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It is heartening that marketing is alloted space on the program of the Agricultural Outlook Conference. Ninety minutes may be a Spartan quota but it is infinitely greater than no time at all.

Marketing past the farm absorbs two-thirds the dollar consumers spend for food products. Procurement of farm inputs, another category of marketing, claims 20 cents or so. The farmer's slice is somewhere around 14 cents. These statistics are familiar. And yet marketing has to fight for attention.

Better stated, marketing moves onto and off the farm-affairs stage with the periodicity of a heavenly body. In the 1920s we learned about marketing via cooperatives. In the early New Deal years marketing was not absent, yet George Peek resigned because it was relied on too little. During the rededication to national purpose just after World War II the Research and Marketing Act (Hope-Flannagan Act) accorded almost a Messianic role to marketing. The faith was that efficient marketing would deliver farm abundance to consumers and spare all need for acreage control. The 1950s became a decade of dedication to marketing research and to some innovation in programs.

By the 1960's disillusion had set in; the frustration led to the National Food Commission study. I found myself one of the few who defended the findings of the Commission against charges levied by two schools of critics, namely, mercandisers who resented the Commission's frown on over-elaborate promotion, and neoclassical economists who objected to the Commission's defense of "the right of farmers to organize bargaining associations, to approve marketing orders, and to engage in other group efforts."

During much of the postwar period farmers have sought income protection more through governmental acreage and price support programs than their own marketing initiatives. A notable exception is the significant, though localized, gains in collective bargaining. Only occasionally did marketing burst into view, and then mainly in connection with scandals such as the grain inspection disgrace and futures trading shenanigans. Not even during the export boom of the 1970s did marketing receive deserved prominence, although again there were a few exceptions.

Now in 1981 marketing gets rhetorical acclaim. A new Administration, tenth in my career, announces a return to relying on the market place, itself not a geographical site but an institutional framework. Will marketing be accorded more than ideological allegiance? It is too early in the quadrennium to know; but even an homage so small as booking the topic on this Outlook program is, as I said above, heartening.

The problem with marketing is that its images are wrong. The mental picture is of simple two-party transactions carried out quietly to mutual gain. In reality the marketing system is almost infinitely complex. And whether it is an agent for good or evil depends on how it is done.

I explain this thesis in terms of three paradoxes or contradictions. The first is that the marketing process is powered by the most selfish or even rascally human instincts, yet if carried out in a properly designed institutional structure it can yield socially beneficent results.

The second contradiction follows: the institutional structure that can make marketing a blessing does not self-generate but must be established by a separate rule-making process. Although private marketing organizations can and do set up their own house rules, much rule-making becomes the responsibility of democratic government.

All of which leads to the third and final contradiction: if government is now to give less direct attention to prices and incomes in agriculture it must show more circumspectness to how the marketing function is carried out. It must be more concerned for rule-making.

Hence it is that Mildred Thymian and the Agricultural Marketing Service, Philip Johnson and the Commodity Futures Trading Commission, and Allen Tracy and the Foreign Agricultural Service will have a bigger job to do. It's only small poetic overstatement that Adam Smith's divine hand, emblem of faith in the market, will guide divinely only if Thymian, Johnson, and Tracy help it or at least set boundaries to its motions.

It is tempting to offer examples, which could run from assuring honest democracy in marketing orders to wrestling with dual trading in futures to resisting the temptation to drop ethical rules in international trade. But my message is not the particulars but the principle. The market will perform satisfactorily only if it operates within well chosen rules. Establishing those rules requires sensitive and prudent participation by democratic government. And the agencies represented on the program today are in the forefront.