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# Henry Charles Taylor, 1873-1969

## Organizer and First Head of USDA's BAE



*Courtesy Economic Research Service, USDA.*



Henry C. Taylor (1873-1969) was the dean of agricultural economics worldwide; probably no other person influenced the shape of the agricultural economics profession as much as he did. "HC's"

father was a successful farmer in southeastern Iowa, and paid all the expenses of HC's education, including two years of graduate study in Europe. Taylor graduated from the Iowa State College at Ames in 1896, after having taken two years of preparatory work at Drake University. He came to Madison for graduate study in the year of his graduation from Ames and was greeted by Professor Ely with, "You are the answer to my prayers." For Ely had shifted to the University of Wisconsin from Johns Hopkins University with a determination to improve the lives of neglected citizens, especially farmers and industrial workers.

Taylor came to Wisconsin anticipating a career as a farmer-statesman, combining, for example, the operation of the home farm with a career as an elected official, perhaps as a member of the U.S. House of Representatives. But he found much more in the study of economics than he had expected and decided during his first year at Wisconsin to devote himself to becoming a professional economist. However, HC never lost his commitment to action; he was, by instinct and inclination, an organizer, even a field general.

### The Taylor Family

The history of the Taylor family epitomizes the great movement of farm settlement from the Atlantic Coast across the Middle West. The first recorded title of landownership by one of HC Taylor's ancestors was in Virginia in 1635. For the next two centuries, the Taylor people moved westward, state by state, making their longest stop in Kentucky. Taylor's grandfather purchased land in Van Buren County, Iowa, in 1839; his father, Tarpley Taylor, inherited this "80" and enlarged it to a farm of 500 to 600 acres, through buying what had been ten separate farms. Most of the sellers no doubt moved on.

Although the quest of these settlers was for land, at a deeper level of meaning this was a quest for equality of opportunity; this quest had a lasting influence on the attitudes and character of the people, including Taylor. One major imprint was noted by John Dewey in the *New Republic* in 1922: "What we call the middle classes are for the most part the church-going classes, who have come under the influence of evangelical Christianity. . . . These persons form the backbone of philanthropic social interest, of social reform through political action. It has been the element that has been responsive to appeals for a square deal and more nearly equal opportunities for all, as it has understood equality of opportunity." Dewey's *New Republic* article was something of a rebuke to eastern intellectuals who were making sport of the simple folks in the Middle West in connection with the Scopes trial, where William Jennings Bryan defended the biblical creationist theory of man's origin against Clarence Darrow, a great trial lawyer.

As Taylor was growing up, farmers were baffled: now they had good land of their own, larger in area than their ancestors dared dream about; they had steel plows to turn the tough prairie sod, self-

binders and threshing machines to harvest the grain, and railroads to haul the grain to terminal elevators. But they realized only meager incomes: something must be wrong with the system. Out of this restlessness came the populist movement of politics, the "granger" farmer movements, and a generation of people determined to achieve greater equality for farmers; Taylor was one of them.

### The Early Professional Years

Taylor completed his Ph. D. program in 1901; this included two years of study in Europe—in Germany, Switzerland, and the British Isles—and the writing in London libraries of his thesis, "The Decline of Land Owning Farmers in England after 1815." His dissertation was based on field interviews which were taken while he traveled by bicycle.

As he joined the University of Wisconsin's faculty of economics upon receiving his Ph. D., both Taylor and Professor Ely understood that he was to work toward the establishment of a program in the economics of agriculture.

Taylor's sensitivity to the needs of farmers, his keen sense for policy, and his willingness to take unpopular positions were evident in his work at Wisconsin from the beginning.

During his first year of graduate work at the University of Wisconsin (1896), Taylor attended lectures then being given to the short-course students by Professor W. A. Scott, who was explaining to these young men why Wisconsin farmers should shift to dairy farming from the original system of farming of wheat, hops, tobacco, and "a few red cows." In 1903, Taylor, as a member of the economics department, was invited to give the short-course lectures; he readied a short, printed syllabus: "Agricultural Economics, Part I, the Economics of Farm Management." He did this, he said, "So that the students would have something to carry away from the course."

The syllabus was also the basis for a confrontation with the Dean.

Wisconsin farmers at that time were growing some sugar beets as a cash crop. Taylor, knowing full well that the Dean of Agriculture was an investor in sugar beet refineries, explained in his syllabus why sugar beets could not be a profitable cash crop in Wisconsin in competition with corn. At the conclusion of the course, the Dean called Taylor in and expressed appreciation for his teaching, adding, "I note what you say about sugar beets, but we'll work that out." They didn't. Even so, two years later, in 1905, Taylor was invited to give a beginning course in agricultural economics to the regular long-course students. In 1909, he shifted to the College of Agriculture and established the Department of Agricultural Economics.

Taylor's interest in policy was shaped by the progressive era in Wisconsin state politics. Taylor never worked as closely with the governors as did John R. Commons. Still he felt the pressure from Capitol Hill. Charles McCarty, originator and head of Wisconsin's Legislative Reference Library, was an articulate advocate of cooperation. He kept pressing Taylor for the University's Department of Agricultural Economics to give leadership to improvements in the marketing of dairy products, for the production of milk had increased greatly as farmers shifted to dairying. Taylor used this pressure to secure an appropriation from the legislature for the department to finance a faculty position in marketing and farmer cooperatives.

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With this appropriation, Taylor persuaded his long-time friend, Benjamin H. Hibbard, to leave Iowa State College, where he was head of the Department of Economics. In 1913, Hibbard became the second professor in the Department of Agricultural Economics. The talents of these two men complemented each other remarkably. As Taylor liked to say years later, "Ben and I together make one pretty good man." The department at Wisconsin was on the way, attracting graduate students in substantial numbers; the students, being mostly farm boys, knew farming firsthand and as Ralph Barton Perry said of John Dewey in honor of his ninetieth birthday, "His mind was first rate for it was firsthand."

## The Call of Washington

Within a few years, however, Taylor responded to the call to move to Washington, D.C., to the U.S. Department of Agriculture, for this position held the promise of a national role for Taylor for the development of agricultural economics, even though it meant a considerable cut in his salary. This shift in 1919 came when the President, Woodrow Wilson, was a doctor of philosophy and the Secretary of Agriculture, W. A. Houston, had a master's degree in economics. The opportunity to consolidate USDA's work in economics, then scattered about the USDA, into a Bureau of Agricultural Economics, appealed to Taylor. He had already sent two of his Ph.D.s—Oscar C. Stine and O. E. Baker—to the USDA to work with Spillman. When he moved from Wisconsin to the USDA he persuaded L. C. Gray to move with him. Within a very few years, these men and many more under Taylor's leadership turned the Bureau of Agricultural Economics into a great, unique, economic research and service organization that continued to flourish.

In a 1926 manuscript, Taylor commented on the greatness of the Bureau as a research and service organization: "The magnitude is indicated by the fact that more than 2000 people were engaged in carrying on the work and more than \$5,000,000 were being expended annually in this undertaking....The services of the Bureau are represented in three main lines of work: (1) crop and livestock estimating and statistical services; (2) the commodity marketing division, including the preparation of standards, market news and improvement of market practices; and (3) the farm organization and management divisions..." As outlined by Taylor, the BAE was organized into eighteen divisions: two production divisions; nine marketing divisions; and seven general divisions in addition to administration (with seven professionals besides the chief).

The new agency encompassed many of the areas of work now carried on by the Economic Research Service, National Agricultural Statistics Service, Agricultural Cooperative Service, Foreign Agricultural Service, and Agricultural Marketing Service. Taylor as head reported directly to the Secretary of Agriculture. The Bureau quickly became one of the most influential agencies in the Department and was the largest economic agency in the Federal government.

## The Reality of Washington

Among the Taylor archival materials one finds an unpublished manuscript, "A Farm Economist in Washington, 1919-1925." This is a book-length statement—317 pages—written by Taylor in 1926. The manuscript is a detailed account of how Taylor developed the Bureau of Agricultural Economics as well as what was intended: "It

was to fulfill the purpose of providing information that would give these millions of farm managers a mental vision of the economic life of which he is a part that the USDA has attempted to become the eye of the farmer in this and other lands." Obviously written for publication as a book, the manuscript remains unpublished.

Taylor's eighteen years at Wisconsin had been a career of ascending achievements. But right off after his arrival in Washington, the wartime prices of farm products collapsed. This drop in prices was disastrous for a vast number of farmers. Soon the USDA began publishing the small blue sheet *Agricultural Situation*, prepared by the BAE. It showed the past and current index of purchasing power of agricultural products in terms of the items needed by farmers. Out of this index came the parity index, as well as support for the argument that farmers were a disadvantaged people.

Fortunately for Taylor and the development of agricultural economics, President Harding appointed Henry C. Wallace as Secretary of Agriculture in 1920. Wallace, editor of *Wallace's Farmer*, knew Taylor well. No doubt he did much to encourage Taylor's building of the BAE.

Harding had appointed Herbert Hoover as Secretary of Commerce in 1921; he continued in this position through the Coolidge administration. Hoover proposed a program which set the stage for clashes between the USDA and the Department of Commerce over

which department was to have the primary responsibility for securing agricultural information from around the world. These controversies stirred the ire of Herbert Hoover.

Among the Taylor papers in the archives at the Wisconsin Historical Society, there is a report of a meeting in the Office of the Assistant Secretary of Agriculture of representatives from the Department of Commerce with USDA officials. It is dated July 31, 1921. As a preface to this "white-on-black" print, Taylor adds a handwritten note:

*"This conference was held to ascertain in what measure the Department of Commerce proposed to secure agricultural information and make it available to the USDA and in what measure the USDA would need to send men abroad to secure agricultural information. This question was not settled at once. The Department of Commerce (Herbert Hoover) desired to develop a large division on food products. As time went on the issue as to which department should gather agricultural economics information abroad developed considerable heat in which Hoover and Wallace were involved. Hence, the value of this document."*

With the death of Warren G. Harding in 1923, Calvin Coolidge, Vice President, assumed the Presidency. Then, Secretary Wallace died unexpectedly late in 1924. This was a loss to Taylor not only of a personal friend but also of his staunchest supporter. The interim appointee, Howard M. Gore, who served from November 22, 1924, until March 4, 1925, seems to have not involved himself in the controversy between the Departments of Commerce and Agriculture. President Coolidge appointed Jardine of Kansas to succeed Gore as Secretary of Agriculture. Taylor and Jardine were acquaintances, perhaps even friends. However, one of the conditions of Jardine's appointment by the President, which Jardine accepted, was that Jardine get rid of H.C. Taylor. Jardine offered to find for Taylor a position in the government service of rank equivalent to the headship of the BAE. He pleaded with Taylor to resign but to no avail. Taylor simply ignored all this and carried on at the USDA.

Taylor implies that he learned of his likely dismissal from an article in the Philadelphia *Public Ledger*. On January 20, 1925, the *Ledger* carried a story, by their Washington correspondent, regarding the secretary-ship of the USDA. It was headlined, "New Secretary Is Chosen: Appointee To Be a Man in Favor of Hoover's Farm Ideas." On the following day, the *Ledger* carried an editorial, "The White House and the Bureaucracy: The President is looking for a new Secretary of Agriculture. He wants a man untainted by McNary-Haugenism, farm subsidies, price fixing or other forms of Treasury raiding. The man he wanted was Herbert Hoover, but the Secretary of Commerce declined."

As for Taylor, he refused to resign, maintaining that he had not gone about promoting the McNary-Haugen proposal or any such program. Since I have read Taylor's letters and all similar items, such as speeches by Taylor during this era, I can report that Taylor is technically correct. However, Charles Brand, as well as others on the staff of BAE, were working with Congressional committees trying to devise some sort of remedial farm legislation. The concluding paragraph of the 1926 manuscript explains:

*After remaining at Williamstown for the meeting the following morning, I proceeded to Ithaca where I spoke to the students in the summer session of Cornell University on "Standards of Living and the Farmers' Share in the National Income." While in Ithaca, I received a note from Secretary Jardine stating that he had intended to see me again before taking action but owing to the fact that he had to go to the hospital for an indefinite time that he could not see me and terminated my appointment effective August 15, 1925.*

There seems to have been little response by agricultural economists to Taylor's dismissal. Insulted and, no doubt, angered, Taylor gave several speeches to farm groups, especially in Iowa.


The central message was that the administration in Washington was not interested in the welfare of farm people, only in cheap food for the urban workers.

## Life After Washington

This phase of Taylor's career did not last long. Soon he rejoined Professor Ely, then in the Land Economics Research Institute at Northwestern University, where he wrote the book-length manuscript. In 1927, he accepted the directorship of a Country-Life Commission for Vermont. He also served as member of a committee which undertook an extensive valiative tour of Asia—Japan, Korea, China, and India—to review the work being done on rural problems by missionaries.

Then Taylor became the director of the Farm Foundation. While director (1933-43), he worked closely with O. C. Stine in planning the study of the history and development of agricultural economics. In 1952, Henry C. and Anne-Deweese Taylor published *The Story of Agricultural Economics*. For the rest of his life, HC was the elder statesman of agricultural economics.

Many of us visited the Taylors in their home, "Indian Queen on the Potomac." HC was particularly pleased to come to know several of the younger agricultural economists in this way. Such visits continued even when he was hospitalized with his terminal illness, bone cancer of the leg. He would welcome visitors at the elevator door in his wheelchair. His zest for life never faltered.

In my visits with him in his later years, he seemed to be reliving his days in Wisconsin. Although he worried about some of the directions in which the craft was drifting, he never wavered in his reverence for economics. More and more he praised the value of devoted teaching: Keep on teaching, he always implied, "this is the road to true immortality." 

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# Move Up With Alamo