## Preface

This volume began in the fall of 1988 when Georg Jakob from Jacobs Suchard, the coffee and chocolate company based in Zurich, stopped in my Cambridge office. The company was about to finish the remodeling of Marbach Castle on Lake Constance as its new executive development center and wanted to inaugurate the new facility with a conference in August 1989. What would be an appropriate topic and how should the conference be organized?

Most academics have a "dream conference" in the back of their minds, and I am no exception. We discussed several topics that related to agricultural development, commodity trade, changing patterns of consumer tastes for food, and the interaction between the public and private sectors in developed and developing economies. I promised to outline in more detail two possible conference topics; he agreed to try them out in Zurich. I put them in the mail the next day.

Nothing happened for two months. Then Georg came to visit again and brought the news that the company had approved a conference on the role of government in agricultural development and would like me to organize it. An ample budget would allow leading scholars to contribute original papers, both to stimulate discussion at the conference and to produce a high-quality book to serve as an academic standard for future Marbach Conferences. The challenge was irresistible. Carol, my wife and long-time editor, and I set out to arrange a series of papers, discussants, and participants for the conference that would meet the expectations of Jacobs Suchard.

Agriculture and the State is the result of that process. Once discussions with potential authors began, the inevitability of the topic became clear. At the end of the 1980s, after a decade of economic restructuring, failed development strategies, and resurgence of marketoriented ideology, the time was ripe for an assessment of what governments should and should not do to stimulate economic growth. Political movements in Eastern Europe, the Soviet Union, China, Latin America, and elsewhere in the developing world challenged the notion that the state always knew best. Especially in the newly emergent democracies in Eastern Europe, the old state was trusted with nothing. An enthusiasm for free markets and unfettered capitalism, warts and all, dominated their economic agendas. For officials in the Reagan, Bush, and Thatcher administrations, and their appointees and converts in the World Bank, the International Monetary Fund, and other donor agencies, the collapse of Marxist approaches and the embrace of markets merely confirmed their decade-long drive to get governments out of economic affairs.

Many of my colleagues in the development profession, while cheered by the victories for personal freedoms and a greater role for market forces, were nonetheless troubled by a failure to read the historical record carefully on the role of government. The dominant theme of the conference became an attempt to do this—to understand, for a handful of important areas involving agricultural development, what defined the *appropriate* role of government intervention. The areas were chosen on the basis of the availability of leading scholars to prepare overview papers and of knowledgeable discussants to criticize and extend the points of view. Chapters on the history of agricultural price policy, on the role of agriculture in export-led growth, on food aid, and on rural development each reflect merely the tip of massive icebergs of ongoing research by the authors on these topics of central importance to agricultural development.

The paper by Just Faaland and Jack Parkinson was commissioned specifically to speak to the broader theme of the role of government in agricultural development. It draws on the authors' decades of experience in Asia and Africa, with a wide variety of governments, in the design, implementation, and evaluation of agricultural policies and projects. Indeed, it was an early comment by Just Faaland, after a particularly frustrating episode—"agricultural development would go better without the government"—that sharpened the central theme of the conference.

The introductory chapter attempts to put the academic debate over these issues into historical perspective. At the level of actual policy debates, the literature is dominated by economists. A more academic approach is taken by political scientists, who have long struggled with the role of government in the development process. Their insights are incorporated in the historical review and in the analysis of several contributors. Political economy is increasingly an applied field of direct use to policy makers; that potential contribution is meant to be reflected throughout.

The final chapter is not a summary of either the papers or the discussions at the conference, although it is influenced by both. Rather, the intent is a more personal assessment of "What have we learned?" Although revisionist glasses now see free trade as the route to success for east and southeast Asian countries that have rapidly growing economies, a more careful historical appraisal demonstrates a complex and varied mix of government and market forces as the engine of growth. Getting the "mix" right, not just "getting prices right," is the key to success, and the mix varies from country to country, from time to time, and from circumstance to circumstance. No single ideological approach provides the right answers any more than does a single technical model.

Agricultural development, a key ingredient for any successful economic development strategy for most poor countries, depends on a pragmatic balancing of economic opportunities, political constraints, and technological possibilities. The goal of this volume is to provide a clearer sense of how history has struck the balance for several of the crucial areas of agricultural development. In particular, the role of the government—what it must do, what it should do, what it should not do, what it cannot do—is identified throughout as the main factor explaining success and failure. We have learned, for better and for worse, that government matters.

This learning process, and the book that attempts to reflect some important lessons from it, would not have been possible without help and guidance from many individuals and institutions. The debt to the managers of Jacobs Suchard is obvious. Without the company's enthusiastic support, both financially and intellectually, this volume would not exist. The chairman of the company, Klaus J. Jacobs, chose the topic, attended the conference, asked some of the toughest questions during the discussions, and hosted a sequence of memorable meals and evenings. Walter Anderau brought some of his key operational personnel to the workshop. They enhanced the learning by authors and discussants about the reality of commodity trade and the food business; I hope we did not shortchange them in the exchange.

It was on Christof Zuber's shoulders, however, that much of the burden fell to make the conference a success. Chris had been in charge of remodeling Marbach Castle in time for the conference and was my day-to-day liaison for working out all the details that must be handled to bring participants from three continents to a successful gathering. All of the conference participants extend a deep vote of thanks to Chris and the superb staff of the Jacobs Suchard Communication and Development Center at Marbach for making the entire experience so rewarding.

Support at Harvard for this endeavor has also been essential. Erin Sands, my assistant at the Harvard Institute for International Development, handled the logistics and communications throughout the entire process with great cheer and enthusiasm, even when the nomadic behavior of authors and the difference in time zones made that difficult. The authors and discussants have indicated that they should thank me for inviting them to such a magnificent setting, which is true enough, but there would be no book without their scholarly attention to these important topics. The discussions themselves would not have been as much fun or as intellectually rewarding without their enthusiastic participation. I do thank them for all their effort and support.

As usual, my deepest thanks must go to my wife, editor, and alter ego. I once noted that Carol seemed not to be bothered by that fine line between improving the wording of a substantive point and changing the substance itself—she crossed it as if she had full diplomatic immunity. Her role at the conference, in the rewriting of chapters, and in the final editing process continues to bear out that observation. Indeed, she must now hold ambassadorial rank—at any rate she threatens to retire!

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