

AN APPRAISAL OF THE MARKET FOR
AGRICULTURAL ECONOMISTS - -
STRUCTURE AND PERFORMANCE

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"The Great Society is the 'age of the economist.' One finds economists not only at the center of economic policy, in the Council of Economic Advisers, but also as important formulators of policy in the Departments of Defense, HEW, and HUD, and even as analysts of the status of the performing arts." [6] (USDA could have been added.)

Despite the contemporary accuracy of these lines from a recent issue of *The Public Interest*, any inference that the Great Society was the first "age of the economist" is patently wrong.¹ That label belongs to the New Deal era.

Historian Richard Kirkendall credits the New Deal years as the beginning of major influence of social scientists in formulation of national policy. He remarks on the entry of social scientists into politics, and he characterizes those who so venture forth as a service type of intellectual. *Rejecting alienation, the ivory tower, and the left bank, as well as assumptions about the inherent impracticality of academic men, the service intellectual insists that society needs men of academically trained intelligence who will deal actively and directly with affairs of great importance and interest to men outside the academy.* . . . [7, p. 1].

Kirkendall credits the service intellectual as an American species emerging from the American educational system (including the land grant university), but he also finds antecedents in Old World intellectuals, such as Francis Bacon and Herbert Spencer, and institutionally in the German universities [7, p. 1].

It is no happenstance that when Kirkendall set out to make his study of social scientists in the New Deal he found the best examples to be in the field of farm policy. His uncommonly perceptive book gives first

billing to M.L. Wilson, second to Howard Tolley, and third and fourth about equally to Mordecai Ezekiel and Rexford Tugwell. Henry Wallace, himself an economist of no mean talent, shows up frequently and advantageously in supporting roles.

AGRICULTURAL ECONOMISTS
IN PUBLIC SERVICE

It will be inferred, not without meeting a few ohms of resistance, that this paper devoted to agricultural economists as social scientists will pose them first as servants of the public. In a recent meeting, Professor Boger of Michigan State remarked on how much our profession is publicly identified. This attribute does not equate public service with policy making, though the latter is seldom totally absent. However, it does draw meaning from the historical origin of our profession as immaculately conceived (to parallel Kenneth Boulding's literary license) in a platonic union of the public university (then the land grant college) and the United States Department of Agriculture. Like most biological vertebrates, the procreators did not fail to nurture the progeny.

To carry this crude metaphor one step further, not until it attained its fifties did our formal organization (the AAEA) show enough maturity to escape from the university-USDA nest and admit extension, agribusiness, and other economists to its central councils. I took occasion to remark on this and related aspects of our corporate career in my address before the Association at Bozeman last summer [2].

To this day, the majority of our fellows are employed in public service, including universities. A few more are in the quasi-public employ of foundations. Only our agribusiness contingent is entirely privately

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¹ More than an inference. The article names lawyers as outranking economists in the New Deal [1].

affiliated, and the difference in philosophy associated with private versus public focus is more often the cause of division between agribusiness and other economists than are the issues which frequently are publicized.

GENERAL WELFARE ORIENTATION

Perhaps, the simplest conclusion to be drawn from these opening remarks is that agricultural economists are predominately general welfare economists. Though not untrue, the deduction is not only simple but simplistic, and it can distract from other important characteristics.

Above all, that characterization overgeneralizes. Our internal composition is mixed. In structural language, we are a conglomerate. On another occasion, I classified the 'product' that agricultural economics transfers" as of management counsel to the firm, guidelines to the making of public policy, and analytical techniques [3, p. 343]. Historically, most of the management counsel has been directed toward the farm. If we ask how it happened that statistical search for optimum rates of applying fertilizer were combined with policy debate over "farm relief" to delineate a discipline, we get only an unsatisfactory negative, that in U.S. agriculture there is no conflict between the private and public interest. We need a positive answer, and I believe it to be that in agriculture we traditionally have used public resources to enhance private welfare. Moreover, the labors of economists are one of the resources. If not too strained, this answer reinforces my opening emphasis on public policy as a major focus of agricultural economics.

Does the easy identification of private and public interest extend to the management economics of agribusiness firms? Despite some public relations claims to the contrary, market structure analysis makes the answer clear. Imperfectly competitive structure denies codetermination of optimum private and public welfare. By no means does this even hint at a general normative judgment on business performance. It merely says that economic analysts do not enjoy the opportunity for indolence when they dabble in welfare considerations in agribusiness economics. They cannot traffic in effortless a priori pronouncements.

Though the subject will be dealt with again later, may I suggest that agricultural economics cannot hope to service agribusiness firms in the total and exclusive fashion that they have done for farm firms. Moreover, if we were to attempt to do so, we would deny our best talents and actually debase our service both to agribusiness and to all our clientele.

WHO ARE WE

Henry Steele Commager has recently observed that Americans get along better when they do not try to be ideological [5, p. 24]. We agricultural economists might be well advised not to worry too much about who we are and why we are here. This is strange advice in an era when most human beings, sensing themselves caught in a highly structured social system, engage in frenzied search for their individual identities. Scratch an agricultural economist and you may find an expert in rationing irrigation water, a mathematical wizard, a crude composite of Moses, Colbert and Andrew Hamilton, or a frustrated gospel preacher.

To shift the figure 180 degrees, as the nursery tale had it that the rag doll was mostly sawdust, so agricultural economists taken apart reveal no impressive viscera.

Indeed, why do we exist at all as a profession or discipline? Some of our own members are nothing less than disloyal, believing we could well sever our fraternal bonds. Let our theoretical and methodological friends slip into mathematics, statistics and general economics, they say, and ask our firm management associates to seek shelter in business schools. I suppose farm management would be tossed into a quiet corner somewhere, never more to inquire into the relevancy of various formulations. Although their arguments are put in epistemological terms, that may be smokescreens, our friends may be physically rejecting being identified with farming and agriculture. When two years ago our Association abandoned its time-honored tag of "farm economics" in favor of "agricultural economics," the sigh of relief was almost audible. And now some "agricultural" economists want to remove the remaining stain of the modifying adjective.

We are only taking our own propaganda to heart. We have said that the best thing for farmers to do is to leave farming. We have proclaimed the inferiority of rural culture. Why ought we remain intellectually affiliated?

Lest there be any doubt about the tenor of my remarks, thus far, I hold no sympathy with disparagement of our profession. As economists we have served creditably; the record of our performance is good.

Let me pick up the theme that perhaps our technical credentials, when dissected, do not appear impressive. We may not have much more going for us than a few adages about slopes of supply and demand curves. As theorists, we doubtless cannot compete with the Samuelsons and Baumols. Although our historic inventiveness in commodity price analysis is impressive, and we have some fine econometricians

among us, we hardly lead that field. On monetary policy, foreign trade, and similar subjects, we accept hand-me-down ideas. When we work at our new job of educating for agribusiness, we confess to considerable dependence on business schools. Only in advising farmers about their business do we retain clear distinction.

A few years ago the Washington Senators baseball team had a player who was rather slow afoot, whose arm was ordinary, and who hit for high average but few extra bases. Skill by skill, an undistinguished athlete was he. As a composite baseball player, he was only the most sought after among the 200 men on American League rosters.

Agricultural economists are rather like that ball player. To shift to our own idiom, according to the law of variable proportions, it is the combination of factors that counts. I assert that agricultural economists present the right combination. Even though piecemeal we aren't much, put together as organic entities ours is a profession whose graduates are eagerly sought after and whose salary scale has advanced as steadily as the cost of medical service - the most demanding statistical simile to be found.

It is extremely difficult to isolate just what our magic is - just what we have going for us. It must have something to do with combining the theoretical and applied. Our versatility is a plus factor - we range from the esoteric to the prosaically practical. We earn approval for being sensitive to needs of the times, and being willing to apply our talents to them. Perhaps we are blessed with a sixth sense that keeps us protected against drifting into our own obsolescence. My view credits the land grant tradition. It is unique in the history of the world, and if all agricultural and engineering sciences are beneficiaries, it possibly can be argued that our amorphous discipline has particularly profited.²

CULTIVATING OUR DIVERSE SKILLS

More important than taxonomy is the devising of a regime to be followed in the future, by which to cultivate our salubrity if not our survival. I am glad to offer a few suggestions, even while admitting some insecurity. This is treacherous ground and is made the more so by the irresponsibility that it invites. Anyone can sound off on such a subject, and he cannot be proved wrong until after his demise if not our profession's.

One kind of counsel relates to cultivating our

² In an excellent paper Ruttan uses similar language: "... this very parochialism and fragmentation of agricultural economics has... represented a source of strength..." [9, p. 8].

³ For a note along the same lines, urging that we apply our talents to "solving the significant economic problems of people," see Wise [11].

skills. It will follow from the above remarks that I must argue in favor of preserving the composite mixture that has been our hallmark. This means, unfortunately, that we cannot hope to gain high prominence in any narrow specialty. This kind of self denial of glory is the recipe for our continued existence.

To specify the dangers requires becoming empirical. Speakers who follow me will more properly go into detail. In pursuing brevity at the expense of precision, I will offer remarks under two headings: relevance and objectivity.

During my more than two years of association with a land grant university, the temptation, if not the trend has come to haunt me, is that toward an obscurant scholasticism. This is a denial of all that the land grant concept has stood for. If my credit line to that concept is valid, we depart from it at our peril.

There is an historic prototype for the non-relevant economist who wants to be a kept man enjoying private pleasures that are no less inverted by virtue of being intellectual rather than carnal. That antecedent is the medieval schoolman. The schoolman was supported on a stipend in order that he might reflect on God's will for man. Today, the economist may find attractive a similar pensioning to fund his unguided reflections. After all, there is something recondite about all science, and it gives the scientist an easy excuse for not revealing himself.

The instructor who builds his course around irrelevant abstractions, the research economist who constructs fancy models that no one can understand, even the policy man who never comes out of the clouds - all these are familiar examples of the type I am referring to.³

KEEPING SCIENTIFICALLY OBJECTIVE

Few persons will dispute the need to keep our work relevant. Differences of opinion are confined to estimates of the coefficient of irrelevance that now exists.

On my second admonition, to take pains to stay scientifically objective, the common reactions take a different character. The usual response to mention of the subject is an effort, sometimes ingenuous, to change it. The weather, sports, and even the merits of our political leaders, make for more congenial conversations than do issues in the objectivity of our work as agricultural economists.

To be sure, there is a language problem. When I drafted an article a couple of years ago, subsequently published [3], my reviewers were lukewarm, generally, and they particularly steered me toward the term, objectivity. More recently, Emery Castle has dealt with the same issue and has used somewhat different nomenclature [4].

Yet, we can easily get lost in our own sophistry. A farmer neighbor of mine was able to simplify such matters: It is a question of whether something is right or is not right, he declared. Call it morality or ethics, or scientific objectivity, or intellectual honesty - - use whatever terms you prefer, but the quality I am referring to is a sine qua non for relevant work by a responsible, vital, enterprising discipline now and in the future. If we are able to remain alive and vibrant, we must go where the action is and that usually is where conflicts of interest are found. It, also, is where the challenge to integrity is and where the metallic firmness of our intellectual integrity is tested. We may have to absorb some reproach even as those who benefit from our courageous performance are silent, if not actually ungrateful.

As I pointed out in the article referred to above, the more common transgression is not distortion of research results or any kind of falsification. It more frequently consists of simply avoiding the controversial. In my personal religious creed, sins of omission are given equal status with those of commission, and I doubt that as economists we enjoy any exemption.

I stress this subject more as a guide for the future than as a reflection on our performance to date. Yet, our golden scroll is hardly free of all bad marks. I have read testimony in public hearings, delivered by economists serving as consultants for private organizations (for a fee), that carried a flavor of at least being selective with respect to the facts presented. I know that some agricultural experiment stations in broiler producing states will not engage in research that might yield data reflecting adversely on poultry interests. In my presidential address at Bozeman, I remarked on instances in which transportation policy advocated by the USDA reflected the interests of the CCC in saving transport costs, and not a wise policy for all agriculture or all the nation [2].

If transgressions have been few, the subject nevertheless merits attention by virtue of structural changes in our economy that will force the question of scientific objectivity more to the forefront in the future. Honesty as a virtue may be independent of time and place, but the structure of our economy and our society affects the form and frequency with which it is put to test. In a decentralized exchange economy, integrity consisted mainly of not adulterating the product and not shortchanging the customer. In a

more centralized and integrated economy, it enters into a host of transactions. Can it be that in our scientific and technological age, integrity is defined less in terms of tapping the till than in reporting data accurately and fully? Is it possible that in our corporate and syndicalistic economy the worst malfeasance lies not in padding an expense account but in failing to be totally honest with superiors? Galbraith seems to imply as much in his concept of technocracy. Can it be said that in an era when central government plays a more instrumental role, the greatest dangers lie not in rake-offs on supplying hospital sheets, as one of President Harding's lieutenants managed for himself, but in conflicts of interest that warp the legislative, executive and judicial processes?

FIELDS OF APPLICATION

If I am more confident of our technical skills than of our willingness to enter into a fracas that promises to be rough, the next question concerns the areas of activity to which agricultural economics ought to lend its resources.

A heartening quality of our associates nationwide is that they are concerned for just such questions as to where we should direct our talents and efforts. Witness thereto is the flood of mail I have received since becoming President of our national organization. So far as there is consensus, it takes two forms. One is to criticize our AAEA awards programs for putting too much emphasis on demonstrations of technique, particularly mathematical models, and too little on the importance and relevance of the subject matter. No such bias, if it existed, was ever intended, and the awards chairman has recently reminded all judges to keep their criteria in balance.

The second prevailing attitude, if my mail is a reliable gauge, is to deplore the herding instinct to which we seem to be subject, as we turn in unison from one favorite field of endeavor to another. A letter received from James Bonnen at Michigan State is an illustrative example, though not unique. As an advocate of attention to international development, Bonnen says we may have swung too far that way, to the neglect of many urgent "domestic growth problems." Among the latter he names, "poverty, the geographical distribution of potential new investment for growth, rural-urban balance (which he calls "an awful term," and I agree), depressed areas, and the intergovernmental relations or the public infrastructure of growth." He adds, "All of these are issues symptomatic of a huge domestic mess in which rural economists figure" [1].

ON LIVING IN JEOPARDY

What I have tried to say in this paper is that

agricultural economics has set a grand record. It has done so despite lack of luminosity on many individual fronts. It is our composite character that has won so much for us.

Although my confidence for the future is strong, I have not hesitated to preach a little. Scratch Breimyer, and you will find a little Calvinism there. It's a bromide, but surely nothing is so hazardous as collectively resting on our laurels. I am convinced that agricultural economics can both survive and prosper if it looks to its structure, conduct and performance. (I have resisted the invitation implied in the assigned title to my paper to use Bainsian language but my message has been consistent with it.)⁴ I am utterly certain that we must retain a policy of national welfare orientation.⁵ So long as agricultural policy retains distinguishing features, there will be a potential place for us. Our performance, and not the opportunities, will determine our destiny.

It should be self-evident that it is because I foresee public policy as a continued major focus that I stress the need to remain resolute on what I call objectivity. In advising a farmer on what his machinery investment ratio ought to be, or reminding him of prospects for lower hog prices in 1969, there is little chance that any of us will slant our counsel. But in our service to agriculture we may get ourselves involved in bargaining as a marketing and price-making device, in contests over foreign trade policies (such as import quotas for beef), in designing trade practice rules for contractual integration in agriculture, and in countless other murky fields. In these, the test of mettle has a different coefficient.

A meaning can be derived with regard to the agribusiness arm of our discipline. My personal philosophy is to want very much to keep agribusiness economists within our fold, yet I do not believe that we ought to reshape our subject matter or services substantially to that end; but we will reweigh the allocation of our resources, as we put more people into the agribusiness area. My reasoning is that we cannot meet all the business management training requirements within our own discipline.

Those should be obtained in business schools. But, we can provide agribusiness economists as incisive understanding of the singular aspects of the agricultural economy including public policies employed relative to it. So far as we do that more expertly, we improve our service to agribusiness economists, and do not detract from it.

⁴ A good reference point for evaluating agricultural economics in the manner of Bain is Sosnick's recent article, "Toward a Concrete Concept of Effective Competition" [10].

⁵ If this orientation needs further bolstering, a case in point is the ease and effectiveness with which agricultural economics adapted itself to the need for servicing agricultural development in less developed nations abroad.

In conclusion, I argue so firmly along these lines, because I believe we have not carved out a place for ourselves that is secure. We live in jeopardy. There is an air - - to use the words Ernest Grove and I resorted to in a recent exchange - - of disestablishmentarianism abroad. And a defensive antidisestablishmentarianism. The four main papers on the opening day's program at Bozeman all carried this same unhappy note. Somehow, there is a distrust of the adaptability of our present political and social institutions. Admittedly, some of this is as natural as a GI's complaining about his food; if that guy is silent, he should be sent to the infirmary. But it is dangerous to write off the ubiquitous attitudes of our day so readily.

Another straw in the wind is the sizable vote former Governor Wallace received last fall. I dare to guess that the vote under-reported the sympathy Mr. Wallace enjoyed. It can be argued, I think, that the vote was mainly an expression of anti-intellectualism. One of its facets was a preference as to how human beings are categorized and a pecking order established. We intellectuals prefer social, economic, and above all intellectual criteria for our ranking. Wallace supporters have simpler and baser means; and who is to say theirs are poorer? But more importantly, the Wallace protest was against the administration of national affairs on an elite basis, expecting the non-participating beneficiaries merely to be silently grateful, and to vote the party line - probably Democratic in most cases, as more Wallace votes apparently came from normally Democratic than Republican voters.

Finally, now and then, we find in Missouri that our exalted status as scholars at the University does not universally elicit deferential homage. When we undertook a study of food distribution programs among low income families, our interviewers found quickly that if they represented themselves as of the University of Missouri, the respondents turned chill. Thereupon, they presented themselves anonymously - as just sympathetic human beings, I suppose - and had no further difficulty. In another study, one of the turkey industry in Missouri, our graduate student interviewer found himself about to be run off a grower's property until he could give assurance that the College of Agriculture (a safer affiliation than our megaversity) was sympathetic and would report the results of the study honestly. The charge sometimes made is that the big integrators have lines of communication to curators and even to appropriations bodies in Jefferson City, and could effectively block a complete reporting of the study. Irrespective of whether the fears are groundless, I am happy to say that to

my knowledge no such pressure has been brought, and that so long as present personnel direct our research no such pressure, if it should appear, would be yielded to. We at least try to practice what some of us preach.

Essentially, I end where William Nicholls began in his presidential address before the (then) AFEA in 1960. Said he, "if we are complacent about the future of our profession" it like agriculture, must be a "declining 'industry'". He added, "However, if we are alert to opportunities for developing new markets for our services . . . if departments of agricultural

economics . . . face forthrightly the . . . necessity of reappraising their objectives, their constituencies, their curricula, their research and extension programs, and indeed their whole reason for being" - if all this is done, "we can assure the future of agricultural economics in the United States for some time to come." [8, p. 970].

To end in a reference to another eminence, if like St. Paul we see hope while imploring courageous endeavor, we can take some confidence in the fact that his enterprise has lasted to this hour. We too, if resolute, can look to our day of Revelation.

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