

THE INTERNATIONAL TRAINING OF AUSTRALIAN AGRICULTURAL ECONOMISTS

Laurel Myers

Emergence of Australian Agricultural Economics

- Not until the 1950s
- In some Ag. Sci. Courses earlier than this but at first only a single unit of economics
- Government involvement in 1920s
- Agricultural extension work but no trained agricultural economists.
- Academics went overseas to study

Agricultural Economics Overseas 1900-1930

- Started in late 19th century in Germany and France.
- Early 20th century in USA and UK
- Land Grant Colleges in USA
- AERI at Oxford in UK

United States of America

- US Department of Agriculture recognised the importance of economic factors affecting agriculture.
- Formation of USDA Bureau of Agricultural Economics in 1922
- Staff needed additional training
- Agricultural scientists and economists driving the discipline

Main universities and professors involved at this time

- Wisconsin – R. Ely, H. C Taylor, T. W. Schultz
- Iowa State – E. W. Staunton, B. H. Hibbard, A. Black, E. G. Nourse, G. Shepherd, J. Hopkins
- Minnesota – W. Hayes, A. Boss, J. D. Black
- Cornell – T. F. Hunt, G. F. Warren
- Harvard – T. N. Carver

United Kingdom

- Early twentieth century, agricultural economics was an area of specialised interest at Leeds, Cambridge and University College of Wales
- Sir Daniel Hall gave a grant to Oxford University to set up the AERI 1912 – C. Orwin, Director
- Provincial Advisory Centres set up at various colleges and universities in UK in 1920s
- 8 universities and 7 agricultural colleges involved

- Ministry of Agriculture appointed R. R. Enfield as an economic investigator in 1924.
- Great deal of data on agriculture had been collected but very little policy analysis.
- A. W. Ashby – studied at the AERI and Wisconsin
 - Worked at AERI for 10 years
 - Went to Aberystwyth, Wales as advisory economist
 - Appointed the first agricultural economics professor in UK at University College, Wales

Agricultural Economics Overseas


1930-1960


- United States:
- Economics as a science changed at this time
- Modern economic theory and econometrics borrowed heavily from mathematics and statistics
- Many US universities integrated the major innovations and new developments in economic theory into their economics programs
- These ideas were incorporated into agricultural economics

- By 1950 US had acknowledged leadership of the agricultural economics profession
- Main universities: Wisconsin, Iowa State, Minnesota, Cornell, Harvard, Chicago
- Leading academics: T. Schultz, J. D. Black, E. O. Heady, G. Shepherd, G. Stigler, K. Boulding, W. Wilcox
- J. D. Black was an influential policy adviser
- He saw the economist's role as one of analysing and appraising the alternatives

- T. W. Schultz – Head of Department of Economics and Sociology at Iowa State
- Editor of Journal of Farm Economics 1940 – a highly prestigious journal among agricultural economists
- From 1919-1953 , frequency and quality of articles submitted and published by Iowa State faculty was amazing (170 compared to nearest rival 126)
- Iowa State gained national recognition for its program in agricultural economics


- Schulz went to University of Chicago in 1943
- In 1944 many of the Iowa State staff resigned and some followed Schultz to Chicago
- Iowa State rebuilt the department around W. Murray (a Minnesota/Harvard graduate), G. Shepherd, J. Hopkins and E. Heady.
- Heady, an outstanding scholar in Production Economics
- Iowa's success post 1943 due to Heady's publications, research and teaching


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- United Kingdom:
 - Professor Ashby at Aberystwyth, Wales, was influential. People who studied under Ashby dominated the profession in UK – e.g. E. Thomas, Reading, G. Peters, Oxford.
 - Ashby broadened the subject to involve history, statistics, economics and sociology in relation to agricultural industry and rural communities.
 - He doubted that positive economics and econometrics would solve the basic problems facing agriculture.

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- A new generation of agricultural economists entered the profession in the 1930s in UK
 - They were more interested in applied economics
 - University Departments of Agriculture were expanded to include more economists and statisticians
 - Agricultural administrators such as K. A. Murray and R. R. Enfield consolidated the position of the Agricultural Advisory Service within the Civil Service.

- Agricultural economics research developed differently in UK due to government intervention
- Ministry of Agriculture exercised some influence
- Great deal of statistical information gathered but insufficient analysis and interpretation of the data
- Ultimately, Ashby and other pioneering UK agricultural economists became dissatisfied with mere fact finding.
- The debate was about academic status and scientific independence

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- These contrasting developments in agricultural economics in USA and UK give an indication of why Australian agricultural economists went overseas to further their studies.
 - In USA there was high quality training available at university level
 - Important agricultural problems were being investigated
 - Particular universities offered an environment conducive to superior research

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- In UK there was considerable regulation of agricultural industries
 - Much data collection to provide statistics for various Royal Commissions, Tribunals of Enquiry or Committees of Investigation
 - The government influenced the character and volume of research and investigation in the field of agricultural economics more than in any other branch of the social sciences in the UK

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- Strong cultural ties between UK and Australia
 - Many academics (e.g. Trevor Swan) and public servants (e.g. H. C. Coombs, R. Wilson) studied or worked in UK – impact of Rhodes Scholarships, etc
 - But - intellectual heartland of most Australian agricultural economists was USA
 - Many pursued post graduate study there
 - Then established Ag. Eco. in Australian universities or took key positions in Federal and State governments

THE AMERICAN CONNECTION

- First contact – Elwood Mead – Chairman State Rivers and Water Supply Commission of Victoria 1907-1914
- Agricultural scientists, J. W. Potts, W. A. Southee, A. E. V. Richardson visited USA to investigate agricultural education and research 1914-19
- They suggested nation-wide research into the economic position of various rural industries
- Criticised the lack of attention given to agricultural economics

J. G. CRAWFORD

- First Australian to forge a connection with the agricultural economics profession in USA
- 1938 Commonwealth Fund Fellowship
- Exhaustive study of US agricultural industry, agricultural education and research
- Brookings Institution, USDA (BAE), Harvard
- Influenced by eminent economists and agricultural economists
- Taught at U. of Sydney, economic adviser at NSW Department of Agriculture

AUSTRALIAN BUREAU OF AGRICULTURAL ECONOMICS

- Crawford established the ABAE in 1945
- Patterned on the USBAE
- An important employer of agricultural economists
- Work of research officers well received
- Encouraged staff to further their studies overseas
- Liaised well with government departments, politicians and the private sector
- JGC left ABAE to be Secretary, Dept. Commerce & Agriculture 1950-1956, Department of Trade, 1957-60

AGRICULTURAL ECONOMICS IN THE UNIVERSITIES

- University of Sydney:
 - K. O. Campbell - first permanent academic appointment in Agricultural Economics in Australia
 - Graduated U. of Sydney, Walter and Eliza Hall Agricultural Research Scholarship, studied at U. of Chicago under Schultz, Littauer Fellow at Harvard
 - Established a tradition for excellence in research and scholarship at Sydney
 - Study leave at Illinois, 1959, and at Cornell, 1968

- University of New England:
 - J. N. Lewis, graduate of U. of Sydney, Commonwealth Fund Fellowship 1952-54, studied at Harvard under Black, worked at ABAE and Department of Trade before becoming Foundation Professor and Dean of the Faculty of Agricultural Economics at UNE
 - Excellent 4 year undergraduate program set up following the liberal arts approach taken at Harvard
 - Appointed staff who had studied in USA
 - Encouraged US scholars to visit UNE

- University of Adelaide:
 - F. G. Jarrett, graduate of U. of Sydney 1942-44 then completed his doctorate at Iowa State 1948-50, worked at U. of Chicago 1950-52
 - Employed at U. of Adelaide continuously from 1953-1989 rising to Professor of Economics, visiting Professor at Minnesota, 1965-66, worked at the World Bank, 1975

- University of Western Australia:
 - H. P. Schapper, graduated from Dookie Agricultural College, Canterbury College New Zealand, appointed at UWA in 1952 under a Fellowship in Agricultural Economics financed by the CBA Rural Credits Development Fund, established the Farm Management Centre
 - R. G. Mauldon, graduated from UWA 1955, 1957, obtained Hackett studentship and studied at Iowa State 1958-61, appointed Senior Lecturer, Associate Professor at UWA 1962-1973, then moved to IAC




- Pioneering Australian agricultural economists who studied overseas include:

- D. B. Williams,
- F. H. G. Gruen,
- W. O. McCarthy(NZ)
- R. Parish
- A. Powell
- J. Dillon,
- R. T. Shand,
- E. Hoffman
- W. Musgrave
- W. Candler (NZ)

- (not a complete list!)


AGRICULTURAL ECONOMICS LINK BETWEEN USA AND AUSTRALIA

- Why agricultural economists went to USA to study:
 - Availability of endowed scholarships or fellowships to support students
 - Fulbright program
 - Employment as a Research Assistant was available
 - Post graduate study consisted of coursework plus thesis
 - Quality of academics working at certain universities attracted Australians e.g. Schultz, Heady, Black.
 - Journal of Farm Economics (from 1919) – each issue eagerly awaited in Australia

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- Through the JFE ag. economists were able to read about latest research findings, agricultural policy debates and research opportunities.
 - In UK the JAE was broadened in its scope in 1954
 - Not until late 1960s that the JAE devoted more space to contributed articles that conference proceedings, and the journal began to include literature reviews and information about research opportunities
 - The JAE not as relevant to the Australian profession when it first began

CONCLUSION

- Profession of agricultural economics grew significantly in the middle of the twentieth century
- It mirrored the profession overseas, particularly USA
- Late 1950s- well established in universities, and had its own professional society and associated journal
- Concentrated on efficient resource use and solving problems
- 90% of economic and agricultural policy issues were essentially problems of microeconomics

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- The literature of agricultural economics was most impressive branch of Australian economics
 - According to Max Corden, this was a reflection of their American training
 - By 1970, the discipline of agricultural economics in Australia was highly developed, with respected professors, a large professional society and a number of journals
 - All of these aspects were fashioned by the American connections of the people involved