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I begin by putting the economist in what I consider to be his rightful place in the formation of agricultural policy. He should provide one of the inputs, but he should not expect his input to be the decisive one.

Agricultural policy has many facets. It is concerned with many matters of which efficiency (the economist's input) is only one. There are also considerations of justice, stability, freedom, and peace. With respect to these other aspects of an issue, the policymaker must rely on the moral philosopher, the sociologist, the political scientist, and the diplomat. Economics is but one of a number of disciplines involved in policy formulation.

Permit me to illustrate this point from our American experience. For many years prices of certain farm products were supported in accordance with a standard known as parity. This was at the urging of politicians and people concerned with equity, over the protests of the economists, who pointed out that markets would be lost. In this case the economist's input was not the decisive one.

Sometimes the economists have won, as for example in their contention that individual farmers could make good judgments about how to use their resources. They won over the opposition of the politicians, and the new farm bill gives the individual farmer greater opportunity for decision-making.

We must admit that the economists have not always been right in their counsel. For many years they assumed that people displaced from agriculture would make a satisfactory adjustment in our great cities. In far too many cases this proved to be untrue.

The fundamental principle is that each major discipline, including economics, deserves to make an input into the farm policy arena. The task of weighing these pieces of counsel against one another is a job for the public official. His qualifications should be broad rather than narrow. He should be a generalist rather than a specialist. The economist and representatives of the other disciplines are responsible for the professional caliber of their contribution. The public official whose task it is to be decisive on farm policy matters bears responsibility for his decision, and for the consequences that flow therefrom.

It is the task of the economist and his fellow professionals from the other disciplines to protect their principal from unprofessional advice. It is the task of the public official to protect his counsellors from retaliation in the event that the decision turns out poorly.

This is an idealized concept of policy formation, which can be approached but not fully achieved. Nevertheless, something like this process occurs in most of the settings where decision takes place. The respective roles of consultant and principal, though not always clear to the observer, are nevertheless identifiable.

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So much for the broad picture. We now consider the economic input into the decision-making process. Whence can it come, how is it developed, and how can its quality be assured?

There are many sources of economic appraisal. The most obvious is the economists attached to the responsible government agency. But that is by no means the only source. Increasingly, national universities are developing good staff resources in the economic field. The Food and Agriculture Organization of the United Nations does analytical work. The private foundations are often helpful. Private consulting firms can be employed. The Agency for International Development provides financial assistance for economic analysis, sometimes directly and sometimes through personnel supplied by the United States Department of Agriculture or by American universities.

The most neglected field of agricultural policy, in my estimation, is problem identification. There is a tendency, in the United States as well as elsewhere, to simply accept as appropriate policy issues those matters that are most vociferously put forth, or advocated by the most potent politician, or worse, to continue to accept as appropriate issues those subjects that have been overlong on the agenda.

The identification of issues is the heart of policy making. The greatest opportunity a public official has is to help shape the policy agenda. This is an unexcelled opportunity to seize the initiative. If the initiative is left to others, the issues of public policy will all too often turn out to be either the pet projects of powerful interests or undertakings attractive in their initiation but lacking in promise as to accomplishment. The amount of time, scarce personnel and public money that can be wasted on such undertakings is incalculable.

There is an enormous difference, in farm policy matters, as to whether or not the responsible government agency has the policy initiative. If it has, it can research the issues ahead of time, confident that the item in question will get on the agenda, having in its control the timing of the matter. Perhaps even more important, it can keep off the agenda items it does not wish to address. If, however, the initiative in the identification of policy is in the hands of some other party, then one can only guess which items will come up, and when. To do analytical work on farm policy issues in such a setting is an exceedingly difficult undertaking, comparable to a research and development program in the military when there is doubt as to which weapons system is to be used and research on all must be carried forward simultaneously.

As conventionally defined, some problems are incapable of solution. The only satisfactory way of dealing with such problems is to redefine them or to move them off the agenda. (Here I am assuming that the desire is to address authentic problems, amenable to some sort of solution. I recognize that in some cases the wish is for a problem that has great public appeal but is incapable of being solved, so that the public official can continue indefinitely in his attempt to solve it, reaping a continued dividend of public approval. Such persons have little need for economic counsel. We have such persons and such issues in the United States and I should judge that you have some in your countries as well.)

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In the United States Department of Agriculture we have a large number of very capable people, who can contribute helpfully in the economic analysis of farm policy issues.

Analysis occurs in three theaters:

1. The Planning, Evaluation and Programming Staff.

This is an agency of 14 professionals. They assist in the definition of goals, the evaluation of on-going programs, and the budgeting of Departmental resources. They make special studies of particular problems, either at the Secretary's request or at their own initiative. This agency did much of the analytical work for the expanded Food Stamp Program, and it did a part of the analysis on the new Rural Development Program. The agency reports to the Secretary through the Director of Agricultural Economics.

2. Special Task Forces.

For particular farm policy initiatives, indicated to him by the Secretary of Agriculture, the Director of Agricultural Economics assembles special task forces. An example is analytical work related to the farm bill passed in 1970, covering a number of major commodities. Another example is work on sugar legislation, now before the Congress. A typical task force would number six or eight men, with a much larger number of supporting people in the various agencies. People would be drawn from the economic analysis area, the operating agencies, the legal staff, the budget branch, and the Planning Evaluating and Programming Staff. There would be liaison with the President's office. The various agencies of the Department are happy to detail their good men to such task forces; they appreciate the opportunity to help shape policy. Such

a task force would work as long as necessary and then be dismissed. When a new issue arises, a new group would be assembled. This technique has the great advantage that it avoids the dangers of excessive reliance on a small select group. It permits the tapping of the full analytical resources of the Department.

3. Continuing analysis in the various agencies.

By far the greatest share of analytical work on farm policy that occurs is the ongoing work of the professional people in the economic research area, and on the part of economists in the operating agencies.

In USDA we operate on what I might call an ambivalent basis. The greatest number of our economists we keep together in one agency, the Economic Research Service, where they stimulate each other and achieve the dynamism of what the physicist calls "critical mass." But we do not put all of our economists together in this fashion. Many of them are in the agencies that lend money, administer commodity programs, operate the feeding programs, carry on research in the physical sciences, and so on. This greatly multiplies their productivity. And it introduces a degree of relevance into our work that we would never achieve if we had our economists all together in one agency.

One more thing we do that I should mention. We do our analysis in three time phases:

Before taking a policy position.

During the administration of a program.

After a particular program phase is completed.

Thus our economic analysis applies to administration as well as to policy formation. And it provides continual feedback, which enters the analytical process for the next cycle.

The United States Department of Agriculture has greater resources for economic analysis in agricultural policy than any other department I know of. It may be that these resources are so great that it is difficult to adapt the U.S. experience to other countries. But we do not have so many resources that we can afford to waste them. Nor do you. In the last analysis, your problem is like ours in that we both attempt to maximize the use of such resources as we have.