All Extension is Local H. A. Wadsworth* - 1996

I want to begin by expressing my appreciation to all of you for honoring me with the Distinguished Service Ruby Award. But in so doing, there are a lot of people whose imprint I bear because of their influence on my life and work. Depression era parents who stood for responsibility and integrity above all else. A college sweetheart unwavering in her love and support through trying times, both professional and personal. Four of the greatest extension agricultural economists ever assembled on one faculty who steeped me in the land grant philosophy. And all of my colleagues at Cornell, Oregon State and particularly Purdue who have joined together to more fully realize the vision of "Taking the University to the People"." I am indebted to them all.

A new millennium looms over the horizon. Will the future be an extrapolation of the past? What significant changes are likely given a dynamic educational environment, i.e., ever changing needs, ever evolving science and technology, ever expanding options and opportunities, ever developing programs and means of communication? To a degree, I will build upon Zerle Carpenter's remarks to you last year and then ask "Do we as a System understand what Pat Boyle is saying in his Building Political Support piece?". ²¹ My concern for that future is my view that a significant amount of the difficulties being experienced by Cooperative Extension organizations arise from our inability or unwillingness to recognize the full significance of functioning in a political market place. A market place which requires that we understand customer needs, develop educational programs and opportunities to meet those needs, open access to all who might benefit and provide the leadership which enables local people to communicate impact (value) to public officials making resource allocation decisions.

Our Market Place -- I know some of my colleagues bristle at the thought that we function in a market place. But we do and viewing the educational arena as a market place causes us to focus on the crucial customer/supplier relationship. Let me explain. There are two fundamental ways by which resource allocation decisions are made, i.e., economic or political. Economics is essentially a consideration of supply of a product or service vis-a-vis the demand for that product or service with price allocating the supply to those who have the ability to pay. Politics is an allocation process that comes into play when public officials have the desire and ability to cause resource decisions to be made on something other than an economic basis. In a democracy it is presumed that such a political decision reflects the interest of at least a majority of the people. Both systems work guite well but both have inherent risks of abuse. A market system requires a number of buyers and sellers to perform appropriately. A political system needs an elected representative body to perform appropriately. In a sense both systems exist in some degree to curb the excessive abuses of the other. For instance, monopolies seek to gain economic power and reap extraordinary profits. One need only recall the J. Pierpont Morgan confrontation with Teddy Roosevelt to understand what lead to passage of anti-trust laws in this country to curb economic abuses. On the other hand, history recounts Tammany Hall or similar governmental organizations where contracts were awarded in return for kickbacks and payoffs. This eventually lead to

awarding of government contracts based upon competitive bids, a more economic approach.

In the economic market system, the consumer sends very definite signals to the producers of goods and services about what they like or don't like and what they are willing to pay. This in turn sends a signal to companies about what and how much to produce and at what price. In introducing new products all recognize that the consumer is king and the market will determine winners and losers without regard to what the company might think about what the public needs. Because of the risk and expense involved in introducing new products, many companies are not willing to throw a product on the market and see what happens. Instead they develop a market intelligence approach that requires them to stay close to their customers, understand customer needs and allocate resources to develop products or services that meet those needs. In a political market system, such as a representative democracy, the electorate sends signals to their elected officials about what needs to be done. The elected official responds and re-election depends on his/her continuing ability to understand constituency preferences and reflect a majority of those viewpoints in his/her votes to allocate public resources to particular efforts valued by his constituents.

What does this have to do with us? Public Higher Education, of which we are a part, is funded as a result of the political resource allocation process. But the political resource allocation process is not as direct as the economic allocation process where consumer choices to buy or not to buy send a direct message re consumer preferences. In our system the customer can tell us what they want but they do not send the direct signal, i.e., the appropriation to us as the supplier. Rather the customer must express preferences through a third party, the elected official in order to exert influence on the resource allocation decision that funds public Higher Education. How that elected official votes on such a decision depends upon his/her perception of the value of that public expenditure to his constituency as signaled to him/her by that constituency. This is politics, understanding public consumer preferences and allocating public resources.

<u>Market Information</u> --My perception is that many of us in the **CES** System and most of our academic colleagues have a real aversion to what we call "politics". We frequently think of it as dirty, messy, corrupt and beneath our dignity. But as educators, I would like to suggest that we think of it in another way, let's think of it as market information. Back to economics. Many of our educational programs are directed toward providing people information and developing their skills so that they can make informed economic decisions or choices. Doing so is clearly an accepted part of our work. Other accepted parts of our work include helping people examine an issue, understand the relevant facts and explore options 'that might resolve the issue. The fundamental premise in both cases is that good decision making requires good information and decision making skills. So what about our elected officials? Are they supposed to be intuitive about our contribution or do they in fact need good information in order to appropriately reflect the market, i.e., consumer preferences of their constituents when making public resource allocation decisions. It is this part of the political market system about which I have greatest concern.

The Local Reality -- "All politics are local" was the assessment of veteran Speaker of the House Tip O'Neill from Massachusetts. If that is true, ergo "All Extension is local". Effective extension education must occur at the local level as a necessary but not sufficient condition for long term public financial support at all levels. The sufficient condition can be added through leadership that empowers local people with the knowledge and ability to communicate value of the programs at the local level to their elected officials at all levels. Let me illustrate. County staff in most counties across this country must submit an annual budget to a county board requesting county funds to support some portion of the personnel and office costs required for operation of the county office. This budget request is developed by a local budget committee or the entire Extension Board and presented to the local governing board. The Extension Board members discuss the budget request with members of the local governing board and may be in attendance at budget hearings. The message these Board members communicate is that we are involved in establishing program direction, the programs are of significant value to us in this community and we want to see it supported by appropriation of county funds.

Members of state legislatures seek the same kind of information as county officials because they want to know how valuable their constituency view educational programs and information before the resource allocation/ state appropriation decision is made. In my experience, they want local examples of impact and they want them related by people who are directly involved and/or others in that community whose judgment they respect, i.e., all politics are local. Many states have a Council on Agricultural Research Extension and Teaching (CARET) organization composed of a broadly representative group of leaders from across their state who provide the direction and organization required to effectively communicate the lay person's (grassroots) perspective about program value to state legislators or members of Congress. It is vitally important that leaders of the University, in addition to the Director of Cooperative Extension and his/her staff, support CARET leadership in developing a strategy to inform elected officials and sponsoring events that showcase program impact. Such participation demonstrates the strong and shared commitment of the campus to customer needs in the county and state. Some states prefer to have administrators and/or campus staff work directly with selected Legislators and important interest groups. I view this approach as a short cut with serious deficiencies. The inherent risk is depending on a few selected people rather than on a legislator's constituent support base. There is no way that organization spokespersons can communicate the same message re preferences and value as constituents. Local people make good decisions when supported with the needed information and will effectively communicate value to state legislators and the Congress. Our responsibility is to collaborate with and support local people and their CARET organizations to effectively communicate user preferences and value.

Any time our CARET delegates have met with Senators or Congressmen, the discussion is focused on what is happening back home, i.e., the impact of programs. Remember all politics are local. However, as a CES system we lack cohesiveness and commitment in supporting constituent involvement in communicating the impact of

educational efforts to Senators, Congressmen, and their staffers. Efforts in this vein are strong in some states and essentially non-existent in others. As a consequence the broad base of constituent support has not been established in the minds of the entire Congress. Such inconsistent information on product value does not achieve the desired allocation decision for the public or for us. That can be remedied only by constituent indications of preferences to all their elected representatives.

Involvement --So let's look ahead. Many of the recent political campaigns focused on the cost of government. Campaigns touted smaller government, tax cuts, tax reform, block grants, eliminating special interest advantages, and balancing government budgets. Whatever your political persuasion, it should be clear that the pressure is on public resources. Further, the greatest scrutiny will be on discretionary vis a vis nondiscretionary expenditures and competition for non-discretionary funds will be intense. Lobbyists for special interest groups will fill the hallways attempting to convince elected officials to allocate funds that support their interests. We cannot presume that elected officials have complete knowledge re value of all publicly funded efforts. But we can acknowledge that they will make political allocation resource decisions based on whatever information they have at the time the decision must be made. What information will they have about us? How will they know what constituents value? Who will tell them? All politics are local. All extension is local.

I would like to suggest that there is a political high road. It is a road that requires a lot of energy, effort and involvement to travel. It requires that we supply factual information and analyses re the significance of accomplishments. It requires that we exert an educational leadership role, first in the customer/supplier relationship, i.e., the conduct of meaningful timely educational programs that people use and which contribute significantly to the resolution of important issues in their lives; and secondly, enabling and empowering our customers (stakeholders) to relate the impact (value) of what they have learned to their elected representatives at all levels so that political resource allocation decisions can be made on as factual a basis as possible. This means that CES and the entity of which it is a part must be highly visible and proactive in communicating impact throughout the state. There is no substitute for continual personal involvement by administration, campus faculty and staff, and extension educators with stakeholders. It is through this personal involvement that users are prepared with pertinent facts and motivated to become actively involved as stakeholders in the political resource allocation process. There is no magical marketing or public relations effort that can produce results comparable to staying involved and close to the customer.

Let me conclude by returning to the political resource allocation analogy. We are in a market, a political market. As such the customer/supplier relationship is very important to us but it is complicated by the fact that customers must indicate preferences through a third party, their elected officials. That being the case, it is critically important that the political market information be accurately conveyed by customers (users) to the elected officials who make the allocation decision. Proactive efforts to assure informed resource allocation choice by elected officials is *as* important to our continued success as

proactive programs to assure informed economic resource choice by consumers is to their success. We wouldn't be here today if we did not believe that education enables people to make better decisions about important matters in their lives. I want public officials to have factual information and to know their constituents' assessment of program impact when allocating scarce public resources. I am confident that in so doing we can paraphrase an old investment slogan "CES achieves success the old fashioned way, they earn it".

Rasmussen, Wayne D. <u>"Taking the University to the People - Seventy-Five Years of</u> <u>Cooperative Extension"</u>, Iowa State University Press, 1989

2/ Boyle, Patrick G. "Building Political Support for Extension in the 21st Century", 1996

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