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LETTERS

From You...

"Intervention:" pejorative Label

From: K. J. Thomson

University of Aberdeen

Re: Breimyer's "Intervention"

I have some sympathy with Professor Breimyer's objections to *intervention*, but it is at least better than *interference*, which is used only too frequently by students and others. Two more serious points occur to me, however. One is that it may be useful to distinguish between the more-or-less routine activities of the public sector as it operates existing policies or adjusts them to changing circumstances—when Breimyer's suggestion of *involvement* is appropriate—and the much less frequent initiation of 'new' policies, usually as a result of lobbying or rent-seeking by interest groups—when *intervention* (a relatively neutral term, after all) seems suitable as a description of a deliberate one-off decision by legislators and/or policy makers. Of course, the distinction is not watertight.

My second point concerns the other word in Breimyer's title. Certainly in a region (Grampian) of a country (Scotland) in a nation-state (United Kingdom) of the European Community, it is a simplification to speak of *government*, and the same could no doubt be said of the county/state/federal structure in the United States. At least the plural might be used. Whatever one's taste, Breimyer's stimulating comment suggests that more attention be paid to both the nature and process of *intervention/involvement* by governmental agencies.

From: Carol Goodloe

Economic Research Service, USDA

Re: Breimyer's "Intervention"

As one of those USDA Economic Research Service economists who "ought to know better," I take exception to Harold Breimyer's commentary on the use of the word "intervention." In a series of reports on government intervention in agriculture, including my own on Canada, the word "intervention" was in fact chosen deliberately and with care as a term intended to convey neutrality with respect to the rightness or wrongness of government's role in the agricultural economy of a country.

For starters, it's always a good idea to pull your Webster's off the shelf. Of several definitions given, the most appropriate of "to intervene" is "to come between as an influencing force, as in order to modify, settle, or hinder some action, argument, etc." This definition is not negative, pejorative, emotional, deceptive, or any of the other words Dr. Breimyer uses in his editorial.

The studies in government intervention took as their starting point a classical, free market that assumed no government involvement. Then we attempted to measure (through producer and consumer subsidy equivalents) the extent of the involvement through various subsidies and taxes on agricultural producers

and consumers. By including all policies in an aggregate measure of support, we took special pains to avoid all the emotional, pejorative implications that Breimyer claims to find. Some policies provide economic benefits to producers or consumers, while others result in costs. We simply included everything we could identify and measure, and noted those policies we could not measure. We did not editorialize or draw conclusions about whether the intervention was good or bad, essential or nonessential, responsible or irresponsible.

In another paragraph, Dr. Breimyer says he finds it hard to see how anyone can call a government's enforcement of economic contracts "intervention." In fact, that is exactly what it is (see definition above). Another meaning provided by Webster's for "intervention" is "any interference in the affairs of others, especially of one state in affairs of another." Again this definition makes no claim as to whether that interference is good or bad, although many users of the word employ it in a way to convey that the action of "intervening or interfering" should not be done.

The word "intervention" was not used in the ERS studies to create a negative or emotional effect. Nowhere in these studies do I believe we call for the abolition of government, unchecked individualism, or a return to the jungle. Dr. Breimyer may have inferred such meanings connected with the word "intervention," but neither the word nor the studies imply them.

From: David S. Bullock

University of Illinois, Urbana-Champaign

Re: Breimyer's "Intervention"

Harold Breimyer objects to the word "intervention" as a general term to describe government...*involvement* in the agricultural economy. In Breimyer's mind, "intervention" is pejorative, and neither fairly nor eloquently describes the ways in which government "aids, shelters, restrains, penalizes..." economic agents. After reading Breimyer's commentary, I chuckled at how sincere people can view the same word in such different lights. Honestly, I have always felt that "intervention" is a *euphemism* for how U.S. agricultural policy "aids, shelters, restrains, penalizes..." economic agents.

I hypothesize that one's opinion of the appropriateness of "intervention" to describe government in agriculture depends on one's view of nature and the *status quo*. Breimyer describes how government "stops airplanes from colliding,...blocks infectious diseases,...(and offers) market information, financial aid for electrification, and the right to form cooperatives." Breimyer sees it as natural that a society would organize a government to perform such beneficial services, and therefore in performing such services the government is not *coming between* ("intervening") nature and society.

But I see other results of U.S. government agricultural programs. The government enforces high commodity prices that have transferred hundreds of billions of dollars from relatively poor consumers and taxpayers to relatively wealthy owners of farm land. This *status quo* does not seem natural to me.

I do not believe that "intervention" is pejorative. To me, it means that government comes between society and nature—for good or for evil. But I agree with Breimyer that "intervention" at times may be too general a term. I think that "theft" more specifi-

cally describes what U.S. commodity programs do to this nation's consumers and taxpayers.

From: Ben R. Blankenship, Jr.

Director, Information Division, EMS, USDA

Re: Breimyer's "Intervention"

Harold Breimyer must have been wound too tight when he saw the USDA report about government "intervention." The word brought out the old fussbudget in him, didn't it? Reminds me of my early days in USDA when Harold would routinely critique my drafts of the newsletter, *Agricultural Outlook Digest*. Mostly his edits were crisp and instructive. Alas, in the last issue of *CHOICES* his soapboxing had a different effect.

When such lions of the profession get off on favorite verboten words, we should nod our heads and go on about our business of communicating as well as we can. If, for example, Will Cochrane's willpower back in the early 1960s had prevailed, none of us would be "reflecting." He told authors of *Outlook and Situation* reports to throw away their mirrors, that "reflecting" was a copout for avoiding cause and effect explanations. Certainly he had a point, but copouts can sometimes be useful.

Another of the no-no's that grated on this old non-metro boy at the time was referring to "free world" or "capitalist" countries as opposed to communist countries. The latter, in today's wonderfully sensitized environment, have become "centrally planned" to the detriment of clear expression. Is not much of U.S. agriculture nowadays centrally planned?

It's not just a coincidence that you seldom read about "subsidies" in any material put out by or through ASCS. Deficiency payments will be the official and nondescriptive term for who knows how much longer. Happily, "suspension" was a short-lived euphemism for the grain embargo back in the 1970s.

People in commodity forecasting work will also remember well the phrase, "assuming normal weather." That jump-started Bob Bergland for sure. The former Ag Secretary wanted to know when is weather ever defined as normal, and forthwith banned use of the phrase. Global warming, indeed. Then there's the "favorable" farm or food prices we periodically get properly called on the carpet for using, after forgetting that competing groups read different meanings into our statements.

And today's careful reader of USDA's outlook analyses may note the absence of "may" in predictive statements. That's no coincidence either. Bruce Gardner, head of ERS and NASS work at USDA, thinks "may" is too wishy-washy, so the forthright "is expected to" and "will probably" decorate excessively. Occasionally we sneak in "should," but only because nobody in high places has unloaded on it as being prescriptive rather than predictive.

Straight talk in print will never fully satisfy every reader. There just might be someone, for example, who will worry that "fresh" on the juice bottle will tragically mislead some poor soul. *CHOICES* readers, thank goodness, are above such patronizing.

From: T. A. Hieronymus

University of Illinois (Emeritus)

Re: Breimyer's "Intervention"

Breimyer's commentary in the second quarter issue of *CHOICES* is provocative and cries out for response. Insofar as intervention is a "snarl word" that carries negative connotations toward governmental activities in the economic sphere, it is a very good word that should be drilled into the regular usage of every stu-

dent of Economics 101 and Political Science 101.

Intervention is a word to be avoided by self-perpetuating politicians. They much prefer "facing up to problems and trying to solve them." By delicate selection of words they can circumvent the need to confront the most basic Tenant in American Society: Property Rights. The omission of accurately descriptive words and the substitution of delicate nonsense words is of great and severe consequence. Among our most sacred documents is the Declaration of Independence stating that all men are created equal with certain inalienable rights—life, liberty, and the pursuit of happiness. An earlier version by the followers of John Locke was life, liberty and property. Happiness was substituted for property (probably by Thomas Jefferson) for reasons of political delicacy. Property rights was the central thrust of the American Revolution and has been the driving force of western economic development and growth.

Governments have essential functions. "In the economic sphere its most essential and pervasive role is to enforce contract." The enforcement of contracts is the protection of property rights. So is the defense of the nation from foreign intrusion. And so is the enforcement of criminal laws, traffic regulation, etc.

But government goes past the protection of life, liberty and property and intervenes in economic activity. "Government provides schools, a postal service, roads." The current status of our schools, the price of stamps, and roads raise doubts about the efficiency of governmental intervention. As one looks further, say into agricultural commodity price and income programs, the record of negative impacts on economic productivity becomes increasingly pronounced.

Governmental intervention into economic affairs involves property rights. Governments confiscate property through systems of taxation. What is at issue in the current social order is the effects of governmental confiscation of property and intervention in economics activity on productivity and equity of product distribution. The issue is glaringly apparent in Eastern Europe and the USSR. It will become increasingly apparent in the U.S. as taxes confiscate ever increasing shares of production and perverts them to "facing up to problems and trying to solve them."

Intervention is a good word. It is gratingly descriptive. confiscation is another good word. It is gratingly descriptive of taxation. It should find its way into our literature.

From: Harold F. Breimyer

University of Missouri-Columbia

Re: The Author Responds

I respond seriatim. Dr. Thomson's perceptive comment is appreciated. Several categorical distinctions are possible. As an institutionalist I sometimes distinguish between the governmental role in institutional design versus its on-going activities. Ideally, in a market economy the system is drawn up so adroitly that government contributes only routine servicing plus monitoring. (In some schools of thought institutions are said to self-establish and self-monitor, but that is malarkey.) In instances of malfunctioning, I modify Dr. Thomson's dichotomy only a little: I would call prudent corrective action involvement, but the taking of ill-chosen steps could properly be castigated as intervention.

As to the imprecise, even Mother-Hubbard, word *government*, some writers turn to governance as a generic substitute. I don't find it very satisfactory.

Carol Goodloe's and the ERS's decision to pitch the agency's generally good reports on farm policies of other countries as they did was simply a mistake. Intervention is not a neutral term. Ms.

Goodloe quotes Webster selectively. My Webster's defines the verb, to intervene "to enter or appear as an irrelevant or extraneous feature of circumstance;...to come in or between by way of hindrance or modification;...to interfere usually by force or threat of force..."

ERS's second error was to start from "a classical, free market that assumed no government involvement." ("Involvement," Ms. Goodloe writes, appropriately.) No nation has such a free market; government plays a role of some sort in every nation on earth. It is true that the nature of that role is definitive, and the ERS was properly charged to identify it. But it's more realistic to accept a specified role and go on from there. And I say again, calling any governmental role intervention is a mistake.

I do not mean to belabor, but I try to defend the ERS against critics, of whom there are more than a few. They like to charge it with esoteric unreality. I wish the agency would make it easier for me and protect itself by abstaining from the two mistakes I name here.

I suppose I have to say that Professor Bullock misses my central point. Government is a part of society. It does not come between society and nature. He is privileged to make whatever personal judgments about specific government policies he wishes but they do not bear on the matter at issue.

Now I address my old friends and co-conspirators in economic intelligencing (coined word), Blankenship and Hieronymus, who doubtless enjoyed the chance to sound off (it is true that I found it necessary now and then to correct Blankenship's lapses in syntax). To them I respond only, "tsk, tsk; get real."

IS THE URUGUAY ROUND

From: Turner L. Oylode

Executive Director

Walnut Marketing Board

Re: Paul Drazek and Mechel Paggi's "Uruguay Round?"

The article by Drazek and Paggi points out the most important realities of what would probably occur if the present GATT round were to fail. To repeat, GATT would be weakened, bilateral disputes would no longer be contained, and U.S. trade practices would come under close examination by our trading partners.

However, the difficult question remains what constitutes a successful negotiation? One line of thought is for all sides to declare victory and go home. Another, the Boy on the Burning Deck approach, would be play by my rules or the game's over. Neither of these approaches are reasonable and in all likelihood will not survive the light of day.

Perhaps the past might help us with the future. This person maintains that the Kennedy Round and the Tokyo Round of trade negotiations were successful. Successful because they held the world trading system together and the world by and large continued to survive in spite of the many inequities. One may recall earlier trade negotiations where the U.S. negotiated a zero duty binding on soybeans from the EC but refused an offer by the EC to make available a significant quota on corn. Let us not be carried away by our own rhetoric. All playing fields are not level, but we do need a field to play on.

From: Paul Drazek and Mechel Paggi

American Farm Bureau Federation

Re: The Authors Respond

What constitutes a "successful" trade agreement is certainly a matter of perception. If the test of success is that an agreement helps hold the world trading system together, then, certainly, both the Kennedy and Tokyo Rounds can be considered "successes." On the other hand, neither Round really advanced the cause of freer and less distorted trade in agricultural products.

A similar outcome from the current round does not appear to be an option. A minimal agreement in agriculture will be insufficient to entice many countries to make concessions in other areas, and without such concessions, the entire round fails. The principal antagonists are, as before, the United States and the European Community. But those two cannot, as they once could, wrap up a limited agreement and persuade the rest of the world that it must be accepted "to save the world trading system."

No agreement would be better than a bad agreement, if, for example, the agreement resulted in the legitimization of the Community's export subsidy and variable levy systems—which seems to be the thrust of the EC's position—or if it allowed duties to be reimposed on soybeans or corn gluten feed—also a key objective of the Community.

We must all be concerned about the prospect of losing the GATT playing field entirely in our quest to level it. But we must be equally concerned about ending up with a field permanently tilted in favor of the EC's surplus disposal and protectionist policies.



From: Duane E. Young

Mount Prospect, Illinois

Re: Peterson's "World Hunger Solution"

Dr. Peterson appeals to our heart, our conscience, and our pocketbooks in order to save the lives of perhaps as many as 40,000 people a day. His obvious appeal to our hearts needs no explanation. We would all sleep better knowing that by giving up just 2 percent of our standard of living, starvation would be eliminated from the face of the earth.

If agricultural prices increased 35 percent and subsidies were eliminated through this effort, the standard of living adjustment would be minuscule. All of this miracle is suddenly available through the mind of one man and his idea of food stamps. I wish it were true.

It has been considered a truism for several years that food and a nutritious diet are available for all people of the world should politicians stand aside and logistics used wisely get food to needy recipients.

Several years ago I had the opportunity to visit a third world country. Particularly away from large cities, the people were very happy. Many were as simple as little children. It is my understanding that while many starving people may survive, inadequate protein and vitamin intake during infancy creates varying degrees of mental retardation.

If Dr. Peterson's plan worked to save even 10 percent of the

lives he hoped, could they become functional literate beings? If 40,000 people are dying every day, and all their lives were saved, but not all their mental capacity, we would save 14,600,000 in a year and a third of a billion in a generation producing more offspring.

Many third world governments have internal and external strife uncontrollable by outside parties. Many resent outside interference in sovereign affairs. There is evidence of outside food aid deliberately being allowed to rot at the pier rather than to save thousands of starving people.

Dr. Peterson uses statistical and numerical data as to what might happen should his ideas prevail. Standard economic methodology with one variable and all others static in a perfect world? Or a computerized econometric model based on timely data following a real world plan? If so, are innovation, risk taking, and human initiative quantifiable? Dr. Peterson does not say. His essay appeals more to what may be found in a weekly news-magazine demanding that if we can spend "X" on missiles, certainly we should and could do the same for the starving.

Dr. Peterson is rightly concerned that if given surplus free food, these people might get stuck with only wheat and milk. These foods may be foreign to their diet, therefore causing untold stomach problems and misery. They would not contribute enough to support a balanced diet. But what is a person robbed of his or mental capacity to do with a food stamp? Certainly these people are incapable of balancing their own diet.

Who will use the food stamp program to adequately provide life saving and brain saving nutrition to the babies? Who will provide that generation with the education that teaches them that mental and physical productivity are more fruitful than more babies? Is birth control taboo? Is it a rich country conspiracy to destroy them? Who will settle their fears? Who will provide productive work with just compensation? Who will make this a truly worldwide community where all may live decently? How can we eliminate inhumanity and rapacious dictators, when every thought we have says, "ME, ME, ME"!!?

I'm sure Dr. Peterson's knowledge and research are much more ample than his short article revealed. My concern is for these starving and dying people. Panaceas are offered, but fall far short the commitment and resources needed to make a real and lasting difference.

Yes, Dr. Peterson, the capacity to eliminate starvation, malnutrition, and illiteracy are with us. We live in a society and in a time where self-centeredness is rampant and rapidly reaching epidemic proportions. Would we only realize that what we are failing to do for these poor people will eventually lead to our own destruction.

From: Willis Peterson

University of Minnesota

Re: The Author Responds

I suppose Duane Young's reaction to the international food stamp proposal is fairly typical. While people tend to be sympathetic towards the goal of alleviating world hunger and poverty, and even raising the incomes of farm people, a proposal which aims to accomplish all this without increasing the budgetary outlays of donor countries appears at first glance to be too good to be true. Is the program feasible? Would it work?

First it should be understood that a program encompassing the entire third world would not appear overnight. Most likely it would have to begin as a small pilot project in one or two communities. Then as administrative problems were worked out the

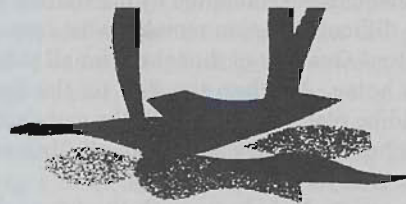
program could be gradually expanded. Distribution problems should not be unsolvable. It should be easier to distribute pieces of paper than physical commodities such as food or medicine. In its early stages the program's impact on international trade, farm prices, and incomes would, of course, be much smaller than when fully implemented. The figures presented in the article are estimates under full implementation.

In reply to Mr. Young's inquiry on the estimation procedure, the figures were obtained by first determining the actual per capita production and consumption of agricultural commodities for 119 countries. Then the additional output required to raise per capita consumption of the poorest nations up to the level existing in the lower, middle income countries was estimated, along with the price increase necessary to bring forth the added output. I estimate that the added output would require about a 6 percent increase in world food production. More detailed information on the computational procedure is contained in the earlier article published in *Food Policy*. The staff paper cited there also contains country-specific production and consumption figures for the 119 country sample. The numbers suggest that the program is technically and economically feasible. Its political feasibility is yet to be determined.

There may be a tendency to equate the program with existing welfare schemes where recipients have become dependent on the state, living a life of idleness and despair. This outcome tends to occur when recipients are singled out, creating a social stigma, and are locked into a program by perverse economic incentives. By targeting communities or geographic areas rather than individuals, both the social stigma and economic incentive problems are reduced. In fact, economic incentives towards productive activity should increase because of the expected increase in the demand for labor to satisfy the increase demand for food, farm supplies, and infrastructure.

The program's impact on population growth is a legitimate concern. While a short run increase might be expected, in the long run there is no evidence to suggest that lower infant mortality leads to a preference for larger families. In fact increased food security could reduce family size as parents become less concerned about old age survival.

As for the ability of poor people to spend their money wisely, knowledge is imperfect and mistakes are made but it seems to me greater waste occurs when outsiders dole out commodities than when people purchase with their own money the items they think maximize their utility given relative prices and their budget constraint. Of course, health, sanitation, and nutrition education should receive high priority in developing countries, especially with the program.



From: George R. McDowell

Virginia Polytechnic Institute and State University

Re: The McGuire and Bromley "Exchange"

Dick McGuire's father, David, one of the wisest men I ever knew, would describe a board we were trying to use to build a gate as, "too short on one end." That's my problem with the

McGuire-Bromley exchange—there are a lot of boards in that dialogue that fit perfectly—but only on one end.

As I read the two perspectives and the respective responses, including the epithet from Dan Bromley that Dick McGuire is an advocate for production agriculture, I was impressed mostly with their lack of communication. They were both talking about technology and technical change in agriculture. As a matter of fact, a substantial part of the environment-agriculture public debate is essentially a discussion of technological change—past, present, and future.

The environmental-agricultural debate and the folks who represent the sides, in this case Dan and Dick respectively (despite Dan's attempt to appear neutral and detached), are substantially influenced by some immutable facts. Dick points out the trade-off between survival and the environment in the context of a kind of Maslow hierarchy of needs. In that context, he argues, the environment always loses. Indeed in the Third World and Eastern Europe there is considerable evidence of the validity of his perspective. However, in American and other developed societies, there is another set of circumstances at work in the body politic: the income elasticity of demand for agricultural products is relatively low, and the income elasticity of demand for environmental quality is relatively high.

What this means in the public perception of their debate is that Dan gets to wear a white hat and ride a white horse before he even opens his mouth. On the other hand, Dick, who has always felt he was one of the good guys, is looking more and more like a bad guy, with a black hat and a dark horse. In the "where you stand depends on where you sit" vernacular of institutional economics, this is where they sit.

Where they stand is that they both think that technology is important in agriculture, and they believe in technological fixes. Dick, who is clearly a utilitarian, remembers farming with horses. (David McGuire kept horses longer than they were economical, he told me, so that Dick would learn how to farm with them and thus understand the changes that would come to American agriculture.) Dick's piece reflects that perspective and a deep appreciation of past technical change in agriculture, one of the most productive research investments in history.

Dick's piece also reflects some exasperation with the public's lack of understanding or appreciation of the great strides that have been made in agriculture. Indeed I think he is arguing that society's ability to focus on issues lower on Maslow's hierarchy of needs, or its ability to take a non-utilitarian position, is a luxury in part afforded by past technical change in agriculture. Dick may be right in that regard. However, he is naive if he thinks that by strongly making the "cheap food" argument and raising the specter of a starving world, the American public will stop the clamor for a fix of the spill-overs from past technological change. Most of the society does not farm for a living and their livelihoods are not significantly threatened by banning the use of some pesticide or another.

Further, Dick would like the environmental interests to give agriculture and the agricultural science establishment some room to get some new science in place. Dick, it seems, is more confident than Dan, in the society's (including the market's) ability to sort out the unintended consequences of yet new technology. That must be why Dan spent so much time on science policy.

Dan, it seems to me, takes too long to get to his major point made in the last three or four sentences of his article—if the agricultural research establishment expects continued public support, they must admit a larger collective interest into establishing the research agenda. The rest of the environmental community is much clearer on the subject and have been reading Vernon Ruttan

and his notions of induced technical change. Their perspective is, "Make those farmers account for costs that were not previously counted, and they'll have to change. Besides, we gave the agricultural science establishment twenty years and sacks of money for Integrated Pest Management. But do you think they'd let us into their councils—not them."

The rest of Dan's piece is sort of off in a "Field of Dreams" of national science policy and rational decisionmaking that counts all of the unintended costs—even the ones we don't yet know. But Dan may be right! There is no question that as the science becomes more powerful, and the outcomes are of increasing consequence, there is ever greater need to bring the science and its impacts under control.

But it is in Dan's "response to Commissioner McGuire" that the white hat is donned. Dan spurs the white horse and slams the guy with the black hat to the ground. Cheers went up from all the resource economists and nobody, so far as I can tell, has figured out what the hell actually transpired except that another bad guy bit the dust.

Me? I'm still trying to build a gate between the two points of view with too many boards that are too short on one end.

I want to know:

- why the farm groups refuse to say "thank you" to the environmentalists for the IPM money and the very good science it is inducing?
- why the agricultural science establishment has failed to include environmentalists in their research science councils, given all of the science money generated as a result of their efforts?
- why the environmentalists, who collect so much money from the public, spend most of it on collecting more?
- why the environmentalists don't work more on positive, constructive public policy and less on headline grabbing grandstanding?
- why farmers and farm groups can't seem to see their own self interest in rural development and provide real support for it?
- why environmentalists don't seem to realize that successful rural development may be the only way for them to achieve many of their goals, since rural folks have to live too?
- why the farm groups have not been able to recognize that most of the society wants them to succeed, is even willing to pay to have them maintain our bucolic images, but will not tolerate a health or environmental hazard?
- why many environmentalists are anti-science, at least anti-biotechnology?
- why farm group leaders don't play well with others in the sand box?

It seems to me that the communication problems between Dan Bromley and Dick McGuire, two of the very thoughtful people in the country on the subject of agriculture, technology and the environment, bespeaks of great difficulty ahead. Both sides need to spend more time learning about the other's perspective and discussing these questions, and less time tilting at stereotypic windmills.

From: Daniel W. Bromley

University of Wisconsin-Madison

Re: The Author Responds

George McDowell suggests that our exchange was a bit "short on one end." In one sense perhaps that is so. Richard McGuire's piece was originally crafted as a speech to, I believe, a farm group. My piece was written to encourage economists to reflect

on three aspects of received wisdom: (1) technical change is beneficial; (2) technical change is the result of market forces; and (3) science concerns truth, while emotion and subjectivism govern other human endeavors. For the most part, I argued, these three assertions are true only upon severe qualification. *CHOICES'* Editor, Lyle Schertz, on reading both papers, thought they spoke to a similar issue, and asked us if we would agree to the juxtaposition.

As George surely knows, one way to compensate for short boards is to shim one end of the gate. Let me try a few shims.

George believes I took too long to get to the main points only because he confuses the main points with *their implications*. The implications I drew for agricultural research are derivative of my main points detailed immediately above. Indeed, in the absence of my three points, recommending a greater public role in the nature and extent of publicly supported research is quite inexplicable. The connection Lyle saw is that agricultural policy is about more than prices and quantities—it is about technical change, it is about subsidized research driving that technical change, it is about cost shifting (externalities), and it is about the nature of rural America—both aesthetically and economically. Agricultural policy is also about 95 (or is it 97?) consumers for every farmer in America.

Commissioner McGuire knows better than most that agricultural policy at the state level is precisely about the above considerations. While he railed against environmentalists, this label is really a metaphor for a broad class of threats to agriculture as it is, *and as it was*. He prefers it as it was for obvious reasons. A commissioner's job is much more difficult now than in the "good old days" precisely because most of those individuals now pressuring agriculture to deliver a different product, using different inputs, were previously lulled by the deceptive statement that Americans spend a lower share of their income on food than do any other citizens on earth. With this benediction in place, how could anyone complain? But it is deceptive because it suggests the full social costs of agricultural production are incorporated into market prices. George is quite correct to point out that consumers are now smart enough to recognize *value* per unit price, and "cheap" food has its disadvantages—in several respects.

What George dismisses as my "Field of Dreams" (immediately prior to deigning that I "may be right") is the very essence of a new reality in accounting for the expenditure of public monies. It is not my "Field of Dreams" but rather the public's demand to know how its taxes are being used. One cannot have a tax revolt focused on magnitude without, at the same time, focusing attention on the nature of those expenditures which remain.

A corollary phenomenon is indeed noted by George: "As the science becomes more powerful, and the outcomes are of increasing consequence, there is ever greater need to bring the science and its impacts under control." We were recently reminded of this fact when a number of cars of a freight train derailed in northern California, a tank car tumbled into the Sacramento River, and then approximately 20,000 gallons of Vapam (metam sodium) began to float along the shores of Shasta Lake. Vapam is used to control weeds, nematodes, and other insects prior to the planting of various fruits, vegetables, and cotton. Here is another reminder that the social consequences of modern agricultural technology are not as they were in the "good old days." Richard McGuire misses those days when "environmentalists and farmers were allies" but apparently fails to consider that agriculture back then bears scant resemblance to agriculture today. He blames the difference on cranky environmentalists rather than admitting that the very nature of the industry and its products differ radically from its romantic past.

In all probability, agronomists—whose salaries and research facilities were paid for by public funds—played an important role

in field trials to develop the protocol for the optimum use of Vapam on different crops. The private sector is able to gain non-trivial leverage in the process of technical change by enlisting the public sector to undertake some (most?) of the work in product development. While similar to the issues raised in earlier tax-subsidized research on "labor saving" agricultural mechanization, the impacts from more recent technical innovation reach beyond farmers and displaced migrant labor. Now, agricultural technology affects the urban middle class in the food they buy, and the water resources they are pleased to frolic in—or drink.

I was concerned in my article to explore and understand this larger collective interest in the way food and fiber are produced. This collective interest seems inexplicable in light of prevailing myths about science and truth, technical change as always beneficial, and the market as a sufficient explanation of technical change. Yet, the legitimacy of this interest begins to make more sense if you have first disabused people of the idea that: (1) there are few, if any, disadvantages to technical change; (2) markets drive technical change and we all know that markets are wonderful mechanisms; and (3) scientists always know best. The implication for agricultural research is that continued public support will depend upon recognition of this new reality.

of USDA's BAE

From: Marion Clawson

Bethesda, Maryland

Re: Parsons' "Henry C. Taylor"

Ken Parsons' account of Henry C. Taylor and of the Bureau of Agricultural Economics was most interesting and enjoyable to this oldtimer who knew Taylor and was a member of the BAE. To the best of my knowledge, his account is accurate. It should be most informative and revealing to younger economists who knew neither the man nor the agency.

For a decade I have been urging someone or some organization to write a detailed, eclectic, comprehensive, and analytical history of BAE. It was indeed a remarkable federal agency. It was constantly in controversy, in no small part because it was so outstanding. The entire profession of agricultural economics is deeply dependent upon the man and the agency. A full account should consider the milieu from which it originated, the process of agency formation, its early years of success and achievement, its role in the depression years, its role in wartime, its ultimate dismemberment, and its legacy. For each of these periods, its intellectual contribution to the field, its relations with the Land Grant Colleges, its relations with the Congress, and other sociopolitical aspects should be considered. Clearly, this would be a major undertaking but a truly good history would be enormously valuable.

From: William Herr

Re: Parsons' "Henry C. Taylor"

I found the profile of H.C. Taylor by Ken Parsons very interesting and enjoyable reading. Why not more profiles about others who provided the "roots" for the agricultural economics profession?

From: The Editor
Re: Herr's Suggestion

Thanks for the encouragement. We, too, think that "Profiles" are an important part of *CHOICES* and look forward to hearing from potential authors who are interested in writing about the "pillars" of the agricultural economics profession. In the meantime, readers may want to review the profiles that have appeared in earlier issues of *CHOICES*: Nobel Laureate Theodore W. Schultz in Third Quarter 1988; Frederick V. Waugh by Martin Abel in Fourth Quarter 1988; John D. Black by Willard Cochrane in First Quarter 1989; George F. Warren by Kenneth Robinson in Second Quarter 1989; and Rensis Likert by Leslie Kish in Fourth Quarter 1990.

U.S. FRUIT AND VEGETABLE AGRICULTURE

From: William J. Wood, S.J.
National Catholic Rural Life Conference
Re: Bouis' "Fruit and Vegetable Agriculture"

In the Second Quarter 1991 issue of *CHOICES* Frank Bouis wrote: "In reality, the fates of workers, landowners, harvesters, and farmers in the United States are intertwined. It's time for all of them to recognize this reality and search for their common ground in pursuit of a rational national farm labor policy and international trade policies consistent with it." Such national and international policies will be neither rational, just, nor effective without a major power shift and change of priorities in California agriculture, the largest, richest and most productive in the nation, indeed in the world.

Labor-intensive fresh fruits and vegetables have been a highly profitable growth industry in California. For the past decade, California farmers have been shifting from low-priced row and field crops to high-value fresh vegetables, nursery products and tree and vine crops. And, although one hears the periodic moaning and groaning about shortages and the desperate need for a new "bracero" program to save California agriculture from going under, the availability of workers able and willing to do the job is attested to by the continually increasing production and the ever greater profits. Gross farm income is predicted by the Bank of America to rise faster than inflation in coming years.

But this prosperity has not been equitably shared by either farm workers or small scale family farmers in California, though both are central to the prosperity of the state's diverse agricultural system. In fact, large-scale growers and agribusiness giants have prevailed in reaping huge profits at the expense of those who work the land for them. Abuses and injustices have been compounded over the past decade, and made harder to account for, by a fragmentation of the farm labor market and the increase of farm labor contractors and farm management companies, who tend to pay lower wages, offer fewer benefits, and hire more undocumented workers. Unregistered farm labor contractors are frequently involved in the worst offenses against farm workers.

Far from the rosy picture Mr. Bouis painted of fruit and vegetable workers being paid like all other U.S. employees and even

enjoying "special provisions for migrant protection," a recent investigation into the California situation made the following assessment:

With very few exceptions, agricultural employment is unstable, insecure, physically taxing and poorly remunerated; it provides at best a meager kind of existence plagued by chronic poverty, public neglect and diminished opportunities. California's agricultural labor force is also predominantly Latino of rural Mexican descent. These are circumstances that, in conjunction with research and policy apathy and limited public concern, make California farm workers and their families into an authentic underclass with sharp ethnic overtones. (Miriam J. Wells and Martha S. West, "Regulation of the Farm Labor Market: An Assessment of Farm Worker Protection Under California's Agricultural Labor Relations Act," Working Paper #5, Working Group on Farm Labor and Rural Poverty, CIRS, Davis, California, February 1989, p. 23.)

In this atmosphere, family farmers are hard put to compete and survive without forsaking the very ethical and spiritual values that our society and the world so desperately need to live by if there is to be a future, not only for domestic fruit and vegetable agriculture, but for the human community. Before we can devise a fair and viable national farm labor policy and international trade policies consistent with it, the California experience suggests that the challenge is fundamentally one of realigning our values and spiritual vision.

From: Frank Bouis
Lake County, Florida
Re: The Author Responds

I have looked very carefully at Father Wood's letter. He leaps to the last paragraph of the article to jump upon one sentence and use it as a springboard for a discussion of farm labor conditions and spiritual values as he says they are found in California.

I am almost totally ignorant of conditions in California, having little contact there except by the press and other hearsay. But I think we would all agree with the rest of the paragraph quoted. "A rational national farm labor policy and international trade policies consistent with it" (part of the sentence Father Wood attacks) is "better policy than attempting to take workers out of (fruit and vegetable) agriculture...or attempting to encourage foreign production (of fruits and vegetables to be imported here)."

The national path we are now walking leads to a loss of fruit and vegetable agriculture in the United States. I believe this will work hardships on many people in the rural communities across our country, and these hardships will be economic and social, the concerns I mentioned. But they will also be spiritual, a concern of Father Wood.

No right thinking person will say that all is rosy in fruit and vegetable agriculture, but neither is it all black and ugly. Though I could do other things, I want to continue to be a fruit grower. I think farm workers want their jobs. I think farm communities want the business that is based on the neighboring farms. I believe farm workers faced with the choice of their farm job in the U.S. or a similar job in Mexico for another person will choose theirs here, everytime. Wouldn't you?

I believe in the good intentions of almost all people, but too often, their efforts to improve the size of an individual slice of pie results in the whole pie diminishing, or even disappearing. My article was an expression of hope that people—workers, landowners, harvesters and farmers, and their spiritual advisors—would seek for ways to keep fruit and vegetable agriculture in the United States for the good of all of us. 