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Realizing Your Potential as an Agricultural Economist in Extension

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REALIZING YOUR POTENTIAL AS AN AGRICULTURAL ECONOMIST IN EXTENSION

by

C. Brice Ratchford (Presented at the Workshop on Extension, 1984 AAEA Annual Meeting)

This paper is based on personal observations and experiences starting with membership in a 4-H club 52 years ago. Except for World War II, there has been some type of continuing relationship. To the extent possible, all comments are directed to the individual extension worker. Also, the presentation is in editorial style.

The subject is approached by defining and explaining critical terms, indicating relevant features of the environment in which the extension clients (students) operate and the extension institutional environment, and by suggesting how a person can achieve one's potential through the avenues of personal development and program development. Finally, a few problems the successful extension worker must learn to live with are identified.

Definition of Terms. Definitions are given for economics, agricultural economist, and extension agricultural economist to provide a common frame of reference. Economics is the science dealing with the purposeful allocation of scarce resources among competing ends to maximize achievement of goals at micro and macro levels of decision making. Some would add the study of the institutions' influencing economic decisions. An agricultural economist is a specialist in applying economic fact and theory to the agricultural industry.

An extension agricultural economist is defined as an agricultural economist working in the extension system. Understanding of the term, however, requires knowledge of extension work. What is unique about extension work? The basic mission of extension is to educate people so their decisions move toward achieving their goals. Education results in changes in students' knowledge, skills or attitudes. Some place extension workers in the role of serving as technology transfer agents. New technology is important because at the macro level it adds vitality to the industry and at the micro level creates disequilibrium and forces new decisions. Securing adoption of specific new technology, however, should not be a goal. Extension workers are teachers--nothing more or less. They do differ from conventional teachers in several significant ways. The students are diverse in age, educational attainment, interests and motivation. The extension teachers start with students' problems and goals and work back toward theory, just the reverse of most formal education. As a consequence extension education is oriented toward action. Students are constantly recruited. The location of the teaching situation is almost random. The conclusion is that the job is sufficiently different to merit a special designation.

The Environment In Which the Extension Economist Operates

The environment in which the extension students operate clearly has an impact on extension teachers. Several trends are of particular importance to extension economists.

When I started work with the extension service, it was not perceived by farmers or the service that the economist had any significant role at the micro level. The persons that carried the title were farm accountants and gatherers of statistics that the service required. In retrospect, there <u>is</u> at best a limited role for an economist in a basically subsistence economy and where the level of technology is yielding increasing marginal returns.

The situation is obviously different today. Most inputs and outputs are bought and sold in the market. There are optional uses for labor and the resources invested in land. The level of technology is such that marginal net returns often approach zero. Risk and uncertainty continue to increase in spite of extensive and expensive policy interventions to the contrary. The need for economics is obvious today. There continues to be questions about the quality of the economic information provided; but not about the need for economic analysis. The person starting to work today as an extension economist will not have to spend a major share of the time defending the profession.

Individual farmers continue to become more specialized, but there is increasing diversity within a given geographic area in most parts of the country. In all parts of the country the trend to a few large commercial farms and many smaller part—time farms continues, as does the trend toward separation of ownership and operation of farms. The significance of these points is that except at a high level of abstraction, the same program is unattractive, if not unacceptable, to the students. Serving the diverse interests complicates the job of the extension worker in a technical sense and begins to run contrary to the egalitarian philosophy of extension of something for everyone.

An often unrecognized consequence of the move to a market economy is the fact that an ever larger share of total agricultural production is performed by agribusiness firms. Extension has continued to be ambivalent as to whether it has any responsibility in agriculture except to farmers. In fact, extension workers have tended to take the view of farmers that business firms wear the black hats and extension should have as little as possible to do with them. I have long been in the small minority that felt otherwise; but there is no evidence that we are losing the minority status.

The Extension Service has always faced competition from other public agencies and the private sector. The extension economist is now center stage. The private sector is increasingly providing farm management and marketing services and information. Many firms are using computer services and programs to strengthen the tie between a company and the user. Based on experience in other areas such as seed, the extension economist will not compete effectively with the private sector; and there is a question about whether extension will or should be allowed to compete.

This raises a question as to whether there is a future at all for extension economists. My answer is yes; but it will be different. More about that later.

The extension institutional environment is also changing. Hard dollars for extension will continue to be highly restricted. There are three alternative sources of funding that can become more significant. Competitive grants and contracts are available in increasing amounts from public and private sources. Gifts can be important to some program areas, 4-H for example. User fees can become very important as colleagues in general extension can verfiy. If these sources are to yield significant funding, however, extension must change a number of policies, practices, and probably structure. The alternative funding sources mentioned will influence program and student mix. Extension workers must take an entrepreneurial approach to raising money. An extension service depending heavily on soft money will be different; but the likely alternative is a gradually shrinking program.

Specialization, including within the discipline, will increase. Such is inevitable in view of the growing body of knowledge and specialization by the students. It does have high significance for the extension economist. The Economics discipline is by definition integrative. One of the strongest features of extension has been helping students integrate information and concepts. The economist has a major role to play in helping the organization and students integrate information.

Without passing judgment on its merits, extension is becoming less misson oriented and approaching its work with less missionary zeal. This is likely the result of changing value systems of extension workers and students and the fact that there is no central mission. The consequence for the present worker is that reason rather than emotion becomes the motivator of the students. The worker must have "hard" information and present it in an understandable way.

Perhaps the most significant trend is more direct teaching of students by specialists. This has been happening in spite of a generally accepted policy of funneling everything through a generalist county staff, with the state specialists having a primary role of training agents. The electronic media gave a window that could not be closed. Computers will broaden the window. The multitude of trade type organizations provide another avenue that circumvents the traditional system. It is my opinion that circumvention will continue to be the primary way the problem is approached. Some large resource counties have added specialists and in some states there are area specialists; but extension on average has shown itself to be incapable of addressing any significant restructuring that will overtly challenge the county staff of generalists being the primary teachers. There are significant forces dedicated to preserving the system, two of the more powerful being county government and the agents associations. Also the traditional organization continues to be ideal for the very popular 4-H and home economics programs.

Unless the system is changed or successfully circumvented, extension will cease to be a force in the commercial agricultural industry. The system will have nothing to offer either the large or the small successful farmer and the agribusiness sector. In the process of circumvention

and possible restructuring, the strengths of the present system of accessibility, flexibility, and keeping in touch with the perceived and real needs of students should be maintained.

Reaching Your Potential

The discussion on reaching your potential is approached through the avenues of personal development and program development.

The most important step in personal development of any professional is keeping up to date. The extension economist faces a big job because he must keep up to date not only in the discipline but also in communication skills and the changing demographics and psychographics of the students. Extension has long recognized the need for keeping up to date and arranges a wide range of in-service training opportunities. These, quite understandably, are designed to fill institutional needs. The organized conferences are no substitute for an individual reading journals and books, building a personal reference library, working on writing and oral communication skills, and identifying significant characteristics of present and future students.

Keeping up to date takes time and effort. It will never be done if it is put off until "I have time and nothing else is pressing." It is part of the job and time should be allocated from the "regular" hours. One of the most effective extension workers I ever knew simply locked up his office for six weeks every year and moved to the library for reading, thinking and writing. Sabattic leaves are essential to self-renewal and extension workers seldom use them.

For a person to reach his potential, he must be rewarded in terms of personal satisfaction. A necessary condition is having realistic expectations. Extension work is not high prestige in the eyes of the economist peers or many of the students. The extension agricultural economist will always be competing with other extension workers, other agencies, and the private sector for the time and attention of students. Constant salesmanship is required even with the best of information and communication skills. The job is always working with people and only a people oriented person should undertake extension work. On the other hand, the work permits maximum freedom and as much excitement as one cares to create. Considerable respect is paid by the extension students; for some, the extension person will become "the authority". The work will invariably be interesting and diverse. The bottom line is that there are real rewards; be sure they will satisfy you. Joint appointments for extension and research and/or teaching are becoming increasingly common and are excellent for many reasons. They should not be used, however, as a recruiting device for extension or to lead a person to believe that they are a good means of eliminating the perceived prestige problem with extension. This leads to false expectations which eventually will lead to frustration and dissatisfaction.

Positioning is one of the most significant concepts in marketing. The position stresses the uniqueness of a product \underline{vis} - \underline{a} - \underline{vis} the competition. Every product and person eventually becomes positioned. A person can, within limits, play a role in their own positioning. There are many

positions an extension Agricultural Economist can take. One dimension is program speciality—policy, marketing, production, small farm, large farm, agribusiness, etc. Another is by approach—teacher, entertainer, writer, consultant, etc. There will be all types. The important point is to pick a set of conditions where the person has real competence and personal interest and in which there is a high possibility of continued strong societal and institutional interest. An estimate of the amount of competition should be made with the person opting for more or less depending on personal preference.

The final point in personal development is the admonition to not "tiff at windmills." Every organization—public and private—imposes some restrictions on employees. It is fair to make an effort to change rules. If unsuccessful after reasonable effort, however, a person realistically has the options of living with the rules and working around them as possible or selecting other employment. Continuing to fight the rules will almost certainly lead to personal unhappiness and poor professional performance, a polite way of saying failure.

The second avenue to reaching potential is program development. The first step in the process is developing strategic objectives. While there can be modifications in detail, the only rational objective for an extension agricultural economist is increasing the economic literacy of the targeted students. One target audience should always be colleagues in other agricultural economics specialties and technical disciplines.

Extension programs always have proactive and reactive elements. The proactive programs should be built to teach economic concepts and facts even though they are billed as solving some immediate problem such as high costs, poor markets or public policy changes. Every problem has economic dimensions and when the extension economist is in the reactive mode he or she should be identifying and including the economic features in the answers. Incidentally, no extension worker should be content to stop with a short answer. The underlying scientific principle should be identified and reasons given. The age old adage of "asking an extension worker the time and you are told how to fix the clock" continues to be a good guiding principle.

While the extension worker must at times react, a goal should be moving more of the program into the proactive mode. This is no way in conflict with the concept of responding to the needs and desires of the students. Science, by definition, makes prediction of problems possible. Perhaps the greatest contribution of scientists is predicting problems and developing solutions before they become felt problems of the students. Also, all veteran extension workers know that the "felt" problems articulated by clientele are usually symptoms and the extension worker makes the contribution by identifying the real problem.

Granted, economists of all types have often preferred to use their science to rationalize the past rather than using the science to help identify the future. The extension economist should plan a program which identifies and offers solutions for problems of the future. Programs built around future needs will not only be more valuable but also more saleable.

One of the weaknesses of extension programs has been taking on work peripheral to the mission and sometimes for which it is poorly prepared to do. This happens because of an opportunistic philosophy and the desire to respond to all requests. Extension agricultural economists have been particularly plagued with the problem. Economics is a broad discipline and persons in the technical fields tend to throw anything non-technical to their colleague agricultural economists. These ambiguities plus the desire to do easy and popular work has caused many agricultural economists to work in non-economic disciplines. Three examples will illustrate the point. During the "fat" years of the 70s many agricultural economists devoted "much" time to advising farmers on avoiding taxes. This exercise involved primarily the disciplines of accounting and law. Currently extension economists are involved in teaching computer operation and programming. This work properly falls into the discipline of computer sciences. Stress management seminars are becoming the newest fad. Taxation does involve basic economic concepts. If the extension economist had concentrated on these, some of the present cash flow and liquidity problems of farmers might have been avoided. The computer is a state-of-the-art piece of equipment and agricultural economists should understand and be able to use it. The economic tasks, however, relate to the development and use of programs oriented to economic fact and principle and to providing information that helps the buyer maximize satisfaction from computer related purchases. The best way an economist can help in stress management is to help solve the basic economic problems.

In a preceeding section discussing competition from the private sector, it was promised that additional comments would be forthcoming. It was indicated that there was a role for extension even if the private sector took over the traditional services of record keeping, outlook, planning, marketing advice, etc. There are, in fact, two roles. One is to help the purveyors of these services do a good job. The more important is to help the user-buyers make intelligent selections and use of the purchased services. This must be approached not through a recommended or approved list of purveyors, but by helping users understand the type of information needed to make certain decisions. As an example, farmers are besieged by offers of marketing advice and services. The services do have useful information; but following the advice to the letter would mean disaster. The farmer needs to also know his basis, his on-the-farm storage capabilities and limitations, his cash-flow needs, his banker's attitude and perhaps most important, the risk situation he can personally live with.

The examples may have taken focus from the main point—economists should stick to economics in spite of temptations and suggestions to do otherwise. Departing from the basic job not only means that the job is being short changed, but when one moves into other disciplines the likelihood of doing a bad job is quite high.

Target marketing is accepted as the best approach in the private sector. The concept was developed as research proved that customers were different in needs, values, customs and aspirations. The corollary is that an approach beamed to every one is likely to fit no one. The situation has been recognized to some extent by extension and statements such

as the "service cannot be all things to all people" and admonitions in planning guides "to select a specific audience" abound. Actually, using the target marketing concept by extension workers seldom occurs. It does happen to some extent through selection by students, but it is a "cop out" by the worker.

The needs and desires of the large commercial farmer, the part-time farmer and agribusiness firms are different. The demographic and psychographic profiles of the groups are very different. This means that except at a high level of abstraction, the program content and focus should be different. The fact that there are different groups to be served does not necessarily mean different workers for each group, although some of this will happen. Making the target market concept work requires knowing the economic, social and psychological concerns of the group. Many private firms and not-for-profit groups have been surprised at what simple market research told them they did not know about their target markets. Is it possible that the extension agricultural economist could be in the same boat?

Formal education is characterized by a graded approach--moving from grade one to grade two or from the simple to the more complex. Such an approach cannot be strictly applied in extension. The extension worker is in about the same position as the teacher in a one-room school. That person recognizes that the needs are different and accommodates accordingly. Many such teachers provided an excellent education; but it was difficult for the teacher. Assessing the existing levels of economic literacy should be one feature of the market research. The extension specialist should have programs that are attractive and useful to persons with different levels of economic literacy. I will argue that extension has generally been ineffective with the less educated and with the highly successful because programs were beamed at some assumed level of literacy--that of the average family farmer. Such an approach was acceptable when many of the students were in fact average. Now few actually approach the statistical average. One of the few legal barriers for extension is offering academic credit for teaching, but there is no barrier to using a type of graded approach and to taking on at least two characteristics of formal education--in-depth analysis of problems and proudly stating that a purpose is to understand theory.

A discussion of programming would be incomplete without some reference to methods. The total situation seems to indicate greater use of the written words, fuller use of electronic media, and more in-depth treatment of subjects. People do and will continue to read. Publications such as the Tarheel Farm Economist and Breimyer's Economic and Marketing Information. are relatively inexpensive and very flexible. The one suggestion for improving would be doing some market research and have somewhat different editions for specific target students. The capability for projecting voice to many different locations simultaneously has long existed. The same is true for TV, and computers provide another alternative. Interactive TV on a widescale basis is just on the horizon. The fact is, however, extension has made little use of the possibilities and ready answers as to why are not available. It appears that custom, organizational policies, and the unattractiveness of the methods to most

teachers are contributing factors. Certainly the concept that electronic media are only appropriate for a very generalized short answer for a wide audience is not valid today.

Effective use of possibilities require more than just becoming comfortable with the medium. It means specific identification of programs for specific groups. It might even be possible to turn the structure of state specialist-county generalist into an asset. What about having the state specialist serve in the role of the professor in the very large lecture classes at the University with the county generalist performing the roles the TAs do in the lab sections?

There are no simple answers but the bottom line in all aspects of programming is that essentially maintaining the status quo will not fly; and more than fine tuning is required.

Problems To Live With

Some items not discussed are at least as interesting as those discussed. They are important but largely beyond the control of the individual extension worker.

Organizational structure can and does take many shapes. One may be better than another at a particular time and place. I am convinced that there is value in infrequent changes. There is no perfect structure. Also, any particular structure will impact differently on different people and units. Organizational changes are no substitute, however, for quality people doing important things. It has been inferred that strict adherence to the traditional specialist/county agent roles is unsuited to serving the commercial agricultural industry. It is probably politically impossible to radically change the system. It is possible to effectively by-pass it with new methodology, targeted programs and some modification of roles. It is important to always strive for maximum flexibility and it is of critical importance that priority be given to achieving program goals rather than giving priority to adherence to organizational structure and policies.

The most frequent concern voiced by extension specialists of all disciplines is that they have second-class citizenship in the University. This comes to a head when tenure and promotion decisions are being made. For extension workers it has tended to become a phobia. There is some truth about the concern, but if it is any comfort, most other economists are in the same boat. The University stresses scholarship and rewards quality in monetary and other ways. In the arts the standards are set by creative work; in the sciences, by the researchers who are extending the frontiers of knowledge. All others, including undergraduate teachers, are conferred second-class citizenship. The same applies to economists in business or government.

There is really no point in discussing whether the situation is right or wrong. It has been that way and will continue. In spite of the feeling, extension economists do get tenured and promoted. While I have not seen a recent study on the subject, it is my observation that as high

a percent of extension specialists get the title professor as teachers and researchers; also salaries are comparable except for the few research stars. It is fair to continue to try and change the system, it is equally important to be willing to live with it.

The final point is adjusting one's personal life to the job. Extension work is no more demanding than other work but it does not fit into a nine-to-five routine. The worker and family must be able to accommodate to the demands of the job. Extension workers like to complain about their schedule. Those who stay with it, however, when pushed will admit that for them it is much preferable than a job from nine to five in the same location every day.

Conclusions

An extension economist has considerable freedom in shaping one's career regardless of organizational form and policies. The ingredients necessary to a successful career are competence as an economist and educator and development and adherence to a strategic plan.

A rereading of this paper impressed on me the fact that it has some negative tones. The mission is as important today as it was 70 years ago when it was beautifully articulated in the Smith-Lever Act. Specific approaches must be different, however. There is a need for innovations within extension and the extension economist is in a good position to play that role.

In spite of perceived or real obstacles, extension provides a most atisfying career for a person who enjoys working with people and dealing with real and current problems.