4%	77.6%	61.9%	59.9%	56.9%	56.6%
Businesses (e.g., grocery stores and restaurants) require farmer suppliers to adopt sustainable practices	68.1%	69.0%	48.1%	49.0%	36.1%	41.7%
Consumers pay more for food produced with sustainable practices	45.8%	47.6%	32.9%	27.5%	23.9%	25.1%

Concluding thoughts

Shifting to more sustainable agricultural production can be achieved in a variety of ways. Results from the Gardner Food and Agricultural Policy Survey indicate that voluntary, incentivized government programs are more palatable to consumers than mandated adoption of sustainable practices or paying a premium for products that promote sustainable production. Consumers’ desire for farmers to have agency in their production decisions is not surprising, as we know consumers place a high level of trust in farmers (*farmdoc daily*, [June 2, 2022](#); [August 18, 2022](#)). The limited support for paying more for products/brands that promote sustainable production (e.g., voting with your dollars) is somewhat surprising, as research consistently shows that consumers, on average, are willing to pay premiums for products that promote environmental benefits. However, the current inflationary environment may reduce consumers’ willingness to pay for such products. We will continue to monitor sentiment toward different mechanisms to achieve a more sustainable food system.

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