

DISCUSSION: STRUCTURE OF AGRICULTURE: THE POLICY ISSUE

Marshall R. Godwin

The image of concern portrayed here regarding the future structure of agriculture is done in livid rhetoric and with a very broad brush. I share the concern of Breimyer and others regarding this issue. But, I do not think it necessary to engage in the inferential stretch required to forecast a cataclysmic set of national circumstances in order to justify considering it. I do not believe that we have devastated the continent. I do not foresee economic stagnation of the national economy, or unmanageable power accruing from an alarming skewness in private wealth distribution. I believe that we have the inventiveness to cope with the emerging energy crisis and with the depletion that is occurring in some of our key resources. I do not believe that our collective moral values will erode until we worship almost totally at the altar of science and materialism. And most important of all, I have an abiding faith that our system of government has the resilience to adjust to the requirements of the future regardless of what these may be.

With these exceptions to the broad postulates of the problem outlined by Breimyer, let me comment selectively on two points that he has made.

Breimyer maintains that we have given undue emphasis to productivity as the goal of our food and fiber system. He cannot understand why economists have given such short shrift to the broader questions of social stability, employment opportunity, and the development of rural communities. This is much less mystifying if one examines the curricula of land grant universities and looks at the criteria used to judge professional performance in the field of agricultural economics.

We have done very little to produce professionals with this kind of mind set. It is safer and more rewarding to engage in the sophisticated quantitative approaches that we have developed than it is to delve into the risky and lonely field of the subjective where these unattended professional issues lie. Few of us have clean hands when it comes to our lack of capability to deal with the broader issues involved in agricultural economics. I share Breimyer's view that this is a major professional shortcoming, and would like to reemphasize the urgency of the requirement for change in our training perspective if we are to meet the clearly emerging needs of the future.

One of the strongest and most relevant points made by Breimyer is that there is an increasing and compelling interrelationship between the agricultural community and the broader tableau of our society and economy. In view of this observation it is difficult to understand how he perceives that an atomistically structural agricultural production establishment can be competitive in our economy. Or how such an agricultural structure can be made compatible with the sophisticated marketing and distribution systems that are developing for food and fiber products. The response requirements placed on these marketing and distribution systems by the dynamics of final consumer demand creates a mounting imperative for coordination and control.

We speak of the importance of a market orientation for U. S. agriculture. If this orientation is to be achieved by the farmer of tomorrow, there must be some mechanism whereby he can relate his individual production efforts directly to the requirements of the coordinated food and fiber

systems that are evolving. Farmers are an integral part of these systems. The fact that farmers have failed to understand the extent of their involvement is one of the root causes of the problem in U. S. agriculture, and the reason why many farms have failed to survive over the past two or three decades. The atomistic behavior of farmers is in my view clearly inconsistent with the performance requirements of the coordinated processing and marketing systems into which their raw products flow.

The question is not one of total surrender of the decision prerogatives identified with farming. It is one of pooling enough of these decision prerogatives to give individual farmers the capability to remain viable participants in the production and distribution system – pooling enough to permit the family farm to survive as an institution that most people in America seem to want.

The North Central Public Policy Committee referred to by Breimyer has laid out the organizational options that are open to the agricultural production establishment of the future. Perhaps more importantly, this Committee has served to surface the basic problem of aggregation required for U. S. farmers to remain competitive in and compatible with the broader national economy to which they are inextricably attached.

What we need – urgently – is more than identification of the problem and the alternatives. If agricultural economists are really serious about retaining the maximum degree of entrepreneurial freedom for the farmer, and about retaining the conventional and historic image of the family farm, then they had better turn their attention to the specifics by which this can be accomplished. Some tradeoff of individual decision prerogatives seems inevitable. The performance requirements of the delivery systems which move raw farm products to the final consumer probably cannot be met without doing so. The question is how much tradeoff is required and what form should it take. This question is one on which agricultural economists had better get busy.

We have been over the basic ground covered by Breimyer's paper in many forms, in many meetings, and many times. We need now to develop some prescriptive measures that farmers can employ to preserve the types of production units that they, the public, and most agricultural economists would like to see in the years ahead. The time has come for us to get specific.