DISCUSSION: AGRICULTURAL TRANSITION AND IMPLICATIONS FOR AGRICULTURAL ECONOMICS EXTENSION PROGRAMS

Leo C. Polopolus

Professors Kohl, Shabman, and Stoevener are to be commended for a thoughtful, somewhat debatable, and futuristic view of the likely agricultural transition process in the Southeastern region of the United States. Within the context of expected dramatic changes in the structure of the agricultural sector, a future scenario of extension programming for agricultural economists is discussed. The authors conclude that the continuing shift toward mega-farms will result in a drop in demand for extension services by farmers who account for the bulk of agricultural production. The authors express doubt and worry about public funding for extension services, small farm and nonfarm program thrusts, and the organization of extension programming, among other concerns.

The authors' overall view of the future of agricultural economics extension programs is somewhat pessimistic. This assessment is akin to the red flags hoisted previously by Wallace, Holt, and Knutson. Wallace suggested in 1982 that cooperative extension as an organization faces possible extinction in the decade ahead. The Wallace thesis is that the pressure for change of extension programming is not only because of the changing structure of agriculture, but also because of decreased public funds, increased competition for available funds, diversity of attitudes and perspectives on program direction, and overemphasis on short-term program accomplishment in relation to long-term social benefits. Wallace further argues that in order to survive as an institution, extension will have to broaden and refocus its programs by giving up some of its resources in historically successful program areas.

Holt, in a separate forum in 1981, argued that as public funds dwindle in the future, extension services should be concentrated upon extension's comparative advantage in assisting commercial agriculture. According to Holt, successes in commercial agriculture made extension what it is today; the "life raft is simply too small for all of extension's programs."

Knutson challenged extension economists in 1985 to become more adept at dealing with expected changes in agriculture, particularly changes involving internationalization of agricultural markets, biotechnology, industrialization, and resource mix. Extension must keep up with new developments in computer technology, maintain relevance, shift programs and clientele bases where appropriate, and adjust the organizational structure of extension to relatively more specialists and relatively fewer county professionals.

The paper by Professors Kohl, Shabman, and Stoevener raises some controversial issues regarding the role of extension economists. Three such issues are revealed by their observations that: (1) the practical and multi-disciplinary focus of extension has divorced extension from the agricultural economics profession; (2) the idealized model of extension is to bring the latest developments of our academic discipline to the general public; and (3) extension economics programs possibly should *not* be tied to academic departments in the future. While each of these statements can be supported by reasonable arguments, I would reject all three notions by countering with the following points: (1) involvement with applied economics and/or multiple disciplines does not automatically invalidate our standing as professional agricultural economists; (2) extension has never been known as a forum for exposing the theory and methodology of any discipline; and (3) extension specialists need even closer ties

Leo C. Polopolus is a Professor, Department of Food and Resource Economics, University of Florida.

Invited discussion paper presented at the annual meeting of the Southern Agricultural Economics Association, Nashville, Tennessee, February 1–4, 1987. Invited discussion papers are routinely published in the July *SJAE* without editorial council review but with review of the copy editor (as per Executive Committee action June 25, 1982).

Florida Agricultural Experiment Station Journal Series No. 8093.

to academic departments in the future as the problems become more complex and more demanding of professional skills.

AGRICULTURE IN TRANSITION

It is commonly recognized that the structure of agriculture is moving in the direction of a bimodal distribution of large and small farms. Even if all the large farms become mega-farms, most of the mega-farms will continue to be family farms or closely held corporations. The $250,000 *gross* farm sales required to achieve mega-farm status, while seemingly a large dollar figure, would be considered a small business in the nonfarm business community. I am not convinced that public pressure would mount to curtail services to the larger commercial farms. For rural areas where agricultural production represents an important economic base for employment and income, the aggregate economic impact of the agricultural sector may override concerns regarding equity and income distribution.

The current depressed condition of Southern agriculture represents a particularly advantageous situation for economics extension programs relative to the production sciences. Concerns about farm solvency, marketing alternatives, and international markets should provide extension economists with ample opportunity to demonstrate our usefulness. (Have extension economics programs received a larger share of total extension resources in response to the favorable program environment? Probably not.)

Professors Kohl, Shabman, and Stoevener make a number of astute comments regarding the implications of the expected biotechnology revolution. Maybe the most significant point is that the private sector and *non*-Land Grant universities will be key players in both the development and dissemination of new agricultural biotechnologies. The authors could have also noted that the biotechnology revolution is not expected to reach the small or medium-sized farmers with miracle varieties and production techniques anytime soon. (The larger farms will be the early adopters of biotechnological breakthroughs). Extra time lags in release of new varieties and products from biotechnology will occur because of additional testing and litigation over environmental safety.

Also left untouched by the authors was the appropriate role of extension economists in biotechnology. Should our role be concentrated on the application of production economics to determine the relative profitability of alternative production systems, with and without biotechnology? Would it be preferable for extension economists to evaluate the social benefits and costs of biotechnology adoption, with special attention to issues of environmental safety? It is conceivable that adversarial relationships would emerge within a given extension faculty on biotechnology issues. Would this eventuality bode well or ill for extension funding?

The authors opened the door on alternative farming opportunities in the South. The widespread search throughout rural America to find new or alternative crop and livestock enterprises is legitimately based upon the need to improve farm profits (Polopolus). Alternative farming also appears to be an ideal program area for extension because: (1) both large scale and part-time farmers are interested; and (2) the subject matter lends itself to joint extension programs with other agricultural sciences.

FUTURE PROGRAM DIRECTIONS

While there is passing reference to a broader future agenda for extension programming, the paper by Kohl, Shabman, and Stoevener focuses upon farm management and farm gate issues. The Smith-Lever Act of 1914, as amended, challenges extension to service a broad array of individuals, households, firms, and governments. Extension services need not even be confined to agriculture and rural life (Hildreth and Armbruster). Budget constraints obviously limit program diversity. New directions in extension programming also depend upon educational needs, faculty expertise, clientele support, and political support.

It is time for extension economists to become more positive about potential contributions to public and private institutions as they adjust to changing economic conditions. Increased support for extension economics programs by the general public and extension administrators can be based upon the following major factors:

(1) Value added in the beyond-the-farm-gate food economy is seven times greater than the value added from farming (Babb et al.). Opportunities exist for extension and applied research programming involving farm supply industries, wholesalers, transporters, and retailers.

(2) Rural-urban conflict is just beginning in the South. Public agencies, governments, and private firms need objective evaluations of controversial issues, including water quality, environmental and occupational safety, right to farm, animal rights, zoning and land use, and a variety of local, state, and federal tax policies.
(3) International trade issues involving agricultural commodities and products will become more pronounced in the future. Interest will be concentrated on how to increase exports, as well as how to deal with adjustment problems caused by competitive imports.
(4) Consumers in the region will increasingly seek objective information regarding the safety and beneficial attributes of food and fiber products. Moreover, food and fiber firms will be needing more reliable information regarding the needs and desires of consumers.

CONCLUDING REMARKS

Future viability of extension economics programs will depend upon the usefulness of our educational products and services. We must continue to become innovative with the use of communications technology, such as computers and video tapes. We need to hold onto commercial agriculture as a base of political support, while working diligently on developing nontraditional program areas, preferably with other disciplines. We also need to "market test" new program areas beyond the farm gate for both program effectiveness and political support.

The future is partly, maybe largely, in our own hands.

REFERENCES

Babb, E. M., B. C. French, M. C. Hallberg, M. L. Hayenga, D. I. Padberg, and L. C. Polopolus. *Research and Agricultural Marketing,* Washington, D.C., Experiment Station Committee on Organization and Policy, 1985.

Hildreth, R. J., and W. J. Armbruster. "Extension Program Delivery—Past, Present, and Future: An Overview." *Amer. J. Agr. Econ.,* 63(1981):853-58.

Holt, J. "Changing Delivery Systems for Agricultural Extension: Discussion." *Amer. J. Agr. Econ.,* 63(1981):868-69.

Knutson, R. D. "Role of the Southern Agricultural Economics Association in Extension." *So. J. Agr. Econ.,* 17(1985):17-25.

Polopolus, L. C. "Alternative Farming Opportunities: A Perspective." Paper presented at Conference on Alternative Farming Opportunities for the South, Starkville, Mississippi, January 26, 1987.

Wallace, L. T. "The Changing Professional Role of the Extension Economist." *Amer. J. Agr. Econ.,* 64(1982):879-83.