Department of
Agricultural Economics
Report No. 146

May 1986

THE ROLE OF UNIVERSITY RESOURCE ECONOMISTS

**Proceedings of a Conference Sponsored by NCR-111
a North Central Regional Research Strategy
Committee on Natural Resources and Environmental Policy
Held in Lincoln, Nebraska, November 5-6, 1984**

The Agricultural Research Division
University of Nebraska-Lincoln
Institute of Agriculture & Natural Resources

Role of the University Economist in Public Policy: Conclusions and Implications for Program Development in Extension

Discussant

Lawrence W. Libby*

The whole theme of the workshop has acknowledged the fact that there is a fundamental and essential integration among research, teaching, and extension in the application of economics to natural resource problems. Each component has its special contribution, yet the whole is greater than the sum of its parts. My purpose in these brief concluding comments is to draw inferences from discussions during the previous sessions that relate specifically to the importance of the role of university resource economists for program development in extension. I do this with full recognition that this is a regional research committee. As a committee, we are primarily concerned with applied research in natural resource economics and policy. Yet my role is to suggest implications for delivery of research results through extension. I make these observations as one who has responsibilities both for research and extension in a land grant university. I will not attempt to restate the key points raised by the speakers nor will I attempt to offer startling new content, but simply to identify and reinforce the key points raised.

First, the essential insight gained from the discussions at this workshop is that distinction between research and extension

---

*Professor of Agricultural Economics, Michigan State University, East Lansing, Michigan.

is not sharp. The idea of extension as just the impartial extender of knowledge generated by others is simply inadequate. The extension specialist must be a researcher, either acknowledged through formal appointment in the Experiment Station, or implicit. Split appointments are extremely important since they give license for the individual to do what he or she knows must be done. Resource Economics extension is not just digesting technical results to make them palatable for decision makers (though that is important) but also involves asking the right researchable questions in a way that will yield useful insights. Extension must be an integral part of the intellectual capital of departments of rural sociology and agricultural economics throughout the country not just as deliverers of information but as contributors to that body of knowledge. The structure of many universities and colleges may not reinforce the essential links between research and extension. That is unfortunate, and in my judgment, the institution suffers because of that artificial separation. There is a need to structure things institutionally in ways that facilitate substantive blending of research and education, to accommodate the reality of the situation. The extension specialist who researches is a better extension specialist. The researcher who attempts to be useful in solving problems by converting abstract results into digestible doses is more effective as well. We should not allow ourselves as professional economists or sociologists to be bullied into artifically dividing our efforts in ways that are counter productive. Some researchers will not be good extenders and some extension specialists have no interest in structuring

researchable questions yet where the capacity exists it should be encouraged and fostered.

Secondly, I conclude from our discussion here today that extension has become the "front line" with clientele for the land grant university in many states. The policy economist is particularly vulnerable in that kind of role because, by nature, policy is distributional. It grants privilege and obligations to participants in the system. Credibility with clientele is crucial to professional survival in many institutions and this is particularly true with extension people. When farmers face the kind of critical financial circumstances that exist currently, it is the extension specialist who is on the front lines responding to requests, explaining complex economic phenomena and in some cases just being a responsive listener. If that specialist lacks the substantive backup to help the farmer understand the economic dilemma or to suggest the consequences of various courses of action then his or her contribution is limited. Some researchers can hide behind the veil of abstract disciplinary research and avoid the real world testing that comes with problems that exist in any state. But by and large, the professional researcher/-extension worker is "on the line". The situation in which the university is a <u>party</u> to policy change, gaining at the expense of other interests, is a very special case that puts the policy analyst and the extension educator in a very difficult spot. No university denies the importance of truth, academic freedom and honest research, but in policy research it is not so much a search for truth as it is a clarification of the distributional

consequences of different ways of solving problems. This can be a delicate situation for the social scientist in a land grant institution. Recent examples of where the university was a party to action gaining at the potential expense of others, are in such areas as tax limitation policies, competition for industry in an economic development setting, and competition with other interest groups for the scarce budget dollars available in a state. The policy economist or sociologist asked to contribute to an understanding of the issues involved in such a situation does so at his or her peril.

Thirdly, in natural resource policy education some degree of advocacy is inevitable. In many situations, the policy educator does not have the luxury of avoiding that final step of offering judgments or even recommendations. Clients want advice. They want the social scientist to provide guidance based on an evaluation of the consequences of options that exist, with <u>some</u> knowledge of the "welfare function" of the actor. Most economists have little difficulty advocating efficiency but like all other allocations of resources, efficient solutions benefit some interests more than others. There is no constituency for efficiency as such, only constituents who gain or lose from solutions that are characterized as "efficient." The policy educator must never make the mistake of being so predictable as to align himself or herself with a particular point of view on issues. All semblance of scientific objectivity would disappear under that kind of situation. But by the same token, the effective policy educator cannot be satisfied with simply leaving the raw data on top of the bargaining table and leaving

the room on the assumption that all decision makers will digest information and make their own choices. Information of the consequences on the alternatives is necessary but not sufficient for many kinds of policy education. This may be where some of the "art" of policy education enters the picture. The effective natural resource policy educator is one who can objectively analyze the situation and be candid enough to answer the "so what" questions without becoming so predictable as to be inert. This issue is not so fundamental and philosophical as many in our profession seem to suggest. The business of giving advice, of drawing substantive conclusions and offering recommendations, is a matter of degree, even "style" of education, not a fundamental yes or no question related to the role of science in policy.

The primary role of resource economics policy education is to create perspective, the context for action and change. This requires considerable amount of awareness of research and the willingness to work with leadership in particular policy areas.

Increasingly, economists are actually functioning as participants in natural resource policy. Economists are far more experienced as participants in food policy than in natural resource policy. In food policy, the role of economics is more obviously central to the decisions being made. The purpose of the resource economist is to inject economic reasoning into the process of public choice about natural resource use. This is also a very rich source of experience for the resource economist who is serious about using the tools of his or her discipline for

understanding and dealing with real problems. Often, as has been pointed out in the papers here today, the role of the scholar is to be the house skeptic or the devil's advocate to help avoid the implementation of "bad" policy. This is a very important mission in areas such as farmland preservation or economic development policy.

The overriding recommendation of this workshop, in my opinion, is that we as researchers should acknowledge the reality of academic enterprise in the land grant university and include an explicit extension aspect of research in the various areas of natural resource policy. We should draw upon the important insights of extension as a valuable human resource in dealing with real problems. And as extension specialists we should not be satisfied with process skills or the ability to communicate. We should not allow ourselves the luxury of becoming sloppy economists by using our extension label. Extension deserves better. This means that extension economists must constantly reinvest in their intellectual capital.