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Determinants of Agricultural and Food Policy Decisions in the U.S.

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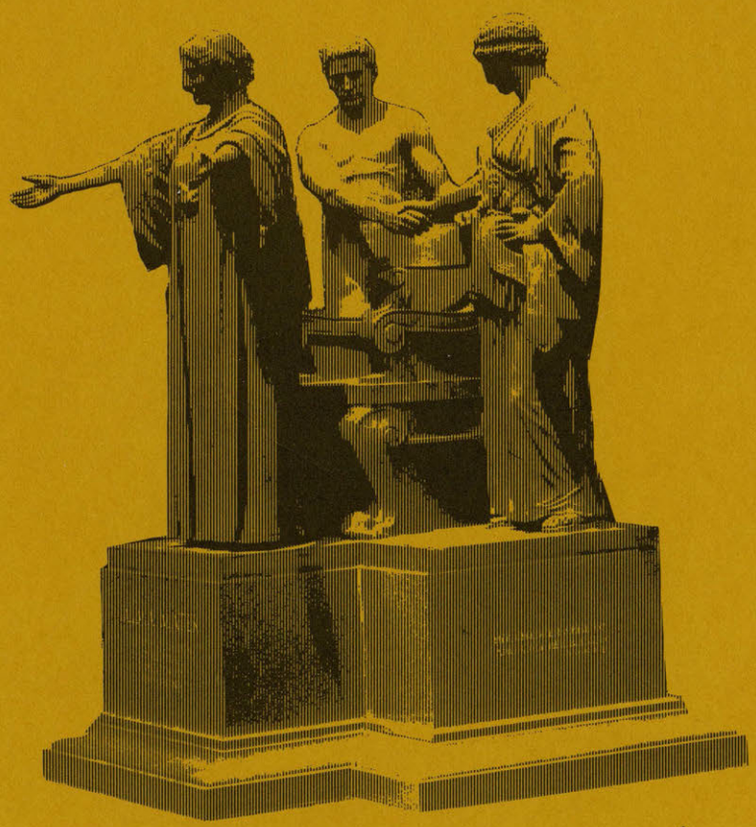

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Purpose and Scope

Introduction

The Food Security Act of 1985 signals an historic event in the annuals of public policy for the agricultural and food sector of this nation. Arising from the widest participation and encompassing the most comprehensive content in the long chain of agricultural policies, it has also confounded many professional policy watchers. Its impacts will be far reaching and long lasting. As students of policy research and practice ponder this increment to our base of experience, it again raises fundamental questions about the nature of the policy phenomenon, its development, its determinants, and its future meaning. Thus, the purpose of this paper is to examine the determinants of U.S. policy in general and the 1985 Act in particular. It will proceed through five sections: (1) purpose, definitions, and scope; (2) an historical perspective; (3) conceptual framework; (4) synthesis of public policy determinants and the 1985 Act; and (5) summary.

This examination will focus on the determinants of public policy in contrast to private policy and on policy of a participatory political system in contrast to an authoritarian system of government in which processes are structured to limit participation to a single interest group or only a few segments of society. Even though U.S. public agricultural and food policy will provide the base of experience, the implications will probably be relevant to other countries where participatory processes form governmental decision-making regardless of their types of representation.

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Nature of Public Policy

Policy commonly means that a decision has been made by someone or group resulting in an action to be taken to achieve a desired result or goal for the decision-maker. Such decisions or actions can be taken by an individual (as a farmer), by an interest group (as a voluntary association of corn producers), or by a government (as a state or federal). Since all of these policies are designed to achieve some desired end, they are first evaluated and then chosen by whoever makes the policy. Even though decision makers prior to acting may consider the consequences of their policies upon others, the latters' own concerns and desires will likely be only partially achieved. Rather, their desires are more likely to be achieved by their own choices. Most economic actions in our contemporary, highly interdependent economies are between two or more decision makers, and the degree to which the resulting transactions achieve the desires of each party is dependent upon relative levels of knowledge, values held, degrees of freedom in the choice, and economic power base.

When the governmental policies are made in a participatory way so as to attempt to represent the views and desires of the people included in that sovereign unit, the decisions simultaneously express the desires of the decision makers, citizens being represented, and also the participatory citizens being impacted by the policies. These kinds of participatory governmental policies are usually called public policies, that is, policies made by the public to impact themselves as they desire. Since there will inevitably be differences in views and desires among any citizenry, the policies chosen will be those representing the majority, or most, of the citizens participating in the resolution of the particular public problem. Thus, the cost of a policy to some people may be realized as a benefit of policy to others. This makes the assessment of policies difficult, both theoretically and empirically.

Nature of Food and Agricultural Policies

Governmental (public) policies have been developed in every conceivable sphere and sector of the U.S. economy. Wherever problems have arisen persistently and significantly enough -- whether in the area of freedom of movement, control of property, health, education, defense, recreation, commerce, market organization, communications, religion, or food -- public

policies have, and are still, emerging. Yet, most economic policies and transactions are private in nature, between individuals and groups.

Food and agricultural governmental (public) policies are those arising out of problems surrounding the production of food and fiber, the ownership and use of resources to produce them, the marketing and distribution of those products, their prices, and the economic returns to their factors of production. Thus, even though attention is often given to current pricing policies, agricultural and food policies were some of the first decisions of the nation over two centuries ago about its land and rural people.

An Historical Perspective

Evolution of Public Policy

Governmental (public) policies emerge when the public through its policy development processes decide some action is a desirable response to a perceived problem in the economy (Talbot and Hadwiger). That is, the private transactions normally handling a production, marketing, or consuming activity are perceived as functioning inadequately, and the government intervenes to alter those transactions in some manner. Since changing economic conditions, as well as desires of people, continually precipitate new and unpredictable public problems, policies continue to change.

Yet, the difficulty in shaping the necessary consensus, majority choice to actually develop a policy means that these changes come slowly and incrementally. They do change, but not very fast nor abruptly. Thus, in essence they slowly evolve during which some areas of intervention may be discontinued, and similarly, policies for new problem areas will be added. Such has been the evolutionary nature of food and agricultural policies (Spitze, 1983).

Developmental Policies for Agriculture and Food

For the early part of the nation's history, governmental policies were chosen that essentially set the pattern for the structure, organization, and operation of the agricultural sector. These are usually called developmental policies. They helped determine the character of the farms, the flow of knowledge for their functioning, the source of their financing, and the kind of markets for their products. Policies contributing to this

development of the farming sector included those giving rise, for example, to our rural schools, homesteading, land grant system, cooperative farm credit system, and rural electrification.

Price and Income Policies for Agriculture and Food

Following a century and a half of these developmental policies -- and the development of the agricultural sector which they helped shape -- another type of intervention policy commenced, usually called price and income policies. They are actually much more comprehensive than that term implies since they generally involve policies directly affecting the amount of farm production, minimum product market prices, producer incomes, food aid to low income domestic consumers and low income foreign countries, food reserves, and trade of agricultural products.

Price and income policies emerged in response to the persistently perceived problems revolving around price stability, farmer incomes, excess production, food security, farm structure, malnutrition, and trade conflicts. It was as though the public's attention was first centered for over a century on helping establish a rather efficient, innovative farming system, and then subsequently, became centered on preserving that system, stabilizing its functioning, and insuring that its economic returns were "equitable".

Following the loss of foreign markets after World War I, the subsequent depreciation of farm assets, and the deteriorating farm price and income situation, the first price and income policy was launched with the Agricultural Marketing Act of 1929. Since that milestone of policy, some version of price and income policy for the agricultural and food sector has evolved through a succession of some nineteen separate Acts to the current Act of 1985 (Spitze, 1978). Although this stream of policies still exhibits remnants of its earlier provisions half a century ago, it also continues to change. Not only is it evolving, but also becoming more comprehensive in its provisions and emerging from the participation of a wider array of urban as well as farm interest groups in its development.

Conceptual Framework

Classical and Neoclassical Thought

Even though economics as a discipline was developed with a primary focus on decision-making, its greatest strides seem to have been made in the arena of private rather than public decisions. Price determination arising from the aggregation of private decisions of producers and consumers was the central question, the answers to which were deemed useful for private processes of allocation and distribution. With the carefully laid assumptions, the organization of the competitive economic system to nourish these private decisions, as well as the organization of the political system with which to choose the economic structure, were generally left outside the economic theoretical framework. Since governmental intervention was often perceived as altering these market system assumptions, public policy crept into the professional dialogue, implicitly if not explicitly, as a threat to the purity of the envisioned competitive system and to the simplicity of its theoretical foundations. Thus, little conceptual help for public policy resided with the mainstream of economics. Issues rooted in public decision making or at the interface of economics and political science were left to the scholarship of the latter or as adjuncts to the mainstream of economic thought.

A valiant and persistent attempt from within conventional economic theory was made to enlarge its generally positive methodological approach to also include some otherwise normative, value-laden questions of economic reorganization. That has been the thrust of welfare economics. Again, with carefully crafted assumptions of utility comparisons and the appropriation of such everyday terms as consumer surplus, producer surplus, deadweight loss, and net social gain, an analytical approach was presented to policy analysts for their ready-made prescriptions. As long as the assumptions could be lived with and the logical implications of such a methodological procedure accepted, the security of a positive means to arrive at economically sound, normative policy conclusions was an attractive addition to the set of theoretical tools (Wallace). Innovations in both the theory and mechanics of quantitative analysis certainly have aided this development.

Welfare economics remains viable for many policy analysts; it continues to stir vigorous controversy; and its final chapter in the history of thought has not been written. However, it has already left a heritage, likely to survive, of alerting policy makers to the indisputable fact that public actions affect interest groups and economic sectors differentially. Whether these different impacts can be netted out scientifically as a useful substitute for the workings of the political system, may still be unresolved, but that they exist and must be resolved in matters of public policy seems clearer. Perhaps students of public policy attuned to the realities of human diversity and social conflicts that must be accommodated for any economic or political system to function already know this. It is important to note, that with either the classical economic tradition or its refinement through welfare economics, the resolution of all economic conflict is essentially left to the signals of private market forces.

Hence, from this mainstream of economic thought some determinants of policy can be distilled, namely: (1) differential impacts of all policies affect policy decisions in anticipation; (2) knowledge about policy consequences for relevant groups and sectors affect policy outcomes; and (3) values beyond the assumptions of the competitive market affect policy decisions.

Institutional Thought

Even though institutional economics' contributions to economic thought have been less systematically defined and are still maturing, it has also left a heritage for public policy analysis. Basically, its focus has been on institutions and institutional processes, both private and public, individually designed to resolve conflicts arising out of the core economic phenomenon of transactions, be they in the realm of buyer-seller, employee-employer, property owner-user, or private liberty-public rights. Institutions have been defined as "collective action in the control, liberation, and expansion of individual action" (Parsons).

Although similar to the classical tradition in focusing on the transaction -- i.e., the point of negotiation, the market -- as a determining force of economic value and of economic conflict resolution, institutionalism moved beyond the atomistic interaction to stress the importance of the group, its working rules, and its role in public action.

The economic market was expanded to include, for example, the negotiations of the collective bargaining table, the affected parties of the water district, the commissioners of the zoning board, or the participants in legislative, administrative, or judicial proceedings. The approach emphasized group action instead of individual, compromise instead of equilibrium, volition instead of determinism, negotiation instead of market price, change instead of ceteris paribus, and public instead of private. Institutionalists study the nature of economic conflict, the patterns of the rules arising out of conflict resolution, the relative economic and political power of the parties to negotiation, alternative terms of settlement and policies, and the economic impacts of group decisions, be they markets, collective bargaining agreements, or public policies (Commons).

Here again, some determinants of public policy can be distilled from institutional thought: (1) patterns of group economic conflict resolution, both private and public affect public policy; (2) knowledge of alternative terms of settlement and of policies affect policy outcomes; and (3) relative economic and political power of group participants influence policy making.

Public Choice Thought

Even though public choice theory is a relatively recent addition to the literature of political economy, and is also still in a systematizing and maturing process, it is leaving its contributions for public policy analysis. It recognizes the limitations of the classical heritage emphasizing the individual participant, the economic maximizing motivation, and the private market determination of economic value as it focuses instead on a society of groupism, multi-goal seeking human beings, and expanding governmental spheres.

In its efforts to conceptually link economic and political motivations and decisions, it deals with "power maximizing" along with "individual decision making" (Buchanan and Tullock). Public choice theorists study political processes as just as logical an expression of the economic strivings of rational individuals for achieving maximum utility as a study of the processes of the market place. Their analyses emphasize the role of governmental action, the rules within which the collective choice processes operate, the means by which economic objectives are achieved through

political actions, and the implications of unequal political power, emanating with differential economic power.

Thus, determinants of policy can again be distilled from public choice thought: (1) individual's adaptation of collective action to achieve economic utility affects policy development; (2) political and social factors are inextricably related in policy decision making; (3) collective economic as well as political power influence policy decisions.

A Suggested Supply-Demand Framework for Public Policy. Suppose some of the concepts of classical economic thought were borrowed to understand the processes of public choice as institutions of collective action were fashioned through public policy development. It could be theorized that as a society experienced persistent untenable problems of conflict arising from the interplay of private decisions, economic and otherwise, a demand for and a supply of public policy emerged. The demand came from individuals and groups experiencing difficulties for which their private responses were unsatisfactory. The supply came from some of the same participants, but also others still relatively satisfied with the workings of the private market, as both willingly sacrificed private discretion to achieve greater utility by reshaping the public rules through policy.

The market in this case is indeed an integrated economic and political process producing public policy. While theoretically a political system is a process for organizing the governing processes for a society and an economic system is a process for organizing the production and distribution processes for a given political system, this suggested supply-demand framework offers a market where the majority of a participatory political system collectively decides to shift some kinds of economic activity between private and public arenas. The compromise eventually struck around each public issue "clears the market" for that point in time and for that problem -- i.e., in the equilibrium of public policy. When this "public policy market does not clear", there is no change in the existing balance of the public and private policy structure, and hence whatever public issue precipitated the decision continues to be resolved by private actions functioning within the existing public institutions.

Demand for public action for any such public issue is a function of the preferences of policy making participants for public actions as inversely

related to their expected accompanying loss in private decision making discretion. Similarly, the supply of public action for any given public issue is a function of the expected preferences for public action to resolve a given public issue as directly related to the propensity of the participants to yield their private actions to public control. In this public policy market some participants will have essentially no preference for public action nor propensity to yield their private control, and vice versa, but most participants will possess at any time some level of both the preferences and propensities. This contrasts with the economic market where those supplying and demanding a particular product or service are different individuals.

Demand and supply in the public policy market is probably continually changing, as are the market outcomes or public policy decisions. It is suggested that the factors affecting demand for public action in the case of any particular public issue are the following found among the policy participants: (1) knowledge of and satisfaction with past similar policy; (2) level of concern (hurt) felt and perceived about the existing consequences of private policies; (3) value predispositions held about the inherent merits of public vs. private actions for economic processes; and (4) knowledge, reliable or only anecdotal, about alternative policy responses to the public issue and consequences of each for relevant participant groups and economic sectors. Likewise, it is suggested that the factors affecting supply of public action are the following, again found among policy participants: (1) level of anticipated satisfaction, or economic and political gain, associated with the alternative public policies relevant to the public issue; (2) expected sacrifice, or tradeoff, of private action foregone for the public policy, in terms of monetary cost and loss of private decision discretion; and (3) efficiency of the tradeoffs between the private sacrifice and the public gain from the alternative policies, and reliability of that knowledge.

Reviewing these demand and supply factors, determinants of public policy can again be distilled from this conceptual framework: (1) experiences with past polices; (2) severity and breadth of concern about the public issue under consideration; (3) value or predispositions about public vs. private actions; (4) expected tradeoffs between private sacrifice and

public gain; and (5) knowledge, both reliable and anecdotal, about the content and consequences of alternative courses of action for the public issue.

Synthesis of Public Policy Determinants and the 1985 Act

Differences are revealed in the several conceptual approaches to public policy analysis due to their distinct assumptions and purposes. However, similarities also can be found and from them a set of suggested determinants of public policies can be gleaned. These are identified along with their function in the development of the Food Security Act of 1985.

1. Experiences of Past Policies

Public policy decisions are affected by existing policies, because in participatory processes, action begins where the last difficult compromise relevant to the public issue at hand was struck. Change from the present policy equilibrium between private and public tradeoff invariably is incremental and seldom characterized by dramatic shifts or universal unifying goals. It appears around aspects of that existing policy found problematic or most deficient.

The 1985 Act indeed was an evolution of the 1981 Act -- in fact, the entire past half century of evolving price and income policy -- built on its basic provisions for food distribution, commodities, grain reserves, exports, credit and research-education, but with important modifications (Spitze, 1986). Even though eleven major proposals were advanced by legislators, several dramatically different from paths of past policy, and even though several new approaches were championed by professional researchers to what they assumed to be the accepted goals of society, the difficult, sometimes acrimonious compromise was one of incremental change. The primary negotiators appeared hardly to notice the most revolutionary proposals, but rather focused on the degree and direction of the marginal changes in the existing provisions.

It is worthy of note that in first-of-their-kind national surveys of farmers and agricultural and non-agricultural leaders carried out by policy researchers, substantial preference was found for development of a new 1985 policy instead of a continuation of the 1981 Act; yet, when their

preferences for such a new policy were analyzed, not only was their substantial agreement but it paralleled closely the provisions finally agreed to for the new policy.

2. Current Economic and Political Environment

Public policies are affected by the immediate, and even currently changing, environment because they emerge from widely and intensely perceived problems (dissatisfaction) associated with the existing mix of private and public policies. Public policy does not appear to arise from predetermined nor long-term goals but from urgent problems -- hurts among many interest groups and sectors. Thus, it is not surprising that the current economic characteristics and trends of the agricultural and food sector -- in fact often those occurring during the actual months of policy development -- are a determinant of the policy outcome.

In the intervening years between the 1981 and 1985 Acts, agricultural exports declined 18%, prices received by farmers were 20% lower, farm interest costs rise 12%, total farmer net income dropped 26%, and farm program budget costs escalated 219%. During the year of the actual policy decision making, U.S. crop production jumped 6% (world food production had climbed 4.5% in the previous year), unemployment remained relatively high with studies reporting deteriorating nutritional levels among the poor, and famine was striking parts of Africa. These economic conditions seemed to tilt the decision making as the months passed toward broader, more interventionist, and costly compromises.

The changing environment was not only an economic one as political attention was drawn to the deepening agricultural economic crisis by a new media event, Farm Aid, and by extensive national media coverage of the worsening economic barometers. Furthermore, the imminent 1986 general election cast a darkening cloud on the policy process as it became common knowledge that the bulk of the Republican held Senate seats to be decided were in the primary crops regions and that therein rested much of the hopes of the Administration to retain party control of the Senate. Even though the new Congressional budget procedures and the mushrooming of the budget deficit cast a troublesome shadow over the increasingly costly policy development underway, this part of the political environment seemed even overshadowed by the other current economic and political trends.

3. Values and Predispositions of Participants

Public policies seem to be determined in general by the predisposition of participants for public action vs. private action and, in particular, by their values about the intrinsic worth of the sector or group central to the public issue. This seems no clearer in any policy arena than with agricultural and food policy. Agricultural fundamentalism, as a widely held value of the worthy attributes of rural ethics and life, of the necessity for societal survival of food and clothing, and of the contribution to the national economic welfare by the agricultural sector, is seen as unique among most other occupations. This seems to be also a prominent determinant in EC policy (Schmitt). Furthermore, the survival of the uniquely organized and historically honored competitive family farm system of production has come to be linked in the national mind with public intervention, i.e., public action is required for protection of a pattern of private action.

While this determinant has seemed to operate generally over the history of agricultural and food policy, it became particularly influential with the 1985 Act as the economic crisis creeping over the crops regions began taking its toll in foreclosures and breakdown of successive generational control of farmsteads.

4. Tradeoffs Between Private Cost and Public Gain

Public policy seems partially determined by the relative tradeoffs between the preferences of participants for public (intervention) action directed at public issues and the willingness of participants to sacrifice their control over private discretionary action and monetary value. If their strong preferences create a high demand for public action, and further, a willingness to sacrifice parallel private actions comes forward from participants as their perceive public gains, intervention will likely expand.

Such tradeoffs seem to characterize the 1985 Act as the increasing demands from farmer, agribusiness, rural community, and many concerned urban participants for continued strong intervention agricultural policy provisions were met with a shift in the positions of many general farmer and commodity groups, and in the preferences of farmers surveyed, toward accepting public action. Probably in no aspect of the continuing debate was this more evident than in the willingness of policy makers to successively

raise the Treasury exposure of the commodity programs, even in times of severe budget restraints, from initially $34 billion for the first three years to $50 billion, then to $52 billion, and now an estimated cost to approach $60 billion.

Of course, policy makers also are keenly aware of the rapid rise in other parts of the federal budget. In fact, my studies suggest the estimated costs of current farm programs as a proportion of the total federal budget are less than the average for the 1950s. Furthermore, a strong agreement was found in the research surveys among national farm and nonfarm leaders favoring public intervention policy for most contemporary public issues surrounding the agricultural and food sector.

5. Political Decisions Affected by Private Economic Power

Since public policy is a politial decision incorporating jointly other values, such as economic, one of its determinants is the relative political and economic power wielded by the participants. Even though an ideal participatory political system may be conceptualized as insuring equal influence among all participants, they indeed do not exert equal influence, albeit that the two century history of the American experiment exhibits continued tendencies in that direction. Similarly, the model of an economic market system of perfect knowledge, accurately expressing individual utility preferences and factor contributions to production, hardly characterizes this nation's economic system.

When these two unequally distributed influences are combined in public policy making, differences are evident among participants in innate ability, information, location, inherited wealth, occupation, enterprises, values, and decision making capacities. Yet, just as with unequal power in the market, disadvantaged participants in policy making probably lose no ground compared to their likely fate in the absence of public action, due to the dilution of power centers through the process of majority coalitions and compromise.

Evidence of this policy determinant of economic power can be gleaned throughout the 1985 policy development. The public's sanction of political action committees (PACs) -- incidentally a compromise itself to thwart even more concentrated naked monetary contributions of individual holders of wealth -- gave influence to certain well organized interest groups like the

rural elecrification cooperatives and to commodity groups like the dairy producer associations. The continued intervention on behalf of certain commodities such as peanuts, sugar, wool, and honey, and the special subsidy status achieved by the producers of cotton and rice via exempting the marketing loan from payment limitations, suggest the effects of combined economic power of lobbying and the political power of geographic location, particularly relevant to party control of the federal government.

6. Knowledge of Policy Process and Alternatives

Knowledge, both anecdotal and reliable, appeared as an important determinant of public policy in the earlier review of the several conceptual frameworks for policy analysis. The more complete and reliable the information possessed by any policy participant, the better that individual or group translates its felt needs, values, and preferences into policy variables and the better it can negotiate them in policy development.

A review of the 1985 policy process is convincing that never before in the history of U.S. agricultural and food policymaking had so much effort been given, nor so much information been prepared to provide a knowledge base with which citizens, interest groups, and public officials could make rational choices. Since participatory policymaking always begins with existing policy, a continuous flow of analyses about the 1981 Act came forth during 1984-85 from the research of the Land Grant Agriculture Experiment Stations, USDA, non-profit foundations of various ideological orientations, and the analysts with innumerable interest groups and businesses.

It was suggested earlier that a useful conceptual basis for policy analysis might be a supply-demand framework within an institutional and public choice conception of a joint political and economic public policy market. Several segments of that policy market can be identified, one being the policy information market. Suppose we use that supply demand framework to try to understand the information market in development of the 1985 Act.

The information market was triggered by the expiration of the 1981 Act -- a public decision would have to be made by September 30, 1985 about whether there would be public price and income policy, and if so, what type. On the demand side for policy related information, requests began early for background studies, and then increased about the worsening agricultural economic situation, its causes, and alternative policy responses. The

requests came from Congressmen, their committees, executive agencies, interest groups, and concerned individuals. It became commonplace to start with the assumption that the 1981 Act had been counter-productive and that it was time for dramatic change. Policy researchers took up that familiar refrain and began chanting almost in unison that a "new agenda" was at hand; agricultural policy was at a "historic" crossroads"; a "watershed policy year was upon us"; and a "policy revolution" was in the making. Probably most ironic, particularly in view of the stature of our 200 year old Constitution, was the allegation that an agricultural price and income policy going on 50 years old was prima-facie evidence of need for change.

On the supply side, policy related information began to flow with a volume unparalleled in the history of policy -- from individual citizen leaders, from farm organizations and commodity groups, even from input supplier like chemical companies and farm equipment trade associations, from Congressional hearings and commissioned studies, from the Congressional Budget Office, from Executive agencies, and from the policy research enterprise.

The latter source of supply of policy information merits closer scrutiny. The policy research establishment turned out in unprecedented volume and diversity issue papers, background documents, study reports, journal articles, research bulletins, discussion leaflets, and conference proceedings. Every conceivable group -- foundations, centers, federal governmental agencies, trade consortia, interest organizations, and the land grant system -- got into the act of holding their particular "unique workshop", even though their leaders often disdained the marginal uselessness of "yet another conference of policy people talking to each other". This did not slow down their proliferation, and some consultants from the Washington beltway, having served in previous administrations, reappeared in as many as half a dozen of these efforts.

Some of the products provided original useful products and some were of marginal value. Certainly the conventional wisdom of the time, namely that a fifty year old price policy had been overtaken by change and a revolution in policy was due, if not at hand, became a familiar chorus. One of the first comprehensive professional workshops was sponsored by Clemson University. Eleven others followed, including the University of Minnesota,

and the last was by the RFF's national policy center; most published proceedings.

Five of the more unique research and education efforts that fed directly into the policy discussion and decision making are worthy of note: (1) The comprehensive set of materials on the commodities' policies published by USDA ERS under the general title, "Background for the 1985 Farm Legislation", 16 bulletins by commodity and related programs; (2) Federal Extension Service supported, Farm and Food System in Transition, 63 leaflets providing concise background and alternative policy information; (3) Council for Agricultural Science and Technology (CAST) sponsored task fores resulting in three background and policy option analyses presenting careful objective data and professional assessments of the consequences of policy alternatives being actively debated in Congress and the Executive (CAST Reports 98-1983, 104-1985, 105-1985); (4) Food and Agricultural Policy Research Institute (FAPRI) releases of background data and analyses of current policy alternatives based on a set of comprehensive economic models (e.g., FAPRI Reports 1-7, 1985); and (5) original comprehensive surveys of values and preferences about 1985 policy from farmers (17 states) and from national farm and nonfarm leaders (452) (North Central Regional Research Publication 300 and Illinois Agricultural Economics AE-4591).

Most of the products of the policy research enterprise were of high professional quality -- objective, analytical, and relevant -- while others showed signs of authors succumbing to the temptations to perform the roles of many early policy professionals to issue pronouncements and to advocate policy directions or positions. This is, of course, the prerogative -- and possible responsibility -- of citizens, including professional researchers as citizens, but it may stretch the logical limits of "scientific inquiry" to attempt to read policy prescriptions from research findings. If logically sound, such "elder statesman" utterings make valuable contributions to the policy process; if logically ungrounded, their "noise" can confuse and obstruct rational decision making.

After this flood of information was supplied and the final compromise for the 1985 policy was struck, what was the product? Basically, it was the continued evolution in the fifty year history of public price and income policy. It represented the most comprehensive, widely participated in, and

with the broadest impacts of any of the Acts in the long history of price and income policy. It continued most of the previous policy but also signaled important changes (USDA). If predictive capacity means anything to the research endeavor, it could be noted that there is an amazing parallel between the general composite preferences of the two previously cited original surveys of preferences for 1985 policy by farmers and national farm and nonfarm leaders and the provisions finally chosen for the 1985 Act. As is so characteristic of public policy in a participatory system, the 1985 Act had few flag-waving champions, but was nevertheless not as objectionable to a clear majority of policy makers as alternative courses of action. Some policy researchers seem somewhat stunned and disillusioned -- the "revolution" had not come.

Summary

Policy determinants for U.S. agricultural and food policy are similar to those for all public policy of a participatory political system. Such public action emerges from problems experienced about the agricultural and food sector within the existing mix of public and private policies and represents a compromise among many private individual and group interests. For this nation, that policy has been evolutionary, increasingly comprehensive, and developed from an expanding array of participants. The Food Security Act of 1985 represents the latest installment in one important area of public agricultural and food policy, namely, price and income policy.

Insights into the nature of public policy and its determinants can be gleaned from the conceptual contributions of classical and neoclassical thought, institutional economics, public choice economics, and a suggested supply-demand policy market framework. A synthesis of these insights suggest six primary determinants of U.S. agricultural and food policy: (1) experiences of past and existing policies; (2) current economic and political environment; (3) values and predispositions of participants about public and private policy, (4) tradeoffs between the gain from public action and individual sacrifice of private discretionary action; (5) relative economic and political power of policy participants; and (6) knowledge of

policy process and alternatives by participants. The functioning of each of these determinants can be found in the development of the 1985 Act.

Using a suggested supply-demand policy conceptual framework, an analysis was made of the workings of one sub-segment of the policy market for the 1985 Act, the policy information market. Demand and supply flows of policy information were identified during the two year development of that policy, and the unique contributions of policy research were found to be unprecedented, substantial, but also deficient. For the optimum productivity of policy research toward the onset of the next round of critical policy development only two years away, it is paramount that the policy research enterprise gear up to again provide useful information but also give attention to its inadequacies in the recent policy development. It seems convincing that an understanding of the processes and relationships of our participatory political system may be an important to that productivity as the appropriately strong commitment to understand the market economic system.

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