PROCEEDINGS OF THE EIGHTH INTERNATIONAL CONFERENCE OF AGRICULTURAL ECONOMISTS

HELD AT
KELLOGG CENTER
MICHIGAN STATE COLLEGE
U.S.A.
15–22 AUGUST 1952

GEOFFREY CUMBERLEGE
OXFORD UNIVERSITY PRESS
LONDON NEW YORK TORONTO
1953

OPENING PROCEEDINGS

THE President, L. K. ELMHIRST, *Dartington Hall, Totnes, Devon, England*, opened the Conference by ringing the Cowbell. He explained that when the Conference first met, twenty-three years ago, it was his pleasure to use a bell that had hung round the neck of a cow on Salisbury Plain in England, not far from the Bronze Age druid temple of Stonehenge. That bell had been given to the late Dr. Warren of Cornell University, one of the founders of the Conference. The present bell had been acquired in 1949 when the Conference met at Stresa in Italy, and was said to have been used by the honorary Secretary-Treasurer, 'Jock' Currie, to lead members safely over the Alps.

ADDRESSES OF WELCOME

J. A. HANNAH

President, Michigan State College

IT is a very great pleasure for me to have this opportunity on behalf of Michigan State College, its faculty, and the people of Michigan who maintain it, to welcome you officially to use such facilities as we have for your benefit and pleasure while you are here. Director Hardin, Professor Cowden, and Professor Witt, and all the members of the staff of our Department of Agricultural Economics, have been looking forward for years to this Conference, and we are happy to have you here. We hope your conference is going to be just as pleasant, just as productive, and just as satisfying as you hoped it would be when you embarked from your homes.

Possibly you may be interested in learning, if you do not know this already, that Michigan State College is the oldest of the agricultural colleges in America. Ninety-seven years ago, when this college was created, there was not in America or elsewhere an institution offering courses in agriculture at the university level. At that time higher education in this country was concerned primarily with education for preachers and doctors and lawyers and teachers and the children of the well-to-do. Michigan was out on the frontier. The farmers of this State (and most of the people of Michigan at that time were either farmers or made their livelihood from selling to farmers or buying what farmers produced and processing and reselling it) had

the notion that if higher education was a good thing for doctors and lawyers and preachers and teachers and the children of the well-to-do, perhaps there was a kind of higher education beyond what was then available that would be a good thing for the sons of farm people too.

It was a radical idea. There were no trained agricultural scientists then, no textbooks, no precedents. But despite these handicaps this college was established and dedicated to the service of the people who do the nation's work. It became a popular idea in America. This, and similar institutions, became known as 'people's universities'. And seven years after this college opened its doors President Abraham Lincoln signed the Morrill or Land-Grant College Act granting vast acreages of government-owned forest land, divided among the States and Territories on the basis of the representation in the Congress—30,000 acres for every member of the Congress. The understanding was that each State and Territory would sell the land, invest the money, and use the interest from the investment for ever for the purpose of establishing and maintaining, in every State and every Territory, at least one college where the principal object should be training in agriculture, mechanic arts (what we now call 'engineering'), military tactics, and such additional cultural subjects as were from time to time deemed desirable for the education and improvement of the industrial classes in the various pursuits and professions of life. Ninety years ago industry in America was largely agricultural. There are many reasons given for the great progress that has been made in America, industrially, agriculturally, and in all other directions. One of the reasons was the creation of this whole system of public land-grant colleges which provided advanced training for masses of Americans. In every State there is an institution like this one, and in each of the three Territories—Hawaii, Puerto Rico, and Alaska—financed entirely by the public, a little by Federal subsidy, but for the most part financed by contributions from taxes by the people in each of the States. They have a very liberal definition of education.

This Kellogg Center in which we are meeting indicates the philosophy of this institution. We are concerned with providing educational opportunities for the men and women who come here as regular university students—as undergraduates or as graduates. But we are also interested in doing anything and everything we can in the whole field of education and defining education just as broadly as the word can be defined. We have the notion that if there is any contribution this university can make in the field of education that will improve the lot or add to the pleasure or the comfort or the

well-being of any substantial group of citizens in this State, then that is a proper function for this institution. So we have something like 100,000 people coming to this campus this year, most of them to this building, for courses and conferences lasting from a few days to two or three or four weeks without a single hour of credit earned. There are bankers, janitors, meat cutters, farmers—all kinds of people, all of whom can rightfully call upon us for help.

Agriculture in America is what it is, due pretty largely to the contributions made by these land-grant colleges in research, in extension, and in on-campus and off-campus teaching of the kind I have been talking about. In my thinking we have a need in wide areas of the world, perhaps not for institutions just like this one, but for its basic philosophy. We need the general conviction that the poorest people, the least advantaged people, also should have the opportunity for all of the education they can use. We should believe that that philosophy is sound and in the best national interest and in the best world interest.

I hope you will keep your organization strong and vigorous. These international conferences of people interested in the same field are of great importance. You remember, before the wars and between the wars, there were many strong international organizations like this one, bringing scientists and teachers and specialists in almost every field together as you have come together here, to discuss agricultural economics or whatever the interest of the group might be. At the moment there seems to be a growing willingness to let the responsibility for this kind of programme be carried by the United Nations or by the Colombo Plan of the British Commonwealth, or by the Mutual Security Agency, or Point IV of the United States, or some other kind of scheme; and of course those schemes and programmes have great contributions to make.

But it will be too bad, and not in the best interests of all the people of the world, if organizations like this one languish and die. We need situations in which people can get together from all over the world without feeling that they have to speak the policies of their Governments, situations in which they can talk about their interests and criticize what they think should be criticized, and take apart and put together again those programmes and those operations in which they are interested. I hope that your organization will not go the way I can see many others going, towards surrendering to the U.N. or something else.

We are very happy to have you here as our guests and assure you every co-operation so that your stay may be pleasant and satisfying.

C. M. HARDIN, *Acting Dean, School of Agriculture, Michigan State College*

It is real pleasure and privilege to bring you special greetings from Dean Anthony. He is very sorry that he could not be here. We hope that it will be possible for him to be back before the Conference has ended. For those of us at Michigan State College who have been closely associated with the International Conference, I want to say that we have been looking forward for a long time to this occasion. Many of us have had opportunities to visit your countries, and in some instances we have visited you in your homes. We are pleased to have a chance to repay in a small way some of the many courtesies that have been extended to us. We are looking forward during the next week with great anticipation to new friendships and to the opportunity to work and discuss with you some mutual problems. As President Hannah has said, we believe in the International Conference and what it stands for. We believe that it was highly important when it was organized, back in 1929. And as the world grows smaller, we believe that it can, and should, serve an even greater role in international affairs. We hope you will be comfortable while you are here and find your surroundings an enjoyable place in which to work and also we hope, in between times, to play a little.

President Hannah referred to our School of Agriculture; and I too would like to say just a word about it. We have here under Dean Anthony's direction the Agricultural Experiment Station, the Agricultural Extension Service, and College instruction. Included in the Experiment Station is research in all of the different fields of agriculture, veterinary medicine, home economics (including foods and nutrition), conservation and forestry, and the social sciences as they affect agriculture. The Extension Service, likewise, encompasses each of those areas. Immediately contiguous to the campus are nearly 4,000 acres of farm land on which are located the various flocks and herds that are owned and operated by the college. If there should be some of you who would like to meet members of our staff who are engaged in these other activities, or if you would like to see some of our flocks, herds, and plots, we will be glad to arrange that for you.

It is nice to have you here and we are looking forward to a great week.

E. C. YOUNG, *Dean of the Graduate School, Purdue University, La Fayette, Indiana, U.S.A.*

This is an unusual opportunity for me to speak for our American members and the American Council and to welcome you to this

Eighth Conference. It was my very good fortune as a young man to attend the Second Conference, the first one held in the United States, in 1930. That Conference was a landmark in my professional career. Many of the younger members of our professions in the United States have never had an opportunity to come in contact with this Conference. I am confident that this opportunity here in these next days will offer to these young men some of the inspiration that came to me twenty-two years ago.

The members of the American Council have been introduced to you. Many of you know them personally. I am confident that they join with me in welcoming you. Also, I welcome you on behalf of all of the membership in the United States. We are anxious for this to be a successful meeting. Your officers, your President who has had a major part in the forming of the programme, these staff members at Michigan State College who have been introduced to you, members of the American Council, have worked diligently to make this a success. We have a good programme. We have drawn representatives from forty-five countries throughout the world. We have an opportunity before us, in the next days, to have a better Conference than we have had any time in the last twenty years. It is in your hands to make it a success or a failure from this time on. The programme has been arranged in such a way as to give you a maximum opportunity to participate. I am confident that you will do so, and that this Conference will go down in our annals as one of the outstanding Conferences in the series.

I know that you understand how difficult it has been for those who have been responsible for making the programme and for making the other arrangements. Notwithstanding the fact that we have one world, communication occasionally breaks down.

There are many persons here who can make contributions to the discussions who are not on the printed programme simply because our committee was not aware of the things that you were interested in, or of the possible contributions you might make. Each one of you should feel free, as the Conference proceeds, to make a contribution at points where it seems that you can do so.

Again I wish to welcome you to the United States and to this Conference on behalf of my fellow members in the United States.

PRESIDENT'S ADDRESS

L. K. ELMHIRST

THE address of the President has, in past years, been given on the first morning of our proceedings. This time it is attached to the words of welcome, but we decided not to dispense with it although your time is limited, and you have a heavy programme in front of you. At one time we met every two years, now we only see one another once in every three. Some kind of stocktaking is useful, therefore, to remind the older members of the road they have travelled together. It should also be helpful for our new friends and members to comprehend some of the experience we have gained over the years and the means whereby we have learnt to make the most of our seven concentrated days together. I know the story is told in part in the seven volumes of the *Proceedings*, but only in part, and the number of us who have been privileged to stay the course from the first and who are about to celebrate our silver wedding is a rude reminder that time works changes in our ranks. Your President and other elected officers are not infallible, they make their mistakes and you should know this, but I hope that we have shown that we can learn from our experience. Your Conference has struggled to establish itself in the hard times following two world wars. Your Executive has lived through two periods of depression, and we have watched the horizon of the Conference broaden steadily over the years. Today, more than ever, the world is one and the nations all but a single household, which will one day embrace the whole of humanity. We are, as it were, the stewards of civilization. Some of you will remember Lord Keynes's toast to the Royal Economics Society: 'I give you the toast of the Royal Economics Society, who are trustees not of civilization but of the possibility of civilization.' This is a reminder that mankind can and does flourish only when the household economy is kept safe from upheaval within and free of forceful attack from without.

Whilst reflecting on this aspect of our present situation, I was reminded of the story in the Christians' Bible of the unjust steward —a hard story to understand because by clever economic devices the steward who seems to feather his own nest at the expense of his employer is commended for his statistical ingenuity. The thought occurred to me, what is the real meaning of the word 'steward'? Reading the story once again in the original Greek, I suddenly

realized that the Greek for steward is a composite word from *oikon*, a house, and *nomos*, the law or the manners or the thrift which operate in a well-managed farmstead or household. Put those two words together and the parable becomes that of the unjust 'oikonomist'. I went further. What was it caused most anxiety to the steward of a Greek farmstead or household? I found it was *anomia*, lawlessness within the household, lack of thrift or lack of attention to manners or customs; and lawlessness from without, from the people next door, or from the neighbouring family, village, town, tribe, or nation.

Broadly speaking, it is the search for law, for thrift, and for good manners, ethical as well as legal, not only within the single nation but to meet the need of humanity as a whole, that we shall pursue and discuss these next few days. How are we intelligently to relate world food resources, and their production and distribution, to the number of hungry mouths? I can assure you that your executive officers have always tried to design each Conference programme according to the constitution and to suit the needs of the majority of our members. It is quite extraordinary how closely each of the volumes of our *Proceedings* reflects contemporary interests and anxieties. It is equally extraordinary how, over twenty-three years, the conception and need of one economy in one world household begins to develop and take root.

Asia, Africa, Latin America, the Middle East, the Mediterranean countries, the Southern States of North America: how rarely they received any serious mention in our *Proceedings* before World War II. Agricultural economics has still hardly begun to root itself in those areas of Asia and Africa where the bulk of the people of the world lives. But in circulating all our Council members in 1950 and 1951 for subject-matter and for the problems they thought most relevant to the present programme, your executive officers were asked time and again: 'What about the less or under-developed countries of the world?' 'Can world resources be married to the need of the world's growing population?' 'Can new developments catch up with and defeat the evils of poverty and hunger?' The low standard of living in many countries is not due, as many people still believe, just to industrial unemployment. Many rural areas of the world today suffer from serious under-employment. A recent calculation of the incidence of seasonal idleness in India alone works out at the equivalent of some 50 million wholly unemployed males. In Europe during the twenties and thirties we watched the growth from small beginnings of that despair that accompanies continued unemployment, rural

and urban. Can we show better foresight in the fifties than we did in the twenties and thirties? Then we had poverty amidst an apparent surplus. It is fairly certain today that if we were to make the fullest use of science, we could successfully eliminate the fear of poverty and famine. Could we have chosen a more appropriate theme today than 'The Economic Aspects of Food and Population'?

Looking back over the five volumes of *Proceedings* previous to World War II, and at the main topics chosen for discussion, you will find that the less-developed countries are mentioned only as subjects for interesting 'information papers', not yet for serious discussion. The infant social science of agricultural economics was busy fighting its own battle for funds and recognition within the bounds of that handful of nations which recognized that here was a new and unique tool of measurement, usable on behalf of better farming and marketing, and, perhaps, for better social conditions generally, by the State itself.

In 1929, when we first met as an international brotherhood of scientists, we concentrated our attention on a comparison of our various research methods, of differences in our use of terms, of ways in which Governments or universities or farmers' organizations supported or failed to support objective economic research. The ten years of chaos left in Europe by World War I was lessening, but great problems of industrial unemployment and of low purchasing power for food still kept European agriculture in a permanently depressed state. Only in America, as yet, no depression was apparent, and a feeling was growing that the prosperity of the 1920's might well last for ever.

By 1930, however, when we met at Cornell, the same kind of struggle against the unsaleable food surplus was beginning to occupy farmers everywhere, even in America. In the world of commerce, too, nervousness was apparent, despite the continuing boom. Just as generals tend to approach new wars with minds and weapons developed in the last one, so there was a tendency among the economists to look and think back to some golden age which might yet be re-established, in which *laissez-faire* and free trade would flourish once again on a world-wide basis.

By 1934, when we met in Germany, the economic house of cards had crashed. Chaos and unemployment spread everywhere from 1931 onwards. In the U.K., out of a total of between 10 and 11 million households, 3 million breadwinners were unemployed. In the U.S.A., the C.C.C. camps and the Public Works Administration tried to find work for some of the 12 million unemployed. Govern-

ments were forced to interfere in ways which nineteenth-century economists, political chiefs, and Gladstone himself, would have abhorred. The first stumbling attempts at establishing international trading agreements in foodstuffs were under way, but barriers in the form of tariff walls were being built at an even greater rate to try and preserve national household economies intact.

By 1936 Governments over most of the world were pledged to support their own farmers and industrialists. As one of the by-products of unemployment and widespread poverty, public and private funds began to trickle out into economic and social studies, some of them critical and scientific in character. There was a feeling that if only the political situation could be held unchanged the economic problem might still be diagnosed and treated. But the continued emphasis by each nation upon the shoring up of its own economy and the protecting of its own farmers and factories at any cost made progress in international trading and thinking difficult and finally impossible. The burning of farm surpluses in many of the mainly agricultural countries gave rise to the cry, 'Poverty in the midst of Plenty', and deepened the general sense of desperation.

By 1938 some economic conditions had begun to improve as the result of a variety of new factors at work, one of which was the wider range of economic activity undertaken by Governments. The frustrations of the twenties and thirties were still being expressed in demands for direct political and even military action. Governments attempted to mend their national economic ramparts, too often at the expense of their neighbours and generally with adverse effects on the volume of world trade.

It was at the conference of its allies called by the American Government at Hot Springs, Virginia, in 1943, that the first serious attempt was made to visualize a world in which there might be no differentiation between domestic and foreign welfare where fundamental human needs were concerned. There, too, an attempt was made by Governments to assess the significance of poverty as the chief breeder of trouble, and as an evil wherever it existed, that must and could be rooted out. Out of that meeting sprang the idea and the plan for U.N.R.R.A. Later on, the setting up of the U.N.O. in 1945 embodied in a formal way what is still a revolutionary idea and approach to human problems. Here was to be built a system by which all human beings would be guaranteed a chance to earn a decent livelihood under decent conditions, free from the fear of war. Out of the U.N. came organizations such as F.A.O., W.H.O., U.N.E.S.C.O., and the International Bank, as the I.L.O. had grown

out of the League of Nations in 1920. In 1947 there were enunciated the Point IV programme and the Colombo Plan for attacking the problems of poverty in the less-developed areas of the world.

Our present programme again reflects in no small measure the anxieties and hopes of the three years that have elapsed since our Conference at Stresa in Italy in 1949.

Those of you who have not been at previous Conferences may well wonder how a programme like the present one is put together. Even before this Conference ends, your Council members will be asked to be ready with their suggestions for the meeting in 1955. Before very long they will be circulated with a questionnaire. All the suggestions received will be analysed and tabulated under appropriate headings. Titles will then be issued covering the ideas most frequently put forward, and these will in their turn be circulated to all Council members. At a further stage the names of those most likely to be able to give a stimulating contribution will be attached to the titles. In the past we used to group all topics under three heads: discussion, non-discussion, and specialist. Now we term them: main discussion subjects, subjects calling for comment rather than for prolonged discussion, and specialist topics, such as agricultural statistics and marketing, where the terms and techniques are more or less precise.

In addition to the preparation of the programme, your officers have another equally important function. That is the stimulating of interest in agricultural economics, especially in those countries where activity in this field is either non-existent or is just struggling to establish itself. Visits by Vice-Presidents or by the President and his officers can have revolutionary results in arousing the interest not only of theoretical economists but of university authorities, farmers' organizations, and of government officials in the many services that research, survey, extension, and training work in our profession can bring to their assistance.

Your President remembers a meeting called for him in New Delhi in 1939, where the decision was first taken to start an Indian Society of Agricultural Economics. Today there is a flourishing society in India, thanks in large measure to the work and generosity of one of our four Vice-Presidents, Sir Manilal Nanavati. Your Vice-President Ashby was their guest in 1951.

In 1938 your three officers were invited to a meeting in Stockholm, where all the four Scandinavian countries were represented. This was an example of how a regional Agricultural Economics Society can be built up by several countries joining together for discussion,

where all can use the same language. Last September two of us once again visited the Scandinavian countries to stimulate the wider interest that such a society might revive.

Today our members in Italy, Switzerland, Belgium, and France visit one another in the holding of their own agricultural economics meetings. In the U.K. we have the custom of inviting a visiting speaker from abroad to every summer meeting of our Society.

In Turkey, this spring, we discussed the possibility of their holding a regional conference in agricultural economics which Greeks, Persians, Iraqis, Arabs, Jews, Syrians, Egyptians, and Cypriots might attend.

Your Honorary Secretary, Mr. Currie, represented our Conference officially as an observer at the F.A.O. meeting in Rome in 1951 and called upon our members in France, Holland, and Switzerland *en route*.

Dean and Vice-President E. C. Young's tour in South America backed by the Rockefeller Foundation, together with the assistance of the Kellogg Foundation, and the State College of Michigan, have made possible here at East Lansing the most representative delegation we have yet had from Latin America.

In India and in Israel your President discussed, in March 1952, with government officials and others, ways of extending and deepening the study and use of agricultural economics. We have found over the years that the only satisfactory way of laying the foundations upon which the work of the Conference can be built is through the making and keeping of close personal contacts.

Before the outbreak of war in 1939 we used to plan for a day when our International Conference might develop into an International Society of Agricultural Economists with its own budget, Secretary-General, and Journal, as well as its own triennial meeting. The establishing of such a society should be our long-distance objective, but more countries, more individual members, with more finance, must be attracted into our fold. Without very considerable funds it is impossible for your officers to make and to maintain those personal contacts which are vital to the success of our organization.

Our aim might, I suggest, still be expressed in Lord Keynes's term, 'Trusteeship of the Possibility of Civilization'. But the kind and quality of civilization we visualize must also sting our thoughts into action and set the mind on fire. This must, I suggest, be a civilization which offers the utmost fulfilment possible to the individual personality in and through a society where, thanks to a deeper

comprehension and a finer compassion, the quality of human relations steadily improves and deepens.

How can such a human society be achieved? I shall refer you once again to Lord Keynes, in part because so much of his own life was spent in trying to realize a fair balance between the life of the spirit and the life of the intellect. 'What is there', he asks, 'worth anything but passionate perception? Why is it so difficult to find a true combination of passion and intellect?' 'My heroes', he went on, 'must feel and feel passionately, but they must see, too, everything and more than everything.'