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Farm Foundation

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The public sector in the United States has a history of responding to the problems in agriculture. One can recall the 70-years of public sector policy responses from the Federal Farm Board to the Freedom to Farm legislation of today. The public commitment to bettering agriculture through USDA and land grant university teaching, research and extension components is widely recognized. The private sector responses have been less obvious. One of the most unique and enduring of these has been Farm Foundation. This paper is focused on a major Farm Foundation role—public policy.

Origins

Farm Foundation was established by a February 1933 trust agreement. Its principal founders were Alexander Legge and Frank O. Lowden. Mr. Legge was president of the International Harvester Company from 1922 until his death in December 1933, and former chairman of the Federal Farm Board under President Hoover. Mr. Lowden, a close friend of Legge, was a former governor of Illinois, national political figure and large land owner. Mr. Legge was the principal contributor to Farm Foundation in February 1933, contributing \$400,000. He bequeathed an additional \$500,000 in his will. Mr. Lowden left significant land holdings to Farm Foundation in his will.

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Both men were products of the farm and had a deep desire to better the agricultural and rural life. Through their positions, they had interacted with many business, agricultural and government leaders. After the death of Legge, Lowden assumed the main leadership role in Farm Foundation, notably as chairman of the board of trustees during the first decade of existence. Lowden, in a December 1933 statement announcing the death of Alexander Legge and the formation of Farm Foundation, alluded to the desires of Alexander Legge—“For many years Mr. Legge had felt the need of some agency free from local or political considerations, which could act as a clearing house and testing ground of ideas for the improvement of farming conditions and farm life and encourage experimentation and cooperative effort along sound lines.”

Thus, Farm Foundation was established as a private agency to do things public agencies other private groups were not doing as well as helping coordinate the work of other public and private groups and agencies to improve farm and rural life. Its task was to balance the interaction of economic, social, and public policy issues that confront farm and rural people without political party affiliation or supporting specific legislation.

Organizing the Foundation

Farm Foundation was founded in February 1933 and held its first board meeting in July 1933, setting its bylaws. During this critical first year, in December 1933, Alexander Legge died. Farm Foundation was left with the vision of Alexander Legge, but it would need people and a plan to fulfill his wishes.

During the next board meeting, in June 1934, there was much discussion as to how to proceed. The board minutes offer much insight:

“It was the prevailing opinion that the Foundation would not be justified at this

time in employing a permanent Director or setting up an office and organization to carry on any work, first, because of the present limited income and, second, because it was not clear at the present time in what field the Foundation could best employ its resources. It was pointed out by several Trustees that the Foundation was a permanent institution, that it was not so important that it spend its income at once as that it proceed on a course which would lead to the greatest usefulness over a period of years, and that in view of the greatly expanded activities of the Federal Government and present economic conditions, it was not clear what would be the most appropriate and useful field for the Foundation activities. (Minutes of Farm Foundation Board of Trustees Annual Meeting, June 22, 1934, pp. 5-6)”

The question as to the direction of the Foundation was still unresolved during the following year. Several board members had approached E.G. Nourse of the Brookings Institute—a leading light of agricultural cooperative theory—and Aldo Leopold of Wisconsin University—now recognized as the father of conservation in agriculture—to prepare suggestions for Foundation activities. There was much discussion among board members that Farm Foundation would be most beneficial in conservation activities. But, the board decided to approach Henry C. Taylor for the position of managing director.

Taylor is widely regarded as the father of the agricultural economics profession. He was previously employed with USDA, organized and served as the first chief of the Bureau of Agricultural Economics and was the first professor of agricultural economics in a land grant institution. The selection of Taylor set Farm Foundation’s course into the area of the social sciences.

Establishing a Focus

Henry C. Taylor was hired on November 1, 1935. He immediately began proceeding on a plan of action, which was presented to the board of trustees at the June 1936 annual meeting.

With Taylor's input, the board of trustees selected four program focus areas: land tenure, rural health, rural education and public policies affecting agriculture.

Farm Foundation's initial program areas addressed agricultural and rural issues and outcomes which were not being dealt with adequately by the public policies of the time. For instance, land tenure concerns were one of the unforeseen outcomes of the New Deal agricultural legislation. With goals of reducing production and raising farm-level prices, federal agricultural policies unintentionally led to the mass eviction of tenants and sharecroppers and accelerated structural changes which have continued to this day.

Farm Foundation also sought to assist rural people through better health care and educational opportunities. These concerns would not be addressed through substantive state and federal policy for another 20 years—through what would later be known as rural development.

While Farm Foundation had decided upon an emphasis, it still needed more direction. That discussion was captured in the minutes of the 1938 board meeting: "Considerable time was given to the discussion of the general policy of the Farm Foundation with respect, especially, as to whether the Foundation should undertake to be a research institution or a coordinating and stimulating agency. The consensus of opinion was that coordination, interpretation, and stimulating action based upon the research already done provided an adequate and more needed field of activity for the Farm Foundation (Minutes of Farm Foundation Board of Trustees Annual Meeting, June 13, 1938, p. 8)." Farm Foundation has continued this philosophy for more than

sixty years.

The People of Farm Foundation

Farm Foundation is currently governed by a twenty-nine-member board of trustees, which represent the broad diversity of U.S. agriculture and its related institutions. The 1933 trust agreement specified that the board represent the various sectors of agriculture: farming, manufacturing, merchandising, transportation, finance, farm press, farm radio and land grant universities. There are also several at-large positions. While board selection is decidedly national in focus today, in the early years of Farm Foundation, a majority of the board members were from the Midwest. Today's diversity reflects the increased influence of agriculture outside of the commodity-based Midwest.

Many of the board members have been active on the national farm and rural policy scene. For example, six former secretaries of agriculture have been members of the Farm Foundation's board of trustees—Ezra Taft Benson, Clifford Hardin, Earl Butz, Bob Bergland, John Block and Clayton Yeutter. Additionally, many champions of industry have served. Representing companies prominent in agriculture and rural areas in the earlier years were Robert E. Wood of Sears and Roebuck, Cyrus H. McCormack, of International Harvester and Porter Jarvis of Swift and Company. In recent years, leaders of companies prominent in international trade, biotechnology and communications have been involved. The board has always had strong representation from leaders of agricultural, commodity and general farm organizations as well as producers with strong public service records.

The operations and executive management of Farm Foundation is accomplished through a managing director and a small professional staff. Henry C. Taylor, previously mentioned, was

selected as the first managing director of Farm Foundation. Taylor retired as managing director in 1955, but continued his association with the Foundation while writing *The Story of Agricultural Economics* and as a consultant. Frank Peck, a member of Farm Foundation's board of trustees and president of the St. Paul Federal Land Bank was appointed the new managing director. Upon Peck's retirement, Joseph Ackerman was appointed managing director in 1955. Ackerman had joined the Foundation staff in 1942 and had served as associate managing director from 1942 to 1955.

R. J. Hildreth joined the Foundation as associate managing director in 1962. Upon Ackerman's retirement he was appointed managing director in 1970 and served until his retirement in 1991. He was replaced by Walter Armbruster, who joined the Foundation as associate managing director in 1978. Hence, in the 66-year history of Farm Foundation, there have only been five managing directors.

The managing directors have played major roles in the agricultural economics profession. Taylor, Ackerman, Hildreth and Armbruster were elected president of the American Agricultural Economics Association. Ackerman, Hildreth and Armbruster each were elected as secretary-treasurer of the International Association of Agricultural Economists. Taylor took part in many international meetings. Farm Foundation's participation in international dialogue has become increasingly prevalent in today's globalizing economy.

Farm Foundation Projects and Programs

Throughout the 1990s, Farm Foundation has sponsored more than 100 projects and programs a year. While most of these are one-time projects, such as a symposium addressing a topic, some Farm Foundation-sponsored activities have endured for a number of years or built

upon earlier activities. The goal has been to build a progression of understanding about public and private sector issues important to agriculture and rural people.

Most of the catalytic efforts of Farm Foundation have been with the social science disciplines traditionally located in the land grant university colleges of agriculture, i.e., agricultural economics and rural sociology. However, a number of undertakings have had a multi-disciplinary focus. Political scientists, physical and biological scientists and historians have made significant contributions to activities and projects undertaken by Farm Foundation.

From its inception, Farm Foundation has developed its programs with the intention of making the most effective use of limited resources. By working with existing institutions, the Foundation's efforts have been greatly multiplied and those of the collaborating organizations have been enhanced as well.

The Pre- and Post-War Years. The founding of Farm Foundation was a response to the economic conditions in agriculture and rural America during the Great Depression. Of its initial four program areas, Farm Foundation chose to place much of its initial emphasis on land tenure concerns and improving rural education. Farm Foundation's interest was acknowledged by the Franklin Roosevelt Administration. Henry C. Taylor was chosen to serve on the President's Special Committee on Farm Tenancy in 1937, and on the President's Advisory Committee on Education in 1938.

Under Taylor, Farm Foundation continued to investigate government activities which would stimulate land ownership and improve the relationship between landlords and tenants. As Farm Foundation became more established, more diverse programming was undertaken. While still concentrating on land tenancy and rural education, Farm Foundation began to look at health

care for rural people, the rural church, free enterprise in agriculture, and the problems of public ownership of land.

Rural education programs included demonstration projects with teachers' colleges and high schools. There were also fellowships and scholarships for graduate training or short courses. According to T. W. Schultz, the establishment of research and Ph.D. programs in agricultural economics at the University of Chicago owes much to Henry C. Taylor and the Farm Foundation's graduate fellowships at the university (Farm Foundation 1983). Today, this activity continues with Farm Foundation's extension fellowship program.

Rural health programs were started in 1939 under the auspices of the University of Nebraska extension service. Ms. Elin Anderson, recommended by Farm Foundation, coordinated the program. Later she was employed by the Foundation as a rural health specialist. Through these efforts, health education programs were catalyzed first in Nebraska, then in the Great Plains and in many other states.

The rural church program stimulated church organizations and seminaries to offer summer short courses on agriculture and on rural problems for pastors. Farm Foundation also initiated activities in the area of rural life which catalyzed sociological research and extension activities to advance levels of human relations in rural communities. In addition to these activities, the Foundation staff advised and interacted with many groups at local, state and national levels.

During this period, Farm Foundation might be accurately described as a mini-research and education program. With the realization that the Foundation could be duplicating the efforts of others, was better suited as a catalyst, and/or was maturing and gaining credibility, Farm Foundation began to look at closer associations with the land grant universities.

The Birth and Growth of the Committees. Throughout the 1940s and 1950s, Farm Foundation began supporting regional and national committees operating in cooperation with the land grant university system. The committees were topical within the social sciences (see Table 1). The land economics and farm management committees were the first to be established. Committees were formed and supported based on requests and interest from participants and their regional land grant university administrators, as well as the judgement of Foundation staff that the formation would lead to improvement of “rural life and rural living.” Committee membership included university research and extension specialists, USDA representatives and Farm Foundation staff. The committees were seen as an opportunity to bring individuals interested in a topic together and a way to achieve coordination on a regional and/or national level. Ideas could be pooled, integrated and shared beyond state boundaries.

The committees were envisioned as a two-way street. They were a way for Farm Foundation to assist and influence the land grant university research and extension agenda, and they were a way for the land grant universities to propose ideas for Farm Foundation funding. The committees changed Farm Foundation’s program focus. The Foundation began to move away from personally identifying and responding to critical national issues in agriculture and rural life and, instead, began to respond financially to research and education programming needs identified by the regional committees.

With committee input, Farm Foundation greatly expanded its programming. Programs were funded which looked at taxes (including assisting the IRS in developing a tax guide for farmers), inheritance, land and water law, farm program evaluations, resource preservation and use, and public lands issues.

The programming approaches varied with the topic areas. Land grant university research and extension workers, along with USDA representatives, were brought together to plan research and/or extension activities in the areas of land tenure, farm management and agricultural policy. Regional or national committees were organized to plan and achieve coordination at a multi-state or national level. Funds were provided for planning and coordination—not for research projects or extension program delivery—an operating rather than grant-making approach.

The National Public Policy Education Conference. Farm Foundation fostered the establishment of the National Public Policy Education Committee in 1950. In 1951, the first National Public Policy Education Conference was held. With participants from almost every state, this yearly conference brings together extension workers responsible for public affairs programs to hear presentations about pertinent public policy issues. Farm Foundation provides financial support for the instructional staff, individual participants and the proceedings, which are made available to state and county extension personnel and students. This activity is designed to improve the level of public policy education on current and emerging public policy issues.

Over the years, the topics covered in the National Public Policy Education Conference have mirrored the national issues of the time or have anticipated new concerns (see Table 2). Agricultural and trade policies have been consistent themes as well as issues surrounding what is known today as the industrialization of agriculture. Rural development and environmental topics have also been continuing areas of emphasis.

Developing Methods for Public Policy Education. One of the significant catalytic roles of Farm Foundation activities was the development of methods for public policy education. Throughout the 1940s and 1950s, leaders and citizens in farming and rural areas expressed a

desire for greater education about policy options and consequences. Owing to the delicate political nature of these discussions, the policy educators from the land grant universities, USDA and their administrators were faced with developing a methodology for public policy education. During the 1950s, the National Committee on Agricultural Policy gave much attention to this issue.

Farm Foundation, through its association with public policy educators and the National Public Policy Education conference, provided a catalytic role in developing and teaching a new methodology. For instance, at the 1956 National Public Policy Education Conference, a group discussion on program methods was led by John Dunbar of Purdue University. The summary of the discussion stated: “Previous discussions at this conference indicate that much more work needs to be done in: (1) defining particular public problems and their causes, (2) outlining all the possible alternative solutions to the problem, and (3) analyzing the specific economic consequences of each alternative (Dunbar, p. 131).” The summary also indicated that political, social and economic consequences are the basis for public policy decisions. The “problem definition, policy options and consequences methodology,” which was closely identified with J. Carroll Bottum and J.B. Kohlmeyer (both of Purdue University and long associated with the National Public Policy Education Conference), became the standard for public policy education in agriculture—as well as in other areas.

Policy Program Themes in the 1960s-1980s. Throughout the 1960s-1980s, Farm Foundation programming, with committee input, examined farm bill issues and agricultural trade, marketing and structure. The Foundation has also had a knack for identifying emerging issues outside of, but not exclusive of, agriculture (see Table 3). In the early 1960s, Farm Foundation-

funded projects investigated land and water resource scarcity. In the 1970s, Foundation-sponsored projects investigated world food needs and energy policy. In the 1980s, farm credit, and transportation issues received attention. The Foundation also worked to create demand for policy information. After discussion initiated by Farm Foundation, the Congressional Research Service requested support in planning and conducting briefings on farm and rural policy for congressional staff. This activity began in the 1980s and continues today.

Farm Foundation's Bennett Agricultural Round Table. Farm Foundation's Bennett Agricultural Round Table is a 135-member invitational group composed of agricultural and agribusiness leaders from across the United States. It is named for Charles Dana Bennett, an innovative leader and philanthropist, who devoted his life to being a catalyst on issues related to agriculture. The Foundation for American Agriculture, founded by Mr. Bennett in 1945, became part of Farm Foundation in 1974. With the passing of Mr. Bennett in 1987, Farm Foundation assumed full responsibility for coordinating the renamed Round Table and its programs.

The Round Table meets twice yearly to provide a forum for discussion and interaction between members and invited government, academic, agribusiness and other interest group leaders. These policy forums provide an opportunity for frank and open dialogue. The exchange of ideas fosters understanding of different approaches to problems which ultimately leads to better public policy and private sector decisions. These discussions also generate new ideas for Farm Foundation program activities. The Round Table fosters linkages between Farm Foundation and the agribusiness sector.

The 1990s and Beyond. Changes in programming approaches have occurred in the 1990s with the adoption of more formalized strategic planning. Farm Foundation's board of

trustees and staff define priority areas for attention and identify specific areas or topics of special interest. For example, the selection of new technologies as a priority area led to conferences and workshop sessions on precision farming and bio-technology. University, USDA, agribusiness and public interest organization workers are involved in planning and conducting the events. Regional and national committees continue to work with Farm Foundation, but their efforts are more focused on the program priority areas. Furthermore, the range of organizations with which the Foundation collaborates has greatly expanded.

Farm Foundation sees its vision as “improving the economic and social well-being of U.S. agriculture and rural people by helping private and public decision makers identify and understand forces that will shape the future.” As we look to the future, there is every reason to believe that an independent organization such as Farm Foundation will find ample opportunities to continue fostering innovative ideas and solutions to problems and issues facing agriculture and rural people.

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Table 1. Farm Foundation Sponsored Committees, 1939-1999.

	<u>Duration</u>
LAND ECONOMICS	
North Central	1939-1970
Southwest ‡	1940-1961
Great Plains	1945-1986
Southeast ‡	1946-1961
Western Range Resources †	1951-1968
Western Water Resources †	1951-1968
Interregional	1955-1975
Southern ‡	1962-1976
Northeast	1964-1975
FARM MANAGEMENT	
North Central Extension	1946-1999 *
North Central Research	1946-1970
Southern Extension	1949-1999 *
Southern Research	1949-1975
Northeast Extension	1951-1999 *
Northeast Research	1951-1971
Western Extension	1953-1999 *
Western Research †	1955-1968
PUBLIC POLICY	
National	1949-present
North Central	1964-1999 *
Northeast	1964-1999 *
Southern	1964-1999 *
Western	1964-1999 *
RURAL SOCIOLOGY	
North Central Research	1951-1984
Northeast	1956-1976
Western Research	1964-1976
AGRICULTURAL MARKETING	
Western Research †	1956-1968
North Central Extension	1957-1995
North Central Research	1959-1970
Western Extension	1962-1999 *
Southern Extension	1963-1999 *
Northeast Extension	1964-1999 *
COMMUNITY DEVELOPMENT	
Western Community and Resource Development †	1969-1975
Western Commercial Agriculture Committee †	1969-1975
Western Natural Resource Development †	1969-1975
Western Extension	1970-1999 *
North Central Extension	1970-1977
Southern Extension	1971-1994
RESEARCH STRATEGY	
North Central Research Strategy Committee on Commercial Agriculture	1970-1977
North Central Research Strategy Committee on National Resource Development	1970-1978
North Central Research Strategy Committee on Rural Community and Human Resource Development	1970-1977
ADMINISTRATIVE	
North Central Extension Program Leaders Committee	1968-1990
North Central Council of Administrative Heads	1978-1999 *

NOTES:

* Farm Foundation has discontinued line item support for most committees after its 1998-99 fiscal year. Committees will still continue to receive Farm Foundation support on a project-by-project basis.

† Grant administered by the Western Agricultural Economics Research Council.

‡ The Southwest and Southeast Land Economics Committees were dissolved and the Southern Committee was established in 1962.

Table 2. Major Themes From the National Public Policy Education Conference, 1951-1999.

1950s	International Trade Policy and Foreign Market Development Agricultural Price and Income Policy Rural Development
1960s	The Farm Problem Trade and Aid Policy (Foreign Policy) Agricultural Policy Alternatives Rural Development Role of Land Grant Universities
1970s	Role of Land Grant Universities Environmental Issues Who Will Control Agriculture? Property Rights Energy Policy World Food and Trade Policy
1980s	Concentration and Integration in Agriculture Energy Policy Rural Development Trade Policy Environmental Issues
1990s	Environmental Policy Family Issues Rural Development Industrialization of Agriculture Property Rights

Source: *Increasing Understanding of Public Problems and Policies*, various.

Table 3. Major Policy Themes in Farm Foundation Programming, 1937-1999.

1940s	Land Tenure Issues International Trade Policy Rural Life and Education Policy Family Farm Policy Rural Land Issues
1950s	Farm Income Tax Land and Water Policy Individual Commodities Policy Impact of Farm Policy on Farm Size and Tenure Farm Families and Social Security
1960s	Individual Commodities Policy Public Land and Water Policy Rural Poverty and Human Development Agriculture Trade Policy Transportation Policy Rural Taxation Farm Bill Issues
1970s	Food Policy Farm Bill Issues Agricultural Trade Policy Rural Development and Rural Poverty Small Farm Policy Natural Resources Policy Corporate Farming Bargaining in Agriculture Agricultural Trade Issues
1980s	Individual Commodities Policy Farm Credit Issues Food System Regulation Farm Bill Issues Transportation Issues Marketing Programs Natural Resource Policy Property Taxes Rural Development Policy
1990s	Farm Bill Issues Trade Policy Property Rights Issues Environmental Policy Local Government Issues Land Grant University Issues International Trade Issues Rural Development

Source: *Farm Foundation Annual Reports*, various.