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11-7

Developing an Integrated Extension Program on Agricultural  
Adjustment Problem - The Production Viewpoint

by

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My assignment for this paper was to explore specific ideas relating to the development of an integrated Extension program for agricultural adjustment from the production viewpoint, not to discuss Dean Ratchford's paper. To do this I have broken my analysis into (1) the demand for a shift in extension emphasis, and (2) suggestions for building an integrated extension program for agricultural adjustment.

Demand for a Shift in Extension Emphasis.

Everyone knows that so much technology and capital have been poured into agriculture to increase production during the past decade and a half that surpluses have been built up and prices and incomes have fallen. Movement of labor out of farming has taken place rapidly, but not rapidly enough. Land use shifts have taken place too, but not rapidly enough. Result - the people left in agriculture have unsatisfactorily low incomes. This creates problems for farmers - but it in turn creates some serious problems for us in Extension.

Farmers are no longer in a mood to accept the answers we gave them in the 1950's such as: "What you need is more volume, so apply more technology and capital"; "Farm more intensively," "You've got to run to keep ahead of your neighbors", or "Either get bigger or get out". They have overdone all of these things. Now they want to know "Where do we go from here," "What do we do for economic survival". They are saying "Get off those horses you have been riding, and help us get out of the fix we're in." In short, they are telling us what we have been telling them; "Either adjust or die". And they're neither able nor willing to wait long for answers. They want to know what to do now to keep alive economically in the next 3 to 5 years, not just how to pour more technology and capital into their business.

Thus, all members of the Extension service, and particularly economists, are being called upon to place more emphasis on the various phases of adjustment which will help individual farmers make or save more money in the days ahead. No adjustment is going to take place in farming until some farmer makes a move. Therefore, if we are going to help them bring about the necessary adjustments, we have to focus our attention on the problems they face in 1961, 1962, and 1963, not in 1970 and 1975.

In general, the adjustments we need to help them bring about come under three basic categories, (1) reducing total resources in agriculture to help bring supply into balance with demand, (2) adjusting the size of farm producing units to best use modern technology and (3) improving the resource mix of individual farms. However, the questions they are asking us are much more specific than this. First, they want to know what is the overall Outlook for farming in general. Second, they want to know what will be their individual competitive position in farming. Knowing these two things will help them decide whether to get in or stay out of farming; or, if they're already in, whether or not to stay. Third, once they've decided these things, they want to know what to do to maintain or improve their competitive position.

Here are some of those specific questions farmers are asking wherever you go in the United States:

(1) What kind of an economic environment are we going to have to operate in during the next few years? They continue to be interested in Outlook information on general price levels and seasonal cyclical price variation of commodity prices. But now, with their capital reserves low, - some of them are living off their inventories - they want to know what is going to happen to overall agricultural production, demand, markets, prices, incomes, farm programs, and land prices. How are changes in other parts of the country going to affect them? An appraisal of these things is extremely important for a man who is thinking about devoting the next twenty years of his life to agriculture, or putting \$3,000 into a new farrowing house, \$20-\$30,000 into a cattle feeding set-up or \$80,000 into land.

(2) How much capital and land do I have to have to start farming?

(3) What earnings can I expect from agriculture over the next three, five, ten, or twenty years? Many good young men who have already started farming are seriously considering getting out of agriculture while they can. Others, who haven't started, are skeptical.

(4) How big do I have to get to stay in farming? Do I need more land? Or should I invest in a bigger livestock operation to get needed volume?

(5) Should I concentrate more on volume of business or pull back a little and concentrate more on efficiency of production? Actually some farmers in Indiana are now saying, "I believe I may have a few too many acres to do the kind of production job necessary to compete".

(6) What's the best combination of enterprises for my farm in light of today's technology. For example, do new technologies in crop production make it profitable to grow continuous corn, or is some legume still needed in the rotation? Does livestock fit into my farm organization? If so, what kind and how many? How big does each enterprise have to be in order to get most of the advantages of size?

(7) How specialized do I have to be? On a livestock farm, should I process my own feed or have it done at the elevator? On a grain farm, should I continue to store corn on the farm, or are the economies of large scale commercial drying and storage such that it would pay me to sell directly out of the field? Should I raise my own feeder pigs or buy them?

(8) Which system of production fits best for the type of enterprises I have? In the hog business, for example, is it better to have a specialized central farrowing house, nursing barn and feed facilities; or portable housing for farrowing and nursing with a feeding floor for finishing? Also, is a competent system better than one which gets the pigs on pasture for part of their life

(9) Which type of building or machine fits best into my system of production? For example, should I use a stack, trench, bunker, steel, glass-lined, or concrete stave silo? Should I use a corn picker with a shelter attachment, or a picker sheller, or a corn combine?

(10) How much can I afford to invest in intensity? Should I invest in push buttons and automation in order to increase my labor productivity or should I stay with the more conventional mechanical systems.

(11) How much capital reserves should I keep?

(12) Would it be profitable to change the ownership form on our farm to a partnership or a corporation?

(13) What's the best kind of leasing or contractual arrangement? Changes in equipment investment making it necessary to change leasing agreements. Contract feeding of cattle, broiler raising, and production of eggs are giving rise to all kinds of questions along this line.

(14) What can I as an individual do to get my supply and marketing facilities so structured that I can get the economies of buying and selling that are essential to me if I'm to be able to compete successfully. This category of questions includes problems of getting service, of which Extension assistance is one.

#### Suggestions for Building an Integrated Extension Program for Agricultural Adjustment.

This urgent demand to increase our emphasis on adjustment problems has come right at the time when numerous other sweeping changes are putting on pressure for improvement of our extension organization and staff. First, there is the increasing complexity of our research data as more and more researchers dig into more and more phases of nutrition, breeding, environmental control, engineering, production practices, functional costs, enterprise costs and returns, etc. Second is the changing nature of farming as the technology for producing each enterprise grows more complex, as we substitute more capital for labor, and as the farm becomes more specialized. Third is the changing nature of the county agent's job. Time was when the county agents activities for a month considered of 13 hen culling demonstrations and helping four farmers with their record books. Today, he is organizer and coordinator of almost everything in the county connected with

agriculture and sometimes things that are not. Tomorrow, we're thinking of expanding his activities to include organization of other University Adult Education Programs in the county. Fourth is the changing number and nature of farm supply and processing agencies which in turn, in order to sell their product or get what they want produced, "help" the farmer with all his problems.

One thing which slows down the adjustment of the Extension organization to these changing conditions is the federal - state - county and University institutional framework within which it must operate. Another is the fixed nature of the age, training and experience of the personnel working within the institution.

Dean Ratchford says, on the one hand, that extension isn't going to move forward until we clear paths administratively and make some new paths organizationwise. I agree with this, particularly with reference to the wide gap which has grown up between Extension and the specialized farmer, as the county agent has been drawn away into a different type of functions, as the University specialist has tried to continue covering the waterfront and as more and more research has been aimed at "improving the profession". I agree that improved administration and organization will help tremendously. But the Dean also says that he believes we'll have to rely on individual initiative and enterprise in Extension to bring about a great deal of the necessary adjustment in farming. With this I agree even more. If you and I wait for a big change in administrative organization and these other related phases of our system before we start aiming our guns at our agricultural adjustment problems, our Extension ship will surely sink.

With this in mind, therefore, let us list some of the things we as individuals can do to get our Extension ship out of drydock and the job of adjustment on the road:

(1) Realize that in the world as it is today we can not be specialists in everything and still be competitive any more than a farmer can. So we have to look at the over-all job to be done in our field, decide what area to specialize in, and then plow ahead one job at a time. This gives us our little spot in the sun and helps us maintain some measure of personal pride and prestige.

(2) Take the bull by the horns in developing a program. This means that we have to study and discuss the situation confronting our clientele to determine "what's itching them". Better still, we should be anticipating what's going to itch them in a year or two or three. Then we need to gear our program to this situation - not continually go around "putting out brush fires". I should add that to determine what a farmer's problems are, we have to get in close contact with what's going on in his mind. And we can't do that by talking to each other. We have to work with a substantial number of them on their problems right in their own barnlots.

(3) Decide if the problem which is itching farmers is one on which we are competent to help him. Let me digress just a moment to say that I do not expect production specialists to become competent leaders in the agricultural adjustment education program. Their training and experience doesn't permit it. However, I do believe its absolutely necessary that they should understand what the adjustment problem is, and what causes it, so they'll be able to better diagnose farmers' problems; so they won't be advocating a big capital outlay where none is needed. For example, in our cash grain areas, in Indiana, with commercial corn drying and large scale storage facilities, and current discounts for moisture, we have worked out that it doesn't pay a farmer to build additional corn storage facilities unless he is a very large scale operator. Our agricultural engineer who works with us on corn handling and storage problems recognizes this and calls farmers attention to it when he sees this situation confronting one of them.

(4) In developing information for farmers concerning adjustment problems, range as far into published material and personal experience as is necessary to bring to bear the best knowledge there is.

Take, for example, the development of information on swine production systems. During the 1950's we had big break-throughs on many technological fronts in producing hogs. Our farms were becoming more specialized. Enterprises were becoming larger. Farmers began asking all sorts of questions. People began making all kinds of speculations about complete confinement hog systems, the hog business moving South, meat-type hog production, and many more. Everybody, including researchers in nutrition, breeding, production practices, climate control, farm organization, enterprise costs and returns, and marketing; feed and mineral salesmen; packers; commission farms; veterinarians; and Extension specialists in hog production, agricultural engineering, agricultural economics, and veterinary science, was working on some phase of the problem. It was possible for us to get a coordinated set of information which was useful to farmers only by getting most of the University Extension people concerned with this problem into a big team. Research men were asked to sit in too! The whole project was coordinated through research and Extension administration. Then the necessary knowledge was brought together in a manual.

Out of this experience and around this manual, we built an "integrated" Extension program for hog farmers. Each of the Extension men concerned participated in this "integrated" program for a while. We called it the ID (interdepartmental) approach. We've used it for developing information on grain handling and beef cattle and dairy production, too.

But this approach was not the final answer to our prayers. We blanketed the state with ID meetings for a couple of years. When prices fell hog farmers interest dropped. The swine specialist developed a technical school for hog raisers. So this year, instead of emphasizing hog production systems, we're going to have to concentrate more on some of the other phase of the adjustment problem which I listed earlier.

(5) Spend some time educating groups of feed salesmen, elevator operators, and others who work daily with farmers about these adjustments. Many farmers get a lot of information - and a lot of misinformation, - from them. Remember, there are a lot more feed salesmen than there are of us.

(6) In disseminating information, pick the educational method which will bring about the educational change we desire. One thing which I think many of us need to stress more and more is gearing our information to the needs of a particular group, then assemble this group from as broad an area as necessary to have a successful meeting. If the information is designed for a group of specialized hog farmers, it may be that there are enough for a meeting in one county. If it's for specialized cattle feeders, it may be necessary to bring them in from several counties. Modern transportation and communication have changed the way we can do things; so why not take advantage of them in our work much the same way as we suggest for farmers.

(7) Lastly, as individuals, many of us need to be good neighbors; that is, play on the other fellow's team now and then. One of the greatest satisfactions in Extension work is to participate in a successful group effort. With group effort, we can both check each other's work before it gets the acid test in the field and also get things done more timely.

In conclusion, it seems to me that the current urgent demand for Extension to develop an integrated program on problems of agricultural adjustment, from the marketing and public policy standpoint, as well as from the production standpoint, is in reality more evidence of a growing demand for an expanded Extension service than a fundamental criticism of what we are doing. It indicates that farmers appreciate what we've done to help them with their problems in the past and are now asking us to help them with their adjustment problems. In fact, they say, "If we can't depend on you to help us, to whom are we going to turn".

We can successfully meet this additional challenge if we are able to get a clear picture of the farmers' problems and create a better organized, trained, equipped, and coordinated Extension team. To do this everyone of us in Extension will have to set our sights ahead of the changes that are going on around us and improve our ability to not only help farmers solve their problems, but to help them figure out what they are.