

INTRODUCTION. The scope of Agricultural Economics.

As in an attempt to summarize the meaning of the term "agriculture" one is inevitably led into a discussion not only of crop and animal production, but also of all the interdependent features of the world's largest and most important industry, so, in trying to define "agricultural economics" one is dealing with a subject of world-wide scope with its many aspects which defies a satisfactory and comprehensive single sentence definition. In the broadest terms "agricultural economics" is one of a number of different branches of the general science of Economics; in this particular branch the general principles of Economics are applied to the special conditions of the agricultural industry.

Farming is primarily a business undertaking. In spite of what may be said by the sentimental town-dweller upon the amenities of the countryside and the outdoor life and in spite, also, of those who look upon farming as a philanthropic undertaking for the benefit of the Nation, the farmer himself is essentially engaged in the business in order to obtain a profit from his investment of capital and labour. Engaged as he is, first and foremost, upon the production of crops and livestock, the individual farmer is rarely in a position to view the industry as a whole; he cannot devote time to the detailed study of marketing, the changing requirements of the consumer, systems of organisation and management on farms other than his own and in competing areas. Such study is of vital importance, not only to the individual farmer but to the whole industry for further development and increase in efficiency. It is the work of the Economist to study such factors and many others involved in the production and marketing of farm commodities. The only ultimate justification of all such investigation lies in the increase of profit to the farmer and service to the consumer.

The field of investigation open to the economist in agriculture is both broad and varied. Economic geography, the study of soil, climate and rainfall and their

influence upon the types of agriculture which have evolved forms the preliminary basis for the study of areas of production. The production of raw materials on the farm is investigated from the point of view of land tenure, supply of labour, the management of capital and labour and numerous other factors, all of them affecting, directly or indirectly, the cost of production. The journey^{of} products between producer and consumer including as it does processing, transport, storage, marketing and financing is as important^a component of production as the growing of the raw materials on the farm. It is the work of the Economist to study this track of goods from producer to consumer, to map it, and to suggest methods for the removal of dangerous twists and bends (9). The Science and Practice of Agriculture does not, strictly speaking, come within the scope of the Economist who is mainly concerned not with "How" commodities are produced but "Why" (4) ; at the same time, it is often essential that he should possess a sound working knowledge of agricultural practice in order that his suggestions may be of a practical rather than a theoretical nature.

Up to the present time agricultural research has been dominated mainly by the work of the biologists. Their chief aim is generally the production of larger yields per acre, this being achieved by plant breeding and manurial and cultural improvements^e. Little or no interest has been taken by them as to whether such improved yields will result in increased monetary return to the farmer as profit. Thus, overproduction has been introduced with consequent havoc in markets and prices. The economist is essentially engaged upon the business aspect of farming. He is interested not so much in increased yield per acre as in the control of the factors of production which directly affect net profit per acre to the farmer. The work of the biologist and the economist should therefore be complimentary, their final aim being assistance to the farmer.