

Leadership in the Advancement of Agriculture

(Remarks of Chas. N. Shepardson at meeting of Executive Committee of Division of Agriculture, Association of Land-Grant Colleges and Universities, at Michigan State College, East Lansing, Michigan, on November 14, 1955.)

I shall direct my remarks to the need for more effective leadership in solving the economic and financial problems of agriculture and in fostering the adequate provision for and sound use of agricultural credit from both public and private sources.

With the aid of science and technology, agriculture has become highly industrialized. Investment and operating capital requirements have more than trebled in the last 15 years. While technical "know-how" has increased in importance, long-range planning, sound business management, and a broad understanding of the economics of agriculture and its relationship to our total economy are of even greater importance.

Because of this drastic change in the amount and type of credit needed to finance and operate our agricultural machine at the present time, there is real need for sound, yet imaginative and aggressive leadership from our financial institutions. This calls for man-power with a working knowledge of agricultural production and with real training and experience in farm management and agricultural credit. Because of lack of records and cost analysis and a natural resistance to change, many farmers have frequently continued to produce a given commodity at a loss when a revision of their farm program or production methods might have given them a profitable operation. With present high investment and cash operating costs, it has become imperative that they be constantly alert to changing economic conditions and that they

be in position to analyze and adjust their operations to meet these changes. Since this usually involves financial problems and since the commercial banker provides the major portion of the non-real estate farm credit, he is in a peculiarly advantageous position to encourage, guide and facilitate such adjustments. Many banks have recognized this opportunity and have established agricultural departments in their organizations. The Agricultural Commission of the American Bankers Association is keenly aware of this problem and is devoting its efforts in helping to solve it. They have looked to the Land-Grant Colleges for counsel and assistance in this work, and in one of their principal projects, the Farm Credit Schools for bankers, they have depended largely upon the colleges for cooperation and leadership. In most cases these schools have been designed to help acquaint bankers with the technical problems and credit needs of modern agriculture and to help train existing personnel to meet these needs.

There is a real need, however, for men specially trained in this field. Such training should include a broad training in production agriculture and farm management. It should also include a sound foundation in economics, agricultural credit and money and banking. It is this latter training that most of our agricultural graduates lack but should have if they are to qualify as bank agricultural representatives and as candidates for subsequent promotion in the field of bank management.

The same might be said for many of our graduates who go into technical or production jobs with various agricultural industries and who find their opportunity for promotion to managerial positions blocked by lack of business training.

This type of training is also important for all types of agricultural leadership. In our present over-crowded curricula there is an increasing proliferation of technical courses at the expense of other areas that are equally vital to our total job as citizens and agricultural leaders.

In times like the present, the immediate farm problem is essentially an economic and sociological one. Because of our inherent concept of farming as the "back-bone of our economy" and as a "way of life," it is especially susceptible to emotional bias and personal prejudice. It is therefore important that our colleges provide leadership in an understanding and sympathetic yet sound, objective, long-range approach to these problems. This calls for a courageous and fearless program of economic research backed by a rigorous program of training in disciplined objective analysis of what are too often dodged or soft-pedaled as controversial problems.

Our Land-Grant Colleges have been courageous and forthright in their research and exposition of findings on the scientific and technological problems of agricultural production. We have not hesitated to advocate practices or products related to the technological problems of production based on our best available information. We have done this with the full knowledge and acceptance of the fact that subsequent research may and often has developed new information that necessitated a modification or reversal of those recommendations. And, our remarkable technological advance of the past 15 years has been due to this courageous approach. I wonder if we have been equally courageous in our attack on the social and economic problems of agriculture and if we have insisted on the same objective approach to their analysis or if we have allowed ourselves to be swayed by expediency or political pressure.