

Ag Econ

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7. Title Economic Investigations of Louisianas Coastal Resources					
12. Investigator Name(s) (Last Name and Initials) Caffey, R. H.; Petrolia, D.; Keithly, W.; Kazmierczak, R.					
20. Termination Date 09/30/2013			40. Period Covered (mo/da/year): 01/01/2011 TO 12/31/2011		
Outputs: A generic decision model has been completed that compares economic costs and benefits of rapid land building (sediment pipelines) and riverine diversions with particular emphasis on the role of time and risk. Specific outputs include: Completion of a MS thesis, presentation of research results to one national research symposia and two state natural resource management agencies, publication of three peer reviewed articles, and submission of the final report to a funding agency (NOAA-CREST Program Office). A survey and characterization of the recreational-for-hire charter fishing industry in the northern Gulf of Mexico, an economic review of the recently implemented individual fish quota management system for red snapper, and development of a demand forecasting model for U.S. consumption of domestic seafood was completed in this project. Those specific outputs include: completion of MS a thesis, presentation of research results at three national research symposia and two state natural resource management agencies, publication of two peer-reviewed articles, and submission of the final project report to a funding agency (NOAA/State of Louisiana Department of Wildlife and Fisheries).					
Outcomes/Impacts: Results of the generic cost-benefit research suggest that the economic efficiency of federal spending on coastal restoration in Louisiana could be greatly improved by targeting rapid restoration techniques such as sediment pipeline marsh creation. Moreover, break-even annual costs in the majority of baseline simulations were found to be considerably higher than the range of annual benefits for coastal wetlands reported in the ecosystem valuation literature. These findings suggest the need for a reevaluation of restoration spending to ensure the most cost-effective combination of project attributes. Results of the assessment have been developed into a series of outreach presentations and publications for state and federal restoration programs managers. Dissemination of these findings is helping to improve the efficiency through which billions in federal funding will be spent in the coming years under existing programs such as CWPPRA and other coastal restoration initiatives. These results are being shared with decision-makers at the federal level (US Army Corps of Engineers) and with the Louisiana Office of Coastal Protection and Restoration. An in-depth analysis of the cost-earnings status of recreation-for-hire operations reveals that profitability in the charter-boat sector is characterized by a narrow margin of net income on a per trip basis. Larger vessels do not necessarily equate to increased profits and regional differences in profitability are evident due to specific attributes associated with fleet structure, species effort, and average trip characteristics. These studies have provided an economic baseline for understanding the economic implications of existing and pending fisheries management policy at the state and federal level. This information will be used by the Gulf of Mexico Fisheries Management Council in evaluating the economic implications of regulatory options for the for-hire fisheries sector.					
Publications: Merino, J. Aust, C. and R.H. Caffey (2011). Cost Efficacy of Wetland Restoration Projects in Coastal Louisiana, Wetlands. 31,367-375. Paudel, K. and R.H. Caffey. (2011) An Evaluation of Factors Affecting the Choice of Coastal Recreational Activities, Journal of Agricultural and Applied Economics, 43, 2, May 2011:167-179. Wang, H., R.H. Caffey, and D. Petrolia (2012) An Economic Assessment of Competing Technologies for Coastal Restoration, Southern Agricultural Economics Association 2012 Annual Meeting, Birmingham, AL, February 4-7, 2012, 15 p. Wang, H. (2011). Economic Assessment of Rapid Land Building Technologies for Coastal Restoration, Masters Thesis,					

Defended November 21, 2011 (R.H. Caffey, Advisor).

Savolainen, M. (2012) A Multi-Level Examination of the Recreational For-Hire Fishing Industry in the U.S. Gulf of Mexico Masters Thesis, Defended February 3, 2011 (R.H. Caffey, Advisor).

Caffey, R.H. and M. Savolainen (2011) A Cooperative Research Survey of the Recreational For-Hire Fishing Sector in Louisiana Preliminary Findings and Final Contract Report to Louisiana Department of Wildlife and Fisheries. 51 pp.

Caffey, R.H. and D. Petrolia, (2011) Economic Assessment of Rapid Land-Building Technologies for Coastal Restoration, Final Report on Contract Number 674139B to the Coastal Restoration and Enhancement through Science and Technology (CREST) Program, 128 pp.

Participants:

R.H. Caffey (PI), Walter Keithly, Richard Kazmierczak, Michelle Savolainen, and Hua Wang, LSU AgCenter; Daniel Petrolia, Mississippi State.

Target Audiences:

The target audience for the coastal restoration economic research is state and federal agencies, coastal landowners, and the general public. The target audience for the fisheries economics research is recreational and commercial fishermen, state and federal agencies, and the general public.

Project Modifications:

Nothing significant to report during this reporting period.

Approved (Signature)	Title	Date
		