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# DIGEST OF ESCS REGIONAL CONFERENCES:

Tucson, Arizona, March 20-22, 1979

Memphis, Tennessee, April 17-19, 1979

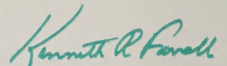
Harpers Ferry, West Virginia, May 1-3, 1979

U.S. Department of Agriculture  
Economics, Statistics, and Cooperatives Service

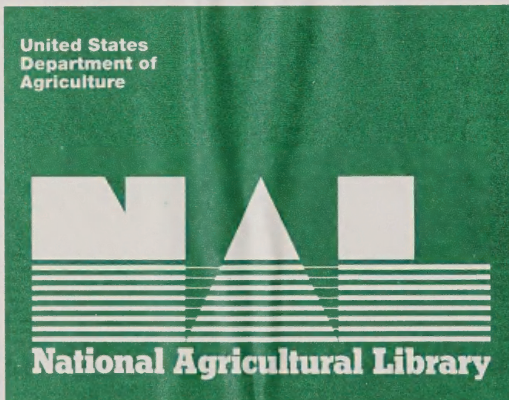
## FOREWORD

The Economics, Statistics, and Cooperatives Service was created officially December 23, 1977. We have made significant progress in the development of a single, integrated agency. The three regional conferences held in the spring of 1979 were an important step in that direction. The conferences clarified the progress made toward unity and, more importantly, provided insight into our remaining tasks.

This report records the essence of the presentations and discussions at the three conferences. I encourage each ESCS employee to read and to reflect on the ideas contained in it. The Deputy Administrators and I can provide guidance in the creation of a truly integrated Agency, but in the end it is what each of you does as an individual that will determine success or failure.



KENNETH R. FARRELL  
Administrator



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# DIGEST OF ESCS REGIONAL CONFERENCES:

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## INTRODUCTION

In late 1978, ESCS Administrator Kenneth R. Farrell appointed a committee comprised of Jim Olson (Chairman), Bruce Graham, Gary Taylor, Jack Armstrong, Harry Ayer, Duane Jewell, Duane Skow, Dan Tucker, Tony Grano, Glenn Zepp, and Bob Murphy to develop a program for an ESCS conference or set of conferences. The committee's deliberations and advice and the counsel of the Administrator and Deputy Administrators resulted in three regional conferences:

### West

March 20-22                      Hilton Inn, Tucson, Arizona

### Southern

April 17-19                     Holiday Inn, Memphis, Tennessee

### Northeast, North Central

May 1-3                         Cliffside Motor Inn,  
Harpers Ferry, West Virginia

The program and list of persons attending each conference appear in the appendix.

In his opening remarks at each conference, Dr. Farrell stated the purposes and expectation of the conference:

First, the conference is to provide an occasion for staff to become acquainted personally and professionally, particularly across the three major program units-- Economics, Statistics, and Cooperatives. We are a highly diverse organization-- professionally and spatially. If we are to develop a cohesive, integrated agency, it must begin with knowledge of the missions and programs of each of the component parts and with development of interpersonal relations throughout the organization. This conference should be a catalyst in establishing that knowledge and interpersonal relations base.

Second, the conference should be a forum for exchange of ideas and viewpoints concerning the substance of our programs, current and future. That requires that we think seriously about our missions, goals, clientele, priorities, effectiveness of communication, and our relationships with other institutions--those such as

universities and State Departments of Agriculture--with which our interest and responsibilities overlap, as well as the institutions we seek to serve by provision of statistical and economic information. I stress exchange of ideas and viewpoints! Perspective may differ between Washington and the field. Neither is likely to be absolute in truth or wisdom. We need frank, open, honest (and relevant) dialogue in and outside the sessions which are scheduled.

Third, I seek exchange of ideas and viewpoints on how we can best conduct our affairs to facilitate development, conduct, and evaluation of our programs. I am not referring to administrative services though they are important in operation of the Agency. Nor am I referring to the number of boxes on our organization chart. What I am referring to are the manner and style by which we plan our program, set priorities, assign responsibility and authority, and evaluate performance and achievement as individuals and as an organization.

We are a large, complex organization. Given our size, we are necessarily hierarchical in organization with "division of labor" among and within each program unit. Too frequently, these organizational entities become insular "empires" with narrow, bureaucratic objectives disassociated from the Agency as a whole, and from the public we were created to serve. Starting with the premise that we are and will remain a single organization, not a federation of autonomous organizations, I need your best ideas and suggestions on how we "put it all together" and make it operate as a responsive, technically excellent organization, yet one which provides for independence and tolerance of diverse missions and professional viewpoint.

Fourth, I seek exchange of ideas and viewpoints on the roles of the field staff, its relationship to Washington-based programs and relationships among the component parts of the Agency in the field. I believe we should not have a field program and a Washington program, but one program, clearly and consistently linked within and among the three major program units of the Agency. We need discussion--frank discussion--on that topic.

I do not expect and have purposely not designed the conference to yield decisions or even consensus on a predetermined set of issues or questions. I do seek and expect informal, open, frank discussion throughout the conference. I plan to speak my mind on several issues, raise questions for your reflection, and offer suggestions on ways and means of improving performance of the Agency. I invite you to do the same during the conference and subsequently, when you return to your office.

I would like to return to my office knowing more of you personally, knowing something more of your perceptions of the Agency, its current and future directions as you see them, and with some ideas and concepts that might be pursued further in the interest of the Agency.

There will be no transcript of the conference. Opening remarks at each session will be reproduced and a summary of the essence of the dialogue in each session will be provided for all staff members. There will be followup (I stress, there will be followup) to substantive ideas and suggestions which emerge from our discussion.

In summary, I invite you to participate vigorously and rigorously in the substance of the next 2 and 1/2 days. It will be as useful and stimulating as you and I choose to make it.

This digest provides complete papers presented by the Administrator and Deputies and summaries of the key points of other speakers and each discussion. Its

organization follows that in the program at each conference. The last section provides a list of suggested actions coming out of the conference which the Administrator and Deputies are reviewing with respect to possible implementation.

## ESCS--ITS FUTURE

Following is the complete paper presented by Kenneth R. Farrell, Administrator, at each of the three conferences; there was no discussion programmed after presentation of the paper.

### Roots in the Past--Foundation for the Future?

The reorganization creating ESCS in late 1977 was based upon three major objectives: (1) improved, more effective programs deriving from integration of complementary functions of the parent agencies under a single administrative head, (2) reduction in administrative and management overhead, and (3) reduction in lines of reporting to the Office of the Secretary, to provide more time for the Assistant Secretaries to fulfill their roles as policy advisors to the Secretary.

Although the organizational concepts underlying the reorganization do not seem to have been derived from a review of the history of economic research, statistical, and cooperative programs in the U. S. Department of Agriculture, there are some interesting historical parallels. A few minutes spent in examining our roots, a la Alex Haley, may be a useful point of departure in looking to the future.

Our statistical programs date to 1839 when Henry Ellsworth, Commissioner of Patents, persuaded the Congress to appropriate \$1,000 to collect agricultural statistics to "aid farmers in marketing their crops and enable them to take some of the profits going to speculative monopolists."

In the late 1800's and early in this century, the field of agricultural economics took shape in the Department with focus on farm management. In 1922, the Bureau of Agricultural Economics (BAE) was established under the direction of Henry C. Taylor. The BAE combined all the statistical and economic research of the Department.

In July 1926, the Cooperative Marketing Act created a Division of Cooperative Marketing in the BAE. The new Division was to carry out research and provide advisory service and educational assistance to associations of producers engaged in cooperative marketing.

In 1939, BAE was reorganized under Howard Tolley. Transformed from an agency performing economic analyses and a multitude of statistical services and regulatory duties, it became an agency with Departmentwide scope as a clearinghouse for agricultural planning in the Nation and as an economic research and statistical organization. In December 1945, the planning functions were transferred to the Office of the Secretary, and four Assistant Chiefs named to cover: (1) collection of statistics on crops and livestock prices and income and research on sampling and statistical gathering and evaluation techniques; (2) research on economic production; (3) research on income distribution; and (4) program analysis and services related to the farm population and rural life.

In 1953, 31 years after its birth, the BAE was abolished. Its functions were divided among the Agricultural Marketing Service, the Agricultural Research Service, and the Farmer Cooperative Service. In April 1961, the Economic Research Service and the Statistical Reporting Service were created.

Though we may not know the real "Kunta Kinte" of ESCS, it is apparent that our roots run deep. For all practical purposes, ESCS resembles organizationally the BAE during 1926-39 and 1945-53. <sup>1/</sup> Two possible cynical interpretations of that account of our historical evolution might be drawn: (1) nothing is really new; or (2) those who fail to learn from history are doomed to repeat errors of the past.

More seriously, however, we have a long and proud heritage upon which to draw in constructing our program for the future. Several elements of that heritage bear emphasizing:

- Service to the people--we have never been elitist or centralist in organization.
- Pragmatism in application of the scientific method--with some exceptions our contributions have been derived from application of the scientific method, not development of new methodology or theory.
- Institutional innovation--particularly in the period of the midtwenties to the midforties in which many of the economic/legal institutions were created which govern the missions and organization of USDA today.
- Pluralism--we have always had strong linkage to the States, particularly the land grant universities and State Departments of Agriculture.
- Objectivity--though it has at times wavered or even been tainted in the eyes of the beholders, overall and particularly in our statistical programs, we have enjoyed credibility through objectivity.
- Excellence--though seldom on the forefront in theory and methodology, we have had overall a reputation for professional competence and contributed significantly to advancement of the profession of agricultural economics and statistics.

Historians such as Wayne Rasmussen seem to agree that the period of greatest vitality in our history was in the BAE's early and middle years. To what extent that vitality derived from the socioeconomic ferment of the time, from the institutional innovations which swept the country, including agriculture, or internally from the organization, programs, personnel, and vision of BAE is not clear. Although times, the country, and USDA have changed, and thus our roles and missions have changed, we might do well to search carefully those experiences of the BAE to see which might be applied to ESCS in the eighties.

#### ESCS: Its Current Condition and Environment

The single most important conclusion I draw from the preceding sketch of our historical foundations is that the creation of ESCS has precedence; from that there is reason to believe that it might survive and be fruitful. But as I look at the Agency today, its environment in the Department, and the world around us, I see much to be done, perhaps even a major reorientation, if the union is to be fruitful. While the

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<sup>1/</sup> In 1927 BAE had 1,645 employees; in 1949, 1,171; in 1953, 1,058; and in 1979 ESCS has 2,193.

grafts of the union have been made, it is not at all clear how the branches will grow or what fruit they will bear. Put differently, we are at a junction which requires basic rethinking of our purpose, our priorities, future directions, our staffing, and our relationships with institutions within and outside the Federal Government. Let me expand.

At the time of creation of BAE and throughout much of its history, agriculture could be viewed properly as a singular, quasi-independent sector of the American economy. Economic issues of the sector derived largely from forces internal to the sector--excess production, chronically low income, underemployment of labor, lack of market power, and so on. Agriculture was rural America and approaches to resolution of socioeconomic problems were unique and internal to the sector--production control by Government, development of farm credit and cooperative institutions, soil conservation, agricultural extension, and research services, for example. It was during that period that many of the institutions through which we work today were created--created with prime, if not singular, focus on the farm production sector. USDA was the Department of Agriculture. Several generations of agricultural economists and statisticians were reared on an intellectual diet of perfect competition, farm production economics, and agricultural fundamentalism.

The circumstances of 1979 are vastly different. New and diverse groups compete with farmers for use of natural resources; the technology which made "two blades of grass grow where one grew before" is viewed with skepticism by environmentalists and those with interest in the distribution of wealth and income within agriculture; food quality, food safety, and the real cost of food are no longer taken for granted. Since 1973, population growth has turned toward rural and small-town areas, and now, persons on 1.8 million farms derive more than half their incomes from nonfarm employment. The farm production sector is tightly linked to production input and product markets and to international markets, which causes obsolescence of traditional marketing institutions and makes it impossible to understand or analyze farm economics by looking only within the farm production sector.

Simply put, agriculture is no longer just the concern of agriculturists. Now, diverse groups lay joint, competitive claims upon resources used by agriculture or experience the effects of economic performance of the food and agriculture complex. Because USDA is a publicly-funded organization, the largest single statistical/social science research organization in the world, I believe we are obligated to reassess our purpose, our priorities, and the balance of our programs as we look to the eighties. I believe that reassessment will indicate that we must broaden our agenda and experiment with new methods and institutions in developing and delivering statistical and economic information. Although the context and nature of the problems relating to food, agriculture, resources, and economic development in rural areas differ dramatically from those which confronted the BAE, they may be as challenging and as rewarding professionally in the eighties as in the twenties and thirties.

The reassessment and reorientation of our programs to meet the needs of the eighties cannot be done easily or quickly. It cannot be achieved by some singular, bold administrative or organizational stroke. Nor can it be done painlessly. In an "era of limits" we must be prepared to make tradeoffs within existing resources. What we can and should do now is to commit ourselves to begin the process in a fundamental and consistent manner at all levels of ESCS. Let me suggest several broad elements of the process.

First, we need to establish more effective long-range planning of our programs. Some may ask if we should or can plan beyond a year ahead, given the budget process, turnover of personnel, our staff responsibilities in the Department, and the uncertain, unpredictable exogenous events which characterize world economies and thus condition the nature of the crisis to which we must turn our resources. I think the

answer is a resounding "Yes, we can and should draw up a blueprint which gives direction to the core of our economic research and statistics program."

Part of our failure thus far to develop a coherent core program results from the microcosmic nature of our planning process in the various organizational enclaves of the Agency; part derives from "knee-jerk" reaction to today's crisis; part derives from excessive internalization of our priority setting/program planning process; part derives from the fact that leadership of the organization has not taken the planning process seriously enough nor treated it consistently over time.

All of the sources of failure are correctable. Some beginnings have been made; for example, development last year of 20 priority program initiatives for the eighties; the well planned and executed prices paid and received program in Statistics; and this year, the development of a long-range research program on remote sensing. The annual economic survey in Economics at one time gave promise of effective long-range planning in that unit, but it seems since to have fallen into a state of disrepair and confusion. Lastly, we are about to undertake development of a more coherent plan for research and analysis related to Cooperatives.

To be sure, none of us is clairvoyant; the best laid plans will need continuous refining and translation as events, resources, and personnel change. But, unless we make a serious effort to plan our core economic research and statistics program in a realistic, consistent, forward-looking manner, we will continue to be overcome by daily events and ultimately, lack of creditability and support.

Second, and as an integral part of the first, we need to reexamine the costs and benefits, conceptual foundations, and methods of many of our longstanding programs. True, we have made significant changes in program emphasis in recent years; such as more emphasis on rural development, environmental issues, resource use and development, and small farms, for example. We are planning internal redirections totaling about \$2 million in FY '80.

Some of the changes have led to substantive improvement in our knowledge base and to information useful in design, execution, and evaluation of action programs of the Department. But, some changes (more than we should tolerate in the future) have been poorly conceived and executed, and have given little of value to decisionmakers in or out of Government. We continue to collect statistics on minor commodities of value to only a few, favored recipients and to massage secondary economic data derived from questionable conceptual foundations. In several respects, our data/information system is not in accord with the structural and economic realities of our food and agriculture system nationally and internationally. Major voids exist in our knowledge base for rural communities and natural resources. We continue to serve organizations without asking whether such services should be provided by other institutions or by the organizations themselves. Many performance norms we use to monitor and analyze economic phenomena are antiquated and inadequate.

It is not easy to evaluate honestly and rigorously longstanding programs with which we have grown comfortable and are accustomed to. As I have learned through the budget process, one cannot always make program changes even when prepared to do so. We intend this year to evaluate systematically programs in each of the three major units of the Agency. We will continue to use zero base budgeting techniques to develop a multiyear (3 years) budget for the Agency.

I have mentioned the planned external review of our cooperatives program. We also will initiate an external review of methods used in estimating crop and livestock production. In Economics, we have begun a top-to-bottom review of economic accounts for agriculture. We also need a thorough review and reconstruction of our international program. The Resource Conservation Act and other resource-oriented

national policy initiatives require a comprehensive review and rationalization of our resource economic research and data systems. Our rural development programs (research and statistical) need similar review and clarification as to objectives and priorities. Our research and data systems for energy, food and marketing economics, and environmental quality need to be expanded and sharpened in focus.

A basic, important task ahead of us is that of examining the conceptual foundations of our food and agriculturally-related information system and, as necessary, developing a long-range plan for redesign of content and delivery mechanisms. While we have a strong, generally dependable system for agricultural commodities, it runs the risk of being gradually undermined and made obsolete by changes in the economic organization of agriculture and agricultural markets, and by response burden and respondents' refusal to participate in traditional data gathering methods.

Data collection and analysis are costly activities--increasingly so. We must use resources wisely. We may need to "piggyback" more of our surveys with those of other agencies. Certainly, we must work with other statistical agencies in designing an improved, more efficient, comprehensive information system. The greatest single potential benefit of the reorganization creating ESCS is the opportunity to integrate and coordinate across Economics and Statistics the related functions of data collection and economic research and analysis in the development of a reliable, comprehensive and objective information system. We must not let the opportunity elude us! In fact, this is the single most important potential benefit of reorganization. I intend to pursue it vigorously in the next several years.

Third, we must develop more effective institutional relationships, particularly with the land grant universities, the 1890 institutions, and other research and educational institutions which perform research and/or train potential employees of ESCS. An integral part of that initiative is the development of a coherent, consistent Agency policy with respect to location of staff in field positions. Another part is use of research contracts and agreements in a manner more supportive of our longer range core research programs. The third part of the initiative requires a broadened, more effective Agency recruiting plan consistent with the needs for professional excellence and EEO objectives requiring an increased proportion of women and minorities in our two-interval job series. The fourth and final part is the need to build linkages among positions in the field. Let me comment more fully on each of these components.

More than half of the 1,100 permanent full-time employees in Statistics are located in field positions. Principles and policies of rotation of staff among field positions and between the field and Washington are well established and pose no major policy issues, in my mind. I do have some reservations about the rather strict policy of "promotion from within" in the Statistics unit, in the sense that it may not be entirely adequate as a basis for filling what I expect to be increasingly specialized, research/methodology-oriented positions in that unit. However, I want to think further about this and hence am proposing no immediate change in this policy.

The Cooperatives unit has only two field positions at this time; plans are for an additional position in 1979 and perhaps four to five additional positions in FY '80, all in the coop development area (coops serving low-resource persons). My major concern with coop field positions is that they be deployed carefully and strategically to complement and take advantage of resources in other institutions in the field, including State and local educational institutions, particularly Extension; State, Federal, and local development institutions; and other components of ESCS. Our current and foreseeable resources in the program require that careful, strategic plans be developed to provide multiplier effects through other institutions.

I have major concerns and, I must admit, some ambiguity in my mind about the Economics field staff and our policies or lack thereof. To be sure, the Economics field staff, as in other parts of the Agency, are subject to rotation among field positions and between the field and Washington (both ways). That element of the old ERS policy I have reaffirmed since ESCS was created. I believe the programs of the field staff should continue to be linked directly with programs in the originating branches or program areas at headquarters in Washington. Further, I believe the same personnel rules and procedures (promotion, performance evaluation, classification, and so on) should apply in the field as in Washington.

Those are the clearer elements for a policy statement. From what I have already said, I would assume it is also clear that we will have a field staff in Economics, but perhaps this needs specific restatement to relieve anxieties from real or imagined actions and events of the past. But, the heart of the Economics field staff issue involves other more difficult and complex questions related to the number, deployment (distribution), and program content of field positions. Resolution of those questions in turn depends on elimination of certain misconceptions on the part of staff in ESCS and in would-be host institutions, the development of coherent, consistent, longer run research priorities and plans, a clearer understanding of the role of the field researcher in those programs, and more effective research leadership from line managers.

The misconceptions to which I refer are those which seem to imply that the primary purpose of field staff is other than research which contributes to the missions and obligations of ESCS. ESCS staff is not and should not be prohibited from such work as occasional teaching, advising and supervising graduate students, and short-term overseas technical assistance tours. However, those activities are not central nor inalienable rights of field researchers. Some judicious activity of each type may be beneficial professionally to the individual and may pay dividends in the long run to ESCS. But the ESCS staff member's performance will be rated on the quality, quantity, and relevance of his or her research in the context of ESCS missions and programs. Our programs are national in scope; thus, ESCS research should contribute to the national perspective or at least a regional perspective, as distinct from purely local or State issues, except where such research is clearly a component "building block" to the national program.

If these statements seem ambiguous, they are. Until we get our house in order in terms of longrun research priorities and programs and we articulate those to would-be host institutions, any policy is likely to be ambiguous. As a general principle, we should and will join with other institutions in joint research ventures, including positioning of field staff when our interests are defined, will be positively served and when each party is prepared to contribute to the joint venture. By virtue of our size, resources, and national interest, it is incumbent upon ESCS to lead in defining our interests and dialoguing with would-be host institutions to discover our joint interests.

Current procedures in Economics and Cooperatives for research contracts and agreements are disjointed, ad hoc, and frequently lacking in clear orientation to central program purposes of the Agency. Each year too many contracts are signed near the end of the fiscal year which suggests poor planning, lack of purpose, or both. We are not and should not be a "grants" agency in the manner of the National Science Foundation. The era of adding marginal money to university research projects which are not central to our programs should be concluded. We are not a court of last resort for funding. We must develop and announce coherent research plans and objectives to would-be contractors. We need to affirm and illustrate our interest and capacity to enter into truly joint ventures with contractors when and where those joint interests and responsibilities are defined clearly and commitment is ensured. We need to think seriously about announcing areas of research of prime interest to the

Agency, seeking out contractors of similar interest with willingness to commit their own resources and making larger, more concentrated grants extending beyond the typical 1-year time frame. Resources committed to research contracts and agreements have increased substantially in the Economics and Cooperatives units since the early seventies. We may need to rely even more upon such mechanisms in the future if budgets increase without commensurate increases in personnel ceilings, as now seems likely. Further, the research contract and agreement is a potentially useful tool for obtaining specialized talent in universities or for initiation of some types of research which may be more feasible at university locations. A major rethinking of these mechanisms and more effective management of contract funds are sorely needed now.

When I appointed Jean Redmond as EEO Director, I asked her to develop an "outreach" program for the Agency to aid in identifying qualified minorities and women for employment in the Agency. She has made an impressive beginning in that direction. But that is the task of all of us--we need to reach out beyond the traditional "pools" of talent to identify potential employees, be they economists, statisticians, attorneys, or sociologists. Rod Kite of the National Economic Analysis Division <sup>2/</sup> recently tapped JOE (AEA) in search of a macroeconomist. Several candidates whom he interviewed had no idea that economic research was conducted in USDA at its present scale--several had difficulty understanding why we would want to employ a macroeconomist. Both impressions need correction; we need to broaden the talent pool from which we draw! Field staff can be more important in our recruiting activities once Agency goals and needs are articulated.

Although I have visited only a few State Statistical offices (SSO's), I know from previous experience that these offices are frequently the most visible manifestation of the Agency outside Washington. They interact with many of our clientele, particularly the State Departments of Agriculture and agricultural organizations. They are in a very real sense on the "firing line" daily. We need to examine how SSO's can be supported more effectively by other components of the Agency, particularly Economics and more particularly the Economics field staff.

#### Summing Up

The foregoing represents some broad strokes on the canvas of future directions of the Agency as I see them; detailed development of the landscape lies with the Deputies and other staff. Let me now list some other issues and initiatives for your consideration:

1. Enhance professionalism in the Agency. We have by and large a competent, dedicated staff. But as the issues and our agenda change, we will need new infusions of talent and new approaches to resolution of those issues. Our objective should be to recruit the top 10 percent. That will require more effective recruiters and recruitment. It also implies more extensive and imaginative training programs for current staff. Above all, it will require leaders who possess and set for others high professional standards and who can create a climate of intellectual excitement and curiosity.
2. Emphasize and cultivate leadership among our managers. In the long run, we survive by our wits and ideas, by our capacity to apply theory and methods to issues important to the public.

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<sup>2/</sup> Now part of the National Economics Division.

Because of the very nature of research and the scientific method and our subject matter, we must cope with imprecision and allow latitude for experimentation and sometimes failure. Leaders are persons who lead by the strength and conviction of their ideas and their ability to stimulate and influence people. Too frequently, managers stop being leaders and become manipulators who seek objectives by the rulebook and if necessary by the authority of their position.

3. Protect and enhance the objectivity and professional integrity of the organization. We can only serve the public interest and those of our superiors by maintaining strict professional standards of objectivity and integrity.
4. Create an atmosphere of openness, intellectual honesty, tolerance, and trust at and among all levels of the Agency. Avoid cliques--personal and professional.
5. Develop and implement a meaningful set of performance criteria--expect and demand that supervisors evaluate performance fairly and rigorously as now required by the Civil Service Reform Act.
6. Develop and implement an EEO program which meets criteria of equity and human dignity in spirit and de facto procedures. Set and meet targets for women and minorities, particularly in the two-interval series.
7. Avoid building an organization and programs on the quicksands of expediency--political or personal.
8. Provide more effective public participation in planning. Build more effective clientele support, particularly for Economics.
9. Encourage more effective communication up, down, and across Agency lines. Experiment with new and improved communication methods.
10. Develop more effective program planning mechanisms and processes.
11. Reorient and systematize our management support systems.
12. Improve management of our staffwork so that it does not eat away and erode resources devoted to more basic research.

In conclusion, we have great opportunity to develop ESCS as an organization dedicated to serving the public interest concerning food, agriculture, resources, and rural communities. To do so requires that we both look to the future and retain from the past our heritage of pragmatism, pluralism, objectivity, and professional excellence. We are a single organization and we should assume that we will continue to be so. There are real and lasting benefits to be secured from the union. If we will accept those premises and conditions, accept the reality of reorganization and, most importantly, think and act positively with respect to our opportunities, I believe we can make ESCS a stimulating, personally and professionally rewarding organization, one that serves the public interest. I need your help in fulfilling those objectives.

## THE MISSION AND PROGRAM OF STATISTICS: CURRENT AND FUTURE

Following is the complete paper presented by William E. Kibler, Deputy Administrator for Statistics, at each of the three conferences.

The basic mission of the ESCS Statistics unit has been described as that of collecting, processing, and publishing national and State agricultural statistics--to present a picture of the current and prospective status of agricultural products throughout the year. For crops, the preharvest reports include farmers' intentions to plant, followed by actual plantings, acreages intended for harvest, probable yields, and production. The postharvest reports include final harvested acres, yield, and production; periodic stocks reports; and annual reports on disposition and utilization. In the livestock and poultry sectors, reports include inventory numbers; breeding and hatching intentions; calf, lamb, and pig crops; production of milk and eggs, and meat and wool. Prices associated with each commodity and cost of production input items are important corollary activities.

The missions relate to statistical coordination and clearance, research and development of improved statistical methodology, and statistical services for other agencies. While we take pride in performing them, they are relatively small in the total program.

The current statistics program is concentrated heavily on commodity forecasts and estimates. The program content and methodology were developed carefully over more than a century with strong industry input, legislative funding support, and substantial State cooperative contributions developed during more than 60 years of cooperative work. Improvements through refinements or modifications are no doubt possible, but there are few major gaps in key series of commodity estimates. Work in this area has been our anchor for 140 years and we should not abandon it nor its users.

The quality of the commodity series has been improved significantly. It is now generally better than agricultural census data at the regional and national levels. Our commodity thrust in the coming years will have to address such things as:

1. Nominal improvements in the quality of official national estimates;
2. Marginal improvements in forecasting major national crop and yields early in the growing season and producer production intentions for quarterly or longer periods;
3. Marginal improvements in State and substate-level estimates and forecasts;
4. Reducing respondent burden, or at least keeping it at current levels;
5. Refinements in timing of reports and the level of detail published;
6. Shifting to improved statistical methodology, such as objective yield techniques for crops such as sorghum, barley, and noncitrus fruits and nuts;
7. Finding ways to increase mail response rates in current surveys if we expect to maintain data quality without appropriations to cover inflation costs.

Some of the potential resources we have for addressing these are:

1. An improved list frame for more efficient sampling, and better control of response burden;

2. An expanding research capability in weather and other environmental factors that impact crop yields during the growing season;
3. A demonstrated technical capability for measurement of crop acreages by satellite; the cost of this technology is declining as we learn to use it more efficiently;
4. A valuable reservoir of statistical survey experience, research methodology results, and automated data processing (ADP) capability which has been built over the last two decades and should continue to pay dividends for the changing program;
5. A professional staff with recognized superior technical skills, who believe that they can solve most of the problems identified--one of our greatest tasks will be to add managerial skills to their technical proficiency;
6. Confidentiality legislation which, if enacted, will increase our ability to share data and lists with other Federal statistical agencies.

Some problems that will challenge us in the employment of these resources are:

1. Constraints imposed by the Office of Management and Budget (OMB) on response rates and survey methodology that bear no relation to data quality from a practical statistical standpoint;
2. Tightened central control over Federal statistical budgets and staffs by a Central Statistical Office without an appreciation for agricultural data needs or the many private users who make decisions based on data we develop;
3. A more assertive universe of farm operators less inclined to provide basic data needed and who will need clear indications of how they will benefit by providing data;
4. Tighter personnel ceilings and budget restrictions associated with the public attitude of less big government and spending.

Despite these obstacles, I am confident we can handle our problems in the area of commodity statistics. The problems emerging from new data needs are likely to give us more difficulty.

#### New Data Needs

I look for substantial demands for new data and information in such areas as rural development (assuming USDA keeps this function), impact of regulations, energy uses and needs, and renewable and natural resource use and conservation. These demands will not be at the Federal level exclusively; we can also count on our cooperative work with States to expand in these areas because of unique State-by-State requirements. These data needs are likely to be major contributors to our statistical program over the next two decades. What are some of the associated problems?

We have little background experience in these areas; our sampling frames are not optimum for such use. There are no well-organized data user groups to work with; and data requirements are likely to be poorly articulated and sporadic. It will also be hard to get agreement on priorities. We will not be able to gradually build up improvements through experience such as we gain on the repetitive-type surveys which we are geared to perform best. Further, the budgeting for such data needs could well originate in other USDA agencies or other Federal Departments, thus giving us less control over the activity.

We in Statistics also have an internal attitude that commodity work is by far our principal mission and that we must not let these other interests compete for resources. If the ESCS Statistics unit is going to be the Department's data collection agency, we must broaden our view of responsibilities. It will be our responsibility as managers to provide divisions with the resources needed to carry out these responsibilities.

Some spinoff benefits from these emerging data needs could help strengthen our work in commodity areas. Data on land use, water distribution and use, and soil resources or productivity could assist in commodity programs. Such data will give us an opportunity to develop a broader clientele to support our ESCS programs.

#### International Technical Assistance

The statistical systems of developing countries need strengthening if key data needs are to be satisfied. This cannot be accomplished by several full-time technicians in a host country for 2 or 3 years. It can happen only when the necessary capabilities are established by country staffs. USDA has some major responsibilities and interests in this area due to P.L.-480 programs and planning for exports.

I believe we in ESCS have some obligation to share our knowledge and research in this area, principally through sending teams to foreign countries on short-term assignments on a reimbursable basis. Such activities provide attractive assignments for staff development and broadened statistical experience, and they often give visible results, as in several successful efforts in countries such as Tunisia and the Dominican Republic. If our current programs in Central America, Latin America, Africa, and Asia are successful and the Department gets staff ceilings and funding, we could see a major expansion in this work over the next decade.

#### Census of Agriculture

Our reports indicate that the 1978 Census of Agriculture is going much better than the 1974 Census did. About two-thirds of the nearly 5 million questionnaires have been returned. Completion rates have improved and the computer edit programs have been thoroughly tested. Calling for nonrespondent large farms is underway. The target date for preliminary country reports is October 1, 1979. The Census Bureau enumerated a large area sample for measuring incompleteness at the State level. Publication plans call for these incomplete data to be published as if it represented a county; hence, county totals as we have known them in the past will not add to State totals.

USDA officials (active and retired) believe this responsibility should be shifted to USDA. I do not. There are some distinct advantages of a shift, such as reduction of respondent burden, list development, close association with data users, and better control on timing of release. Offsetting these is the immense competition it would create for resources during peak data collection and processing periods and the problem of resolving differences between survey estimates levels and Census data. I think the Census will change considerably. The design could possibly move to shorter questions to get data on numbers, size, and characteristics at the county level with more detailed structural asset, input, and related data collected for State-level accuracy in followup surveys. Nothing in the current executive organization is likely to move the Census toward USDA (particularly if Census does a good job in 1979).

#### Working With Our Farm Firms

During the past 2 years, the American Agricultural Movement activities have placed us in Washington, D.C., on the same firing line that our statistics field staffs have

manned for a number of years. It has been a rich experience for us. The success of our statistical work over the next few years depends a great deal on our maintaining good relations with the thousands of farmers who supply basic data. In meeting with three separate groups of farmers in different States lately, I have been quizzed about the recent General Accounting Office report listing security breaches in connection with ESCS computer activities.

The recently completed North Dakota/South Dakota Study shows some directions we need to work toward. Large farm operators are much more prone to refuse to provide data than small ones. Most farmers have difficulty understanding how crop or livestock reports assist them early in the production cycle (early forecast or breeding intentions issued well in advance of anticipated marketings). Their confidence in data and its usefulness to them is greater at the local and State level than at the national level. In fact, most think Federal users of such data are harmful to them.

These findings verify some of our earlier assumptions while they puncture others. Our movie, which was recently released, focuses on how farmers benefit from crop and livestock reports. The Census Bureau has found its 1978-79 promotional campaign along these lines more successful. Farmers' confidence in reports seems to be strengthened if they think they are making significant inputs into surveys and reports. We have been successful in working with groups such as the American Farm Bureau, National Potato Council, American Seed Trade Association, and the National Floriculture Association, who have appointed special statistical committees to work with us in building confidence and improving reports. We should seek to expand this effort. The organized data users meetings initiated in 1978 and expanded in 1979 have been very successful and should be continued. Some people think that mandatory reporting requirements are necessary. I do not believe this type of legislation could be enacted nor do I think current conditions warrant it. Should situations arise where mandatory reporting becomes necessary, I think it would help ESCS to utilize authorities from other Department or Federal agencies if possible.

We must look for alternative ways to acquire some of the detailed data needed for farm wage rates, cost of production, farm production expenditure, or annual economic surveys. Paid scientifically selected panels offer one possibility, but they are expensive and require close monitoring. Paying fees for a selected sample of participants to utilize university or extension accounting systems would probably be a more efficient alternative and could turn out to be less expensive than our current system. Farmers express considerable interest in cost of production data because of its importance in commodity programs. Although some regulations would block gathering such data, we might be able to remove this obstacle if we can show it as an avenue for reducing respondent burden and costs. Administrative records can supply some data, but will never be a major data source for ESCS crop and livestock reports.

#### Key Staff Issues

Staff development has had a key role in strengthening the technical capabilities of the Statistics unit. Two decades ago, 99 percent of the technical staff were principally agricultural economists with the minimum requirement of 3 hours of math and 6 hours of statistics. However, they were well schooled through on-the-job training in data collection, editing, and analysis with regression charts. In 1959 our staff contained only two academically trained statisticians with advanced degrees.

Today's typical staff member has 2 to 3 times more math and statistics--about one-sixth of the staff are mathematical statisticians with graduate training, and another one-sixth have extensive ADP training. Over the past 19 years, approximately 65 of our professionals have completed a full year's graduate work in mathematics and

statistics under the Government Employees Training Act. About 85 percent of these employees hold positions in the Statistics unit, and nearly all have advanced degrees.

The 600 professionals and 500 paraprofessionals who make up the Statistics unit are our most valuable asset. We must give priority to the maintenance and development of this asset. Our current program of recruitment and career development has been efficient from the standpoint of retention of both professional and support staff. Of the 600 professionals, the retirements, transfers, and resignations tend to be from the lower grades. The annual resignation and transfer rate for professionals at GS-12 and above is less than 1 percent.

Let me give you a complete profile on our records for recent years. The typical person promoted to GS-13 would be 34 years old with 13 years' service in ESCS parent agencies of the Statistics unit, and either be in Washington, D.C., or transferring there. The new GS-14 would be 38 years old with 17 years' service and would have served in three field locations and two headquarters Divisions. Those newly promoted to GS-15 would be 42 years of age, have 20 years' service, and would be returning to Washington for a second headquarters assignment with a record of successful experience in three different field offices including service as a Statistician-In-Charge.

Maintaining this record, in light of changing conditions and with changing needs for technical skill, will present us with some real challenges. Factors likely to influence our success are:

1. How we accommodate persons who are unwilling to accept transfers for career development;
2. Solutions for families where both adults hold jobs and mobility is hampered;
3. Our ability to motivate staff to strive to reach the top or work extra hours to get the job done;
4. How well we can organize job requirements to utilize the skills and interests of the developing staff;
5. How perceptive we are in keeping a training program that will provide technical, management, and coordination skills needed for a changing program.

Our progress in EEO has been considerable, but we must not relax our efforts. We must continue to make improvements. Approximately 10 percent of our professional Statistics staff are women and minorities. With proper effort, this proportion can be increased 1 to 2 percent a year. I intend to give it my total support. Ten of our 31 new appointments in 1978 were minorities or women. Our system of appointment at the entry level and promotion from within guarantees that minority and female employees will have equal opportunities to move up through the grade structure and thus be able to occupy a larger portion of the higher grades. Our annual recruitment of 35 student assistants and trainees as college sophomores and helping plan their selection of courses for the last 2 years of formal training has paid rich dividends. It provides one method for screening out nonperformers before full-time appointments are made and gives us a competitive edge in recruitment due to early contact. More than 50 percent of these students become full-time employees.

We must continue our Statistical unit mobility, training, and career development systems with modifications to conform to the overall ESCS training and career development program. A first step has been taken in the ESCS Merit Promotion Plan. Training for technical, management, and supervisory responsibilities should be one of the next ESCS plans developed.

The approval of all the ESCS Senior Executive Service (SES) positions in the "Career Reserved Status" guarantees continued management of the Service by career employees. This will assure continuity of management and give a protective umbrella for the professionalism of our statistics, economics, and cooperatives work. Too, it will assist us in planning our work more effectively.

### Conclusions

Later in the program we will look at how we put all the ESCS missions and programs together more effectively. ESCS now represents three former program agencies and a management center. The Administrator, along with his Deputies, brings to the new Agency different program philosophies, management styles, and technical skills. We can learn much from each other if we work at it. For this conference to be successful, each of us, regardless of unit affiliation, must take an active part and make it a learning experience.

We in Statistics have earned the reputation of being a tough group. We do take some hard stances on principles that are vital to the success of our operation for reasons we think are valid. Some have described our structured organization and approach to tasks as rigid and military, and we might plead a little guilty to such a charge.

I certainly have broadened my knowledge by association with Ken Farrell and the other Deputies as we have worked together for 18 months. One of the chief aims of this conference is to give this type of opportunity to our ESCS field staff. I urge you to take advantage of it. If any of you leave here after 3 days together without asking the questions you want answered, or stating concerns you have about ESCS, our meeting will not accomplish its purposes. We in the Statistics unit look forward to working with and learning from you.

### PANEL DISCUSSION

At each of the conferences, three State Statisticians presented formal comments which were followed by open discussion <sup>1/</sup>. The following summarizes key points made by the Statisticians and in the open discussion.

#### 1. Federal-State Cooperation

- . Federal-State Cooperative Program extends Federal resources. For example, about 20 percent of the Wisconsin budget is from State funds. About 50 percent of the personnel is supplied by the State at a lower cost per person than that for Federal staff. In Hawaii, the State program is larger than the Federal program.
- . Other advantages of Federal-State Program:
  - Opens doors to data sources which may be closed to other Federal agencies since the State Statistician is also part of the State staff,
  - Provides involvement with Advisory Committee from State industry representatives,

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<sup>1/</sup> Tucson: Mo Johnson, Jim Ketterman, and Lloyd Garrett; Memphis: Paul Walsh, Will Walther, and Don VonSteen; Harpers Ferry: Carrol Spencer, Don Fedewa, and Wally Evans.

- Provides sources of county data,
  - Provides support services (office space, clerical, and so on) not specified in the formal agreements,
  - Allows Federal input into survey sampling and design used for university projects,
  - Lastly, producers are more cooperative with State agents than with Federal ones.
- . Consolidation of agencies into ESCS has created some problems with the public's identification of the Federal-State Cooperative Program. The future concerns with the State Cooperative Program are not much different than for the Federal part of the program except that the State Statistician has a major part in the State budget and administrative process. The State-funded part of the budget is usually more tenuous than the Federal part because of State politics.

## 2. Recruitment

- . An effective recruitment program is one that is developed and built with a university over the years,
- . Too much time and red tape are required. There is a need to improve the image of Government service.

## 3. Economic Surveys

- . Often too detailed which increases respondent load,
- . Results often not released on a timely basis,
- . The landownership survey--cited as an example of a survey that was not well justified, was difficult to fill out, and had poor instructions,
- . The joint work of economists and statisticians on the recent cost of production survey--cited as the way a survey should be handled,
- . Stronger justification for surveys needed to "sell" cooperation. Also, strong support is needed from State governments. Much of the justification for collecting commodity data is to make economic projections. It would be desirable to have an economist in every State office to perform these functions,
- . Many new and different surveys commissioned that require additional training. State offices have had to accomplish these tasks without additional resources and the bad effects of this will probably surface when the experienced people retire. Better techniques are needed to improve performance with the same amount of resources.

## 4. State and County Data

- . ESCS should recognize the importance of estimates for smaller civil divisions,
- . The State program fulfills the expressed needs of agricultural data users for current district and county estimates.

## 5. Respondents and Respondent Burden

- . Among the problems are:
  - Surveys often too long or do not correspond to respondents' recordkeeping system,
  - Form of reporting may not fit respondents' needs; for example, farmers may not want regional aggregates.
- . Options which should be considered:
  - Fit survey formats to Internal Revenue Service formats,
  - Publish State and less aggregated summaries,
  - Reduce redundancy in questionnaires,
  - Specify data summary release dates,
  - Fit survey timing to respondent's work schedules,
  - Stratify samples; include relevant respondents only in samples,
  - Utilize remote sensing and other sources of data (other agencies, engineering data, and so on) to reduce respondent burden on farmers,
  - Put what might be sensitive questions at end of questionnaire,
- . Sampling and survey design used by many agencies (university, State, Federal, and others) often poor quality, excessive, and duplicative, which adds to respondent burden,
- . State Statisticians' offices need major public relations efforts to encourage voluntary cooperation from respondents. Michigan program includes:
  - A State Advisory Committee,
  - Assembly of a list of frequently asked questions with answers to offset the negative attitudes often formed by detractors, particularly the press,
  - Frequent formal and informal meetings with respondents and other agricultural sector leaders,
  - Change of program name from Crop Reporting Service to Michigan Agricultural Reporting Service; the new name better reflects the full scope of agency activities,
  - Distribution of a regular newsletter to provide timely feedback to respondents and other users,
  - Use of radio and television to aid in quick release of reports,
- . There is a need to increase the quality and quantity of interpretation of summaries of data collected. Otherwise, respondents view the agency as always taking but not giving back anything in usable form:

-- Perhaps situation and World Food and Agricultural Outlook and Situation Board material could become part of the Crop Report and released at the same time. The Farmers Newsletter was cited as being a big help. Extension economists in some States provide an interpretive summary in the Crop Report. Perhaps this could be expanded,

- . The current economic climate is ripe for deterioration of support of farmers for government (energy shortages, consumer movements, increasing regulatory restrictions, and so on). The challenge is to convince farmers that a food policy which favors consumers also favors the agricultural sector,
- . Spinoffs from Proposition 13 may decrease State resources available to support Federal-State Cooperative Programs at the same time that demand increases for data on land use, fuel use, and similar topics,
- . Demands for more complete State and substate estimates conflict with reduced budget allocations. OMB reporting mandates are also counterproductive to good farmer-USDA relationships,
- . The most effective public relations is to let others tell our story. Some SSO's accomplish this through the data users such as the news media, farm and ranch organizations, Extension Service, Agricultural Stabilization and Conservation Service, Farmers Home Administration, and Soil Conservation Service.

#### 6. Operational Questions the Reorganization Raises

- . Who will our clients be? Will we as an Agency continue to serve the same clientele that we did in the past?
- . Should SSO's begin to provide their own economic analysis of the Crop Report in State releases?
- . Should SSO's begin to project price and marketings for their own State?
- . Should SSO's assist the Cooperatives Unit in collecting data to help them in their marketing research?
- . Statistics missions and functions have been defined but what are SSO's to do when someone asks a question about co-ops? Are economists in the field expected to answer calls on the Crop Report?

#### 7. Agency Name

- . We need a better common name than Economics, Statistics, and Cooperatives Service.

#### THE MISSION AND PROGRAM OF ECONOMICS: CURRENT AND FUTURE

Following is the complete paper presented by J. B. Penn, Deputy Administrator for Economics, at each of the three conferences.

I would like to begin by briefly acquainting the Statistics and Cooperatives staffs and visitors with the Economics unit. Then, I will examine our mission and program content, while offering some general philosophy.

## Overview

- . Economics has about 800 people, about evenly divided between professional and support.
- . The field staff comprises about 25 percent located in well over one-half the States.
- . We are now organized into two major subject areas:
  - Natural and human resources,
  - Agriculture and food, including the international aspects. We have four divisions, two in each of the major areas.
- . Natural Resource Economics Division (NRED)
  - Has programs in pest control, water quality, resource use and development, resource organization and control, resource systems, and regional resource program studies (river basin planning). Resources: 151 permanent full-time employees and a budget of \$6.4 million of which \$2.8 million is SCS transfer funds.
- . Economic Development Division (EDD)
  - Has programs in rural housing, government services in nonmetro areas, regional development and growth, population trends--demographics, the nonmetro labor force and market, rural health and education, and local decisionmaking. Resources: 95 permanent full-time employees and a \$3.3 million budget.
- . National Economics Division (NED)
  - Has programs in inputs and finance, crop and livestock commodities, the farm sector and food system--functions and policy, agricultural history, economic performance, and well-being indicators. Resources: 300 permanent full-time employees and a \$14 million budget.
- . International Economics Division (IED)
  - Focuses on country/regional studies, trade policies, and agricultural development, and forecasting world conditions for food and agriculture. Both monitor the food system and do short-term forecasting, domestic and worldwide. Resources: 200 permanent full-time employees and \$8 million.

## The New Era

This is a most appropriate time to step back and appraise our situation. The Agency has just crossed a watershed--the reorganization is behind us, the leadership positions are filled, and each unit is becoming accustomed to being part of a larger agency. In Economics the internal restructuring of the agriculture and food component will soon be accomplished. Thus, it is now time for us to lay our plans firmly and to settle into the job ahead of us. I believe that in doing so we are embarking on a "new era" for Economics, one exciting to contemplate.

As we proceed into this new era, let us be sure we do not harbor illusions from the past that will impede our efforts. We must alter our ideas and thoughts as necessary, recognizing the world around us as it is, not as it was. The world has changed for Economics. This new era is characterized by several important developments.

The nature and function of the domestic food and fiber system have changed. Its relationship to the domestic and world economies is far different from just a few years ago. Changes include: the increasing importance of international markets for domestic agriculture and the attendant problems (increased vulnerability to instability); the emergence of nutrition, food safety, and food quality as new policy areas; the reemerging emphasis on resources and rural development; the changing economic structure of the farm and food sectors; and the larger and more diverse client group in these areas. Although there are many others, these changes alone have profound implications for what we do and how we go about doing it.

The demands for information on food, agriculture, resources and rural America are greater now than ever before, and for a different type of information than we have provided traditionally--our analyses must now be more comprehensive and broad.

Our organizational setting is new. Being part of a larger agency means we have to alter the way in which we approach matters--our research planning is but one example. This new organizational setting has already presented some new problems and there will, no doubt, be more in the future. However, I believe the potential benefits in Economics will outweigh the potential problems. Our challenge is to exploit fully the potential advantages, not wait for problems to arise.

We also have new commitments to honor--one is to equal employment opportunity. We must constantly be aware of the need to alter the mix of our staff. Currently, our professional staff consists predominantly of white males. This is no longer acceptable--neither legally nor morally. And, changing the mix of our staff is not to be viewed as something we are forced to do and which we will grudgingly go about. We are committed to do this and the results can only be beneficial. We need the added breadth and diversity of viewpoints that a changing staff mix will bring.

The expectations of what is expected from the Agency and its staff are now different. We have a new standard of excellence, new operating styles, a leadership--at all levels--concerned with substance more than with process, a greater emphasis on performance in an era of high public accountability. The public is demanding a more responsive, more efficient public sector. We are a public agency supported by tax dollars. It is our responsibility to see that the public receives full value for every tax dollar that we spend.

These changes in our environment are ones to which all of us must adapt, individually and collectively. And, we must do so quickly.

### The Mission and Clientele

Why do we exist at all as an Agency? What is our mission? Who is our clientele?

We exist first and foremost to serve the public interest--to provide factual information, and objective analyses and interpretation for the improvement of the public welfare. But, there is no single public interest; there are many publics whose diverse interests often conflict. Our products are widely used, by many people, and for a variety of purposes, all to that general end.

Who is our clientele? ESCS, an executive branch agency supported by public tax dollars, first serves the administration--the policy-level officials of the Department. It supports other agencies within the Department, and other offices and officials of the executive branch. It also serves the Congress--individual members of Congress, their constituents through them, and the committees and staffs. It serves all farmers, large and small, and the people living in rural communities across the country. It serves all consumers of all income levels and the "general public" or the public interest. Finally, ESCS economists and statisticians have responsibility for contributing to the betterment of our professions.

The wide array of clients is served in many ways, to varying extents, and to varying degrees of directness dependent upon the times and circumstances. The priorities among the clients are generally understood by the staff and within the Agency. The amount of service provided the many clients is determined by resource constraints.

The responsiveness, accountability, and high-quality performance being reemphasized in Government will no longer allow the Economics unit to operate under the illusion of being an aloof, independent research agency. Many ESCS staff members continue to hold this perception, causing them to view any external request or any redirection as infringing on that status. I will subsequently treat this topic further.

Given that we know why we exist, what we are to do, and for whom we are to do it, how are we planning to do these things? At this point, I want to digress briefly. An inherent tendency exists within any bureaucracy to be skeptical and perhaps cynical about reorganization, about new and lofty goals, about one more urging to do better, to try harder, to strive to achieve more, and pronouncements that things are going to be different. Mere words from me will not alter perceptions--only tangible actions and results will do that. But you, the staff, are the key to bringing about the desired results. So, at this time I can only solicit support and cooperation, and assure each of you by subsequent evidence that I am doing my part--providing leadership, guiding development of a program framework, facilitating our programs--letting researchers research, analysts analyze, and forecasters forecast. Overall, a major contribution I can make is to help to create the kind of environment in which we can collectively pursue our shared goals.

Now let me turn more specifically to these goals and the functions of Economics.

#### Functions of Economics

The three primary tasks of Economics may be categorized as:

- . research,
- . analysis (or staff support),
- . surveillance and forecasting.

These tasks are not new to us, but our inability to delineate the tasks in a practical fashion and to intermesh them well has been a primary contributor to some of our continuing problems.

Monitoring the Food and Fiber System.--The Economics unit, in my view, has the potential to be the last word, the final authority, the primary source on what has happened, is happening, and is likely to happen in the near future and in assessing what this means for consumers, producers, and the food system itself. No other single

institution in Government or the private sector has the resources, the data available, or the institutional connections to do this better. To achieve this potential, we must pay continuing attention to the many and growing food system linkages to the domestic economy, to development of a capability for complete rather than partial analyses. New and improved economic performance indicators for all components of the food system must be devised, a system for producing them designed and implemented, and the product made available on a more timely basis in formats appropriate for the different clients (users). The system must be identifiable in total, individual and group responsibilities clearly delineated, and the system and staff performance regularly appraised. This is one function in which there are potential advantages of having the data gathering and analysis units in the same agency.

Analysis.--The Agency is being viewed more and more as the "analytical arm" of the Department. It will continue to be called upon to meet that need in this Administration (a "voracious user of economic analyses"), and we must improve that capability quickly. A high quality product is required. This means solid, rigorous analysis, appropriately packaged, well-written, and presented to each client group. Vigorous leadership by our branches and sections is a must for immediate improvements in this area.

Research.--The Agency now has many and can attract more very talented staff members to be the Government's "Brookings Institution in food and agriculture." There is simply no reason that ESCS cannot be known first for simply doing "good work," and more specifically for doing studies of professional acclaim, studies of use to policymakers, to farmers, consumers, and all clients. ESCS should lead in setting the research agenda for the profession and be the "filler of the knowledge cup" from which policy and program analyses draw. Anything less is simply not realizing the unique potential that we have.

Let us recognize at the outset that ESCS is first an applied research agency--it must address issues of broader relevance than just to the profession. To the extent it is successful, it will from time to time be involved in controversy (a solid, defensible product will stand it in good stead in these times). When on this subject, I never fail to hear a rendering of what "being relevant" did to the old BAE. I am fully aware of the political pitfalls--they are real. But, the times have changed in many ways and sufficiently so that an agency will not be summarily abolished for being relevant. In fact, the opposite is more true today.

Research planning in concert across divisions and program areas is currently a missing element. Greater additivity, not further fragmentation, is needed. The focus must be on addressing rigorously the broad problems of relevance, not on compartmentalizing to conform to the organizational structure.

The interrelationship of the three activities noted above--monitoring the food system and forecasting, analysis, and research--is obvious. A challenge for managers will be to achieve this and to maintain the appropriate balance among the functions while intermeshing them in the most complementary manner. Failure to differentiate among them, to recognize how they relate to one another, and to discern the differing qualities of people needed to do them are fundamental reasons why they have often not been done well.

I repeatedly hear negative comments from the staff and from university personnel on the amount of staffwork (analysis) we do and how this is detracting from our research program. I am sensitive to this perception. But, in my view, it misses the central point of balance. We are not solely a staff organization nor will we emphasize one area over another. There is a mutual reinforcement or complementarity to these activities; properly managed, there can be a most advantageous synergism.

There is no question that doing only staffwork will erode the research base and that the product eventually becomes superficial and poor in quality. Also, research conducted in a vacuum (in the absence of staffwork), oblivious to the happenings in the world about us, tends to become irrelevant and poorer in quality. I have heard program managers in the past say that staffwork is the price we must pay the fiddler for the dance; the dance, of course, being the research. This is not my view. We want to do staffwork. Only a very few of our people have been doing much staffwork. Further, these are usually our most productive researchers. Part of the seeming increase in staffwork is simply because we have not provided a viable, continuing, or directed research program. Thus, many of the questions we are asked to analyze, often in a very short time, come about because our research was poorly directed. Many of these questions had been foreseen years in advance, yet we did not initiate anticipatory research. Many of the requests for staff analyses would never arise had our research program been what it should have been; we would have already answered many of the questions.

The view that I hold is that we have to achieve and maintain the proper balance among the three principal activities, that analysis and forecasting must draw upon the research base, and the research base in turn is made richer and more relevant because of the current and emerging issues and the form in which they arise for public debate.

### The Goals for Economics

We have a unique opportunity in Economics--one not available to any other single organizational entity in the world:

- . We have broad access to data, primary and secondary, in food and agriculture, resources, and rural America. And, facilitating our use of these data is our access to the most technologically advanced computing equipment and data handling techniques now available.
- . We have access to a broad and diverse expertise, the best in the world in many cases.
- . We enjoy a close contact with policy officials and the Government decision process. We have a ready-made clientele, in fact, a hungry clientele, that eagerly uses our products. Never has the opportunity to provide factual, analytical information that will help shape the course of public policy for food, agriculture, resources, and rural America been greater than it is today.
- . We have adequate financial resources and the prospects are bright for continuing to enjoy such support. We have, for the most part, a talented and capable staff. There is thus no reason that we cannot achieve more of the potential that exists, that we cannot be the foremost information agency for food and agriculture, resources, and rural America in the world.

With this unique opportunity, what are some specific future accomplishments that will realize much of the existing potential?

One is to provide leadership. This is often an intangible, hard to describe ingredient, but one I perceive to have been too often lacking. The changed world I mentioned above, especially the new organizational setting, now permits me to do more than previously concerning the substance of our programs. I can focus more on the overall direction of our research, the quality of our analyses and forecasting, and the provision of resources necessary to support these activities. This has come about because many of the administrative and management functions that formerly occupied the persons in charge of Economics are now done elsewhere--at the Agency level. I view an essential part of my leadership role as seeing that the future directions for

Economics are well developed and communicated to the other leadership and to all of the staff. For a variety of reasons, Economics had, over time, generally become process-oriented, shifting away from the substantive aspects of the program. A "hard day's work" had become defined as back-to-back meetings. The frequently used term "signoff" became perfunctory--it did not indicate review and approval. One major shift will be back toward substantive, intellectual leadership and direction. That is a part of the Economics restructuring--to develop a top leadership that is not overwhelmed with routine administrative chores, leaving more time to focus on the substance of the programs for which it is responsible.

We want to develop a structure and forward-looking plan so that every single member of the staff knows their role, what is expected of them, and how their efforts contribute to the overall goals. It is human nature for people to want to be a worthy part of something, to want to feel they are making a contribution, and to be recognized and rewarded for their accomplishments. That is what we are trying to create--an organization noted for excellence, one in which every person, at every grade level, and at every location can be justifiably proud.

### Emphasis Areas

To achieve our goal of excellence, we are selecting a few areas for special emphasis--these will not be noted at the beginning of the year and then forgotten. These will receive continuing attention and we will periodically assess what progress we have made. When we have successfully completed work in these areas, we will turn to others.

Areas selected for special emphasis in the two major subject areas of Economics represent a mixture of both the substantive and process parts of our programs:

#### 1. Agriculture and Food

- . Economic Indicators and Statistics.--We have known for a long time that most of our indicators of economic well-being and performance for agriculture and the food system were inadequate. They remained unchanged for many years while the agricultural, food, and rural sectors were rapidly changing. Nowhere is this more pronounced, for example, than in the farm income statistics. The concepts underlying these estimates are outmoded; the data base has been greatly eroded; the procedures for deriving the estimates are inefficient and too subjective. Finally, the usefulness of the indicator is substantially diminished by the growing heterogeneity of the farm sector. For example, our farm income statistic indicates the sector is relatively prosperous--income increased 40 percent in 1978 to the second highest level ever; nonfarm income combined with farm income produced the highest total income the sector has ever had. Yet, the Nation's Capitol was again besieged with protesting farmers. Thus, we need indicators that more accurately detail the economic well-being of all groups comprising the farm sector.
- . Country/Region Research Program.--It is by design that we have a new international economics division and not a foreign division. This reflects the more integral role of the many international aspects in the functioning of the domestic food and fiber system. A major aspect is the new understanding of the delineation of responsibilities between the Foreign Agricultural Service (FAS) and ESCS for surveillance and forecasting; among FAS, ESCS, and the World Food and Agricultural Outlook and Situation Board (WFAOSB). These responsibilities are listed below:

-- ESCS is now the acknowledged primary source in the Federal Government for country information on food and agriculture and related economic

information. This means a much more comprehensive program than just the monitoring necessary to provide commodity supply and use estimates.

-- We will now provide basic research information for programs in the Office of General Sales Manager (OGSM), Foreign Agricultural Service (FAS), and Commodity Credit Corporation (CCC)--the short- and intermediate-term export credit allocations, the P.L. 480 food aid allocations, market development and expansion, and the like.

-- We need to to build more productive relations with FAS, the CCC Secretariat, OGSM, and the Office of the Under Secretary for International Affairs and Commodity Programs.

- . Improved Surveillance and Forecasting.--The operation of the situation and outlook program has long presented a dilemma. We have tried various organizational arrangements in the past ranging from a separate entity (ESAD) to various coordinating mechanisms. There is no structure that immediately solves the problem. However, I am firmly convinced that this function cannot be separated from the research and analysis functions.

The shifting of the primary focus for this activity to the International Division reflects the new emphasis on both of these areas. Implementation will include:

- Preparation of estimates, including those for the United States, in a world context.
- Provision of an environment conducive to improved accuracy, and more efficient preparation and reporting of the commodity estimates.
- Contribution to improved functioning of the Department's forecasting system--clearer delineation of responsibility among FAS, WFAOSB, and ESCS; provision of more accurate, internally consistent domestic and international estimates.

## 2. Economic Development

- . Small Farms and Small Farmers.--One of the most pressing problems in addressing the small-farm/farmer issue is the acute lack of information on the social and economic characteristics of the population. Because of the diversity of the small-farm population and our inability to link people and agricultural data, we cannot now evaluate small farmers' economic position or realistically analyze their potential. We want to obtain information on the attributes of small-farm operator families, the characteristics of the farming operations, operators' objectives and goals, and other data to assess the potential effectiveness of alternative public programs to improve the well-being of small-farm families.
- . Models/Projections of Rural Economic Growth.--Federal rural development agencies and the Office of Management and Budget seek information on trends and projections of the rural economic situation for use in strategies for provision of facilities and services, and job development and training programs. A major gap in ESCS research capability is our lack of capacity to provide this information in a consistent framework. We need to develop a uniform basis for updating data, making imputations to fill data gaps, and making near-term projections. To provide this capability we want to develop a data base management and modeling system.

- . Distribution Impacts of Economic Development.--The population turnaround in rural areas being widely acclaimed is viewed by many as achievement of a long-term goal of rural development. Substantial job growth, changes in labor force participation and similar phenomena have been confirmed in analysis of highly aggregated secondary data. We now seek to refine these observations of development effects by obtaining and analyzing primary data from households, firms, and local government institutions.
- . Credit.--The Federal Government annually lends or guarantees billions of dollars of loans for rural development purposes, including new industrial plants, houses, water systems, and clinics. Lack of available capital is often cited as a major hindrance to development in rural areas, and proposals for rural development banks are common. To date, we have very little research to document the extent and causes of capital shortages in rural areas or the potential contribution of programs to subsidize capital availability to rural development.

The Economic Development Division (EDD) is expanding its program to address some of these issues on three fronts: intensified research on the economics of housing credit, borrowing by local governments, and the availability of capital for business development in rural areas. Overlying these three fronts are policy-related issues and a need to know more about some fundamental relationships. For example, the Federal Government recently has been moving in the direction of guaranteeing loans made by private lenders, rather than making the loans directly. We need better information about the impact of loan guarantees on overall lending: to what extent do these guaranteed loans merely replace loans which would have been made otherwise? To cite another example, we need better information about the interrelationships between credit availability and rural areas, and between the Federal Reserve Board and actions which affect conditions on national money markets.

- . Policy Analysis Oriented Research.--A major development in EDD within the last couple of years has been the building of much closer working relationships with program agencies, particularly Farmers Home Administration (FmHA). While we had worked regularly with FmHA in the housing area and on some specific population issues, we had worked only sporadically with them on other issues. Within the last couple of years, we have built much closer working relationships, and are now working regularly on issues such as the composition of their business and industrial loan portfolio, and alternative targeting formulas for programs.

### 3. Natural Resources

- . Water Quality, Conservation and Management.--The President's Water Policy Initiatives of last year coupled with recent legislation for new water programs have highlighted the need for better data and research. The National Resource Economics Division (NRED) will be redirecting resources and is seeking increased appropriations for FY-80 to focus on:
  - economic impacts of forces (rising energy prices, inflation, declining ground water levels, technology development, water quality programs) affecting the availability and costs of water;
  - economic efficiency and equity of different water conservation strategies (water pricing, recycling, irrigation scheduling);

- conservation practices and programs to determine cost-effective ways to conserve soil and water and reduce pollution; and
- offsite impacts of agricultural practices and programs on water quality, water supply, and related costs and benefits.
- . Landownership and Land Use.--Congressional requests for data on foreign investment in land particularly manifest general societal concern about the distribution and control of the Nation's land wealth. During the coming year NRED will complete a congressionally mandated study of alternative ways of monitoring foreign investment. In addition, data from the ESCS National Landownership Survey will be available to provide the first national statistics we have on foreign investment since 1946. NRED will be devoting substantial resources to analyzing these data over the next several years. In addition to foreign investments, public concerns include absentee ownership, corporate ownership, access to resources by minorities and small farmers, and the relationships between landownership and land use.

An executive branch study on the agricultural land retention issue has been proposed. We anticipate substantial involvement with this study of the adequacy of the Nation's resource base, factors affecting the conversion of agricultural lands to nonagricultural uses and the need for policy on this issue.

### The Role of Economics in the Future

The future is what we are all about. A long time ago, the public decided it did not want to go stumbling blindly into the dark room of the future. It wanted to know the direction of current momentum and if deemed socially unacceptable, how that direction could be altered the alternatives available, and the relevant considerations associated with each. Put simply, our research must be a balance of what is happening now, what it means for today, and what it implies for the future--our research must be both pragmatic and anticipatory. Above all, it must be relevant to the problems that emerge over time.

How do we achieve research relevant for the future?

- . Through the expertise of the leadership and the staff--the leadership must maintain a strong substantive emphasis, be effective, and visionary, and guide the programs in a forward-looking manner.
- . Through an excellent staff and the joint interaction that produces the desired direction, planning, and the followthrough--the execution.
- . Through continuity of leadership. If the planning is sound, personnel changes will be less disruptive and cause less change in direction. We are trying to develop a plan, a foundation to serve us a long time. The current leadership is committed to see these things through to fruition.

### Future Needs

What are the needs for Economics as we move into this new forward-looking era?

- . Data Services.--Some of us remember the IBM 650's, the 1620's, 7040's, and the several generations of the 360 series. The technological innovation has been rapid. We must provide the capability to stay abreast of this continuing change in the technology in computing and data services to achieve every possible efficiency in this area.

- . Data Collection and Availability.--This is going to be an increasing concern for us in the future. And, this concern also derives in large part from the changing world around us. Our difficulties will stem in part from:

- The structure of the input sector. The input sector is concentrated and, some argue, becoming increasingly so. In this environment, information becomes increasingly valuable to firms and they are increasingly reluctant to voluntarily provide it to a government agency.
- The data problems in the farm sector also relate in part to structural change. As farms have become larger and more complex, obtaining information from surveys, talking with farmers across the hood of a pickup truck, is fast becoming an infeasible approach. The information so obtained is becoming unreliable. Farm businesses are so complex that records must be consulted. Doing so takes time, which runs contrary to OMB interview time constraints. Fewer and fewer farmers are being asked to provide more and more information and many of them are becoming more reluctant to do so. This means we are going to have to be innovative in obtaining farm data, perhaps turning more and more to producer panels.

A second aspect of the problem relates to defining the population. We all agree that there is a small number of farms, perhaps only one-half million, that provide most of the food and fiber. This leaves well over 2 million other places defined as farms. While we still have problems with defining a farm, we have even more in trying to delineate these other 2 million farms. We must learn much more about them to treat them in a public policy context. And this takes us even more into the nontraditional areas of data collection.

- A third aspect is in the markets. Just determining "price" is becoming an increasing problem. Integration, contracting, and other exchange arrangements have brought the "thin" (beef) and no (broilers) markets problems. The absence of this information means we must move into nontraditional areas to obtain the data needed by the public.
- The food system. The problems noted in the input sector also apply here. The fierce competition among the often small numbers of firms also creates a reluctance to provide confidential information to a Government whose credibility for protecting confidential information has been seriously eroded. We, thus, face serious problems in obtaining the data needed just to carry out our monitoring function, let alone to obtain the indepth, detailed data needed for research.
- Nontraditional data needs are growing in resources, development areas, landownership, land use, water policy, and small farms.

- . Recruiting.--Here, the emphasis is not on being able to recruit in sufficient numbers, but to recruit the desired mix of high-quality new staff. We will over time be recruiting fewer people. But, we must recruit more in the nontraditional areas (outside the land grant universities) for persons not traditionally employed by ESCS, particularly in two-interval series. We will be seeking more general economists, more women, and more minorities. We will have to become more adept at evaluating these nontraditional candidates and will have to develop reliable contacts in nontraditional schools, just as we have over the years in the traditional schools.

- . Potential Redirections.--With a declining staff (ceilings) relative to funding, we will have to do fewer things in the future. We will not, in my view, be

able to maintain programs in all the areas studied traditionally. This has a number of implications:

- As researchers, analysts, and program managers, we are going to have to become more adept at identifying emerging problems (long before they emerge). We are going to have to set research priorities more carefully. And, as we will be subject to criticism for not working on areas that have a clientele, that increases the pressure on us to produce in the areas we do select for study.
- We must build in more cohesiveness to our research planning (the Economics unit to the division to the branch to the project). There must be a greater interaction between the research leaders and the staff, including field personnel, in research planning. A successful program of research can neither be planned wholly from the bottom up nor the top down. There must be broad directions established and then interaction between researchers and the leadership to develop a successful program within these broad guidelines.

Location.--And, finally, I often hear that longrun research must be done in the field and the staffwork done in Washington. This, of course, is neither feasible nor desirable. But we need to search for the proper mix for any given set of research priorities.

I view our tasks as a challenge. There is no reason our researchers and analysts in resources, rural development, food, and farming cannot have the best vantage point to foresee the evolution of events that will bring problems full 5 years before they become apparent to everyone else. Part of my job is to develop this sense of what is and will become important and to set priorities accordingly. We should recognize our vast amount of flexibility in determining our own programs (few things are externally imposed upon us). We have the responsibility to do this so that we are most effectively serving the public need for objective, factual information.

#### PANEL DISCUSSION

At each conference one person located outside of Washington and one or more Division Directors made short presentations; this was followed by open discussion. Following is a summary of the key points by those located outside of Washington. 1/

- The proportion of time spent on research is diminishing as short-term policy analysis and staffwork increase. A refocusing of priorities back toward basic economic research would permit better answers to anticipated policy questions consistent with our primary expertise.
- The field staff generally feels that the above emphasis on policy issues restricts our clientele and reduces our foundation for support. More emphasis is needed to develop support from farmers, commodity groups, farm and trade organizations, and local and State governments. This would require a special effort to make ECON's products visible and useful to these groups.
- There is increased uncertainty regarding the role of field employees within ESCS. There is no formal or implicit location policy; nor do field staff

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1/ Ed Jesse--Tucson; Neil Cook--Memphis; and Tony Grano--Harpers Ferry.

know who is responsible for their geographic fate. Inquiries are often met with inconclusive or evasive answers. Most employees would welcome the development of coherent and consistent policies related to location, hiring, promotion, performance evaluation, and training.

- There is substantial field concern that the "outside" perception of our agency has changed--from an objective research unit to a large staff economists group addressing any and all questions related to agriculture and natural resources regardless of nature and content.
- There is some concern that the basis of cooperative research with the universities is in jeopardy. The objectives of ESCS-ECON and the agricultural economics departments are diverging, and more of our work is becoming nearly or completely independent. The nature of our work is typically inconsistent with the time frame and interests of graduate students, which also places ESCS at a disadvantage in competing for qualified research assistants.
- Suggestions for future research needs included the following: (1) more marketing research in all major commodity areas of the food and fiber system, (2) domestic/international market and policy interrelationships, (3) small farm issues, (4) impacts of erosion on short- and long-run productivity, (5) energy issues, and (6) water policy issues.

#### THE MISSION AND PROGRAM OF COOPERATIVES: CURRENT AND FUTURE

Following is the complete Cooperatives Unit paper presented at each of the three conferences. The paper was presented by Randall E. Torgerson, Deputy Administrator for Cooperatives, at Tucson and Memphis and by Jack H. Armstrong, Assistant Deputy Administrator at the Harpers Ferry conference.

The broad goal of the Cooperatives unit may be stated as follows: To formulate, develop, and administer research, technical assistance, and education programs on financial, organizational, management, legal, social, and economic aspects of cooperatives to increase knowledge of agricultural cooperative principles and practices and to increase farm income. More specific goals are to: (1) increase farm income, (2) increase cooperatives' efficiency, (3) increase market competition through cooperatives' presence, (4) increase cooperatives' share of marketing activities, and (5) increase public understanding and awareness of the purposes, structure, principles and practices of cooperation. Our fundamental purpose is simple: to help make farmers' cooperative businesses competitive and efficient. The Cooperatives unit carries out this purpose by being the focal point of national research and technical assistance activity involving farmer cooperatives.

Because of this broad goal, the unit serves several clientele groups. Interest in cooperatives ranges from how to use them to their regulation and control. The result is a wide range in demand for data, research, and information from the Cooperatives unit. Clientele groups include cooperative boards of directors, management, and members; groups interested in organizing cooperatives; educators; farm organization leaders; policy decisionmakers, other agencies, and departments of government; legislators; consumers; and the general public.

#### Missions of Cooperatives Unit

Our legislative mandate, however, the Cooperative Marketing Act of 1926, specifies that we are basically oriented towards the needs of farmer cooperatives and efforts to

improve their effectiveness. Therefore, almost all of our work is concentrated on farmer cooperatives, 7,535 of them throughout the United States at latest count. Five missions focus our work within the unit.

One mission is to conduct applied research to acquire and maintain a base of information necessary for the Cooperatives program to give farmers relevant and expert assistance pertaining to their organizations. Studies concentrate on financial, organizational, legal, social, and economic aspects of cooperative activity. Concerted effort is made to ensure research applies directly to cooperatives' current and emerging requirements to serve the family farm more effectively.

Our research during the past few years has included a study of how cooperatives can become more directly involved in grain exporting; an analysis of exporting activity by all cooperatives in 1976; the future role of cooperatives in the red meats industry; the future structure of the dairy industry; the emerging structure and role of cooperatives in the dry bean industry; and the piggy-back transportation of California fresh vegetables. We are authorized by statute to make special studies of cooperatives, often published as case studies.

These studies have been well received by the cooperative community. Several of the studies have resulted in follow-on technical assistance requests, such as many currently underway in the red meats area. Thus, we can see results from our combined research and technical assistance efforts. In addition to research work within the unit, work is also done through assorted cooperative research agreements with land grant universities.

A second mission is to acquire and publish historical and statistical data on cooperatives. These data are collected to detect changes in structure, operations, and growth trends. Data help identify and support applied research and technical assistance activities. In addition, the legislative and executive branches of the government use this information in formulating agricultural policy.

Following recommendations of an outside review group, we are improving our cooperative list maintenance and data collection procedures. Plans are to shift to a calendar year reporting basis and move to a sampling data collection procedure in alternate years which will improve the timeliness of future reports and reduce respondents' burden.

A third major mission of the unit is to provide technical assistance in response to specific cooperative-related problems. Requests may come from a few farmers directly or from the management of federations of cooperatives composed of hundreds and sometimes thousands of farmers. We supply help on business organization and relationships of the cooperatives to other businesses and institutions. Work involves determining the feasibility of new facilities, advice on the merits of merging organizations, and technical assistance for decisionmaking on a specific problem confronting an organization. Technical assistance is largely designed to specifically benefit the requesting group. By law, results of technical assistance studies are confidential and can only be released in a desensitized form with the permission of the requesting organization. However, the results often provide guidance in developing business strategy for all cooperatives.

Many of the technical assistance requests we receive are referred by the Banks for Cooperatives. For a number of years, the Cooperative unit was part of the Farm Credit Administration. The close working relationship developed is maintained in identifying research needs and in working with problem accounts.

When we receive technical assistance requests, we use six criteria to determine our response:

1. Is the problem one of an individual firm or a general one for the cooperative sector?
2. Is what is learned transferable to other cooperatives?
3. Does the cooperative have the resources to do it itself?
4. Is more than a single cooperative involved?
5. What added value can be expected from changes the project brings about?
6. How will the benefits be spread throughout agriculture?

The overriding criterion for assistance is the economic need of the people that the cooperative is serving.

A fourth mission of the Cooperatives unit, spelled out in the Cooperative Marketing Act of 1926, is to assist newly emerging cooperatives. Work involves determining the economic feasibility of new organizations. Numerous requests come from groups contemplating forming cooperatives in many segments of American society. For example, a group of grain farmers supplying a local privately owned elevator may desire to acquire that elevator and operate it on a cooperative basis. Or, a request may come from a group of broiler growers who no longer want the piece-wage contractual relationship that does not afford them an opportunity to share in the economic benefits of the broiler industry. A request may come from livestock producers concerned over loss of marketing outlets and interested in the feasibility of meatpacking or an electronic exchange. In these situations, we conduct economic feasibility studies. The results provide an information base upon which farmers decide whether to organize or not. If they do, we help them organize.

We often get requests from low-volume producers who desire a cooperative organizational arm to assist them with their income problems. Some of the most dramatic results of cooperation often are found in such limited resource groups because what to us may seem a rather small additional economic benefit from group action, to them can often mean increasing their yearly income by 50 to 100 percent. Dramatic results have been achieved working with craft cooperatives in rural areas in Appalachia, specifically the Blue Ridge Mountain area. We are also helping to develop new fruit and vegetable cooperatives, fishery cooperatives, forest owners' associations, fruit and vegetable production cooperatives, and several feeder pig organizations. This work is among all economic and ethnic segments of society. It is important to realize, however, that cooperative development work is not limited to low-resource people. Our most successful new cooperatives are those that represent a cross-section of the members in rural communities.

Finally, we have a distinct educational and informational mission within the unit which we accomplish by serving as a central storehouse of data about farmer cooperatives in the United States. The act spells out this mission as follows: "To promote the knowledge of cooperative principles and practices and to cooperate, in promoting such knowledge, with educational and marketing agencies, cooperative associations, and others." We develop publications to convey the basic principles of cooperation and key organizational and management elements required for successful cooperative efforts. A monthly magazine, Farmer Cooperatives, reports significant achievements of cooperatives, the most advanced thinking of cooperative leaders, and highlights of agency technical assistance and research activities.

Guiding principles for the unit's effort center on providing immediate response and leadership in the changing economic environment in which the farm family operates. We can work with the most sophisticated farmers or those with limited resources and

management skills. The unit can commit one specialist or a special team to projects. We may tackle a project by ourselves or work with other units within ESCS, other State and Federal agencies, universities, or with one or a group of cooperatives. Because of its versatility and flexibility, the unit serves as a national focal point of activity about farmer cooperatives. This is increasingly true as universities have failed to replace cooperative specialists upon retirement.

#### Recent Developments

Some developments during the past year have had significant impact on programing. There has been a significant increase in the number of requests to assist low-volume (and low-resource) farmers interested in organizing cooperatives to improve their economic position in the marketplace. Significant structural change in agriculture has continued to keep small family farm operators in a relatively tight economic situation. Assistance provided these producers is generally first to conduct an economic feasibility study to determine their viability, and second to assist them in organizing a cooperative if warranted or to help them affiliate with an existing one if the situation so warrants. This increase in requests for assistance has taxed our ability to respond. We have had to defer our response and take them on a first-come, first-served basis.

Another major development affecting our program has been the emergence of several important policy issues we have studied: extension by the Secretary of Form G Loan Provisions, allowing grain cooperatives to receive price support loans on behalf of members similar to those available to soybean, cotton, and rice cooperatives; improving the export capability of cooperatives through the organization of multinational marketing and/or multiproduct national exporting cooperatives; analysis of the impact of proposed farm bargaining legislation; accounting procedures used by cooperatives for taxation purposes; and review of procedures for handling the undue price enhancement provision in Section 2 of the Capper-Volstead Act of 1922.

By congressional direction, we continue to strengthen our program in the areas of improving cooperatives' position in international trade, determining the impact of cooperatives in our economic system, and studying policy issues affecting cooperatives. Given our limited resources, we need counsel and guidance of ESCS staff members in developing the most effective program possible to serve cooperatives and farmers.

#### PANEL DISCUSSION

At each of the three conferences the Directors of the three Cooperatives Divisions highlighted the work of their division. Following is a summary of their comments.

##### 1. Cooperative Marketing and Purchasing Division, James Haskell, Director.

The Division engages in research, analysis, technical assistance, and educational activities to achieve the following general goals for U.S. agricultural cooperatives.

- . Establishing new or improved commodity marketing programs,
- . Developing more effective farm supply procurement and distribution systems,
- . Assisting in retaining or regaining access to product and input markets,

- . Developing and implementing more equitable and efficient price discovery mechanisms,
- . Assisting with the development of more effective foreign trade operations.

Broad issues currently facing cooperatives that particularly affect the Division are:

- . Pooling by marketing cooperatives,
- . Impacts of significant farm program changes on cooperative operations,
- . Ability of farmers to access product markets,
- . Inefficiencies, inequities, and the need for improvement in the raw product pricing system,
- . The viability of cooperatives in foreign trade,
- . Adjustments stemming from the dynamics of the farm supply industries.

## 2. Cooperative Management Division, Warren Mather, Director.

The Division encompasses four major lines of activity:

- . Research and analysis of policy issues affecting cooperatives,
  - Studies involving size, market share, and strategies, and extent of cooperative growth,
  - Inquiries that stem from special legislative treatment of cooperatives and as a result of attempts to intervene by external and internal interest groups,
  - Studies that measure cooperative impacts in terms of farmers and the public interest.
- . Cooperative finances,
  - Analyze impacts of mounting capital requirements,
  - Include alternative methods of capital formation given the unique capital structure of cooperatives,
  - Include studies of capital redemption plans, a major source of difficulty as capital must be held by cooperative members.
- . Member relations,
  - An important area because of growth in size and sophistication of cooperatives,
  - Special emphasis on young farmer participation in the control of cooperatives.
- . Cooperative statistics,
  - Furnish the basic national descriptive statistics on cooperatives,

- Deal with difficulty of keeping these current with resources available,
- Examine alternative approaches,
- Depend more on Statistics unit for assistance with cooperative statistics activities.

### 3. Cooperative Development Division, Raymond Williams, Acting Director.

This Division has four major responsibilities:

- . Clearinghouse for cooperative development activities in agriculture,
  - Responds to a variety of farmer and other requests,
  - Provides published materials, answers written and telephone inquiries,
  - Refers people to other agencies that may be of assistance.
- . Education and training,
  - Conducts seminars and workshops,
  - Makes case studies available,
  - Provides onsite training, often one on one,
  - Provides training and materials for officers, boards of directors, and others who assist new cooperatives.
- . Conducts feasibility studies,
  - Consume about 75 percent of Division resources,
  - Cover full range of activities involved in starting a new cooperative,
  - Meet the test of sound economics as members of new cooperatives are taking considerable financial risk.
  - Rely more on Economics unit,
- . Research and evaluation of effectiveness of program.

### DISCUSSION

Following are key points raised during the open discussion.

- The Cooperatives unit has a strong link with educational institutions, particularly in conducting feasibility studies. However, attrition in land grant schools has left voids as staff with cooperative expertise have not been replaced. The cutback in research and extension budgets has also contributed to less output. Our cooperative agreements will strengthen the program at the universities to some extent.
- Income from cooperatives is not part of USDA income statistics.

- Cooperatives can purchase land but own very little for agricultural purposes.
- The Department's goal is to assist farmers through cooperatives to increase farm income but not unduly increase prices. USDA is implementing a program to monitor undue price enhancement. The presence of cooperatives is thought to move the market toward a competitive norm. Since 1965 there have been seven complaints filed with the Secretary of undue price enhancement by cooperatives.
- The only position that ESCS can take on cooperative policy issues is to (1) provide the best objective analysis we can, and (2) discuss the implications of alternatives. ESCS cannot make policy. The objectivity of our analyses can be improved by involvement of outside people with varying views of cooperatives.
- Criteria for deciding who should receive assistance are:
  - . Can the State or cooperatives themselves provide the service?
  - . Is the problem transferable to other cooperatives?
  - . Would responding improve the data base for further work?
  - . Do benefits accrue to more than the specific cooperative?
  - . Are staff (resources) available?
  - . Farmers must express a need.
  - . How urgent is the request and what time is there to respond?

Generally the Agency does not focus on any one sector or group of cooperatives but tries to conduct a balanced program that is beneficial to all cooperatives.

- The Cooperatives unit has done much work with dairy cooperatives in the Northeast. Cooperatives in the Northeast need better organization if they are to serve their farmer members and the general public well.
- The fieldwork involved in cooperative development is generally not closely coordinated with State Departments of Agriculture, but exceptions exist; for example, our work in California is closely related to the State's agricultural agency.
- Persons interested in forming consumer cooperatives generally come to the Cooperatives unit for assistance, but our capability to assist them is limited by available resources. We largely provide printed materials that explain cooperative principles and outline methods of organizing a cooperative.
- Low-resource cooperative development requires much intensive work and is a high-risk activity; however, the Cooperative unit has experienced only two outright failures as a result of work over the last several years.
- There are considerable potential advantages of a closer working relationship with the Statistics and Economics units. The Cooperatives unit management will work hard on involving these people in future problems of research, analysis, and cooperative development. Assistance from the Economics divisions (especially EDD) will be needed in connection with the establishment and operation of a planned cooperative development training center.

## INFORMATION PROGRAMS: PRESENT AND FUTURE

Following are remarks by Benjamin Blankenship, Director of the Information Staff.

What field people need to know most about the new information staffing setup in Washington is some phone numbers. Call us what you will, but do please keep calling us; your reactions help us shape information programs more effectively.

Information staff merging and reorganization were completed several months ago. There are only four boxes on our organizational chart: three branches and a director's office.

One branch, Current Information, you can reach by dialing 447-8590. With Kent Miller as acting head, it is involved in several things of interest. One is a proposal to merge Farm Index and Agricultural Situation into a single report. Neither does as good a job as it should. And with current staff we cannot for long cope with the workload of producing both these publications along with three others within the branch: Farmer Cooperatives, Agricultural Outlook, and National Food Review.

Agricultural Outlook is an example of how ESCS information reaches two separate kinds of clientele simultaneously. It goes "wholesale" to extension outlook people in the States and to farm trade press writers. They abstract and develop the information locally for presentation to their audiences. The publication also goes "retail" to the Washington economic and policymaking establishment. They rely on it directly for data and analysis of current agricultural developments.

In a real sense, it goes "retail" also to over 2,000 full subscribers at \$19 per year: USDA's largest paid-subscription periodical. It is produced in cooperation with the National Economics Division, which has a full-time agricultural economist, Bob Olson, assigned to it.

The branch also produces National Food Review, a quarterly. Formerly a situation report, this publication now receives greater editorial and analytical input over a broader subject matter area. This increased emphasis reflects the Agency's heightened concern for reaching consumers with useful ESCS information, albeit by the wholesale route--primarily to "consumer professional" audiences.

In addition to handling outlook and situation report editing and scheduling, the branch also generates, schedules, edits, and clears the Farmers' Newsletters, which have just won a top national award for editorial excellence.

Jim Sayre heads the Research Publications Branch (447-7305). One general objective in recent years has been to reduce the time it takes to go from author's draft to publication. It now takes about 4-1/2 months, versus 6 months a few years ago.

The editors recently have initiated pre-edit reviews of manuscripts, at author request. At the peer review stage of manuscript preparation, an author may submit the manuscript for informal and fast review by an editor. Authors who have done so report expedited handling and clearance when their manuscripts are submitted formally.

In response to a request by agricultural economics profession leaders who met the past few years to consult with ESCS on programs and plans, this branch is beginning a project to give the profession greater access to our "fugitive" literature--mainly internal reports that are not ready for or never make it to formal publication in USDA or ESCS series. With their division's approval, authors of such staff reports may

submit them to the Research Information Branch for approval. We will collect and publish a compilation of abstracts of these reports periodically, send the compilations to agricultural economics department heads and agricultural libraries, and invite recipients to contact authors directly for xeroxed copies of their full reports.

Another new endeavor is the presentation of research writing workshops, conducted by branch personnel, to help authors write, organize, and publish their reports more effectively and to help secretaries and typists prepare camera copy. One workshop was held last fall, another this spring, and there is now a waiting list of authors wishing to attend.

Regarding the handling of ESCS reports in general, two points need to be made. One point concerns quality of the content; the other, timeliness.

Emphasis on quality is reflected in J.B. Penn's demand that Economics authors exercise more analytical discipline in their reports, make more thorough rather than partial analyses. Another indication: The Office of Governmental and Public Affairs is adopting a "fewer but better" policy on USDA publications in general.

Timeliness is a matter that many speakers focused upon at the regional conferences. Get the publication out before decisions are made. In a recent talk to Information Staff members, Crop Reporting Board Chairman Bruce Graham asked, "Is it unreasonable for the farmer, from whom we collect data, to expect us to show him how his contribution was used, before we go back to him asking for more?"

To increase timeliness of research information, we are publishing separately and quickly some "executive summaries" for wide distribution, and printing reduced numbers of the full report later, on request.

The Information Services Branch is involved in numerous Agencywide activities such as printing and distribution services and visual planning. Led by Gene Ingalsbe (447-5450), the branch produces the monthly ESCS TV news service, the Farmers' Newsline (a toll-free daily recorded telephone message--the millionth call came in this May following less than 2 years of service) and related radio and television programs in conjunction with the Office of Governmental and Public Affairs.

The branch is also beginning to conduct and manage some systematic evaluations of information programs and vehicles of ESCS, the Farmers' Newsletter program in particular.

A new endeavor involves setting up and managing a consolidated report composition facility for the Economics and Cooperatives portions of ESCS.

Kent Miller, the Deputy Director (447-8590) manages day-to-day operations of the Staff. In addition, he serves as the primary liaison with State Statistical offices on information matters. A movie he produced, telling how crop and livestock reports benefit farmers, has just recently gone into distribution to State Statisticians. Texan Will Walther gives it excellent reviews.

One of my major concerns (447-4320) of the past year or so has been getting the Farmers' Newsletter off the ground. Demand for the product is increasing nicely, with over 150,000 total subscribers. The project is now off the ground and into the developmental--and headache--stage. As Bill Kibler reported, there have been some rough edges, and some new ones will crop up; progress often comes from a liberal dose of creative friction. A potentially troublesome area lies in the promotion of newsletter subscriptions to farmers; advertisements, if you will. Repeat advertising brings increased subscriptions. But the farmers to whom we are directing the

advertising are often the same farmers we are asking to fill out survey forms repeatedly. The concern over respondent burden rises accordingly. Newsletter promotion will need to be managed carefully to minimize such pitfalls.

Another of my tasks has been to work with the Office of Governmental and Public Affairs (GPA). Of particular interest to non-Washington staff, GPA is planning to establish regional field information offices in New York, Chicago, Atlanta, Dallas, and San Francisco, mainly in conjunction with Agricultural Marketing Service offices already there. It is uncertain how much we will be involved with those offices. We have no information job-series professionals in the field and we consider information dissemination to be an integral part of each State Statistician's responsibility in working with producers.

A major responsibility of mine in coming months will be to develop, in Ken Farrell's words, a forward-looking, dynamic information program for ESCS that will carry us well into the eighties. My work in that regard has just begun, and I intend to capitalize on the good discussions generated about ESCS clientele at the regional conferences.

In summary, effective information programs will necessitate the output of better quality data and analytical products, targeted more effectively to our better defined clientele, and reaching them in more timely fashion. The last point implies going more towards electronic media for communications, with perhaps less emphasis on print.

The execution of successful information programs based on the above criteria will demand closer total Agency coordination of all efforts. For we are not all information people, in the classification sense of the term. But we are all communicators of ESCS information. We all make up the total ESCS information system.

In reference to image and appearance of our information products, our output must be concise, no-nonsense in style, straightforward, and businesslike. Materials that appear to cost a lot to produce will become counterproductive in the eyes of taxpayers very interested in limiting or cutting Federal spending. No design or packaging awards will ever go to reports that the General Accounting Office puts out. But they are quite effective in their impact upon decisionmakers and the public.

One final observation. More and more, younger people are growing up unable to write well. Thanks to television they are unwilling to read very much. Thus, long and hard-to-read reports will find fewer and fewer takers.

Don Paarlberg recently admonished authors of agricultural economic reports: to be effective, he said, be brief. I hope I have not completely ignored that advice here.

Following are key points raised during discussion.

1. On television and radio interviews, care should be taken to avoid leading questions (for example, "What do you think of the high beef prices?").
2. The mode (priority) system of publishing gives the author and supervisor an opportunity to select from a variety of methods to disseminate information. All persons responsible for preparing and making decisions should be familiar with this system.
3. Greater use should and will be made of SSO's in distributing information.
4. Home computer systems are coming and we will need to consider them a means of distributing information.

# EEO PROGRAMS: WHO IS RESPONSIBLE FOR AFFIRMATIVE ACTION?

Following is an abbreviation of remarks by Jean R. Redmond, Director, Equal Employment Opportunity, ESCS, at each of the three conferences.

A commonly expressed view is that equal opportunity is the responsibility of the Equal Opportunity staff. My principal object here is to dispel this myth. Because of the different organizational role played by the Statisticians-in-Charge and the economists in the field, my message will have to be interpreted for each group in terms of its applicability. Obviously, because the Statisticians-in-Charge have greater supervisory responsibilities, their equal opportunity obligations increase accordingly.

As a basis for my remarks, the current proportions of minorities and women in ESCS in each of the principal job series are:

<u>Economists</u>		<u>Statisticians</u>	
Series 110; GS 5-18		Series 1530; GS 5-18	
Men	- 502 (94.01%)	Men	- 392 (96.55%)
Women	- 32 ( 5.99%)	Women	- 14 ( 3.45%)
Minorities	- 19 ( 3.56%)	Minorities	- 23 ( 5.57%)
Black	- 1.69%	Black	- 4.93%
Hispanic	- NONE	Hispanic	- .25%
Asian American	- 1.87%	Asian American	- .49%
Native American	- NONE	Native American	- NONE
<u>Mathematics Statisticians</u>		<u>Computer Specialists</u>	
Series 1529; GS 7-16		Series 334; GS 5-15	
Men	- 60 (88.24%)	Men	- 36 (30.00%)
Women	- 8 (11.76%)	Women	- 84 (70.00%)
Minorities	- 2 ( 2.94%)	Minorities	- 16 (13.33%)
Black	- 1.47%	Black	- 12.50%
Hispanic	- 1.47%	Hispanic	- NONE
Asian American	- NONE	Asian American	- .83%
Native American	- NONE	Native American	- NONE

Equal Opportunity is results oriented. Progress is measured against certain goals established each year by the managers in each of the program areas. These goals are contained in the Affirmative Action Plan, Part III. After the goals have been set, it is up to first-line managers to help bring about progress in recruitment, hiring, promotions, training, and upward mobility.

Many of the economists are located on university campuses or in the same city as one or more universities. The Statisticians-in-Charge are often within driving range of numerous colleges and universities. Although many of the ESCS units actively recruit, such recruitment is not as universal or effective as it should be in attracting minority and women candidates.

The more extensively we recruit, the more likely we are to locate strong candidates. The economics sector has recognized the need to hire general economists in addition to agricultural economists. In this way we have been able to recruit superior candidates from a broader spectrum of universities throughout the country than the traditional land grant schools. We have recruited at six of the 1890

colleges and more active recruitment at these schools is recommended. The Tennessee State Statistical Office has renewed its Cooperative Education Agreement with the Tennessee State College. This is the only Co-op Education Agreement we have outside Washington, D.C. We should expand the number of such agreements, particularly with the 1890 schools. J.B. Penn has encouraged the hiring of a limited number of candidates at the B.A. and M.A. levels, rather than exclusively at the Ph.D. level. Because of this, it has been much easier to locate minority and women candidates.

You who represent the State Statistical Offices are used to recruiting for entry-level positions. Because of the need for candidates with a basic familiarity with agriculture, your recruitment has been limited to land grant schools. I encourage you to explore the possibility of finding minority and women candidates in non-land grant schools, using as a selective hiring criterion actual experience with farming. This selective criterion would not be necessary for mathematical statisticians.

The Cooperative Education Program has many advantages both for the Agency and the student: no ceiling is required; the supervisor makes no commitment to hire the student after graduation; there is an opportunity to observe the employed student for a period of from 1 to 2 years; the student can be hired directly when he/she graduates without any need to see that the student is certified. The Cooperative Education Program operates at two levels: undergraduate and graduate. At the undergraduate level, the student is eligible normally after the first 2 years of college have been completed. The student works for a semester alternating with a semester of college until the undergraduate degree has been achieved. The graduate student may work and attend classes part time until either the M.A. and/or the Ph.D. has been earned.

The Administrator, Deputies, and I concur that fieldstaff should be deeply involved in recruitment because of their knowledge of the subject matter and their proximity to a wide variety of excellent colleges and universities nationwide. If each of the economists would accept a personal responsibility to contact at least two schools near them, talk to the Department Chairman, and encourage the referral of superior graduates to the Agency, we would rapidly correct the problem of underrepresentation. A resume and transcript of credits are all that is needed initially from job candidates. These will be circulated among the various branch chiefs, who will contact those who appear well-qualified. The Statisticians-in-Charge would find more minority and women candidates if the search would extend beyond the traditional agricultural schools and through more extensive use of the Cooperative Education Program. Anyone interested in establishing a Cooperative Education agreement with a nearby university should contact Phil Lando (447-2358) or my office (447-8257) for assistance.

A recruitment exhibit and brochures in the principal job series will soon be available to assist us in acquainting potential applicants with ESCS.

Following are major points raised during discussion.

1. ESCS cannot hire noncitizens. We could if we could prove there are no qualified candidates to do a particular job but, given the nature of our work, we could not make such a case.
2. We should not wait for the Department or the Office of Personnel Management to help us hire minorities and women. We must do the job ourselves.
3. ESCS has no fixed quotas but rather goals which managers set and strive to achieve.
4. Field people should establish contacts with appropriate university personnel to get information on qualified persons who will be graduating within a year

and interview these persons. They should then take whatever action is consistent with their unit's recruiting procedures.

#### PROGRAM EVALUATION AND DEVELOPMENT STAFF: OBJECTIVES AND PLANS

Following is the complete paper presented by Oswald P. Blaich, Director of PEDS, at each of the three conferences.

The Program Evaluation and Development Staff (PEDS) is a small unit in the Office of the Administrator whose primary purpose is to facilitate the flow of information needed by that office to make decisions regarding the use of funds and ceilings for carrying out the goals of ESCS.

The PED Staff's principal aim is to assist the Administrator, the Deputies, and Division Directors in better planning and better resource allocation for programs for gathering data, conducting economic research and analysis, and carrying out technical assistance.

PED analysts work largely through people designated in each reporting unit as PED representatives.

The primary functions of the PED Staff, as the name implies, are program evaluation and program development--this means assisting in planning for the long and short run and monitoring and tracking to assure that Agency resources are used consistent with plans and commitments. These activities combine into a coordinating role. Planning is a responsibility of line managers; the PED Staff does not do any planning but acts as a catalyst to direct information of the right kind to managers to make their decisions on plans for research and statistics.

The PED Staff tries to minimize its role in short-term intradivisional matters unless an issue of particular interest to the Office of the Administrator is involved. Its most effective role is coordinating on interdivisional and interagency issues and on long-range plans; these are the things that often fall through the cracks or get duplicated. In this way the PED Staff can help capture some of the complementarities resulting from the reorganization.

Program evaluation is probably the most important aspect of planning. Evaluation is the development of measures of the usefulness of the data and information produced by ESCS research and data collection activities and the efficiency with which they are transmitted through technical assistance, the Farmers' Newsletters, and other means of getting it to users. Conceptually, evaluation should provide a basis for assessing the expected utility and cost of each item of information which we generate for some user. This, along with some assessment of the relative importance of various clients, would give us an objective basis for making resource allocation.

Cost effectiveness is the central concern of PEDS. However, this does not deny the reality of political and other criteria that might influence or even dominate decisions at times. Unfortunately, the cost effectiveness of information is not readily ascertained; the concepts, principles, and methodologies are not well understood even for individual decisions. Considering the scope of ESCS, the activities task appears overwhelming. ESCS serves thousands of decisionmakers who make decisions daily and yearly in the agricultural and rural sectors.

Decision theory tells us something about the measurement of the value of information regarding individual decisions; but it tells us very little about how to

aggregate these values to measure the effectiveness of the ESCS programs when a multitude of individual decisions interact simultaneously. The PED Staff will take the lead--to act as a catalyst--to initiate a program of research to explore some of these conceptual and methodological questions. Each PED analyst will carry out such a program of research. And an Intergovernmental Personnel Act (IPA) position will be maintained to deal with special problems.

PEDS will try through an internal research program to work toward the most rigorous possible measurements for determining cost effectiveness. We must be satisfied in the interim to relegate evaluation to judgments reached through program reviews, briefings, and other empirically less rigorous approaches. However, such reviews and briefings can be improved based on rigorous principles. The reviewers need to be aware always of what constitutes the value of information and its cost effectiveness. And if the reviews are to be useful, they must be followed through to a decision or a plan of action.

Program development is the process by which the evaluative information is used to help make decisions for program redirection, for new initiatives to be pursued in the next 3-5 years, and for interim adjustments to the program plans. As exercised in ESCS, program development is to a considerable degree a bottom-up line-management process. The division directors involve their branch chiefs or program leaders; they, in turn, involve the section heads, project leaders, and field staff as they deem appropriate. The division directors, in turn, make their recommendations to the Deputies and they to the Administrator.

The PED Staff's role is to implement this system as needed to assure a degree of uniformity so that the pieces fit, to assure that the system carries the right kind of information for making the trade-off and priority decisions needed in light of imposed limits on funds and ceilings, and to facilitate the decision process at the top by providing summaries, reviews, and critiques.

Important elements of planning in addition to the formal steps in the budget process are:

- Day-to-day contacts field people and Washington staff have with clients are an important source of information that needs to be exploited more fully.
- Meetings we hold with statistical clients, economic leaders, cooperative organizations, Assistant Secretaries, and other Federal and non-Federal people who have an interest in economic information.
- The Joint Council which was set up by the Congress 2 years ago to advise USDA on a wide range of physical, biological, and economic research, and on extension and teaching.
- Two people assigned to the Science and Education Administration to coordinate efforts with that agency, and regular contacts with the Bureau of the Census, Department of Labor, Foreign Agricultural Service and others.

All these are outside of the traditional budget process.

In addition, serious consideration needs to be given to the adequacy of public input into our program development process, to assure that we have a "proper" representational balance, and to assure that the public has reasonable access to our programmatic decisions.

## ESCS--ONE INTEGRATED AGENCY

At each of the three conferences, Bill Kibler, J. B. Penn, and Randy Torgerson discussed their views on how ESCS could work as an integrated agency. Following is a brief summary of their remarks.

Bill Kibler, Deputy Administrator for Statistics:

- . As we look at the task of integrating functions of three former program agencies into a single cohesive unit, one must look in a broader context than programmatic areas of mutual interest and areas of complementarity among units. We must also consider staff backgrounds, training and career development programs, personnel evaluation systems, styles of management, organization and staffing differences, clientele served and State, local, or other cooperative organizations. With respect to these factors, the three former agencies differed. These differences must be considered, rationalized, and understood before we become a fully integrated agency.
- . The Statistics research base is small and should be strengthened. Statistics has sponsored work in such areas as price indexes, price and income concepts, value of data, and influence of crop reports on prices, that are perhaps more Economics than Statistics related. Much work remains to be done in these areas that could be joint efforts between ESCS units. The review of farm record systems for supplying basic economic data could be a joint undertaking, as could the development of data bases for internal and public use. Other examples are:
  - Some people contended that USDA is issuing so many reports in certain months that it is impossible for the market to function properly. The contention is that the market freezes up for a day or so just before and just after each USDA report. For example, in January 1979, the Department issued at least seven reports that influenced the corn market. ESCS has no data or information to respond to such criticisms, but we must be aware of such possibilities.
  - The stage is now set for some basic research work on rice prices that could involve all three program units of ESCS. Surely we have enough skills in this Agency to analyze this situation and develop some recommendations for the Department and industry to consider before 1980.
  - A similar research situation exists for our livestock sector. We have little or no information on what factors are governing hog or cattle producers' decisions to expand or reduce production. Neither are we able to estimate the impact of extreme weather conditions on rates of gains or reproduction, which are keys in forecasting marketing and prices. Cooperating on such research would provide many opportunities for the ESCS fieldstaff to work together more closely.
- . As the integrated agency emerges, we must have a sound long-range plan developed by respective program units of the agency. This cannot be developed solely in the Program Evaluation and Development Staff. I propose the same approach that we use for reimbursable work with other agencies. The best base is built to support this research at the scientist or program level with a good demonstration project, rather than talking to Assistant Secretaries or department heads. The significant AID area-frame work being initiated sprouted from contact with a program technician, not with Bill Kibler. The same can be said for the expanded research with Soil Conservation Service on land use, crop yields, and soil moisture now being implemented.

- . Benefits of the reorganization are beginning to be realized. Examples are:
  - Broader inputs for the weekly outlook briefings,
  - Improved scheduling and coordination of survey activities,
  - More flexibility and effective use of resources,
  - Deputies have freedom to manage their units,
  - Research in weather yield modeling is well coordinated,
  - The Farmers' Newsletter has been fully integrated as an ESCS activity,
  - The legislative liaison activities are truly integrated with ESCS.

J. B. Penn, Deputy Administrator for Economics:

- . There are many areas of mutual interest that are becoming more and more evident. We must capture the opportunities to realize the advantages that are possible. But it would be counterproductive to force cooperation. All three units have long histories and ways of doing things that were adopted for good reason. We do not want to change them without good and apparent reasons.
- . Specific areas of mutual interest include the following:
  - Small-farm project. Cooperatives has an interest in technical assistance to this group, the Economic Development Division (EDD) has an interest, and Statistics has an interest. Who are these people? What are their motivations, goals, sources of income? What problems do they have? Are they really farmers and should their problems be treated by public food and agricultural policies? If so, what kind? Obtaining answers to some of these questions will define farms and clarify the farm number statistics.
  - Hired farm labor. Survey planning for part of this effort is underway. The subject is of interest not only to EDD. Cooperatives also has an interest because many grower coops involve labor-intensive crops such as fruits and vegetables. Also, labor as a production input interests the National Economics Division. Collecting data on socioeconomic characteristics of households is not a traditional area for Statistics, but it is an area which we can enter into together.
  - New technology for gathering information. Satellite information from LANDSAT and LACIE (the Large Area Crop Inventory Experiment) is of interest to the International Economics Division for improving the surveillance and forecasting activity and the resource base for country studies. Another project that relies on new satellite information technology is the Comprehensive Resource Inventory Evaluation Studies (CRIES) in which the Natural Resource Economics Division is participating.
  - Market structure research. Cooperatives and Economics have a mutual interest in pricing mechanisms, producer bargaining, efficiency of markets, and exchange arrangements generally. Market structure also interests Statistics in data collection and developing price statistics. Cooperatives has an interest in international markets and in the country market studies done by the International Economics Division.

- Economic indicators and statistics. The measures of farm sector performance and indicators of economic well-being are being thoroughly reevaluated. Prominent among these are the aggregate net farm income statistics. Close cooperation among Economics, Statistics, and Cooperatives (for example, in the area of handling Cooperatives patronage refunds) will be necessary to make these improvements.
- Other areas for joint efforts include staff interchange, location of economists in State Statistics offices, recruitment, and linkage to States.
- Demands for economic information to underpin programs across USDA are growing in quantity and in scope. The Economics unit will be asked for more analyses in these broader areas. This relates to the growing interdependence (the changing world) and the shift in public policy issues from the traditional commodity program issues to the "nontraditional" issue. The dilemma will come as Economics reorients to meet these new demands--as it must do. This suggests that we plan as one agency for the programs of all three units to proceed jointly to meet future needs. We should try to ensure that both the research and data base for these areas beyond commodity programs develop concurrently.

Randall E. Torgerson, Deputy Administrator for Cooperatives:

- Market structure research. The combined experience, abilities, and information of the ESCS divisions provide a strong base for efforts in research and analysis of many structural issues affecting the U.S. agricultural system. Specific areas for joint research include:
  - Measurement of the impact of taxation and other policies on the farm and agribusiness sector could be undertaken to determine what community, State, and regional tax programs provide incentives or disincentives for particular types of structural development.
  - Impact of State usury laws on the structural development of agriculture could be considered. Impacts on rural communities of structural arrangements and what contributions to the vitality of rural America are made by different business organizations operating in alternative structural environments.
  - Information on the structure of agricultural markets could be compiled and updated continuously for use by division staff and clientele. Volume, sales disposition, and market share data could be maintained for cooperative and noncooperative firms commodity by commodity and marketing level by marketing level. Access to such a data base would help analyses of the structural dynamics in agriculture, such as trend analysis and projections of the structural characteristics of agriculture. A subsectoral approach could be used to view agricultural markets in terms of interlevel coordination; the result would be a more realistic framework for structural analysis within single levels of the agricultural system.
  - Studies to determine optimal plant sizes for processing and handling facilities could be undertaken jointly. Economies of scale could be measured with both engineering and statistical approaches for a variety of plant types; for example, dairy, grain elevators, feed manufacturing, oilseed processing, and broiler processing. Plant location studies could be undertaken jointly to provide input to the decisionmaking processes for individual firms and to help identify areas which could support and benefit from construction of new facilities.

- Pricing Mechanisms. The Cooperatives, Economics, and Statistics units each have an interest in changes occurring in the pricing process. The Cooperatives unit works to maintain producers' access to markets and to obtain fair prices for these producers. The Economics unit follows prices to make valid forecasts and to coordinate the market. The Statistics unit wants accurate measures of price levels for prices paid and received data series. Farmer movements and other expressions of farm discontent have focused on the inadequacy of present mechanisms. We want to develop and evaluate alternatives, a desire that the Economics and Statistics units share.
- Farm Income and Prices. The Cooperatives Unit continually receives requests for information on cooperatives' share of marketing activity--for farm products marketed and farm inputs purchased. We rely on data generated in the Economics unit on total farm receipts and expenditures to make these calculations. Thus, a close working relationship is necessary to develop the data and keep up to date on current revisions and trends.
- Small Farm Programs. Joint activity of the Cooperative Development Division and the Economic Development Division could include the following small-farms research areas:
  - Structure and composition of small farms--who are small farmers and how are their needs to be met?
  - How effectively do small-farm operators use existing technology and management practices?
  - How do farms of different sizes and types differ in economic efficiency throughout the Nation?
  - How do growing market concentration in food processing and administered input prices affect organization of farming? How does the food processing sector serve markets?
  - Are there alternative organizational systems which would better accommodate the production, transportation, and marketing of small quantities of agricultural products?
  - Is there a better way to get started in agriculture for the young farmer? Should we be more concerned about operating capital than long-term landownership problems?
- Energy. Coordination between the Cooperatives and Economics units in energy research could help answer some important questions. Such a joint program of research and analysis might include:
  - Locational impacts on agricultural production due to energy costs for marketing;
  - Cooperative use of energy based on market shares of input distribution and manufacture of fertilizer and pesticides;
  - Government action on pesticides, farm production, and assurance of supply for cooperatives;
  - Alternative sources of crude petroleum such as domestic production, imports, International Energy Cooperatives, Inc., exploration abroad, and opportunity for barter;

- Energy conserving practices in distribution, including delivery services and increased farm storage programs for petroleum;
- Cooperative involvement in manufacturing and marketing of gasahol and implications for the future; and
- Potential for supply and marketing cooperatives working together to procure crude oil and export agricultural commodities.
- . International Trade. Work in the International Economics Division on country studies and on the future structure of the international grain and other trading industries would help the Cooperatives unit assist farmer cooperatives in expanding their exports.

#### ESCS AS PERCEIVED BY OTHERS

At each conference two to four persons comprised a panel to share their perception of ESCS and the Agency's future. Following is a summary of the key points made by the speaker in his formal comments and the discussion that followed:

##### TUCSON, ARIZONA CONFERENCE

Howard Wertz -- Farmer from Coolidge, Arizona

- ESCS appears to be a mixed bag of strange bedfellows,
- It is good that the USDA (Bergland) has been willing to listen to consumers. Agriculture is in trouble if we do not respond to consumers. ESCS should take that approach. Enhancement of income should be swept off the slate and the focus be on providing a product to people,
- ESCS must keep in mind the impact of its activity on its clientele,
- ESCS must be responsive to consumers in all its work, including cooperatives.

Bruce Scherr -- Data Resources, Inc., Lexington, Massachusetts

- ESCS information has not been able to grow with the changing world,
- While ESCS must work in the policy arena, we are market analysts. We have tended to lose perception of how markets are structured and their role in the whole system,
- We overemphasize the things we know least about, such as weather, which does no good,
- ESCS must fight the brushfires, but it has devoted too many resources to it--it has not developed a resource base,
- The objectivity and economic logic of our work is sound,
- ESCS needs to focus on timing and discovery of change and effect management system to provide a response:
- . An information system approach would be helpful. This includes needs, problems, data collection, processing data, organizing data (organizing does

not always mean an econometric model), bringing results to decisionmakers, then recycle.

- . ESCS needs to put together the things it knows and not try to incorporate in its systems things it does not know.

- ESCS should talk to users before developing a data system. Spend time figuring out the clients' (broad for ESCS) needs and wants. The key is understanding these needs and wants. There is nothing wrong with saying it cannot be done,
- The Cooperatives program needs to help the consuming public,
- The goal of ESCS is not to produce top economists, but to serve the public. People do not pay taxes to develop recognized economists. Information is the important thing.

Jimmy Hillman -- Head, Department of Agricultural Economics, University of Arizona

- I am impressed that ESCS has gone full circle from BAE to ERS to ESCS,
- ESCS, too close to the fire, suffers from disciplinary isolation. It becomes so sensitive to politics it loses the objectivity to come up with good results,
- Universities are losing resources and must work closer with ESCS (a plea),
- With strong leadership from ESCS and universities, research in cooperatives area should not be in jeopardy,
- ESCS and universities must keep each other informed to make good decisions (more mutual efforts are needed),
- The current outlook tail is wagging the research dog.

Harold Breimyer -- Department of Agricultural Economics, University of Missouri

- I have a "ho hum" response to the reorganization creating ESCS,
- Cooperatives should not be part of the Agency,
- ESCS is the economic counselor to government and private groups and to the food and fiber system,
- ESCS should be service oriented by gathering and disseminating information for the benefit of the public first and the government second,
- In-house papers are not in the public interest,
- A staff economist group could shelter research,
- Farmer cooperatives are not all virtuous and the Agency should not promote them,
- ESCS does have a leadership role. Perhaps ESCS could bring in eight outside people to work with its best people in addressing problems,
- The ESCS public is not the ordinary citizen; the Farmers' Newsletter might not be the best thing for ESCS to put out,

- ESCS has not produced giants, but neither has the rest of the profession. ESCS should still strive for more professionalism, competence, and attainment--it is important. Fight for the protection of integrity--guard it constantly,
- ESCS should be careful about being over-responsive to any one particular group--times change.

#### MEMPHIS, TENNESSEE CONFERENCE

Winston Wilson -- Vice President, National Wheat Growers' Association, Ouanah, Texas

- ESCS needs to stress food and agricultural policy research, particularly in light of the need to develop new farm legislation in 1981,
- Empirical evidence is needed to support the claim increases in agricultural price lead to rampant inflation,
- We need more data from USDA as a basis for discussion and less from the Brookings Institution; USDA has credibility,
- There is a need to integrate agricultural and nonagricultural models.

Joe Coffey -- Head, Department of Agricultural Economics, Virginia Polytechnic Institute and State University

- The comparative advantage of ESCS versus the land grant universities:
  - . ESCS is better able to do macro and multistate research; the university has the comparative advantage on State issues,
  - . ESCS is more flexible in terms of putting together a team effort; universities have advantage in multidisciplinary areas,
  - . ESCS has a real advantage with statistics and outlook,
  - . Trade and international area can be shared,
  - . Data collection and analysis--ESCS is better equipped but traditionally not an extension service; need to interphase with extension,
- General impressions of ESCS:
  - . Too optimistic on forecasts of demands--too pessimistic on forecasts of supply. State people can help keep straight,
  - . Relations with State--in the past, the way to help States was to put a person in their shops. We need now to look more to data systems and coordinating research efforts.
- Priorities for research:
  - . Supply and demand in international setting,
  - . Structure and organization of agriculture, future direction,
  - . Pricing system for commodities,

- . Structure and conduct of cooperatives,
- . Agriculture in an urban age,
- . Rural development,
- . Water quality.

Ronald Knutson -- Department of Agricultural Economics, Texas A&M University,

-- Overall thrust of ESCS program should be to provide economic intelligence that affects decisions for food and agriculture. Decisions may be those of a public policy nature, firm nature--producer and agribusiness, or a consumer nature.

-- Statistics:

- . Essential that statistics be absolutely factual, accurate, and unbiased,
- . Cannot mix statistical facts with projections,
- . Problem areas are farmer response and international statistics--cannot rely on agricultural attaches for country statistics.

-- Economics:

- . Basic versus applied is not the issue--all of our work must be problem oriented and provide basis for decisionmaking,
- . Need to use comparative advantage effectively. Universities have the advantage in methodology and theory. Give support to "direct" university and private efforts,
- . Keep contact with the real world. Anticipate problems such as in structure, pricing, rural development. We have known but we have not prepared,
- . Areas of weakness are international area, structural area, and consumer area.

-- Cooperatives:

- . Need to sort out strategies or roles. Historically, the cooperative unit has had four roles: (1) historical data on cooperatives, (2) rural development, (3) advocate and defender of cooperatives, and (4) diagnostic clinic,
- . Some integrating of statistics and economics with cooperatives can occur.

Al Ortego -- Dairymen, Inc., Louisville, Kentucky

-- Industry needs to look closer at research plans of USDA and universities and not just criticize the product,

-- Areas of general concern to business are inflation and labor,

-- The anti-trust issue is particularly important to cooperatives; limits are placed on size of cooperatives but they have to deal with large multifirm units. Limits are placed on market coordination with other cooperatives but this coordination is needed to deal with increasing world trade. As to undue price enhancement, one must be able to control production and we are not able

to do this as an automotive industry firm could, for example. Action by the Justice Department keeps us from doing an efficient job,

- We need to consider structure, conduct, and performance of the nonfarm sector as well. If we do not, we will arrive at erroneous conclusions. For example, retail chains control market shelves, have power over sales (brand names). If they use outside brands, they keep margins in line or they move in with their own brand.

#### HARPERS FERRY, WEST VIRGINIA CONFERENCE

Jim Bonnen -- Michigan State University, currently with President Carter's Reorganization Project/Statistics Study

- Report on the status of the Statistical Reorganization Project,
  - . Project originated as a result of data deficiencies:
    - National data system too decentralized,
    - Modernization required to meet current decision and needs,
    - Project objective is improved design and coordination of national data system.
  - . Project recommendations:
    - No structural changes in system,
    - Stronger coordination through a central statistical office at a location not yet determined,
    - A streamlined procedure for statistical policy formulation through a Council on Statistical Policy,
    - Legislative recommendation for confidentiality safeguards.
  - . Implications of recommendations to ESCS:
    - Protection of confidentiality of data and research made available to meet interagency demands,
    - Easier and more certain access to data sources from other agencies that have monopolist tendencies (Census, Bureau of Labor Statistics),
    - But access is dependent upon demonstrated need,
    - ESCS must share its data, lists, and research files,
    - ESCS will need to make stronger case for data and research requirements to the Central Statistical Office.
- General comments on the state of analyses in the Federal Government
  - . Overriding concern is deficiencies in quality of data and quality of the analysis that is rendered for policy purposes--too many policy shops are made up of Congressional liaison types,

- . There is a general lack of adequate analysis that extends from data collection through analytical inputs for policy decisions:
  - Inadequate analysis of the data collected,
  - Insufficient quality in objective forecasts and long-range analysis,
  - A need for more objective policy analysis, including publication of underlying methodology,
  - A need for better two-way communication between data sources and the analysis,
  - These are highly interdependent and lack of quality in either will cause the quality of the system to erode,
- . Despite all these weaknesses, less than two-thirds of the analytical capability that does exist is used because of improper linkages with policymakers,
- . The net results from the viewpoint of policymakers are:
  - Inadequate quality in data and in analysis,
  - Lack of professional objectivity,
  - Lack of relevance of agency output.
- The respondent perspective
  - . Major features of the perspective
    - No institutional perception of ESCS as such--just a part of the Government,
    - Doubt regarding the ability of ESCS to maintain data confidentiality,
    - Questions regarding usefulness of data and concern that it may in fact damage the cause of the respondent,
    - Resentment of the respondent burden.
  - . ESCS creates information and needs to view its activities in an information systems sense,
    - Integrated from respondent input through the analytical process of the ultimate needs of the policy staff and private decisionmakers,
  - . ESCS cannot effectively respond unless this process is managed in an integrative fashion,
  - . If ESCS does not improve, its responsibilities will shift to proprietary firms,
  - . ESCS has fallen into some bad habits,
    - Excessive specialization, with analysts isolated from understanding of the data they are using,

- Statisticians concerned about erosion of objectivity through policy analysis involvement,
- The Agency is drifting away from the role of pragmatic problem-solver.
- ESCS as seen from the State level
  - . A loss of leadership role,
  - . An integrity that is suspect by the commodity interests in agriculture,
  - . A declining interest and concern about local level needs:
    - Micro data requirements at sub-State and county level,
    - Decision needs of individual farmers,
    - Needs of food and fiber marketing firms,
    - Needs of communities.
  - . Lack of full appreciation of the specialized research and development roles of the land grant universities
    - Which provide long-range support of analytical capability,
    - And which look to ESCS as a coordinating or focal point of such activity.
- Conclusion
  - . The world is dynamic,
  - . There is increased uncertainty in the economic and political climate,
  - . This gives rise to a heightened requirement for better information systems and high-quality analysis,
  - . ESCS needs to rethink and reset its data collection and analytical agenda to better respond to these changed requirements,
  - . We should retain the voluntary data collection approach if at all possible; mandatory collection is a poorer alternative,
  - . ESCS can establish a productive working relationship with the universities if we can contrive some means of maintaining reasonable continuity in the working relationship.

Howard Hjort -- Director, Economics, Policy Analysis and Budget, USDA

- The mission of ESCS
  - . Service should be the prime motivation of ESCS operations,
  - . The functions of ESCS are to:
    - Collect and report statistics on agriculture, the food system, and the rural resource base,

- Conduct analysis that has a relevant problem-solving orientation,
- Engage in research to replenish the information base that is needed for effective future analytical activities.

-- Observations on statistical activities

- . ESCS is the number one statistical unit in the Government, the standard against which countries around the world measure their agricultural statistical program.
  - . Statistics should assume more responsibility for data needs of both Economics and Cooperatives units,
  - . There is need to broaden activities beyond production agriculture to meet the enlarged needs of USDA,
  - . The reliability of our statistics is publicly questioned:
- This requires continued effort to retain public understanding of our role and operations.

-- Observations on the Cooperatives program

- . ESCS should do more in this area,
  - . It must carefully use resources for maximum effect,
  - . Major issues are emerging that command attention:
- Policy issues relating to the Capper-Volstead Act, anti-trust, and taxation,
  - An objective assessment of the appropriate role and scope of cooperative activity,
  - The need to reexamine the agenda for cooperative growth and development.
- It is imperative that we adhere to strict objectivity in our cooperative work. The fact that others might not be objective in their attacks is not grounds for us to be anything other than objective,

-- Observations on Situation, Outlook, and Information

- . The newsletters are a distinct improvement in the USDA information system:
- It is important that we make these sources of information rather than news.
- . We should take our situation and outlook work much more seriously:
- There is great national and international dependence on USDA outlook material,
  - We have not done an adequate job considering the importance of this area,
  - There is an uncomfortable amount of truth to the widely held belief that our work is biased toward the producer,

- We have a bias toward being conservative in our forecasts,
- We have improved and need to improve further in our forecasts,
- We need to improve the quality of our projections and analyses,
- The reorganization should permit us to make the necessary improvements.
- Comments on research and analysis
  - . The demand for analysis has never been greater:
    - ESCS gets much support from other administrative units in USDA,
    - Our output commands attention at highest levels in Government.
  - . It is imperative that our analysis be high quality, hard, and objective:
    - We need and should have the very best analytical capability.
  - . Some analysts apparently have a negative attitude:
    - Their analysis suggests that the motivation is opposition to change rather than presenting an objective, balanced view of the problem.
  - . We need to strengthen our research work to replenish our information base:
    - We must do this under severe ceiling constraints,
    - We should look more to the universities to assist in this regard,
    - We need to develop a better working partnership with the university community, work to insure that what they do is relevant to our future needs.
- Identification of future issues
  - . What is happening to the structure of agriculture?
  - . What kind of structure do we want in agriculture?
  - . How do policy variables influence structure such as taxation, farm programs, and land and water use policies?
  - . We need to be better informed on changes in the rural communities:
    - An area of strong emphasis at Departmental and higher levels--one-third of the USDA budget goes for rural development,
    - This area is not receiving enough attention.
  - . We are short on research and analytical capability and output in the international area.
- Conclusion
  - . The new ESCS structure should make us more effective,

- . Full integration is highly important to fulfill our mission,
- . We should make full use of the principle of comparative advantage in the operations of the Agency,
- . There is great opportunity to improve the quality and quantity of our work.

#### MANAGEMENT ISSUES

This session focused on two components of the Civil Service Reform Act (CSRA)--(1) the Senior Executive Service, and (2) the performance appraisal and merit pay system.

The complexity and still evolving implementation of regulations make it inappropriate to summarize the details of these two CSRA components as presented at the three conferences. The ESCS Personnel Office should be contacted for up-to-date facts.

It is important to note, however, that all ESCS Senior Executive Service positions have been designated as Career Reserve Positions rather than General Positions. Career Reserve Positions are those which, because of their nature, should be isolated from political pressure and filled only by career appointees. The General Positions may be filled either by career or political appointees.

For performance appraisal and merit pay, ESCS has obtained the services of George Hickey, former Office of Management Services Director of Personnel, to work with program managers to develop procedures specific to ESCS. The CSRA requires that the performance appraisal and merit pay be implemented by October 1, 1981. ESCS will most likely have such a system on a trial basis before then.

#### FUTURE DIRECTIONS OF AGRICULTURE AND RURAL AMERICA

Following is a summary of the main points in remarks of the persons who spoke on this subject at each of the conferences and in the discussion that followed:

Alex McCalla--University of California, Davis

- U.S. agriculture in the eighties will be increasingly shaped by forces external to the production sector
  - . Dependence on purchased inputs,
  - . Dependence on international markets that will be unstable,
  - . The consumer, environmental, and conservation movements will continue, becoming more sophisticated in using the legislative and bureaucratic process,
  - . Post Proposition 13 taxpayers revolts will continue; hence, public policy toward agriculture will be watched by budget critics and inflation fighters,
  - . The final separation of price policy from income and rural poverty will occur,

- . There will continue to be fewer but larger farms,
- . The keywords to describe the external forces are:
  - Interdependence,
  - Instability,
  - Regulation,
  - Fiscal limits,
  - Equity,
  - Bigness.
- Implications for research
  - . Need to understand macro interface,
  - . More research on international markets and input markets,
  - . Must understand multiple trade-off analysis to get at the interaction of consumer, environmental, and energy regulations,
  - . Will have to analyze agricultural use of resources in a multiple-use context,
  - . Improve our ability to analyze welfare impacts, such as size and trade policy,
  - . Need to understand workings of commercial agriculture as an input to macro policy.
- Strengths of ESCS
  - . Data base and capacity to maintain it--crucial and central to all,
  - . Large resources--allows depth by commodity, region, and country interdependence,
  - . Resources and money for large-scale modeling that no individual can maintain--multi-commodity and country models, for example,
  - . Capacity for short-term forecasting.
- Disadvantages of ESCS
  - . Too close to the fire--especially true in Washington, the inevitable focus of short-term research is reactive--not contemplative. Tend to focus on fast turnaround rather than new conceptual approaches. Difficult to treat hot issues--the university is not much better; for example, tobacco in North Carolina, dairy in Wisconsin, 160-acre limit in California.
  - . Conceptual separation from intellectual frontier. Universities not good at some things but they provide an environment for long-term research and a fertile ground for conceptual day dreaming, and students are a constant source of intellectual renewal.

- . ESCS suffers disciplinary isolation. It can get macro policy in Washington but not conceptual research; it has great difficulty in physical-biological and interdisciplinary research. Thus in my judgement, ESCS must constantly interact. My particular bias is that they should do so in universities because good universities--not just land grant--offer these additional dimensions, politically.

-- Staff location and university relations

- . Station some ESCS staff at universities--challenge them to probe conceptual issues, get them involved with teaching and graduate students. This is not to say station one at every land grant and non-land grant college. Place the staff with a critical minimum mass in centers of excellence and build on the positive synergism that is possible. Encourage flows the other way; for example, university staff to Washington, but the experience and rewards are going to have to be attractive to get the best in the university system.

Jim Shaffer--Michigan State University

-- The great transformation has taken place; we have industrialized the food system. The issues now include:

- . Rules to make the system work,
- . Approaching the limits of resources, especially energy and water and capacity of the environment to handle industrial systems,
- . Structure of the economy and society,
- . Uses of government--we have developed a capacity to use government that was not perceived 100 years ago.

-- New ideologies are forming

- . Ecological movement--we are beginning to understand what is shaping our environment,
- . Growing awareness of interdependence,
- . The meaning of development being questioned,
- . Maximizing enjoyment becoming substitute for maximizing consumption,
- . A search for a new theory of justice,
- . New emphasis on relationship of individual behavior to aggregate consequences.

-- Specific USDA and ESCS issues

- . What the Department calls itself is important--A Department of Food and Agriculture as Charles French, President's Reorganization Project, calls for. Or perhaps a Department of Food and Rural Affairs. The choice is important as to how the Department is perceived,
- . Reducing food system costs and improve capacity to meet consumer preferences,

- . Issues of justice must be addressed, such as rural-urban equity, which means acquiring data on distribution of benefits and costs on all programs.
- . Economic impact of policies and regulations for the total food system. We are using resources for superficial analysis of impacts without getting at the fundamentals,
- . The impact of adjustments in location of economic activities and settlement patterns must be addressed,
- . Social disintegration is an issue--crime in the food system and in rural areas,
- . Structure of the food system, not just farming--the issue is the concentration of economic power,
- . We need better indicators of performance in agriculture and rural communities for policy decisions.

-- There is need for joint planning efforts between the universities and USDA.

Don Paarlberg, Professor Emeritus, Purdue University

-- Assumptions concerning the future

- . Weather will be average; both in its central tendency and deviations therefrom,
- . Agricultural technology will continue to advance, much as it has the past 20 years,
- . Real gross national product will increase but at a lesser rate than during the two previous decades,
- . Inflation will continue,
- . Most of the liberal trade gains made since 1934 will be retained,
- . Major war will be averted,
- . Disillusion will grow regarding the ability of government to solve economic and social problems,
- . Farms that are large enough to be efficient and are well run will prosper. The reverse will be true for farms that are too small or are poorly run.

-- The policy outlook

- . Commodity programs: We will not return to the Government-dominated pricing and production policies which characterized the period 1933 to 1973,
- . Consumer movement: This movement has crested,
- . Food regulations: Confrontations between the food industry and consumer groups will abate as tempers cool and the facts become better known,
- . Domestic food programs: These have gone through the period of rapid expansion,

- . Environment: Those who consider environmental concerns to be a fad will be proved wrong,
- . Occupational safety and health: So far as on-the-farm issues are concerned, OSHA is dead.
- . Land use: Farmers are likely to lose most confrontations on this subject,
- . Use of water: Agriculture can be and will be outbid by nonfarm users,
- . Energy: Farmers will get the energy they need. Energy from grain and biomass will not develop importantly during the decade,
- . The family farm: The family farm will survive, but not in the traditional form,
- . Agribusiness issues: There will be much talk and little action,
- . People on the fringe: Most confrontations will be won by those previously disadvantaged,
- . USDA: The Department will become, in fact if not in name, a Ministry of food,
- . International Issues: Exports will increase. International food aid and technical assistance to developing countries will continue in a holding pattern while the public decides its degree of responsibility for meeting the food needs of distressed people overseas,
- . Implications for ESCS: Most increments of research should be devoted to the "new agenda" items that have been injected into the farm and food policy arena during the past decade.

#### PUTTING IT INTO PERSPECTIVE

At the final session of each conference, two persons, one from Statistics and one from Economics, both located outside of Washington, D.C., presented their thoughts on the conference and on ESCS as an Agency. These were followed by closing remarks by Dr. Farrell. A summary of the major points appears below.

#### FIELD PERSPECTIVE

Jerry Horner, Natural Resource Economics Division, Davis, California

- The research planning process needs to be specified and presented to research staff for evaluation. Planning cannot be done solely by Washington, D.C., personnel. The best planning can be done by meeting with parts of the public that have the problems. One approach may be to include ESCS fieldstaff, other Federal agencies, university personnel, and State agencies who have a sense of future problems in a structured, formalized planning process. Public participation methodologies exist and are being used by other Government agencies in planning their programs.
- The changes in personnel procedures and leadership functions discussed in general terms with respect to the "new look" in Economics need more specificity.

- The rewards system for staffwork needs to be reviewed. A recognition policy also needs to be devised that reflects inputs of each team member into the ever increasing amount of team research.
- A uniform cooperative agreement should be developed with universities to provide a basis to define each of our capabilities better and plan our future research efforts.
- The manuscript policy of ESCS must be changed if the professional reputation of economists in ESCS is to be improved. ESCS must support and solicit actively from ESCS economists the technical research reports currently being published by State Experiment Stations and other technical outlets.

Bob McGregor, State Statistician-In-Charge, California

- He hopes the strong esprit de corps in Statistics will emerge within ESCS as an integrated agency.
- Most statisticians perceive the clientele for ESCS reports as agribusiness, and, more often, the production sector of agriculture. In contrast, many economists consider their main function to be research, and their target audience to be policymakers and other analysts in the administration or the Congress. This perceived difference is changing somewhat with increased emphasis on situation and outlook work, particularly the Farmer Commodity Newsletters.
- Statistics has been historically service-oriented, closely tied to farm groups or individual farmers. Success has been measured by accuracy of output and the reputation of the Agency in the agribusiness community. Most field economists regard their first priority as applied research. Their reputation is often formed by what their peers think.
- Local data needs, particularly county estimates, are viewed increasingly as only a State responsibility under statistics/cooperative agreements. This responsibility should continue to be shared as State cooperators are not the only beneficiaries of local data. Local data needs represent by far, our greatest number of requests for information. Federal officials must not abdicate their responsibility for sharing in the provision for local data. State cooperators can also find similar ways to reduce their level of support for the current Federal program. While new institutional innovations may be needed in future years, it would be a serious mistake to take State cooperators for granted while the Federal program pursues its own priority agenda.
- Efficient use of resources will be increasingly important to all levels-- Federal, State, and university. Thus, we need to continue our present memorandums of understanding with State Departments of Agriculture and the universities to avoid duplication of effort and provide a program tailored to the needs of a diverse industry.
- We need to continue to talk to the real world, not ourselves. What we perceive to be needed and what is actually needed by data users may be different. For this reason, the establishment of a Regional Data Users Advisory Committee to review our programs and priorities is recommended.
- A strong information program, coupled with good public relations, is a must for ESCS. Good progress has been made in this area with the development of the Farmers' Newslne and Commodity Newsletters.

- The Agency view persists that specialty crops, largely fruits and vegetables, have only a few data users and are relatively unimportant. But these perishable commodities are followed closely by consumers and receive wide press coverage. There is a need to provide more market flow information for specialty crops rather than curtail or eliminate the present service.
- While the functions of Statistics, Economics, and Cooperatives are perceived as different, the basic mission of ESCS should be to serve the public interest. There is no reason why we cannot work together effectively in one organization because there are areas of complementarity enabling us to use Agency resources more efficiently.

Leon Perkinson, Economic Development Division, Raleigh, North Carolina

- The creation of ESCS has already generated positive benefits. The cost of production surveys, for example. Why do we have a name that seems to accent the separateness of the three groups? It also seems to generate confusion.
- Whether we are a product of a marriage of convenience or a shot-gun wedding is irrelevant as long as we accomplish our assignments.
- To help the integration, a regular or annual meeting for about a half-day among Statistics, Economics, and Cooperatives people within each State.
- Communications is a longrun problem, not only between Washington and the field, but also within Washington and within the field. Our new federation brings out new possibilities for successes and failures.
- Instant analyses associated with release of data seem to be reasonable and apparently popular. But there is a risk, perhaps one too large to bear, which does not differ much from what most television networks run when they attempt instant analyses of Presidential addresses.
- There is no question but that data on structure, marketing, prices, supply and demand response, and other areas, for commercial agriculture, are extremely important. But these farm families, their hired labor, their local suppliers, and marketing channel people, live in rural areas with 50 to 60 million other people. Sharing ideals of commercial agriculture will do little to ease the plight of many rural areas in solving problems associated with public services.

Dick Small, State Statistician-In-Charge, Florida

- In Statistics, the D.C. headquarters speaks for the field and the field speaks for D.C. headquarters. A person located in the field does not have only a field perspective.
- We have had good recent progress in affirmative action and resolve to continue to have good progress.
- The 50-percent minimum response requirement for mailed surveys is a major constraint established by the Office of Management and Budget with no statistical significance.
- Statistics has been through much trauma over many years of having to modernize and to do things differently. But Statistics has become over the past decade truly up to date as a leader in techniques for statistical sampling for estimation and forecasting.

- There is need for more public involvement in Agency planning. One goal of such public involvement should be to develop an umbrella of confidentiality of statistical survey data. While protecting our data, it would give us greater access to data of other statistical agencies at the same time.
- The public truly does have a hard time relating to the technical names for the Department of Agriculture. We have an unfortunate name and we in the State Statistical offices feel that we have to rely on the Crop and Livestock Reporting Identification.

Glenn Suter, State Statistician-In-Charge, New York

- Farmers in their many programs, agencies working in rural affairs programs, land grant colleges, and all levels of government including USDA agencies want and demand county and township data.
- Statisticians in the field see ESCS as an Agency which does not put priority on local level needs, either at the sub-State or county level. This lack of emphasis will erode our base of support, not only for our cooperative agreements but also from the sources of our statistical data. Local governments often need data to meet the Federal project requirements. In USDA, programs requiring local data are those of the Agricultural Stabilization and Conservation Service and the Soil Conservation Service.
- Field staffs of Economics and Statistics should be part of the planning and goal-setting process.
- The economic surveys will work best if they become a regular part of the Agency's ongoing field survey program.
- Definitions of data elements are important. We still have difficulty defining a simple term like "corn for grain" or what is a "farm" or what is farm labor. So that data collectors can obtain answers from farmers or other respondents, both statisticians and economists must together improve the definition of our data elements. The economist in the New York office, working on the cost of production survey and the fruit pesticide survey, contributed much to the survey staff's understanding of definitions and how the data would be used.
- Future conferences could discuss in more detail the following subjects in work groups:
  - . Data needs in general or in a specific area such as rural development,
  - . Our clientele--how can we serve them better,
  - . Response burden,
  - . Cooperation with other institutions,
  - . Recruitment, management, and training,
  - . Other programs and policy changes.
- ESCS people in the field need to visit each other and learn more about the other's work and programs--including cooperative programs.

- Most ESCS Economics researchers have worked with the Statistics people for many years--both at national and State levels. They are valued associates held in high regard. Statisticians perceive what is going on in the real world, which comes from contact with people.
- The "field" is an artificial distinction. We are all research economists of the same organization with the same problems and same goals. ("Economics 'field' researchers really aren't hairy wild old boys that are caught, bathed, and rebranded each time there is a reorganization.")
- People are essentially all we have as an Agency, and what we do individually measures the accomplishments we will make as an organization. Everyone needs to feel they are a part of the planning and to learn why we need change.
- Over time we have broadened our concerns from helping in the development and assistance in the adaption of technology to stemming the tide of the perceived evils resulting from our earlier work--the monitoring and assessing of impacts, and evaluation of regulations. Farmers feel abandoned and new clients view us with no small amount of distrust. This is a real dilemma that we must recognize. We must work to explain what we do and why, especially to our colleagues at the colleges.
- Location of staff depends upon the job to be done. We can fail or succeed in either Washington, D.C., or in the field. There are several advantages of a field location:
  - . Free or low-cost housing, supplies, secretarial and clerical services, computer services, and so on.
  - . Immediate access to agricultural economics staffs of 40, 50, or 60 people when problems arise, and opportunity for joint, longer term research.
  - . Access to unique data series, guidance, and professional knowledge.
  - . Direct tie and close working relationship with physical and biological scientists.
  - . Daily contact with extension service and others who have farm and agribusiness contacts to give life to cold numbers and often otherwise meaningless results or results improperly interpreted.
- Analysis of economic problems seldom allows a next-day report. Yet we sometimes try for too much precision, try to get too much out of the data.

#### CLOSING REMARKS

Kenneth R. Farrell, Administrator

On balance, the conferences have been useful and productive. With reference to conference objectives, we have:

- Set the stage for development of interpersonal relationships--an essential ingredient to the creation of a single, integrated, productive agency.

- Initiated substantive, meaningful dialogue on the missions of the Agency.
- Gained useful insight and understanding of activities in the three program units.
- Made a beginning in identifying areas of complementarity and interdependence among the program units.

I appreciate the constructive spirit and the candor with which you participated in the discussions.

Our discussions have indicated clearly that we are a diverse organization in subject matter, in mission and objectives, in style and method of management. There is strength in that diversity. And, provided it is held within reasonable bounds, there is strength in the tension and competition which emerged among the program units during our discussions.

But there also emerged a common, unifying theme around which we can develop a cohesive, integrated agency--the concept of ESCS as an information system. That system consists of a set of interrelated functions--data development, economic research and analysis and technical assistance. Each component and the system as a whole are guided by a common objective--that of generating objective, reliable, timely, useful information for decisionmaking, public and private, concerning food, agriculture, natural resources, and rural communities.

Our challenge and our greatest single opportunity as an Agency is to adapt and improve that system to meet the changing needs of those who require economic information for decisionmaking. To do so requires that we continuously assess the balance and purpose of our programs, the methods we employ to collect, analyze, and deliver information and effectiveness with which we meet the needs of decisionmakers, public and private. That will not be an easy undertaking; resources are limited, we must enter new and "unchartered" data collection and research areas and we must make hard choices in use of personnel, financial resources, methodology, and programs. We have a strong base and a proud heritage from which to begin the rebuilding and refocusing of our programs to meet the needs of the eighties. What we do during the next 2-3 years, the course we set for ourselves, and the adequacy with which we perceive the changing needs for economic information in a rapidly changing world, will have large and lasting impacts on the quality of the public information system throughout the eighties. The creation of ESCS affords a unique opportunity for each of us to shape the information system of the future.

The easy things have been accomplished in the creation of ESCS. We must now move from matters of form to matters of substance. We must seek out those areas among units of the Agency where complementarities and interdependencies exist and transform the potential and the promises of ESCS into program realities. This conference has served as a beginning in that respect. I see my single most important function as Administrator being that of encouraging, guiding, and obtaining support for that process.

Without repeating my opening remarks or those of others, let me summarize some highlights of our discussions which merit re-emphasis at this point.

#### Professionalism

- The professionalism of the entire organization will be enhanced by providing to the three units a substantial amount of independence in how they do business, conditioned by an integrated agency view.

- We will increase ESCS professionalism by recruiting the top 10 percent of graduates and providing an opportunity for advancement at all levels.

### Objectivity

- Maintaining the objectivity or integrity of the information we produce is paramount.
- Policy analysis done objectively should not be confused with policymaking--we do the former but never the latter. We are policy analysts.
- We must hold ourselves at "arm's length" from policymakers. But we must be responsive to their needs for economic information and analysis.
- The cooperatives program presents no inherent conflict in the Agency's mission and goals; we can best serve cooperatives by providing objective, reliable, comprehensive information and analyses for their decisionmaking purposes.

### Planning

- While we cannot plan every activity, we need a more serious effort at trying to lay out, in a broad sense, a clear charter and a clear set of directions with respect to the core of our research and data programs.
- Mechanisms for planning must not become the end.
- Planning cannot be done by internalizing the process. We are going to take steps toward effective, not token, public participation in what we do.

### University Relations

- We can no longer be merely a source of funding for universities but we need to involve that community in what we do.
- We need and will continue with a fieldstaff in Economics. However, we need to develop a policy statement setting forth objectives and principles as a basis for consistent coherent decisions on matters related to deployment, promotion, rotation, and program responsibilities of fieldstaff--we must examine and experiment with new or modified mechanisms to enhance collaborative research with universities.

### Clientele

- We will continue to serve agricultural production interests--both private and public. But, we can serve the interests of other groups as well, if we adhere to the principle of providing objective, reliable information and analysis and are not captives to any particular group. Much of what we do has multiple purposes in serving those clientele groups; that is to say, the producer or the firm responsible for processing and distributing wheat, the consumer group, the Secretary of Agriculture, the persons in the Congress, and many others, need to have essentially the same kind of information.

### Fieldstaff

- We should not have a fieldstaff and a Washington staff; we should have one staff with its parts fairly and consistently linked.

- In Statistics, there are no major issues with respect to fieldstaff policies. In Economics, we need a thorough top-to-bottom review of the size and deployment of the fieldstaff. J. E. Penn and the division directors need first to formulate a long-range plan of research to assist in decisions concerning deployment of fieldstaff and development of collaborative research programs with fieldstaff.
- Job classification and performance appraisal will follow the same rules at both Washington and field locations.
- The State Statistical Offices are our most visible offices. We must consider linking of these offices with other components of the Agency.

#### Training

- We need to develop a comprehensive training program for all levels of jobs.
- We do not now have adequate personnel for meeting training needs; this needs to be corrected.

#### EEO

- We have begun an aggressive EEO program.
- We must have a commitment in spirit, not only to meeting rules and regulations.

#### Managerial Style

- I want to be open with you and want you to be open with me. I cannot imagine that any line managers would censure the right of individuals to speak their minds directly to me. I am not trying to subvert deputies and program managers with this policy. We cannot afford myopic, insensitive policies, we should be honest and open. Such candidness will head off personnel problems which otherwise might surface months later. I favor participatory management but not overlapping management teams; there is a point at which decisions have to be made.
- My role is to set broad policy directions and to allocate resources to the Deputy Administrators, yet I will involve myself in some of the details to stay informed and technically up to date.

#### ACTION ITEMS

Following is a list of actions that were suggested at the conferences or received in correspondence from participants following the conferences. These are currently being reviewed for possible implementation. Action to be taken on each will be summarized and made available to conference participants and others who wish to receive a copy.

#### A. Publications Policy

1. Research publication policy needs to be changed.
2. We need a staff paper series--a concise statement of findings for policymakers.

3. Need better synchronization for Farmers' Newsletters and Crop Reporting releases: Develop a schedule for release of Farmers' Newsletters.
4. Need more definitive statement with respect to the types of manuscripts that are suitable for publication through ESCS.
5. ESCS must support and actively solicit from ESCS economists the technical research reports that are currently being published by State Experiment Stations and other technical outlets.
6. Time lag between collection of data and publication for work requested by Economics must be reduced--the cost of production studies cited as an example.

## B. Personnel

1. Recruitment
  - a. We need a more efficient, less cumbersome recruiting process for persons in the field.
  - b. See also item #3 under "H. Joint Efforts with Universities."
2. Training
  - a. Need to develop a comprehensive training program for people in all levels of jobs.
  - b. Provide genuine opportunity for persons in lower grade jobs to advance professionally and for competent professional persons to develop their careers further.
  - c. Need to reinstate some formal career development planning.
3. Other Personnel Matters
  - a. Enhance professionalism.
  - b. Cultivate program leaders and leadership as distinguished from program managers and management.
  - c. Create atmosphere of openness, intellectual honesty, tolerance, and trust at all levels of the Agency.
  - d. Develop and implement meaningful performance criteria.
  - e. Checks, particularly cost of living payments, must arrive on time.
  - f. Need a clear formal statement concerning what is required for promotion of field employees.
  - g. Career development.
  - h. Motivation and rewards for staff work need to be investigated.
4. EEO
  - a. Develop and implement an EEO program--set goals for women and minorities and strengthen our recruiting program to reach these goals.

C. Improving Image of Agency

1. We need a better common name if we are to be a single agency.
2. Develop a brochure for handout in county extension offices explaining the nature and importance of the crop and livestock statistics program.
3. We need more formal identification for the component elements--Economics unit or Cooperatives unit not very meaningful.

D. Long-Range Planning and Evaluation

1. Need to establish more effective long-range planning mechanism for our program.
2. Reexamine the costs and benefits, conceptual foundations, and methods of many of our long-standing programs.
3. ESCS should have a formal process and perhaps even a formal group to do "think tank" type work.
4. More effective public participation in planning.
5. Need to maintain county data.
6. Establish an ESCS policy center that could engage in long-term thinking and research.

E. Identification of Data Needs and Collection Strategy

1. Consider establishing Regional Data Users Advisory Committees.
2. Get on with creating an agency data base--data handling, maintenance, and access.
3. We must do a better job of explaining why we need data.
4. Must develop techniques to maintain a voluntary data collection system.
5. Need to combine Census of Agriculture with ESCS' Statistics operation.
6. Options to solve data collection problems.
  - a. Fit survey formats to IRS format
  - b. Publish State and less aggregated summaries
  - c. Reduce redundancy in questionnaires
  - d. Specify data summary release dates
  - e. Fit survey timing to respondent work schedules
  - f. Stratify samples, include only relevant respondents in sample
  - g. Utilize remote sensing and other sources of data (other agencies, engineering data, etc.) to reduce respondent burden on farmers.

#### F. Economist Input to SSO's Work

1. Need more extensive involvement of economists with State statisticians: and economists in SSO?
2. Take the initiative with select Departments of Agricultural Economics, inviting them to prepare an outlook section to be include with State crop and livestock releases.
3. Work with the World Board to arrange for an economic assessment to accompany Crop Reporting Board reports.
4. SSO's should get information to answer hot questions; such as accuracy of farm income numbers.
5. It would be desirable to have an economist in every State office to make economic projections.
6. There is need to increase the quality and quantity of interpretation of summaries of data collected.

#### G. Questionnaire Development and Survey Plans

1. Need better planning and coordination between economists and statisticians in development of questionnaires.
2. We need input from respondents in the design of questionnaires.
3. Plan for involvement of economists in Statistics' regional schools.
4. Assign economists who work with State statisticians and design of surveys.

#### H. Joint Efforts with Universities

1. As part of our budget, seek funds to support land grant college and 1980 institution research.
2. Station some ESCS staff at universities--challenge them to probe conceptual issues, get them involved with teaching and graduate students.
3. We must develop more effective institutional relationships, particularly with the land grant universities, the 1890 institutions, and other research and educational institutions which perform research and/or train potential employees of ESCS.
  - a. Location and linkages among positions in the field
  - b. Cooperative agreement
  - c. Recruiting (recruit from top 10 percent)
4. Consolidate field locations.
5. A structural effort should be initiated to develop a uniform cooperative agreement within universities.

I. Other

1. Exchange of staff among units.
2. Examine the ECON/STAT link in the field: Should SSO's be designated as focal point?
3. Meet again with Jim Bonnen while he is still on the scene and close to the problems.
4. Encourage more effective communication within the Agency. Experiment with new and improved communication devices.
5. Reorient and systematize our management support systems.
6. Improve management of our staffwork.
7. Should we have a Deputy for Technical Services--data processing, word processing, and information release?
8. Need to seek ways to reduce the paper blizzard.
9. The institutional and administrative changes in Economics to increase productivity need to be defined and discussed.

UNITED STATES DEPARTMENT OF AGRICULTURE  
Economics, Statistics, and Cooperatives Service

Program and Attendees

WESTERN REGIONAL CONFERENCE  
Tucson, Arizona

March 20-22, 1979

PROGRAM

Tuesday, March 20

Mornin Session: Ken Farrell presiding

8:30 - 9:00 -- Welcome; Introductions; Conference Objectives -- Ken Farrell

9:00 - 9:45 -- ESCS--Its Future -- Ken Farrell

9:45 - 10:15 -- Coffee

10:15 - Noon -- Statistics: Mission and Program--  
Current and Future

10:15 - 11:00 -- Overview -- Bill Kibler

11:00 - Noon -- Issues from SSO's

Moderator -- Scotty Walters

Panel--Three State Statisticians

Maurice Johnson, Kansas  
James Kitterman, Washington  
Lloyd Garrett, Hawaii

Noon - 1:00 -- Lunch

Afternoon Session: Wally Kirkbride presiding

1:00 - 2:00 -- Statistics (continued)

1:00 - 2:00 -- Discussion from floor

2:00 - 2:45 -- Economics: Mission and Program--  
Current and Future

2:00 - 2:45 -- Overview -- J. B. Penn

2:45 - 3:15 -- Coffee

3:15 - 5:15 -- Economics (continued)

3:15 - 4:15 -- Economics Program Issues

Moderator -- John Berry

Panel--

\*Mel Cotner, NRED  
Ken Deavers, EDD  
John Lee, NEAD  
\*John Stovall, CED  
Joe Willett, FDCC  
\*Ed Jesse, CED, California

\*Starred personnel will speak.

4:15 - 5:15 -- Discussion from floor

PROGRAM  
(continued)

5:30 - 7:30 -- Cocktails and dinner

Evening Session: Ken Farrell presiding

8:00 - 9:30 -- Meeting away from dining area

8:00 - 8:30 -- Future Direction of                   -- Alex McCalla  
Agriculture and Rural  
America: Implications  
for ESCS

8:30 - 9:30 -- Discussion

Wednesday, March 21

Morning Session: John Lee presiding

8:30 - 10:15 -- Cooperatives: Mission and Program--  
Current and Future

8:30 - 9:00 -- Overview                                   -- Randy Torgerson

9:00 - 9:45 -- Program Issues  
Moderator                                   -- Jack Armstrong

Panel--  
Jim Haskell, CMPD  
Warren Mather, CMD  
Ray Williams, CDD

9:45 - 10:15 -- Discussion from floor

10:15 - 10:30 -- Coffee

10:30 - 12:30 -- ESCS As Perceived by Others

10:30 - 11:30 -- Panel:

Howard Wuertz -- Arizona Farmer; and  
Board of Directors, Sacramento Bank  
for Cooperatives  
Bruce Scherr -- Data Resources, Inc.  
Jimmye Hillman -- Arizona State Univ.  
Harold Breimyer, Univ. of Missouri

11:30 - 12:30 -- Discussion from floor

12:30 - 1:30 -- Lunch

Afternoon Session: Ken Farrell presiding

1:30 - 3:30 -- ESCS--One Integrated Agency:  
Panel Discussion

PROGRAM  
(continued)

Moderator -- Charles Caudill

1:30 - 2:45 -- How can we better relate,  
integrate, & complement  
the program components

Dialogue -- J. B. Penn/Bruce Graham

Panel -- Bill Kibler  
J. B. Penn  
Randy Torgerson

2:45 - 3:30 -- Discussion from floor

3:30 - 3:45 -- Coffee

3:45 - 5:15 -- Management Issues: Civil Service Reform  
and Others: Panel Discussion

Moderator -- Ed McElhanon

3:45 - 4:30 -- Perspectives--John Lee/Joe Ellis

4:30 - 5:15 -- Discussion

5:30 - 7:30 -- Cocktails and dinner

Evening Session

8:00 - 9:30 -- Concurrent Sessions (open agenda)

Economics -- J. B. Penn  
(Joe Ellis)

Statistics -- Bill Kibler  
(Ed McElhanon)

Thursday, March 22

Morning Session: Allan Johnson presiding

8:15 - 9:15 -- EEO Programs: Who is Responsible for  
Affirmative Action?

8:15 - 8:45 -- EEO Director -- Jean Redmond

8:45 - 9:15 -- Discussion

9:15 - 10:00 -- Information Programs: Present & Future

9:15 - 9:45 -- INF Deputy Director -- Kent Miller

9:45 - 10:00 -- Discussion

10:00 - 10:15 -- Coffee

PROGRAM  
(continued)

10:15 - 11:00 -- Program Evaluation & Development Staff:  
Objectives and Plans

10:15 - 10:45 -- PEDS Director -- Ozzie Blaich

10:45 - 11:00 -- Discussion

11:00 - 12:00 -- Putting It Into Perspective

11:00 - 11:30 -- Field perspective  
Gerry Horner, California  
Robert McGregor, California

11:30 - 12:00 -- Ken Farrell

ATTENDEES

ESCS:

Alt, Klaus	ECON-NRED	Iowa
Armstrong, Jack	COOP-ODA	D.C.
Arthur, Louise	ECON-NRED	Oregon
Aschwege, Jack	STAT	Nebraska
Ayer, Harry	ECON-NRED	Arizona
Bender, Lloyd	ECON-EDD	Montana
Berry, John	ECON-ODA	D.C.
Blaich, Oswald	OA-PEDS	D.C.
Blanciforti, Laura	ECON-NRED	California
Brown, Delon	STAT	Alaska
Buxton, Boyd	ECON-CED	Minnesota
Carver, Robert	STAT	Wyoming
Caudill, Charles	STAT-SRD	D.C.
Cotner, Melvin	ECON-NRED	D.C.
Deavers, Kenneth	ECON-EDD	D.C.
Ellis, Joseph	MGMT-Pers.	D.C.
Farrell, Kenneth	Administrator	D.C.
Garrett, Lloyd	STAT	Hawaii
Graham, Bruce	STAT-ODA	D.C.
Green, John	ECON-NRED	Colorado
Gum, Russell	ECON-NRED	Arizona
Hancock, Raymond	STAT-SD	D.C.
Haskell, James	COOP-CMPD	D.C.
Herbert, Daniel	STAT	Montana
Herman, Joe	STAT	New Mexico

ATTENDEES  
(continued)

Horner, Gerald	ECON-NRED	California
Hoyt, Paul	ECON-NRED	Arizona
Huffstutlar, Steve	COOP	California
Jesse, Edward	ECON-CED	California
Jewell, Duane	STAT	Colorado
Johnson, Allan	OA	D.C.
Johnson, Maurice	STAT	Kansas
Kibler, William	STAT-ODA	D.C.
Kirkbride, John	STAT-ED	D.C.
Kitterman, James	STAT	Washington
Landgren, Norman	ECON-NRED	Nebraska
Lee, John	ECON-NEAD	D.C.
Lee, Grant	STAT	Utah
Mather, Warren	COOP-CMD	D.C.
Max, Richard	STAT	Idaho
Mayes, Horace	STAT	Arizona
McElhanon, William	MGMT-ODA	D.C.
McGregor, Robert	STAT	California
Miller, Kent	OA-INF	D.C.
Miller, Thomas	ECON-CED	Colorado
Moore, Charles	ECON-NEAD	California
Murphy, Robert	STAT-ODA	D.C.
Olson, James	STAT-SD	D.C.
Oswlad, Eric	ECON-NRED	Arizona
Pallesen, Raymond	STAT	Oregon
Penn, J.B.	ECON-ODA	D.C.
Piper, Daniel	ECON-NRED	California
Price, John	STAT	North Dakota
Ranek, John	STAT	South Dakota
Redmond, Jean	OA-EEO	D.C.
Ries, Joe	STAT	Nevada
Rock, Carroll	STAT	Minnesota
Rolf, Floyd	STAT-ED	D.C.
Sharples, Jerry	ECON-CED	California
Skow, Duane	STAT	Iowa
Stipe, Sterling	ECON-NRED	Michigan
Stovall, John	ECON-CED	D.C.
Thomas, Howard	ECON-NRED	Oregon
Torgerson, Randall	COOP-ODA	D.C.
Walters, Herbert	STAT-SSD	D.C.
Willett, Joseph	ECON-FDCD	D.C.
Williams, Raymond	COOP-CDD	D.C.

ATTENDEES  
(continued)

GUESTS:

Breimyer, Harold	Dept. of Agricultural Economics University of Missouri Columbia, Missouri
Hillman, Jimmie	Head, Dept. of Agricultural Economics The University of Arizona Tucson, Arizona
McCalla, Alex	Dept. of Agricultural Economics University of California Davis, California
Scherr, Bruce	Data Resources, Inc. 29 Hartwell Avenue Lexington, Massachusetts
Wuertz, Howard	Route 1 - Box 115-A Coolidge, Arizona (Farmer and Board of Directors, Sacramento Bank for Cooperatives)

UNITED STATES DEPARTMENT OF AGRICULTURE  
Economics, Statistics, and Cooperatives Service

Program and Attendees

SOUTHERN REGIONAL CONFERENCE

Memphis, Tennessee

April 17-19, 1979

PROGRAM

Tuesday, April 17

Morning Session

8:30 - 9:00 -- Welcome; Introductions; Conference Objectives -- Ken Farrell

9:00 - 9:45 -- ESCS--Its Future -- Ken Farrell

9:45 - 10:15 -- Coffee

10:15 - Noon -- Statistics: Mission and Program--  
Current and Future

10:15 - 10:50 -- Overview -- Bill Kibler

10:50 - 11:30 -- Issues from SSO's  
Moderator -- Scotty Walters  
Panel--Three State Statisticians  
Paul Walsh, Alabama  
Wil Walther, Texas  
Don VonSteen, Arkansas

11:30 - Noon -- Discussion from floor

Noon - 1:30 -- Lunch

Afternoon Session

1:30 - 2:15 -- Statistics (continued)

1:30 - 2:15 -- Continue discussion from floor

2:15 - 5:00 -- Economics: Mission and Program--  
Current and Future

2:15 - 2:50 -- Overview -- J. B. Penn

2:50 - 3:20 -- Coffee

3:20 - 4:00 -- Economics Program Issues  
Moderator -- Gary Taylor  
Panel--  
Mel Cotner, NRED  
Ken Deavers, EDD  
\*John Lee, NEAD  
John Stovall, CED  
Joe Willett, FDCD  
\*Neil Cook, NRED, Arkansas

\* Starred personnel will speak

PROGRAM  
(continued)

4:00 - 5:00 -- Discussion from floor

5:30 - 7:30 -- Cocktails and dinner

Evening Session

8:00 - 9:30 -- Concurrent Sessions (open agenda)

Economics	-- J. B. Penn (Joe Ellis)
Statistics	-- Bill Kibler (Ed McElhanon)

Wednesday, April 18

Morning Session

8:30 - 9:50 -- Cooperatives: Mission and Program--  
Current and Future

8:30 - 8:55 -- Overview -- Randy Torgerson

8:55 - 9:20 -- Program Issues

Moderator -- Jack Armstrong

Panel--

Jim Haskell, CMPD  
Warren Mather, CMD  
Ray Williams, CDD

9:20 - 9:50 -- Discussion from floor

9:50 - 10:05 -- Coffee

10:05 - 12:15 -- ESCS As Perceived by Others

10:05 - 11:20 -- Moderator -- John Lee

Panel--

Al Ortego -- Dairymen, Inc., Louisville, Ky.  
Winston Wilson -- VP, National Wheat  
Growers' Association, Texas  
Joe Coffey -- VPI, Blacksburg  
Ronald Knutson, Texas A&M University

11:20 - 12:15 -- Discussion from floor

12:15 - 1:45 -- Lunch

PROGRAM  
(continued)

Afternoon Session

- 1:45 - 3:20 -- ESCS--One Integrated Agency  
How can we better relate, integrate, &  
complement the program components
- 1:45 - 2:40 -- Moderator -- Charles Caudill
- Panel--  
J. B. Penn  
Bill Kibler  
Randy Torgerson
- 2:40 - 3:20 -- Discussion from floor
- 3:20 - 3:45 -- Coffee
- 3:45 - 5:15 -- Management Issues: Civil Service Reform  
and others
- Moderator -- Ed McElhanon
- 3:45 - 4:30 -- Perspectives -- Joe Ellis
- 4:30 - 5:15 -- Discussion
- 5:15 - 7:30 -- Open

Evening Session: Ken Farrell presiding

- 7:30 - 9:00 -- Guest Lecture
- 7:30 - 8:00 -- Future Direction of -- Don Paarlberg  
Agriculture and Rural  
America: Implications  
for ESCS
- 8:00 - 9:00 -- Discussion

Thursday, April 19

Morning Session: Allan Johnson presiding

- 8:15 - 8:55 -- EEO Programs: Who is Responsible for  
Affirmative Action?
- 8:15 - 8:35 -- EEO Director -- Jean Redmond
- 8:35 - 8:55 -- Discussion
- 8:55 - 9:35 -- Information Programs: Present and Future
- 8:55 - 9:15 -- INF Director -- Ben Blankenship
- 9:15 - 9:35 -- Discussion

PROGRAM  
(continued)

9:35 - 10:00 -- Coffee

10:00 - 10:40 -- Program Evaluation & Development Staff:  
Objectives and Plans

10:00 - 10:20 -- PEDS Director -- Ozzie Blaich

10:20 - 10:40 -- Discussion

10:40 - 12:30 -- Putting It Into Perspective

10:40 - 11:30 -- Field perspective  
Leon Perkinson, North Carolina  
Richard Small, Florida

11:30 - 12:30 -- Ken Farrell

ATTENDEES

ESCS:

Armstrong, Jack	COOP-ODA	D.C.
Bay, Donald	STAT	Missouri
Blaich, Oswald	OA-PEDS	D.C.
Blankenship, Benjamin	OA-INF	D.C.
Bowles, Gladys	ECON-EDD	Georgia
Caudill, Charles	STAT-SRD	D.C.
Christensen, Lee	ECON-NRED	Georgia
Cochrane, John	STAT	Oklahoma
Cook, Neil	ECON-NRED	Arkansas
Cooke, Fred	ECON-CED	Mississippi
Cotner, Melvin	ECON-NRED	D.C.
Deavers, Kenneth	ECON-EDD	D.C.
Donald, Samuel	ECON-NEAD	Louisiana
Dunkerley, Clarence	STAT	Virginia
Ellis, Joseph	MGMT-Pers.	D.C.
Farrell, Kenneth	Administrator	D.C.
Ferrell, George	STAT	West Virginia
Foster, Roger	STAT	South Carolina
Galloway, Frasier	STAT	Georgia
Godwin, Marshall	OA	D.C.
Graham, Bruce	STAT-ODA	D.C.
Grant, Warren	ECON-CED	Texas
Greenhalgh, Richard	ECON-NRED	Florida

ATTENDEES  
(continued)

Haskell, James	COOP-CMPD	D.C.
Hobson, Robert	STAT	Tennessee
Holder, Shelby	ECON-CED	Mississippi
Holmes, Wendell	ECON-	Nebraska
Hottel, James Bruce	ECON-NEAD	Texas
Hudson, Andrew	ECON-NRED	Arkansas
Hughes, Dean	ECON-NEAD	Texas
Johnson, Allan	OA	D.C.
Jones, Harold	ECON-CED	Georgia
Kibler, William	STAT-ODA	D.C.
Kirkbride, John	STAT-ED	D.C.
Knight, George R.	STAT	Mississippi
Krenz, Ronald	ECON-CED	Oklahoma
Kuehn, John	ECON-EDD	Missouri
Lee, John	ECON-NEAD	D.C.
Mather, Warren	COOP-CMD	D.C.
McElhanon, William	MGMT-ODA	D.C.
Morris, Douglas	ECON-NRED	North Carolina
Murphy, Robert	STAT-ODA	D.C.
Nelson, Bergen	STAT	Louisiana
Olson, James	STAT-SD	D.C.
Penn, J. B.	ECON-ODA	D.C.
Perkinson, Leon	ECON-EDD	North Carolina
Redmond, Jean	OA-EEO	D.C.
Slaughter, Rudie	ECON-CED	Missouri
Sloggett, Gordon	ECON-NRED	Oklahoma
Small, Richard	STAT	Florida
Stovall, John	ECON-CED	D.C.
Taylor, Gary	ECON-ODA	D.C.
Torgerson, Randall	COOP-ODA	D.C.
Tucker, Dan	STAT	North Carolina
VonSteen, Donald	STAT	Arkansas
Walsh, Paul	STAT	Alabama
Walters, Herbert	STAT-SSD	D.C.
Walther, Wilbert	STAT	Texas
Whetzel, Virgil	ECON-NRED	West Virginia
Willett, Joseph	ECON-FDCD	D.C.
Williams, Raymond	COOP-CDD	D.C.
Williamson, David	STAT	Kentucky
Zepp, Glenn	ECON-CED	Florida

ATTENDEES  
(continued)

GUESTS:

Coffey, Joseph	Head, Dept. of Agricultural Economics Virginia Polytechnic Institute and State University Blacksburg, Virginia
Knutson, Ronald	Dept. of Agricultural Economics Texas A&M University College Station, Texas
Ortego, Al	Dairymen, Inc. 506 Portland Building 200 West Broadway Louisville, Kentucky
Paarlberg, Don	Dept. of Agricultural Economics Krannert Building Purdue University West Lafayette, Indiana
Wilson, Winston	Vice President, National Wheat Growers' Association 1300 Cain Quanah, Texas

UNITED STATES DEPARTMENT OF AGRICULTURE  
Economics, Statistics, and Cooperatives Service

Program and Attendees

NORTH CENTRAL/NORTHEAST REGIONAL CONFERENCE  
Harpers Ferry, West Virginia

May 1-3, 1979

PROGRAM

Tuesday, May 1

Morning Session

8:30 - 9:00 -- Welcome; Introductions, Conference Objectives -- Ken Farrell

9:00 - 9:45 -- ESCS--Its Future -- Ken Farrell

9:45 - 10:15 -- Coffee

10:15 - Noon -- Economics: Mission and Program-- Current and Future

10:15 - 10:50 -- Overview -- J. B. Penn

10:50 - 11:30 -- Economics Program Issues

Moderator -- Gary Taylor

Panel--

\*Ken Deavers, EDD

John Lee, NED

\*Tony Grano, NRED, Michigan

\* Starred personnel will speak

11:30 - Noon -- Discussion from floor

Noon - 1:30 -- Lunch

Afternoon Session

1:30 - 2:15 -- Economics (continued)

1:30 - 2:15 -- Continue discussion from floor

2:15 - 5:00 -- Statistics: Mission and Program-- Current and Future

2:15 - 2:50 -- Overview -- Bill Kibler

2:50 - 3:20 -- Coffee

3:20 - 4:00 -- Issues from SSO's

Moderator -- Scotty Walters

Panel--Three State Statisticians

Caroll Spencer, Wisconsin

Don Fedewa, Michigan

Wally Evans, Pennsylvania

4:00 - 5:00 -- Discussion from floor

5:30 - 7:30 -- Cocktails and dinner

PROGRAM  
(continued)

Evening Session -- Ken Farrell presiding

8:00 - 9:30 -- Meeting away from dining area

8:00 - 8:30 -- Future Direction of Agri- -- Jim Shaffer  
culture and Rural America:  
Implications for ESCS

8:30 - 9:30 -- Discussion

Wednesday, May 2

Morning Session

8:30 - 10:00 -- Cooperatives: Missions and Program--  
Current and Future

8:30 - 8:55 -- Overview -- Jack Armstrong

8:55 - 9:20 -- Program Issues

Moderator

-- Jack Armstrong

Panel--

Jim Haskell, CMPD  
Warren Mather, CMD  
Ray Williams, CDD

9:20 - 10:00 -- Discussion from floor

10:00 - 10:15 -- Coffee

10:15 - 12:15 -- ESCS As Perceived by Others

10:15 - 11:15 -- Moderator -- John Lee

Panel--

Jim Bonnen -- Michigan State University;  
currently with President's  
Reorganization Project/  
Statistics Study

Howard Hjort--Director, Economics, Policy ,  
Analysis and Budget, USDA

11:15 - 12:15 -- Discussion from floor

12:15 - 1:45 -- Lunch

PROGRAM  
(continued)

Afternoon Session

1:45 - 3:20 -- ESCS--One Integrated Agency

How can we better relate, integrate, and  
complement the program components

1:45 - 2:40 -- Moderator

-- Charles Caudill

Panel--

Bill Kibler

J. B. Penn

Randy Torgerson

2:40 - 3:20 -- Discussion from floor

3:20 - 3:45 -- Coffee

3:45 - 5:15 -- Management Issues: Civil Service Reform  
and others

Moderator

-- Ed McElhanon

3:45 - 4:30 -- Perspectives

-- Joe Ellis

4:30 - 5:15 -- Discussion

5:15 - 7:30 -- Open

Evening Session

7:30 - 9:00 -- Concurrent Sessions (open agenda)

Economics

-- J. B. Penn  
(Joe Ellis)

Statistics

-- Bill Kibler  
(Ed McElhanon)

Thursday, May 3

Morning Session -- Allan Johnson presiding

8:15 - 8:55 -- EEO Programs: Who is Responsible for  
Affirmative Action?

8:15 - 8:35 -- EEO Director

-- Jean Redmond

8:35 - 8:55 -- Discussion

8:55 - 9:35 -- Information Programs: Present and Future

8:55 - 9:15 -- INF Director

-- Ben Blankenship

9:15 - 9:35 -- Discussion

9:35 - 10:00 -- Coffee

PROGRAM  
(continued)

10:00 - 10:40 -- Program Evaluation & Development Staff:  
Objectives and Plans

10:00 - 10:20 -- PEDS Director -- Ozzie Blaich

10:20 - 10:40 -- Discussion

10:40 - 12:15 -- Putting It Into Perspective

10:40 - 11:30 -- Field perspective

Glenn Suter, New York  
Roy VanArsdall, Illinois

11:30 - 12:15 -- Ken Farrell

ATTENDEES

ESCS:

Allen, Richard	STAT-List Frame	D.C.
Armstrong, Jack	COOP-ODA	D.C.
Ballard, Richard	MGMT-ODA	D.C.
Barrowman, Donald	STAT-SRD	D.C.
Beach, Robert	MGMT-ALD	D.C.
Beller, Norman	STAT-SRD	D.C.
Berry, John	ECON-NED	D.C.
Bills, Nelson	ECON-NRED	New York
Blaich, Oswald	OA-PEDS	D.C.
Blankenship, Benjamin	OA-INF	D.C.
Boehm, William	ECON-NED	D.C.
Bohall, Robert	ECON-NED	D.C.
Brown, Paul	COOP-CDD	D.C.
Buche, John	STAT	New Jersey
Carter, Homer	STAT	Ohio
Caudill, Charles	STAT-SRD	D.C.
Connor, John	ECON-NED	Wisconsin
Davis, Velmar	ECON-NRED	D.C.
Deavers, Kenneth	ECON-EDD	D.C.
Donald, Samuel	COOP	Louisiana
Ellis, Joseph	MGMT-Pers.	D.C.
Evans, Wallace	STAT	Pennsylvania
Farrell, Kenneth	Administrator	D.C.
Fedewa, Donald	STAT	Michigan
Francisco, Georgiana	OA-LEG	D.C.
Freie, Robert	STAT-ED	D.C.

ATTENDEES  
(continued)

Gasser, William	ECON-IED	D.C.
Godwin, Marshall	OA	D.C.
Graham, Bruce	STAT-ODA	D.C.
Grano, Anthony	ECON-NRED	Michigan
Hady, Thomas	ECON-EDD	D.C.
Hamm, Larry	ECON-NED	Michigan
Hart, Galen	STAT-SRD	D.C.
Haskell, James	COOP-CMPD	D.C.
Henson, William	ECON-NED	Pennsylvania
Holder, David	COOP-CMPD	D.C.
Horsfield, James	ECON-NRED	Pennsylvania
Hostetler, John	ECON-NRED	Pennsylvania
Huddleston, Harold	STAT-SRD	D.C.
Johnson, Allan	OA	D.C.
Jordan, John	COOP	North Carolina
Jordan, Max	ECON-EDD	D.C.
Kendall, James	STAT	Illinois
Kibler, William	STAT-ODA	D.C.
Kirkbride, John	STAT-ED	D.C.
Kirkman, Clark	COOP-CMD	D.C.
Koehn, Melvin	STAT-SD	D.C.
LaFerney, Preston	ECON-NED	D.C.
Lanius, William	STAT-SD	D.C.
Leath, Mack	ECON-NED	Illinois
Lee, John	ECON-NED	D.C.
LeRay, Nelson	ECON-EDD	New Hampshire
Marion, Bruce	ECON-NED	Wisconsin
Mather, Warren	COOP-CMD	D.C.
McElhanon, William	MGMT-ODA	D.C.
Meekhof, Ronald	ECON-IED	Indiana
Miller, Kent	OA-INF	D.C.
Moyer, David	ECON-NRED	Wisconsin
Murfield, Douglas	STAT-ED	D.C.
Murphy, Robert	STAT-ODA	D.C.
Nelson, Kenneth	ECON-NED	Illinois
Nohre, Carmen	ECON-IED	D.C.
Olson, James	STAT-SD	D.C.
Park, Earl	STAT	Indiana
Penn, J. B.	ECON-ODA	D.C.
Potter, Alvin	STAT	New Hampshire
Redmond, Jean	OA-EEO	D.C.
Sanchez, Doris	OA	D.C.
Schooley, Robert	STAT-SSD	D.C.
Spencer, Carroll	STAT	Wisconsin
Stipe, Sterling	ECON-NRED	Michigan

ATTENDEES  
(continued)

Stovall, John	OA	D.C.
Stults, Harold	ECON-NRED	D.C.
Suter, Glenn	STAT	New York
Taylor, Gary	ECON-ODA	D.C.
Thorp, Fred	STAT-ED	D.C.
VanArsdall, Roy	ECON-NED	Illinois
Walters, Herbert	STAT-SSD	D.C.
Watt, David	ECON-IED	Michigan
Williams, Raymond	COOP-CDD	D.C.
Witzig, John	STAT	Maryland

GUESTS:

Bonnen, James	Dept. of Agricultural Economics Michigan State University East Lansing, Michigan 48824 (currently with President's Reorganization Project/ Statistics Study)
Hjort, Howard	Director Economics, Policy Analysis & Budget U. S. Department of Agriculture Washington, D.C. 20250
Shaffer, James	Dept. of Agricultural Economics Michigan State University East Lansing, Michigan 48824

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