

# CENTER FOR APPLIED RURAL INNOVATION

## A Research Report\*

Agriculture in Nebraska: Perceptions on Policy Alternatives

2000 Nebraska Rural Poll Results

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All of the Center's research reports detailing Nebraska Rural Poll results are located on the Center's World Wide Web page at http://www.ianr.unl.edu/rural/ruralpoll.htm.

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#### Executive Summary

Agriculture in Nebraska has been changing dramatically during the past few decades. In the 1999 Nebraska Rural Poll, rural Nebraskans were asked what they would prefer to see for Nebraska's agriculture in the next 20 years. The majority of the respondents indicated they would prefer to see a family farm ownership structure in contrast to a non-family corporate ownership structure. Yet, less than one-third expect to see that occur in the future. Given that, what types of agricultural policy options or development strategies do rural Nebraskans believe would be effective in reaching the objective of a strong traditional family farm structure for Nebraska? Which policy options or development strategies are they willing to pay additional taxes or fees for? Do their perceptions differ by the region in which they live or by their occupation?

This report details results of 4,536 responses to the 2000 Nebraska Rural Poll, the fifth annual effort to take the pulse of rural Nebraskans. Respondents were asked a series of questions about the future of agriculture. Respondents were asked to rate how effective various agricultural policy options or development strategies would be to keep a strong family farm structure in the state as well as which of these they would be willing to pay additional taxes for. For all questions, comparisons are made by the respondent's occupation and region. Based on these analyses, some key findings emerged:

- Only 12 of the 25 agricultural policy options or development strategies listed were viewed as being effective by more than one-half of the respondents. This interesting finding is due to the very large number of respondents who often chose "don't know." In other words, the jury is still out for many rural Nebraskans on the effectiveness of many possible strategies. Even those strategies or policy options that were viewed as most effective had at least one-quarter of the respondents who chose "don't know." In addition, at least one-half of the respondents chose "don't know" when asked about the effectiveness of nine of the listed strategies.
- Approximately two-thirds of rural Nebraskans perceive the following policy options or development strategies as being effective in keeping a strong traditional family farm structure in Nebraska: promoting Nebraska agricultural products and commodities in domestic markets; promoting Nebraska agricultural products and commodities in international markets; reducing inheritance and estate taxes; and funding for low interest rate loans for beginning farmers. The strategies with the highest proportion of rural Nebraskans rating them as ineffective in reaching this objective include: providing financial assistance for value-added agricultural projects in Nebraska owned by outside investors (43%); capital-intensive livestock production (28%); and providing financial assistance for large-scale, value-added agricultural projects in Nebraska (26%).
- The top ranked strategies by farmers and ranchers include: reducing inheritance and

estate taxes; reducing property taxes on agricultural assets; promoting Nebraska agricultural products and commodities in domestic markets; funding for low interest rate loans for beginning farmers; and local processing of grains and livestock.

- Farmers and ranchers were more likely than the other occupation groups to believe most of the policy options or strategies would be effective in keeping a strong traditional family farm structure for Nebraska. However, they were less likely than the other occupation groups to believe promoting agricultural tourism and strengthening environmental regulations were effective strategies.
- *No major variations in the ranking of these strategies occurred by region.* The relative rankings of these strategies were fairly similar across the five regions of the state.
- Almost one-half (47%) of rural Nebraskans were not willing to pay for any of the policy options or strategies listed. The strategy receiving the strongest support was funding for low interest rate loans for beginning farmers. Twenty-six percent of rural Nebraskans were willing to pay additional taxes, user fees, or higher prices for this policy option.
- *Farmers and ranchers were generally more willing than the other occupation groups to pay for the various policy options or strategies.* For example, 29 percent of the farmers and ranchers were willing to pay for reducing property taxes on agricultural assets, compared to only 13 percent of the laborers.

#### Introduction

Agriculture in Nebraska has been changing dramatically during the past few decades. A growing trend of fewer and larger farms has occurred. In 1987, there were 60,502 farms in Nebraska. The number of farms decreased to 51,454 in 1997. As farms have decreased in number, they have increased in size. In 1987, the average farm size was 749 acres. The average size increased to 885 acres in 1997. The growth of larger farms is also evident when examining the number of farms by value of sales. In 1987, 23 percent of the farms in the state had sales of \$100,000 or more. In 1997, this proportion increased to 35 percent.<sup>1</sup>

What the future holds for Nebraska's agriculture is not known. But in the 1999 Nebraska Rural Poll, rural Nebraskans were asked what they would prefer to see for Nebraska's agriculture in the next 20 years. The majority of the respondents (80%) indicated they would prefer to see none of the farms in the state owned by non-family corporations 20 years from now. However, only 29 percent expect to see this happen. In fact, over one-half (53%) of rural Nebraskans said they expect to see the majority of farms owned by non-family corporations in 20 years. This indicates that the future of Nebraska's agriculture is of continuing concern to rural Nebraskans.

Given the preferences expressed last year, what types of agricultural policy options or development strategies do rural Nebraskans believe would be effective in reaching the objective of a strong traditional family farm structure for Nebraska? Which policy options or development strategies are rural citizens willing to pay additional taxes or fees for? Do respondents' opinions about these strategies differ by region or occupation? This paper provides a detailed analysis of these questions.

The 2000 Nebraska Rural Poll is the fifth annual effort to take the pulse of rural Nebraskans. Respondents were asked to rate how effective they believe various agricultural policy options or development strategies would be in reaching the objective of a strong traditional family farm structure for Nebraska. They were also asked which of these policy options or development strategies they would be willing to pay for through additional taxes, user fees or higher prices.

#### Methodology and Respondent Profile

This study is based on 4,536 responses from Nebraskans living in the 87 non-metropolitan counties in the state. A self-administered questionnaire was mailed in February and March to approximately 6,700 randomly selected households. Metropolitan counties not included in the sample were Cass, Dakota, Douglas, Lancaster, Sarpy and Washington. The 14-page questionnaire included questions pertaining to well-being, community, work, rural economic development, retail shopping, and the future of agriculture. This paper reports only results from the "future of agriculture" portion of the survey.

- A 67% response rate was achieved using the
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<sup>&</sup>lt;sup>1</sup> Source: U.S. Census of Agriculture, United States Department of Agriculture

total design method (Dillman, 1978). The sequence of steps used was:

- 1. A pre-notification letter was sent requesting participation in the study.
- 2. The questionnaire was mailed with an informal letter signed by the project director approximately seven days later.
- 3. A reminder postcard was sent to the entire sample approximately seven days after the questionnaire had been sent.
- 4. Those who had not yet responded within approximately 14 days of the original mailing were sent a replacement questionnaire.

The average respondent was 53 years of age. Ninety-five percent were married (Appendix Table  $1^2$ ) and seventy-four percent lived within the city limits of a town or village. On average, respondents had lived in Nebraska 45 years and had lived in their current community 30 years. Fifty percent were living in or near towns or villages with populations less than 5,000.

Forty-seven percent of the respondents reported approximate household incomes from all sources, before taxes, for 1999 of below \$40,000. Thirty-six percent reported incomes over \$50,000. Ninety-four percent had attained at least a high school diploma.

Seventy-three percent were employed in 1999 on a full-time, part-time, or seasonal basis. Nineteen percent were retired. Thirty-seven percent of those employed reported working in a professional/technical or administrative occupation. Eight percent indicated they were farmers or ranchers. When jointly considering the occupation of the respondent and spouse/partner, 13 percent of the employed are involved in farming or ranching.

#### Perceived Effectiveness of Agricultural Policy Options or Development Strategies

As mentioned earlier, in the 1999 Nebraska Rural Poll rural Nebraskans were asked their preferences for Nebraska's agriculture 20 years from now. The majority of the respondents indicated they would prefer to see a traditional family farm ownership structure in contrast to a larger scale, nonfamily corporate ownership structure. A new section was added to the survey this year to find out how this preference can be achieved.

Respondents were given several agricultural policy options and development strategies that could be effective in keeping a strong traditional family farm structure in the state. They were asked to rate how effective each would be in achieving this objective. The specific question wording was, "Listed below are a number of proposed agricultural policy options or development strategies that may or may not be effective in reaching the future objective of a strong traditional family farm structure for Nebraska. For each option, please indicate how effective you think it would be in achieving this future objective for Nebraska's agriculture." For each option, they were given a fivepoint scale on which to indicate how effective they felt each would be, where 1 denoted "very ineffective" and 5 indicated

<sup>&</sup>lt;sup>2</sup> Appendix Table 1 also includes demographic data from previous rural polls, as well as similar data based on the entire non-metropolitan population of Nebraska (using 1990 U.S. Census data).

"very effective."

Approximately two-thirds of rural Nebraskans believe the following policy options or development strategies would be effective in keeping a strong traditional family farm structure in Nebraska: promoting Nebraska agricultural products and commodities in domestic markets (69%); promoting Nebraska agricultural products and commodities in international markets (66%); reducing inheritance and estate taxes (65%); and funding for low interest rate loans for beginning farmers (64%) (Table 1).

The policy options or strategies that had the highest proportions saying they would be ineffective in keeping a strong traditional family farm structure include: providing financial assistance for value-added agricultural projects in Nebraska owned by outside investors (43%); capital-intensive livestock production (28%); and providing financial assistance for large-scale, value-added agricultural projects in Nebraska (26%).

Many of the policy options or strategies had large proportions of respondents choosing "don't know." Even the strategies that were viewed as most effective had at least onequarter of the respondents who chose "don't know." In addition, for nine of the listed policy options or strategies, at least one-half of the respondents chose "don't know." For example, 77 percent of the respondents were unsure of the effectiveness of modifying Initiative 300.

When examining responses by occupation, some interesting findings appear (Appendix

Table 2). First, farmers and ranchers were more likely than respondents with different occupations to believe most of the policy options and strategies would be effective. However, there were some exceptions to this trend: promoting agricultural tourism; strengthening environmental regulations; and providing financial assistance for valueadded agricultural projects in Nebraska owned by outside investors. In the case of both promoting agricultural tourism and strengthening environmental regulations, farmers and ranchers were the occupation group least likely to view these strategies as effective.

In addition, the relative ranking of several of the strategies varied considerably across the different occupation groups, usually differing the most between the farmers and ranchers and the other groups. The top ranked strategies in terms of their effectiveness by the non-farmers included: promoting Nebraska agricultural products in domestic markets; promoting Nebraska agricultural products in international markets; reducing inheritance and estate taxes; and funding for low interest rate loans for beginning farmers. The top rated strategies by the farmers and ranchers were similar to those of the non-farmers but had a different ranking order. For example, the top ranked strategy by farmers and ranchers was reducing inheritance and estate taxes. For the other occupation groups, promoting Nebraska agricultural products in domestic markets was the top ranked strategy. Also, reducing property taxes on agricultural assets was the second highest ranked strategy in terms of its effectiveness by the farmers and ranchers, but this strategy was ranked much lower by the other

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		Don't	
Strategy	Effective*	know	Ineffective
		Percentag	es
Promoting Nebraska agricultural products and commodities in			
domestic markets	69	26	5
Promoting Nebraska agricultural products and commodities in			
international markets	66	30	5
Reducing inheritance and estate taxes	65	25	11
Funding for low interest rate loans for beginning farmers	64	27	10
Local processing of grains and livestock	60	34	7
Diversifying agricultural production to include specialty crops	55	38	7
Reducing property taxes on agricultural assets	55	30	15
Marketing of agricultural products directly to consumers by			
producers	54	35	11
Providing educational opportunities for producers (technical and			
management training)	53	39	8
Providing financial assistance for small-scale, value-added			
agricultural projects in Nebraska	53	38	9
Promoting agricultural tourism (e.g., pumpkin patches, bed and			
breakfasts, hunting tours)	53	32	15
Funding research for non-food uses for agricultural commodities			
(e.g., pharmaceuticals)	51	42	7
Providing financial assistance for producer-owned, value-added			
agricultural projects in Nebraska	45	46	10
The use of marketing and production contracts between			
producers and processors	43	49	8
Forming producer cooperatives	37	52	12
Monitoring and stricter enforcement of the Packers and			
Stockyards Act	35	60	6
Modifying federal farm policy	34	60	6
Strengthening environmental regulations	32	46	22
Funding biotechnology research (such as GMOs) for food			
production	32	59	10
Strengthening zoning regulations	30	56	14
Management-intensive livestock production (e.g., seasonal grass			
dairying or pasture farrowing)	26	62	12
Providing financial assistance for large-scale, value-added			
agricultural projects in Nebraska	23	50	26
Capital-intensive livestock production (e.g., confinement			
facilities or feedlots)	18	55	28
Modifying Initiative 300	14	77	10
Providing financial assistance for value-added agricultural			
projects in Nebraska owned by outside investors	10	48	43

#### Table 1. Perceived Effectiveness of Policy Options or Development Strategies

\* Effective represents the combined percentage of "very effective" and "somewhat effective" responses. Similarly, ineffective is the combination of "very ineffective" and "somewhat effective" responses.

Research Report 00-4 of the Center for Applied Rural Innovation Page 4 occupational groups.

Other differences in the rankings occurred among the occupation groups. The strategy to promote agricultural tourism was ranked fairly high by the non-farmers but much lower among the farmers and ranchers.

The respondents with professional occupations ranked the strategy of funding research for non-food uses for agricultural commodities fairly high; however, this strategy was ranked much lower by the other occupation groups. Also, the farmers and ranchers ranked the strategy of providing financial assistance for producer-owned, value-added agricultural projects much higher than did the other occupational groups.

When examining the responses to this question by region, the rankings of the options or strategies remained relatively stable across the regions (see Appendix Table 3). In fact, the strategy of promoting Nebraska agricultural products and commodities in domestic markets was the top ranked strategy for each region. Some minor differences did occur, though. The strategy of diversifying agricultural production to include specialty crops was ranked somewhat lower by the respondents in the North Central region as compared to the persons living in other parts of the state (see Appendix Figure 1 for the counties included in each region). Also, the strategy of marketing agricultural products directly to consumers by producers was ranked somewhat higher by persons living in the Panhandle, the North Central, and the Southeast regions as compared to those living in the South Central and Northeast

regions who ranked it somewhat lower.

The data were also analyzed by occupation for each of the five regions (Appendix Table 4). Some variations from the statewide patterns did occur. In the statewide data, farmers and ranchers ranked the strategy involving the promotion of Nebraska agricultural products and commodities in international markets fairly high. However, the farmers and ranchers in the Northeast region ranked this strategy lower in terms of its effectiveness. Another difference occurred in the ranking of the strategy of providing financial assistance for smallscale, value-added agricultural projects in Nebraska. This strategy was ranked much lower in terms of its effectiveness by farmers and ranchers in the South Central region than it was by farmers and ranchers in other areas of the state.

Farmers and ranchers in the Southeast region ranked the strategy of diversifying agricultural production to include specialty crops much higher than did farmers and ranchers in other regions. In fact, this strategy was ranked second highest in terms of its effectiveness among farmers and ranchers in this region.

The strategy of providing educational opportunities for producers was ranked much lower in terms of its effectiveness by farmers and ranchers in the North Central region as compared to its ranking by farmers and ranchers located elsewhere.

Farmers and ranchers in the South Central region ranked the policy option of monitoring and stricter enforcement of the Packers and Stockyards Act much lower in

Research Report 00-4 of the Center for Applied Rural Innovation Page 5 terms of its effectiveness than did farmers and ranchers living in other regions. But they ranked the strategy of funding biotechnology research for food production higher than did the farmers and ranchers in other parts of the state.

The ranking of the strategy of promoting agricultural tourism also differed among farmers and ranchers by region. The farmers and ranchers living in the Panhandle and North Central areas ranked this strategy higher in terms of its effectiveness than did the farmers and ranchers living elsewhere.

The laborers' ranking of some of these strategies also differed across the five regions. The policy option of reducing inheritance and estate taxes was one of the top ranked strategies in terms of its effectiveness for most of the laborers across the state. However, the laborers in both the South Central and North Central regions ranked this strategy somewhat lower.

Laborers in the North Central region ranked the strategy of marketing agricultural products directly to consumers by producers high in terms of its effectiveness. Laborers in other regions of the state ranked this strategy somewhat lower.

#### Willingness to Pay for the Policy Options or Development Strategies

The respondents were then asked which of the policy options or development strategies they would be most willing to pay for through additional taxes, user fees or higher prices. They were allowed to choose up to four policy options or strategies. Almost one-half of rural Nebraskans (47%) were not willing to pay for any of the policy options or development strategies listed. Just over one-quarter (26%) were willing to pay for funding for low interest rate loans for beginning farmers (Table 2). Seventeen percent were willing to pay for reducing inheritance and estate taxes.

This question was analyzed by occupation (Appendix Table 5). Some differences were detected in respondents' willingness to pay for these policy options or strategies among the different occupation groups. Farmers and ranchers were more willing than the other occupation groups to pay for at least one of the strategies listed. Sixty-seven percent of the farmers and ranchers were willing to pay for at least one strategy, compared to 53 percent of the laborers<sup>3</sup>.

Farmers and ranchers were more likely than the non-farmers to be willing to pay for reducing property taxes on agricultural assets. Twenty-nine percent of the farmers and ranchers were willing to pay for this policy option, compared to only 13 percent of the laborers.

Farmers and ranchers were also more willing than the non-farmers to pay for the following strategies or policy options: promoting Nebraska products in

<sup>&</sup>lt;sup>3</sup> The proportions for the occupation groups are calculated from a subset of the total sample. The respondents who were not employed during the past year (those who are retired, students, full-time homemakers, etc.) are not included in the calculations of the occupation groups. Thus, the percentages for the overall sample may be quite different than those reported for each occupation group.

Strategy	%
Funding for low interest rate loans for beginning farmers	26
Reducing inheritance and estate taxes	17
Reducing property taxes on agricultural assets	14
Promoting Nebraska agricultural products and commodities in domestic markets	14
Funding research for non-food uses for agricultural commodities	14
Promoting Nebraska agricultural products & commodities in international markets	14
Providing financial assistance for small-scale, value-added agricultural projects	11
Marketing of agricultural products directly to consumers by producers	8
Promoting agricultural tourism	8
Local processing of grains and livestock	7
Providing financial assistance for producer-owned, value-added agricultural	
projects	7
Providing educational opportunities for producers	5
Strengthening environmental regulations	5
Diversifying agricultural production to include specialty crops	5
Monitoring and stricter enforcement of the Packers and Stockyards Act	4
Funding biotechnology research for food production	4
Strengthening zoning regulations	4
Forming producer cooperatives	3
Modifying federal farm policy	3
The use of marketing and production contracts between producers and processors	3
Modifying Initiative 300	2
Providing financial assistance for large-scale, value-added agricultural projects	2
Management-intensive livestock production	1
Providing financial assistance for value-added agricultural projects owned by	
outside investors	1
Capital-intensive livestock production	0*

 Table 2. Proportions Willing to Pay for Each Policy Option or Development Strategy

 $0^*$  = Less than 1 percent

international markets; providing financial assistance for producer-owned, value-added agricultural projects; and monitoring and stricter enforcement of the Packers and Stockyards Act. They were less likely than the other occupation groups to be willing to pay for promoting agricultural tourism.

The responses to this question were also

analyzed by region (Appendix Table 6). No major differences were detected by region.

#### Conclusion

The two strategies that were perceived as the most effective by rural Nebraskans in keeping a strong traditional family farm structure in the state involved the promotion of Nebraska agricultural products and commodities. The top ranked strategy (in terms of its effectiveness) involved promoting these products in domestic markets. Promoting Nebraska products in international markets was the second highest ranked strategy.

Other strategies that were perceived as being effective in keeping family farms in the state include: reducing inheritance and estate taxes; low interest rate loans for beginning farmers; and local processing of grains and livestock.

However, the large number of respondents who chose "don't know" indicates that many rural Nebraskans are unsure of the effect that several of these policy options or development strategies would have on keeping a strong traditional family farm structure in the state. Thus, the perceived effectiveness of some of these strategies or policy options could be dramatically altered if rural Nebraskans were to become more informed about the possible effects of these options or strategies.

When looking at the responses to this question by occupation, some differences did exist. Farmers and ranchers were more likely than the other occupation groups to rate most of the strategies as being effective. Their top ranked strategies involved modifying the tax structure, i.e., reducing inheritance and estate taxes and reducing property taxes on agricultural assets. The rankings of these development strategies and policy options remained relatively stable across the various regions of the state.

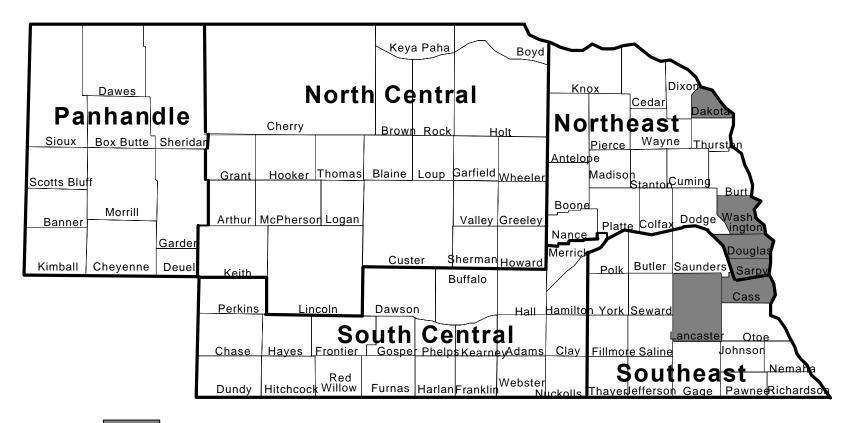
Respondents were also asked what strategies or policy options they were willing to pay for

Research Report 00-4 of the Center for Applied Rural Innovation Page 8 through additional taxes, user fees, or higher prices. Almost one-half (47%) of rural Nebraskans were not willing to pay for any of the strategies listed. The strategy receiving the highest proportion willing to pay for it was low interest rate loans for beginning farmers (26%).

The farmers and ranchers were more willing than the other occupation groups to pay for the following: reducing property taxes on agricultural assets; promoting Nebraska products in international markets; providing financial assistance for producer-owned, value-added agricultural projects; and monitoring and stricter enforcement of the Packers and Stockyards Act.

These results indicate that farmers and ranchers see some parts of the tax structure as barriers to keeping family farms in the state. They would like to see reduced inheritance and estate taxes as well as reduced property taxes. In the case of reducing property taxes, 29 percent of the farmers were willing to pay for this policy option. This indicates that they may wish to see some reallocation of the existing tax structure.

## Appendix Figure 1. Regions of Nebraska



Metropolitan counties (not surveyed)

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	2000	1999	1998	1997	1990
	Poll	Poll	Poll	Poll	Census
Age: <sup>1</sup>					
20 - 39	20%	21%	25%	24%	38%
40 - 64	54%	52%	55%	48%	36%
65 and over	26%	28%	20%	28%	26%
Gender: <sup>2</sup>					
Female	57%	31%	58%	28%	49%
Male	43%	69%	42%	72%	51%
Education: <sup>3</sup>					
Less than 9 <sup>th</sup> grade	2%	3%	2%	5%	10%
9 <sup>th</sup> to 12 <sup>th</sup> grade (no diploma)	4%	5%	3%	5%	12%
High school diploma (or equivalent)	34%	36%	33%	34%	38%
Some college, no degree	28%	25%	27%	25%	21%
Associate degree	9%	9%	10%	8%	7%
Bachelors degree	15%	15%	16%	14%	9%
Graduate or professional degree	9%	8%	9%	9%	3%
Household income: <sup>4</sup>					
Less than \$10,000	3%	8%	3%	7%	19%
\$10,000 - \$19,999	10%	15%	10%	16%	25%
\$20,000 - \$29,999	15%	18%	17%	19%	21%
\$30,000 - \$39,999	19%	18%	20%	18%	15%
\$40,000 - \$49,999	17%	15%	18%	14%	9%
\$50,000 - \$59,999	15%	9%	12%	10%	5%
\$60,000 - \$74,999	11%	8%	10%	7%	3%
\$75,000 or more	11%	10%	10%	8%	3%
Marital Status: <sup>5</sup>					
Married	95%	76%	95%	73%	64%
Never married	0.2%	7%	0.4%	8%	20%
Divorced/separated	2%	8%	1%	9%	7%
Widowed/widower	4%	10%	3%	10%	10%

Appendix Table 1. Demographic Profile of Rural Poll Respondents Compared to 1990 Census

<sup>1</sup> 1990 Census universe is non-metro population 20 years of age and over.

<sup>2</sup> 1990 Census universe is total non-metro population.

<sup>3</sup> 1990 Census universe is non-metro population 18 years of age and over.

<sup>4</sup> 1990 Census universe is all non-metro households.

<sup>5</sup> 1990 Census universe is non-metro population 15 years of age and over.

	Professional/ technical/	Farming/	Laborana	Oth are	Takal
	administrative Percent Rating	<b>ranching</b> Each Strategy as	Laborers	<b>Other</b> Effective" or	<b>Total</b> "Effective"
Promoting Nebraska agricultural products and		Luch Strategy as	Somernari	Lijjeenire on	Цурссите
commodities in domestic markets	75	85	67	67	69
Promoting Nebraska agricultural products and					
commodities in international markets	72	77	66	62	66
Reducing inheritance and estate taxes	66	88	65	62	65
Funding for low interest rate loans for beginning		70	<i>C</i> <b>1</b>	C 1	<i>C</i> 1
farmers	66 63	79 79	64 64	64 60	64 60
Local processing of grains and livestock	03	19	04	00	00
Diversifying agricultural production to include specialty crops	62	66	54	52	55
Reducing property taxes on agricultural assets	54	86	51	53	55
Marketing of agricultural products directly to	-		-		
consumers by producers	58	75	58	54	54
Providing educational opportunities for producers					
(technical and management training)	59	65	52	52	53
Providing financial assistance for small-scale,					
value-added agricultural projects in Nebraska	56	68	55	54	53
Promoting agricultural tourism (e.g., pumpkin	58	50	56	55	53
patches, bed and breakfasts, hunting tours) Funding research for non-food uses for agricultural	38	30	30	33	35
commodities (e.g., pharmaceuticals)	61	61	47	51	51
Providing financial assistance for producer-owned,	01	01	.,	01	01
value-added agricultural projects in Nebraska	48	68	46	44	45
The use of marketing and production contracts					
between producers and processors	47	57	44	43	43
Forming producer cooperatives	40	58	35	34	37
Monitoring and stricter enforcement of the Packers					
and Stockyards Act	31	64	35	32	35
Modifying federal farm policy	34	64	31	32	34
Strengthening environmental regulations	30	22	35	32	32
Funding biotechnology research (such as GMOs) for food production	38	47	29	29	32
Strengthening zoning regulations	26	35	29	29	32 30
Management-intensive livestock production (e.g.,	20	55	21	20	50
seasonal grass dairying or pasture farrowing)	25	34	27	25	26
Providing financial assistance for large-scale,	-			-	-
value-added agricultural projects in Nebraska	25	33	24	24	23
Capital-intensive livestock production (e.g.,					
confinement facilities or feedlots)	18	27	18	17	18
Modifying Initiative 300	13	30	11	12	14
Providing financial assistance for value-added					
agricultural projects in Nebraska owned by outside investors	11	12	10	11	10
0015102 1117251015	11	12	10	11	10

## *Appendix Table 2.* Perceived Effectiveness of Agricultural Policy Options or Development Strategies by Occupation

	Panhandle	North Central	South Central	Northeast	Southeast
	Percent Ratir	ng Each Strategy	as "Somewhat E	Effective" or	"Effective"
Promoting Nebraska agricultural products and commodities in domestic markets	70	71	70	71	65
Promoting Nebraska agricultural products and commodities in international markets	63	68	69	66	61
	65 66	68	69 65	66 67	61 60
Reducing inheritance and estate taxes	00	08	03	07	00
Funding for low interest rate loans for beginning farmers	67	66	64	64	61
Local processing of grains and livestock	63	60	60	61	57
Diversifying agricultural production to include specialty crops	58	54	58	54	52
Reducing property taxes on agricultural assets	56	59	54	56	52
Marketing of agricultural products directly to					
consumers by producers	57	57	54	53	53
Providing educational opportunities for producers	55	49	55	55	51
(technical and management training)	55	49	33	33	51
Providing financial assistance for small-scale, value-added agricultural projects in Nebraska	51	56	54	54	51
Promoting agricultural tourism (e.g., pumpkin patches, bed and breakfasts, hunting tours)	53	55	56	52	46
Funding research for non-food uses for agricultural commodities (e.g., pharmaceuticals)	51	48	55	50	49
Providing financial assistance for producer-owned, value-added agricultural projects in Nebraska	44	46	45	46	42
The use of marketing and production contracts	46	42	45	42	42
between producers and processors	40 41	42 38	43 36	42 37	42 34
Forming producer cooperatives	41	30	30	57	34
Monitoring and stricter enforcement of the Packers and Stockyards Act	37	43	33	38	30
Modifying federal farm policy	35	35	33	34	33
Strengthening environmental regulations	28	34	32	35	30
Funding biotechnology research (such as GMOs)	20	51	52	55	50
for food production	29	30	35	31	32
Strengthening zoning regulations	23	37	27	31	29
Management-intensive livestock production (e.g.,					
seasonal grass dairying or pasture farrowing)	27	29	26	25	24
Providing financial assistance for large-scale,					
value-added agricultural projects in Nebraska	28	18	26	23	23
Capital-intensive livestock production (e.g.,					
confinement facilities or feedlots)	24	17	18	17	17
Modifying Initiative 300	15	16	13	15	12
Providing financial assistance for value-added					
agricultural projects in Nebraska owned by outside investors	12	7	11	9	9
	12	1	11	2	7

Appendix Table 3.	Perceived Effectiveness	of Agricultural	Policy Options or	Development St	rategies by Region
				r · · · · · · · · · · · · · · · · · · ·	

	Panhandle					
	Professional/ technical/ administrative	Farming/ ranching	Laborers	Other	Total	
		Each Strategy as				
Promoting Nebraska agricultural products and commodities in domestic markets	75	97	64	66	70	
Funding for low interest rate loans for beginning						
farmers	68	86	68	65	67	
Reducing inheritance and estate taxes	66	93	73	64	66	
Promoting Nebraska agricultural products and commodities in international markets	68	90	64	56	63	
Local processing of grains and livestock	61	86	59	63	63	
Diversifying agricultural production to include specialty crops	64	60	62	53	58	
Marketing of agricultural products directly to						
consumers by producers	56	80	52	60	57	
Reducing property taxes on agricultural assets	59	90	49	55	56	
Providing educational opportunities for producers (technical and management training)	63	66	60	51	55	
Promoting agricultural tourism (e.g., pumpkin patches, bed and breakfasts, hunting tours)	55	67	55	53	53	
Providing financial assistance for small-scale, value-added agricultural projects in Nebraska	53	79	56	50	51	
Funding research for non-food uses for agricultural commodities (e.g., pharmaceuticals)	62	66	44	50	51	
The use of marketing and production contracts between producers and processors	54	60	41	45	46	
Providing financial assistance for producer-owned, value-added agricultural projects in Nebraska	52	76	42	43	44	
Forming producer cooperatives	45	55	31	40	41	
Monitoring and stricter enforcement of the Packers and Stockyards Act	33	71	32	33	37	
Modifying federal farm policy	39	69	32	34	35	
Funding biotechnology research (such as GMOs) for food production	41	45	23	23	29	
Strengthening environmental regulations	26	7	30	28	28	
Providing financial assistance for large-scale, value-added agricultural projects in Nebraska	26	38	32	34	28	
Management-intensive livestock production (e.g., seasonal grass dairying or pasture farrowing)	25	43	24	24	27	
Capital-intensive livestock production (e.g., confinement facilities or feedlots)	23	46	20	20	24	
Strengthening zoning regulations	19	40 31	20 17	20	24	
Modifying Initiative 300	19	39	5	23 17	15	
Providing financial assistance for value-added agricultural projects in Nebraska owned by	14	57	5	17	15	
outside investors	12	24	7	14	12	

Appendix Table 4.	Perceived Effectiveness of Agricultural Policy Options or Development Strategies by Occupation
and Region	
	D I 11

	North Central					
	Professional/					
	technical/	Farming/	Lahanana	Other	Tatal	
	administrative	ranching Each Strategy as	Laborers "Somewhat	Other Effective" or	Total	
Promoting Nebraska agricultural products and	I erceni Kuing	Euch Strutegy us	Somewhui	Effective or	Lijective	
commodities in domestic markets	80	84	68	64	71	
Reducing inheritance and estate taxes	72	83	63	62	68	
Promoting Nebraska agricultural products and						
commodities in international markets	80	74	66	61	68	
Funding for low interest rate loans for beginning						
farmers	73	81	64	59	66	
Local processing of grains and livestock	70	73	65	54	60	
Reducing property taxes on agricultural assets	61	82	50	52	59	
Marketing of agricultural products directly to						
consumers by producers	63	71	66	54	57	
Providing financial assistance for small-scale,						
value-added agricultural projects in Nebraska	62	59	61	47	56	
Promoting agricultural tourism (e.g., pumpkin						
patches, bed and breakfasts, hunting tours)	58	58	59	54	55	
Diversifying agricultural production to include						
specialty crops	65	58	60	47	54	
Providing educational opportunities for producers						
(technical and management training)	55	48	55	41	49	
Funding research for non-food uses for agricultural						
commodities (e.g., pharmaceuticals)	60	52	46	48	48	
Providing financial assistance for producer-owned,						
value-added agricultural projects in Nebraska	54	58	53	38	46	
Monitoring and stricter enforcement of the Packers	10	<u></u>	24	27	10	
and Stockyards Act	42	60	36	37	43	
The use of marketing and production contracts	12	50	4.5	10	10	
between producers and processors	42	52	45	42	42	
Forming producer cooperatives	47	57	38	35	38	
Strengthening zoning regulations	31	40	35	37	37	
Modifying federal farm policy	37	59	34	26	35	
Strengthening environmental regulations	32	17	37	35	34	
Funding biotechnology research (such as GMOs)						
for food production	38	28	28	27	30	
Management-intensive livestock production (e.g.,		• •			• •	
seasonal grass dairying or pasture farrowing)	25	29	35	25	29	
Providing financial assistance for large-scale,	<u>.</u>				10	
value-added agricultural projects in Nebraska	24	24	22	15	18	
Capital-intensive livestock production (e.g.,	10	~~	<u>, , , , , , , , , , , , , , , , , , , </u>	10	17	
confinement facilities or feedlots)	13	25	24	13	17	
Modifying Initiative 300	14	28	12	13	16	
Providing financial assistance for value-added						
agricultural projects in Nebraska owned by	1 1	2	11	7	7	
outside investors	11	3	11	7	7	

	South Central					
	Professional/					
	technical/	Farming/	<b>T</b> 1	0.1	TT (1	
	administrative	ranching	Laborers "Somewhat	Other Effective" or	Total	
Promoting Nebraska agricultural products and	Percent Kating	Each Strategy as	somewnai	Effective or	Ejjeciive	
commodities in domestic markets	76	85	74	67	70	
Promoting Nebraska agricultural products and	10	00	, ,	07	10	
commodities in international markets	74	85	76	65	69	
Reducing inheritance and estate taxes	68	93	60	61	65	
Funding for low interest rate loans for beginning	00	20	00	01	00	
farmers	66	77	64	65	64	
Local processing of grains and livestock	63	78	64	60	60	
Diversifying agricultural production to include						
specialty crops	63	70	57	55	58	
Promoting agricultural tourism (e.g., pumpkin						
patches, bed and breakfasts, hunting tours)	62	56	58	58	56	
Providing educational opportunities for producers						
(technical and management training)	60	74	54	55	55	
Funding research for non-food uses for agricultural						
commodities (e.g., pharmaceuticals)	65	73	53	53	55	
Reducing property taxes on agricultural assets	54	93	48	51	54	
Marketing of agricultural products directly to						
consumers by producers	59	76	56	55	54	
Providing financial assistance for small-scale,						
value-added agricultural projects in Nebraska	56	66	58	56	54	
Providing financial assistance for producer-owned,						
value-added agricultural projects in Nebraska	48	75	48	47	45	
The use of marketing and production contracts	1.5	~=	40	1.5		
between producers and processors	46	67	48	46	45	
Forming producer cooperatives	39	57	34	34	36	
Funding biotechnology research (such as GMOs)	41	< <b>7</b>	21	21	25	
for food production	41	67	31	31	35	
Monitoring and stricter enforcement of the Packers	20	FC	26	20	22	
and Stockyards Act	29 22	56	36	30	33	
Modifying federal farm policy	33	62 20	30	34	33	
Strengthening environmental regulations	30	28	33	30	32	
Strengthening zoning regulations	24	31	24	25	27	
Management-intensive livestock production (e.g.,	25	25	20	27	26	
seasonal grass dairying or pasture farrowing)	25	35	28	27	26	
Providing financial assistance for large-scale,	20	20	26	24	26	
value-added agricultural projects in Nebraska	28	39	26	24	26	
Capital-intensive livestock production (e.g.,	16	25	17	10	10	
confinement facilities or feedlots)	16	35	17	19	18	
Modifying Initiative 300	12	28	11	11	13	
Providing financial assistance for value-added						
agricultural projects in Nebraska owned by outside investors	12	18	13	13	11	
	12	10	13	15	11	

	Northeast						
	Professional/						
	technical/	Farming/	Lahanana	Other	Tatal		
	administrative	ranching Each Strategy as	Laborers "Somewhat	Other Effective" or	Total "Effective"		
Promoting Nebraska agricultural products and	I erceni Kuing	Euch Strutegy us	Somewhat	Lijecuve or	Lijective		
commodities in domestic markets	73	81	66	72	71		
Reducing inheritance and estate taxes	64	88	68	67	67		
Promoting Nebraska agricultural products and							
commodities in international markets	68	72	64	68	66		
Funding for low interest rate loans for beginning							
farmers	60	78	65	69	64		
Local processing of grains and livestock	60	81	63	64	61		
Reducing property taxes on agricultural assets	52	85	55	57	56		
Providing educational opportunities for producers							
(technical and management training)	58	74	52	57	55		
Diversifying agricultural production to include							
specialty crops	59	63	51	54	54		
Providing financial assistance for small-scale,							
value-added agricultural projects in Nebraska	55	76	53	57	54		
Marketing of agricultural products directly to					~ ~		
consumers by producers	52	75	58	57	53		
Promoting agricultural tourism (e.g., pumpkin	50	27	~~				
patches, bed and breakfasts, hunting tours)	52	37	59	61	52		
Funding research for non-food uses for agricultural	50	<b>5</b> 0	45	52	50		
commodities (e.g., pharmaceuticals)	58	58	45	53	50		
Providing financial assistance for producer-owned, value-added agricultural projects in Nebraska	46	70	48	49	46		
The use of marketing and production contracts	40	70	40	49	40		
between producers and processors	46	53	42	40	42		
Monitoring and stricter enforcement of the Packers	10	55	12	10	12		
and Stockyards Act	32	73	40	34	38		
Forming producer cooperatives	36	66	33	36	37		
Strengthening environmental regulations	30	31	37	36	35		
Modifying federal farm policy	31	71	29	35	34		
Funding biotechnology research (such as GMOs)	01	, 1	_>	55	51		
for food production	33	48	32	32	31		
Strengthening zoning regulations	25	32	27	32	31		
Management-intensive livestock production (e.g.,							
seasonal grass dairying or pasture farrowing)	25	31	28	23	25		
Providing financial assistance for large-scale,							
value-added agricultural projects in Nebraska	21	37	21	25	23		
Capital-intensive livestock production (e.g.,							
confinement facilities or feedlots)	17	20	20	16	17		
Modifying Initiative 300	14	27	13	13	15		
Providing financial assistance for value-added							
agricultural projects in Nebraska owned by							
outside investors	10	9	7	12	9		

	Southeast					
	Professional/					
	technical/	Farming/	T - 1	Other	T - 4 - 1	
	administrative	ranching Each Strategy as	Laborers "Somewhat	Other Effective" or	Total	
Promoting Nebraska agricultural products and	I erceni Kuing	Euch Strutegy us	Somewhui	Lijeciive or	Lijective	
commodities in domestic markets	71	83	61	66	65	
Promoting Nebraska agricultural products and						
commodities in international markets	68	71	59	58	61	
Funding for low interest rate loans for beginning						
farmers	68	74	63	60	61	
Reducing inheritance and estate taxes	64	86	64	56	60	
Local processing of grains and livestock	61	83	66	58	57	
Marketing of agricultural products directly to	01		00	00	0,	
consumers by producers	63	77	59	49	53	
Reducing property taxes on agricultural assets	52	85	52	51	52	
Diversifying agricultural production to include	02		02	01	02	
specialty crops	61	85	51	49	52	
Providing educational opportunities for producers					• -	
(technical and management training)	61	66	42	49	51	
Providing financial assistance for small-scale,	-			-	-	
value-added agricultural projects in Nebraska	53	66	51	54	51	
Funding research for non-food uses for agricultural						
commodities (e.g., pharmaceuticals)	57	60	44	51	49	
Promoting agricultural tourism (e.g., pumpkin						
patches, bed and breakfasts, hunting tours)	58	35	45	47	46	
Providing financial assistance for producer-owned,						
value-added agricultural projects in Nebraska	47	66	37	41	42	
The use of marketing and production contracts						
between producers and processors	49	51	38	42	42	
Forming producer cooperatives	38	51	35	30	34	
Modifying federal farm policy	32	60	33	32	33	
Funding biotechnology research (such as GMOs)						
for food production	38	47	24	27	32	
Monitoring and stricter enforcement of the Packers						
and Stockyards Act	27	63	28	27	30	
Strengthening environmental regulations	29	21	34	31	30	
Strengthening zoning regulations	31	43	26	26	29	
Management-intensive livestock production (e.g.,						
seasonal grass dairying or pasture farrowing)	26	38	21	26	24	
Providing financial assistance for large-scale,						
value-added agricultural projects in Nebraska	26	29	23	22	23	
Capital-intensive livestock production (e.g.,						
confinement facilities or feedlots)	23	14	13	16	17	
Modifying Initiative 300	15	31	10	12	12	
Providing financial assistance for value-added						
agricultural projects in Nebraska owned by						
outside investors	11	11	8	10	9	

	Professional/ technical/	Farming/	T 1	0.1	T - 1
<b>X</b>	administrative	ranching	Laborers	Other	Total
Low interest rate loans for beginning farmers	29	29	30	28	26
Reducing inheritance and estate taxes	19	23	16	17	17
Reducing property taxes on agricultural assets	15	29	13	14	14
Promoting Nebraska agricultural products and	17	16	14	15	1.4
commodities in domestic markets	17	16	14	15	14
Funding research for non-food uses for agricultural	10	17	15	10	14
commodities	18	17	15	13	14
Promoting Nebraska agricultural products &	17	22	10	14	14
commodities in international markets	17	23	12	14	14
Providing financial assistance for small-scale, value-	10	1.5	10	10	
added agricultural projects	13	15	13	12	11
Marketing of agricultural products directly to	10	10	0	0	0
consumers by producers	10	10	9	8	8
Promoting agricultural tourism	9	4	11	11	8
Local processing of grains and livestock	8	12	8	7	7
Providing financial assistance for producer-owned,	_	. –		_	_
value-added agricultural projects	8	17	6	7	7
Providing educational opportunities for producers	_		_	_	_
	7	4	3	7	5
Strengthening environmental regulations	4	2	7	6	5
Diversifying agricultural production to include					
specialty crops	9	4	5	4	5
Monitoring and stricter enforcement of the Packers					
and Stockyards Act	4	14	6	4	4
Funding biotechnology research for food production					
	5	4	4	4	4
Strengthening zoning regulations	3	4	3	3	4
Forming producer cooperatives	4	4	2	5	3
Modifying federal farm policy	4	5	3	3	3
The use of marketing and production contracts					
between producers and processors	4	2	3	3	3
Modifying Initiative 300	2	4	1	2	2
Providing financial assistance for large-scale, value-					
added agricultural projects	3	5	2	2	2
Management-intensive livestock production	1	1	1	0*	1
Providing financial assistance for value-added					
agricultural projects owned by outside investors	1	0	1	1	1
Capital-intensive livestock production	0*	2	0*	0*	0*

Appendix Table 5. Willingness to Pay for Policy Options or Development Strategies by Occupation

 $0^*$  = Less than 1 percent

	Panhandle	North Central	South Central	Northeast	Southeast
Low interest rate loans for beginning farmers	26	28	28	26	24
Reducing inheritance and estate taxes	19	20	20 17	15	24 16
Reducing property taxes on agricultural assets	16	20 16	17	13	15
Promoting Nebraska agricultural products and	10	10	14	14	15
commodities in domestic markets	14	11	15	14	15
Funding research for non-food uses for agricultural	14	11	15	14	15
commodities	14	12	16	12	14
Promoting Nebraska agricultural products &	14	12	10	12	14
commodities in international markets	14	11	16	13	13
	14	11	10	15	15
Providing financial assistance for small-scale, value-	10	11	13	11	11
added agricultural projects	10	11	15	11	11
Marketing of agricultural products directly to consumers	0	7	7	7	0
by producers	8	7	7	7	8
Promoting agricultural tourism	9	7	9	8	8
Local processing of grains and livestock	7	7	6	8	7
Providing financial assistance for producer-owned,	7	0	7	0	7
value-added agricultural projects	7	8	7	8	7
Providing educational opportunities for producers	7	4	6	5	6
Strengthening environmental regulations	4	5	4	7	5
Diversifying agricultural production to include specialty	-	-	<i>.</i>	-	<i>.</i>
crops	5	5	6	5	6
Monitoring and stricter enforcement of the Packers and		_		_	
Stockyards Act	5	9	4	7	4
Funding biotechnology research for food production					
	5	3	4	3	5
Strengthening zoning regulations	1	7	3	4	3
Forming producer cooperatives	4	4	3	3	3
Modifying federal farm policy	4	3	3	3	5
The use of marketing and production contracts between					
producers and processors	3	2	3	2	3
Modifying Initiative 300	2	2	1	2	2
Providing financial assistance for large-scale, value-					
added agricultural projects	3	2	2	2	2
Management-intensive livestock production	0*	1	1	0*	1
Providing financial assistance for value-added					
agricultural projects owned by outside investors	1	1	1	1	1
Capital-intensive livestock production	0*	0*	0*	1	1

#### Appendix Table 6. Willingness to Pay for Policy Options or Development Strategies by Region

 $0^*$  = Less than 1 percent

Center Research Report 00-4, September 2000



It is the policy of the University of Nebraska-Lincoln not to discriminate on the basis of sex, age, disability, race, color, religion, marital status, veteran's status, national or ethnic origin, or sexual orientation.