PolicyPennings by Daryll E. Ray & Harwood D. Schaffer Blasingame Policy Chair: Reviewing the past and looking to the future

Daryll Ray, the holder of the Blasingame Chair of Excellence in Agricultural Policy and co-author of this column, will retire from the University of Tennessee early in 2015. Upon his retirement, he will continue to write this column along with Harwood Schaffer. The only change that will be made with regard to the weekly column is a change in the ordering of the names of the authors with Harwood's coming first after Daryll's last day at work.

With regard to the Blasingame Chair of Excellence in Agricultural Policy, the change will involve the hiring of a new person, whose research interests will undoubtedly differ from those of Daryll. To prepare for this change, Daryll was asked to participate in a Program Review of his stewardship of the Chair from his arrival at the University of Tennessee in 1991 to the present. In preparation for the review, APAC personnel put together a 28-page background report. Links to pdfs of that report and to documenting supplemental materials are available on our website homepage: www.agpolicy.org.

The Blasingame Chair was made possible by a lead gift from Benard and Margaret Blasingame in 1989 and is housed in the Department of Agricultural and Resource Economics, AgResearch, University of Tennessee Institute of Agriculture (UTIA), Knoxville, TN. Most people know of the work of the Chair as the Agricultural Policy Analysis Center, (APAC), the name Daryll created as a means of focusing attention on the work of the unit and not just the Chair-holder.

One of the major concerns in the establishment of the Chair was the need for UTIA to conduct research in the traditional commodity policy area that is the focal point of all farm bills—though they contain a lot more than that, with the bulk of the money going to food programs like the Supplemental Nutritional Assistance Program, the Women, Infants and Children program, and various school-based meals programs. In looking for the right person to fulfill the responsibilities of the Chair, "It [was] felt that the state needs an independent thinker addressing pertinent issues of today and those likely to occur in the future."

Over the last 23 years, the Chair program has attracted over \$11 million in grant and contract funding to supplement funding provided by UTIA and the Blasingame Endowment. Between fiscal years 2007 to 2014, APAC expenditures averaged \$899 thousand with 8 percent coming from the endowment, 46 percent from UT and 46 percent from grants and contracts.

A large portion of the grant and contract funding involved the use of POLYSYS, an agricultural policy

simulation computer model designed to allow decision makers to compare the impacts of a policy change or changed economic condition away from a commonly available baseline situation. Over the years, POLYSYS was enhanced to include bioenergy dedicated crops, cropland used for forestry production, the incorporation of new policy instruments, and the impact of land use changes on soil carbon and carbon flux.

Leading up to the tobacco quota buyout, APAC researchers were deeply involved in tobacco policy and identifying the impact of the buyout on individual farmers, local communities and state economies. Following the end of the tobacco program, the Center for Tobacco Grower Research (CTGR) was a part of APAC until 2014 when it separated from the university. During the time it was part of the university CTGR collected tobacco information through a comprehensive tobacco survey and generated a wealth of information from over 6000 participants, and made the information available to growers and industry participants.

The general macro policy research and analyses are designed to look both at the farm bills that are adopted by Congress every 5 years or so, and ongoing policy issues. The farm bill work is generally very intense for the two years leading up to the adoption of the new farm legislation. That work involves using POLYSYS to compare various proposals as well as providing testimony before Congressional committees.

The analyses of ongoing issues, many of which are reported in this weekly column, focus on agricultural producers. Agricultural policies affect many groups of people, including multinational agribusinesses. These and other well-positioned stakeholder groups have the incentive and resources to affect policy discussions in ways that positively affect them, but may not always have the same benefit to producers (or consumers and taxpayers).

For example, agricultural producers naturally prefer maximization of their net income while agribusinesses prefer agricultural policies that maximize bushels or tons of agricultural output (and hence their sales of inputs and marketing services). Even the policy interests of agricultural producers and commodity/farm organizations do not always perfectly overlap. Also, producers and their proponents sometimes need—but often don't appreciate—reality checks (examples: consumer sovereignty, transparency, EPA regulations, antibiotic use). In order to acknowledge and deal with "elephant-in-the-room" issues, analytical independence is critically important. Our independent

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analysis is not necessarily value-free, but it is absent of external interferences and motivations.

With Daryll's retirement, this column, commodity policy analyses, and issues in sub-Saharan agricultural development will continue provide the focus for Harwood's research. Chad Hellwinckel hopes to expand his research in the area of local food systems with an eye to the needs of communities in the US and around the world.

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