Organic farming nets higher income than conventional farming, despite lower yields

According to <u>a study</u> published this week in *Proceedings of the National Academy of Sciences* (PNAS), organic agriculture earns farmers more—often significantly more—than conventional farming.

The study found that organic agriculture was 22 to 35 percent more profitable, thanks to the prices that some consumers are willing to pay.

Other studies have consistently shown that organic farms produce less food per acre, explains study author <u>David Crowder</u>, Washington State University (WSU) assistant professor of entomology. "But yields are only one component of financial sustainability," says Crowder. That organic's "profit margins were so high, that was surprising," he says.

But, consider what the study points out hasn't yet been financially quantified: the value of organic farming's environmental health benefits, such as lack of pollution from pesticides and excess fertilizer, improved soil quality and pollination.

Where studies have looked at environmental benefits—energy efficiency, biodiversity support, and improved water quality, for example—organic comes out better, Reganold explains.

American Farm Bureau Federation's chief economist, Bob Young, however, is not so sure. "Conventional production has shown some really marked improvement over the last 15 to 20 years. Erosion and the use of fertilizer," for example, "are down substantially," says Young. "Soil run off, chemical toxicity, we've made some great strides on that," he says. "The real question is, if the yields are lower and production costs higher," in organic, do these numbers pencil out for farmers "without the premium?" he asks.

"My strong expectation is that as organic production increases—and I think they're going to increase as we're getting a strong signal from the retail side—when does that premium begin to go away?" says Young.

The GLP aggregated and excerpted this blog/article to reflect the diversity of news, opinion and analysis. Read full, original post: Are You Paying Too Much For Organic Food?