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**DISCUSSION: RURAL DEVELOPMENT IN AN AUSTERE ENVIRONMENT:
THE CHALLENGE OF THE 1980s****John R. Gordon**

I am in substantial agreement with the views expressed in Professor Dillman's paper. He is to be congratulated for preparing an insightful and cautiously optimistic paper on the topic "Rural Development in an Austere Environment: The Challenge of the 1980s." However, I want to focus upon the implications of the environment he described for the extension economist.

Dillman's paper opens by acknowledging the widely accepted viewpoint that we are now at a "turning point" in this nation's economic policy and that President Reagan's new federalism encompasses a number of program changes that are likely to have profound effects on rural development. It is easy to agree with this observation, although the ultimate effect of these changes on rural development is difficult, if not impossible, to predict.

It is conceivable that the cutbacks in financial assistance to local units of government could markedly increase the demand for extension education programs. Finding acceptable solutions for rural area economic problems will not be easy when many of the current financial assistance programs are eliminated. Much searching and careful study will be required to find acceptable solutions for problems of local decision makers.

As Professor Dillman pointed out, "It is well known that agricultural economists are hardly ever called upon to evaluate such programs, even when they are targeted on rural areas and operated by the USDA." In fact, these agencies and programs have frequently been competitive with extension education programs. So long as communities can obtain federal financial assistance to solve a problem, local people are, understandably, not keenly interested in more information or other solutions.

Let me turn now to another question raised in the paper. Assuming that we are entering a new era in rural development, Will agricultural economists be allowed to participate? Dillman replied affirmatively to this question and I hope that he is correct. However, I am concerned that events in the short run may seriously impede extension rural development programs in the long run.

The changes at the federal level are so drastic

that the capacity of local and state governments to cope is being seriously challenged. Combined with reduced state and local government receipts because of the recession, the shifting of programs from the federal to lower levels of government has, in some cases, forced program cutbacks at the state and local levels, which elected officials and local people may not have wanted to make.

When institutions such as state universities and county extension offices experience budget pressures, they tend to protect their base line (in this case, agricultural programs) and to reduce or eliminate newer programs, such as community and rural development. Traditional clientele support systems reinforce this survival strategy. This is a perfectly normal institutional response to adversity, but it has ominous implications for rural development research and extension program support during this period of very tight state and local government finance.

At another point in his paper, Dillman uses economic efficiency criteria to make a good case for rural development policies that target selected areas. He observes correctly that there is very little in the current set of federal development programs which is growth-center-strategy oriented. I suspect that political considerations outweigh considerations of economic efficiency in the piecemeal formation of these policies. Yet, agricultural economists working in rural development will need to devise some criteria for allocating their time and talents to priority problems or areas. The set of potential problems in rural development to which economists can contribute is large, and the existing number of faculty in most states is relatively small and not likely to grow substantially in the next few years. It will not be possible for all rural areas to be fully served by rural development extension programs. Decisions to target on rural development programs will have to be made.

The effect of the information era upon rural development is another interesting topic on which to speculate. Dillman asks, "If economic activities can be located virtually anywhere and be in instant communication with the rest of the world, will not rural areas necessarily become increasingly desirable?" The answer to this ques-

tion seems obvious, but I suspect that this will be more of a regional issue than a rural/urban one. In other words, those regions of the country that possess aesthetically and environmentally desirable living conditions will find their population growth enhanced by the information age. On balance, this may contribute to the westward and southern movement of the U.S. population. Hopefully, agricultural economists can utilize the technology of the information era to expand our services to rural areas.

I want to close on an observation that I feel is very optimistic. In my opinion, agricultural economists working in rural development extension programs have come a long way, from a professional standpoint, in the last decade. When I began working as an extension specialist ten years ago, I observed that most of the existing rural development extension programs originated in response to the problems or felt needs of the local people, and that very little had been done to integrate appropriate economic theories and analytical tools into extension programs. On the

other hand, agricultural economists interested in rural development research had very little in the way of information or operational tools that were useful in solving the real work problems faced by the extension specialists. Consequently, as Dillman has noted, the universal prescription for the problems of rural communities was an industrial development program.

Today, rural development extension specialists are in a much better situation. Research and extension faculty and programs in rural development are usually so well integrated that it is difficult to make a useful distinction between the two activities. This integration will be essential in addressing the high priority areas of the 1980s.

It is my opinion that successful extension programs in the 1980s will be based on complementary research, and that the extension programs will be delivered in the traditional mode of public policy extension programs. This is one way in which extension economists can help assure that their efforts are people, rather than place, oriented.