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THE MAKING OF AFRICAN AGRICULTURAL ECONOMISTS:

AMERICAN RESPONSIBILITIES

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THE MAKING OF AFRICAN AGRICULTURAL ECONOMISTS: AMERICAN RESPONSIBILITIES

by

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The Making of African Agricultural Economists: American Responsibilities

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Introduction Of the requisites for economic development, those to which more developed nations can contribute fall into three broad categories: Capital, including human capital; technology; and institutions, broadly defined to include economic organization.1/ Of these, human capital is the surest and most "policy proof" contribution which the U.S. and other more developed nations can make. Without development of human talent, there can be no economic development. Regardless of the vicissitudes of policy, and uncontrollable external events, the reservoir of human talent remains an indispensable element for a nation's development.

Perhaps more pragmatically, from the viewpoint of the United States, with its scores of outstanding institutions and hundreds of outstanding programs in various disciplines scattered across diverse geographical settings, the development of human talent is among the contributions which the U.S. is admirably -- if not uniquely -- equipped to render on large scale. The American cadre of professors, instructors, tutors, advisors, and mentors, by sheer weight of numbers,

is able to influence, for good or ill, students from abroad who return to their homelands. These returning students then influence and shape their own disciplines, academic departments, and institutions. Many of these academic departments are still relatively young in terms of their stages of growth and development, particularly in the case of Africa.

The magnitude of the task of economic development in Africa, and the potential influence of Americans on African scholars, portrays American responsibility in developing human capital as nothing short of formidable. While African institutions have come far in the last two decades, and more of them will be developing their own Ph.D. programs, it is only realistic to suppose that many of Africa's new Ph.D.'s will continue to do their advanced work outside of Africa -- and many of them in the U.S.

While two years as visiting professor at a major African university is insufficient to remove the "outsider" label, one would need to have served those two years in a trance not to have developed some views on American responsibility toward African students and their needs. But to suggest what is "good" for new African agricultural economists is to place oneself in the always uncomfortable position of appearing to tell someone else what is good for them -- a vulnerable if not precarious role at best. Thus, this advice is best interpreted not so much as advice to Africans, but as advice to fellow Americans who will continue to influence the course of study of Africans. This places me in the far more comfortable and tenable position of advising

fellow countrymen, rather than foreign scholars.

Agricultural Economics and Opportunity Costs Agricultural economists are probably the world's foremost exponents of opportunity costs, often administering resolute lectures and issuing stern rebukes to those who carelessly ignore their existence. Yet, in my experience, we are the first to scrupulously ignore opportunity costs during discussion of curricula in our own discipline. Glearly, the nature and complexity, though presumably not the basic tenets, of this profession have changed, requiring the addition of courses, options, and fields.

Whether this has made Ph.D. programs longer and more arduous is debatable. Surely, however, few would argue that these programs should be made any longer or more arduous than they presently are. Yet when asserting the urgency of adding this or that course or requirement, seldom is it explicitly stated that something else should be dropped. The process is, as diplomacy and human nature would suggest, far more subtle.

To explicitly recognize opportunity costs, specifying what is less necessary and might be dropped in deference to that which is more urgent, is to antagonize, to provoke, and to risk being labeled "antithis" or "anti-that." As a result, while decisions to add courses and requirements are explicitly made, decisions to drop requirements and to de-emphasize certain subject matter are implicitly made.

To illustrate, few Ph.D. programs in agricultural economics, of

which I am aware, require economic history. I have never heard anyone assert that economic history is unimportant or superfluous. No self-respecting agricultural economist would admit to recommending that a student eschew it. Yet, courses and requirements are insouciantly added to curricula, it being made clear to students that these are "expected" to be taken in order to pass certain examinations.

Meanwhile, the course in economic history is available to "those students who desire it," and they are, of course, "encouraged to take it." But why delude ourselves? The implicit decision to de-emphasize economic history has discreetly been made. Nobody has been made the scapegoat -- nobody has been forced to explicitly suggest that they consider economic history to be less important than something else. Nobody risks rebuke as we turn out students who possess neither a sense of history nor historical perspective.

The point here, of course, is not to push for economic history -that is only intended as an illustrative case -- but that as we load
additional courses, requirements, and examinations on students, it is
necessarily at the cost of something else. That cost in terms of
something else, especially in the case of aspiring African economists,
may be too high. The corollary to this is that to suggest what might
be given more emphasis, without specifying what ought be given less, is
to engage in a perfidious exercise in futility and double-speak.

More of -- Less Of The initiation of this essay was prompted by my belief that aspiring African agricultural economists ought to have

more of certain subject matter. However, unless this is to be yet another exercise in perfidy, one is compelled to either admit that programs should be made longer and more arduous -- and I do not admit to this -- or to state what should be de-emphasized or given "less of." This is a hazardous but necessary task.

Based on my observation and judgement, gleaned from two years as part of an African University, I would like to see aspiring African agricultural economists 1) better grounded in conventional macroeconomic theory, including strong emphasis on foreign trade, and international monetary theory and policy, 2) have a better grasp, not of price theory per se, but of the role of the price system in an economy, including what it does not do, and the conditions under which it does not produce intended social goals with respect to efficiency and equity, and 3) get a greater emphasis on that most ancient and fundamental tool of learning and instruction, effective use of the language. (This latter, I hasten to add, serves equally for all students, including, and perhaps especially, Americans.)2/ Let us discuss each of these in turn, before engaging in the more hazardous exercise of suggesting what might be given less emphasis.

1) The recommended emphasis on macroeconomics has to do with the relation of agricultural and natural resource allocation to the primary and urgent task of economic development. Some twenty-five years ago, Ruttan and Weisblatt asserted that, for Asians, microeconomic studies be selected and conducted such that they contribute to broader

macroeconomic issues.3/ With this, I firmly agree, and believe it on target for Africans as well. Relative to the size of their task, the cadre of African research economists is small. Limited academic resources can scarcely be used to address microeconomic problems which do not in a significant way contribute knowledge and understanding to major issues of economic development. New Ph.D.'s ought to have a grasp of these macroeconomic issues. Included in the perennial development issues are such controversial questions as importsubstitution strategies, favored by the Organization of African Unity (OAU), and export-oriented strategies, favored by organizations such as the World Bank. To constructively engage in such debate and contribute to the research effort, the agricultural economist needs far more than a brief introduction to the principle of comparative advantage. agricultural economist who is will grounded in international monetary theory and policy is equipped to offer enormous contribution. Many observers, both from within and outside Africa, assert that economic development in Africa will require both inward and outward oriented strategies, with the formation of preferential trade areas and customs unions. The staff work and negotiations, and conditions under which these are to be effective, will call for a large infusion of indigenous talent. This begs for increased emphasis on these subject matter areas for agricultural economists.

2) Instruction in conventional price theory is the core of

American Ph.D. programs in agricultural economics. I believe that in

addition to what the price system can do, a grasp is needed of what it

can not or does not do, and the conditions under which it does not achieve intended results. This would include the limited competition often characteristic of a small economy, and the usual qualifications in terms of external costs and public goods. Some of these matters are covered in courses in natural resource economics, public sector economics, and economic development. Yet, these are often not required. Purists may assert that this places undue emphasis on market failure, and likely will raise the standard shibboleths about "government failure." However, to recognize the deficiencies of the price and market system, and to concentrate on how these might be remedied to make capitalism work better, is considered heresy only by the most theologically inclined. To overstate what the price system accomplishes, and to place insufficient emphasis on conditions under which it fails, is to detract from the legitimate considerable contributions which prices and markets can make in the process of economic development.

In this regard, an introduction to Marxist thought somewhere in a graduate program may not be a bad idea. A careful and systematic examination of the administrative requirements necessary for socialism to work, and the beneficial role of the price system in relieving the State of decisions it is ill-equipped to make, should prove an enlightening and useful experience. This would focus attention on the central question -- selecting that combination of prices and markets, and central planning, which works! A related useful classroom experience would be to examine the special problems to be resolved as

the relative emphasis on central planning and market forces changes in a developing economy. It would be useful to take these issues head on in the classroom, and might serve to better prepare students who will someday be in position to lead the debate on what has appropriately been labeled, "The Choice."4/

3) Finally, I make the plea to ensure that communication in English is neither eliminated nor ignored to greater extent than it already has in examination and instruction. Indeed, it would be refreshing to see a resurgence in the use of the language. The temptation to communicate in terms of the "universal language" is considerable, as professional reward combines with the need to "prove oneself" to ones instructors and peers. While mathematical exposition, and professional jargon will carry the day in the seminar room, it can be averred that the awesome responsibility of the African agricultural economist only begins there. The real task, especially in Africa, is to convey the research discussed above into policy. As I have asserted elsewhere, 5/ the burden on the American academic agricultural economist is less in this regard, for there exists a cadre of professionally trained bureaucrats, congressional staffers, and others in local, state, and Federal government who can rather effectively bridge the gap between academic research and policy. No such cadre exists in Africa. This obviously places far greater responsibility on the researcher and the scholar.

The African agricultural economist who is best able to contribute

to the urgent task of economic development is the capable academician who is able to make the case, clearly and concisely, for sound and rational economic policy in the face of all too common shibboleths and platitudes about "colonial legacies" and "western exploitation." This is a tall order -- perhaps too much to realistically place on anybody. But the "Walter Hellers of Africa," who can make economic policy live, are in position to make the necessary practical contribution to economic development. American programs, as they currently exist, do too little to foster this possibility.

I would predict little disagreement with points one and two, although perhaps more from point three. However, the hazardous part of this exercise is to suggest what should be de-emphasized if the above is given more emphasis. I embark on this perilous and unpleasant, but necessary, exercise with some trepidation.6/

My first vote for "less of" for the African agricultural economist, and perhaps for others as well, based on the program with which I am most familiar (University of Minnesota), is the esoteric mathematics of the rather fanciful rational expectations hypothesis.

One is hard put to defend the usefulness of this effort for the African who will be concerned with the practical economic tasks of developing the basic economic organization, including efficient markets, use of prices, trade strategies, and monetary and fiscal policies of developing economies. Again, I emphasize the usefulness of conventional macroeconomic theory with a strong emphasis on international trade and monetary theory. To my knowledge, even though

the rational expectations hypothesis seems to be gaining credibility among many, particularly younger, economists and sadly, their agricultural economics claque, it is not yet considered conventional or mainstream. While an introduction to the topic can be defended, I assert that much beyond a brief introduction to the basic tenets of the rational expectations hypothesis serves little useful purpose, and is at an opportunity cost to the African, and likely to others as well, which is far too high.

My second recommendation has to do with price theory -particularly the way it is taught in the most advanced courses. the proposition that price theory and its basic mathematics should be the core of an agricultural economics advanced degree program, I am in agreement. But to go much beyond it -- to base a series of courses exclusively on mathematical proofs of advanced theorems -- while perhaps a constructive exercise for some -- a select few -- the opportunity cost of time so spent may be too high. Such critics are open to the charge of heresy -- to being "anti-mathematics" or perhaps even "anti-theory." To restate my point, however, price theory usefully forms the core of a degree program. But it is possible to carry it to the point where increased refinement, increased mathematical exposition, emphasis on proofs and theorems to the exclusion of all else, comes at the cost of application of the theory, and discussion of its usefulness in economic organization and development. Useful emphasis would include the conditions necessary for it to work, and measures to make it work better to achieve social

and economic goals of efficiency and equity. This is wholly consistent with the role of prices and markets in relieving scarce planning resources of decisions which governments in general, but particularly those of small developing nations, are ill-equipped to make.

It is far less important that Africans, and most other students, for that matter, be on the "cutting edge" of theory than that they have a fundamental understanding of it, and how it can be used to answer questions which are crucial to development. It is similarly less important to be on the forefront of developing new quantitative tools than to be well grounded in the use of existing tools. Of course, it is nice to be able to do all things. But Paul Samuelsons and Milton Friedmans don't often come along. When they do -- African or otherwise -- they certainly ought to be encouraged -- and nothing I have said precludes this. In the meantime, however, American institutions should do what they can to ensure that returning Africans are well prepared to address problems of economic development in a useful way. The most sophisticated quantitative study is wasted if the fundamental theoretical concept is missed, or if the study addresses an irrelevant issue.

Many of the useful professional tasks needing to be done are basic. In addition to the perennial development controversies mentioned above, examples in Kenya, the African nation with which I am most familiar, would include analyses of the recent deregulation of beef prices, and its effect on producer prices, including identifying

constraints which may have prevented price signals from reaching, or achieving intended responses from, producers. A second example would be to identify the constraints in an ostensibly labor surplus economy that give rise to apparent labor shortages in the important coffee and tea sectors. Such micro studies would contribute to important macroeconomic issues of development.

Even more fundamental, the field is open for the "Africanization" of basic subject matter in agricultural marketing, farm management, natural resource use, and issues of commodity policy. The accomplishment of such basic, but enormously useful and relevant work, might be given greater recognition in African, as well in international professional circles. This profession has been unimaginative in the way it recognizes the special conditions under which African (and perhaps other third world) scholars labor, and the more urgent problems they face.

Conclusions My plea to American colleagues in agricultural economics is to recognize the formidable task which returning African scholars face, and to pay more attention to the preparation which would help them contribute in a useful way to economic development. In no way am I suggesting a "dual standard," or a less rigorous program, for the urgency of the task immediately faced by Africans is greater than for the rest of us. The developed world can afford error and some profligacy in its use of scarce research talent. Africa cannot! I am suggesting instead that we ensure that what passes for rigor and clear

thinking be channeled away from such exercises as the learning of the mathematics of the rational expectations hypothesis, any yet further refinement of theorems of microeconomics, and toward the careful formulation of basic problems of economic development in terms of the relevant theory so that something useful can be said. And, it follows, that to be useful, this "something" ultimately -- and the sooner the better -- must be expressed in terms which non-economists can understand, and which can be applied to policy decisions.

The task of African agricultural economists is far more difficult, more demanding, and certainly more urgent than the task of their American counterparts. A sense of strategy requires that American agricultural economists recognize these cold facts, and design programs accordingly.

One can make the case that American agricultural economists are being cloned to the point where the diversity required for a variety of useful tasks is being reduced, and is rendering the profession less effective -- and less interesting. To perpetuate this transgression on the Africans is to render a most unforgivable disservice to them -- and to ourselves. Surely, this profession must be capable of a more imaginative and pragmatic response to such urgent demands.

Footnotes

- 1. A fourth requisite, cultural endowments which are conducive to economic development, is of fundamental importance, but not transferrable from outside. This does not preclude its change over time from inside the system. See, Ruttan, V.W., "Cultural Endowments and Economic Development: What Can We Learn from Anthropology," Economic Development and Cultural Change, 36 (#3, April 1988).
- 2. The failure of American "mainstream economists," Keynesian and monetarists alike, to counter the preposterous promises of the supply-side enthusiasts, allowing them to carry the decade in the political arena, attests to the decadent state of discourse on political economy in America today. It might be averred that the supply-side promise was too seductive to be countered by ordinary persuasion in English -- that it was so enticing that it had to be tried. Perhaps -- but I rather believe that we have yet to pay the price for the collective failure of economists and agricultural economists to communicate the case for sane and intelligent domestic fiscal policy. Admittedly, an October 19, 1987 is more persuasive than a gaggle of the most articulate economists could possibly be. But that is a rather lame excuse for our collective failure in communication!
- 3. Ruttan, V.W., and A.M. Weisblatt, "Some Issues in the Training of Asian Agricultural Economics Graduate Students in the United States,"

<u>Journal of Farm Economics</u>, Vol. 47, No. 4, November 1965, pp. 1024-1026.

- 4. Galbraith, John Kenneth, <u>Economic Development</u>, Houghton Mifflin Co., Boston, 1964, Chapter 3.
- 5. Waelti, John J., <u>Indigenous Social Science and Economic Development in Kenya</u>, Economic Development Center Report no. 5, University of Minnesota, March 1988.
- 6. Those who agree with my choices of "more of" but disagree with my choices of "less of" are invited to either cast their own vote for "less of," or to explicitly acknowledge that existing programs be made longer and more arduous. To avoid the issue by asserting that students should be "better prepared" when they come into graduate programs is to engage in the unwholesome exercise of imposing external costs -- placing the burden on undergraduate programs. To further specialize at the undergraduate level is to move in the wrong direction.