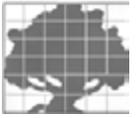




## EARLY HISTORY AND REFLECTIONS IN ABRIDGED ORAL HISTORIES

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## INTRODUCTION

Faculty and administrators associated with very early activity in the Giannini Foundation of Agricultural Economics are now deceased. Biographical statements contained in the university's *In Memoriam* collection do include useful information about the contributions of those early generations of members (see [http://sunsite.berkeley.edu/uchistory/archives\\_exhibits/in\\_memoriam/index1.html](http://sunsite.berkeley.edu/uchistory/archives_exhibits/in_memoriam/index1.html)). But the memorials do not contain materials especially relevant to the Foundation.

In this regard, several volumes were found to be of interest among the many collected by the Regional Oral History Office of the Bancroft Library on the Berkeley campus. This section includes oral recollections relevant to the origin and initial organization of the Foundation, as well as attestations regarding several reorganizations. The material is organized into four parts:

- The origin of the Giannini Foundation.
- Early recollections about A.P. Giannini and the organization of the Giannini Foundation of Agricultural Economics.
  - A.P. Giannini's portrait in the foyer of Giannini Hall.
  - A.P. Giannini's interest in the activities of the Giannini Foundation.
  - The initial organization of the Foundation.
- Changes in organizational structure.
  - Comment about organizational challenges, 1942–1952.
  - Comments on the original grant and organization and on restructuring to meet the needs of commercial agriculture, 1968–1986.
- References to members, administrators, and others associated with the Giannini Foundation.

The sections are based on selections from the following oral histories.

HENRY E. ERDMAN was appointed to the Division of Rural Institutions at Berkeley in 1922. The division later became part of the Department of Agricultural Economics, where Professor Erdman served from 1926 to 1969.

CLAUDE B. HUTCHISON was the first director of the Giannini Foundation. He was dean of the University of California College of Agriculture from 1930 to 1952.

JAMES B. KENDRICK, JR. was professor of plant pathology at UC Riverside from 1947 to 1968 and vice president of the Division of Agriculture and Natural Resources from 1968 to 1986.

FRANK T. SWETT was president and general manager of the California Pear Growers' Association.

HARRY R. WELLMAN was an Extension specialist and professor of agricultural economics between 1925 and 1952. He was director of the Giannini Foundation from 1942 to 1952. He also held administrative positions that ranged from vice president of Agricultural Sciences to acting president of the university between 1952 and 1967.



## THE ORIGIN OF THE GIANNINI FOUNDATION

FROM THE ORAL HISTORY OF FRANK T. SWETT

*The Frank T. Swett interview was conducted by Willa Klug Baum and published in 1968 in California Agricultural Cooperatives by the Regional Oral History Office of the Bancroft Library at UC Berkeley.*

FROM HENRY ERDMAN'S INTRODUCTION TO FRANK SWETT'S ORAL HISTORY

PAGES V-VII

Frank Swett became a prominent figure in California when, in the summer of 1918, he became president and general manager of the newly organized California Pear Growers' Association—two positions he held until the association passed out of the picture in the middle thirties . . . Frank early became alarmed at the continued threat of surplus production. As early as 1912 he castigated those who led newcomers to plant fruit already in oversupply. It was in this connection that he suggested establishment at the university of “a chair of agricultural and horticultural economics.”

In his attempt to slow down new plantings, he became critical of three groups that promoted increased production. One was the U.S. Reclamation Service, which was spending huge sums on new irrigation developments; a second was the California Land Settlement Division, which brought new settlers to such lands; a third was the Agricultural Extension division of the College of Agriculture. He kept up a running attack on these for about a decade.

PAGES 58-60

Baum: You were speaking of Mr. Crocheron and A.P. Giannini. [Abstractor's note: Bertram H. Crocheron was director, Agricultural Extension, University of California, Berkeley.]

Swett: I don't want to criticize anybody in the university.

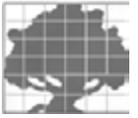
Baum: Oh, we've got a lot of criticisms of Mr. Crocheron.

Swett: Oh, you have? [Chuckling]

Baum: He was a good man, but everybody has their faults.

Swett: In his own estimation he was greater than the czar of Russia or the Emperor William or what-have-you. He had a keen brain. And he was the finest chairman of a big meeting I ever saw. The farm advisors from the various counties had to toe the mark.

Well something happened . . . the Bank of Italy was taking over some of the banks in the San Joaquin Valley. It was considering taking over a number of banks down at Lindsay and Exeter. The Bank of Italy had no experience with citrus fruits, so Giannini called in John Fox and called back A.W. Hendrick, who had been in charge of 50,000 mortgages.



Hendrick had been a professor of English in a university in Canada. For some reason he came to California, and got a job with the Federal Land Bank. He functioned, and in the meantime he studied irrigation law and California law, and became wonderfully qualified. He was Giannini's right-hand man as long as he was able to cross the bay and show up at the bank. Then after that Giannini would cross the bay when he wanted to see him.

But at any rate, Hendrick took it up with Crocheron, got absolutely no satisfaction. It was like water on a duck's back. Giannini checked up and he said "Who'd you talk to, Hendrick?"

"I [Hendrick] talked with Mr. Crocheron."

"Oh," he [Giannini] said, "that tall man, that conceited 'blankety-blank.' He looks like a French pimp, I've seen them on the boulevards in Paris. We'll wash our hands of that 'blankety-blank.' We need those economic studies, but not with that fellow. We'll organize a separate foundation, entirely separate from the University of California, where there's danger of that man muddling in."

Well, they argued, more or less, and finally one of the advisors said, "A separate foundation—you want something that will endure. Foundations are made, they spend their money, and they go out of business. The University of California will always be there! You have good attorneys. We'll tie up the funds.

We'll give them a building, we'll tie up the operating funds so that that blankety-blank never can touch a penny." So that was the agreement.

Baum: So that's how the Giannini Foundation got set up?

Swett: Yes. I've never publicized it. I wouldn't. But my friends over at Berkeley, they all know it.

Baum: Mr. Hendrick told you this?

Swett: Hendrick and Giannini and John Fox, who was an appraiser for the bank.



## FROM THE ORAL HISTORY OF HENRY E. ERDMAN

*The Henry E. Erdman interview was conducted by Malca Chall and published in 1971 in Agricultural Economics: Teaching, Research, and Writing: University of California, 1922–1969 by the Regional Oral History Office of the Bancroft Library at UC Berkeley.*

PAGES 129–130

Erdman: Actually, I didn't have detailed knowledge about the Foundation in advance of the published announcement. I learned through the newspapers on January 23, 1928, that the gift had been made and that President Campbell had informally, apparently—the papers said—formally, accepted the gift. And it obviously had been carefully talked over, for he mentioned the fact that half a million dollars of it would be used to erect a building, which would be the third wing of the agricultural quadrangle, as it was called. Incidentally, this proposed building was described at least a decade earlier, and an architect's drawing pictured, in something I read quite some time ago. The formal acceptance of the gift apparently was to be made later. The [UC] Board of Regents was to meet in February.

But I had had a vague impression earlier, late in 1927, I think it was, when I had a request from Dean Merrill for me to write President Campbell some information about research in agricultural economics. The dean had merely told me that it seemed that there was some money in the offing, and the president wanted a little information about the field, or something like that, and so I knew something was brewing.

Anyway, reportedly, so many farmers in certain fruit areas had been having production problems, that Giannini sent word to Professor Crocheron, via Mr. Hendrick, suggesting a conference of leading farm advisors from those counties to discuss the problems. He even went so far as to offer to pay their expenses, or to provide bus transportation to a conference point for them. But he was very much put out, according to Swett, because he was informed that the current program of the farm advisors had been carefully planned at the beginning of the year and could not be changed.

A little later . . . when the Bank of Italy offered Mr. Giannini five percent of the profits of the year as a bonus, he expressed an unwillingness to accept it, but apparently, according to Swett, at the suggestion of Hendrick, got the idea of establishing a foundation to conduct research in the whole field of agricultural problems.

Chall: That's a far-sighted move.

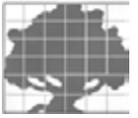
Erdman: But also, according to Swett, . . . Giannini wanted to make sure that the Extension department couldn't use it.

Chall: Oh. Giannini or Hendrick?

Erdman: Well, Giannini. That was the implication.

Chall: I see. He was miffed.

Erdman: This was Frank Swett's recollection according to some notes I made of his reactions in 1948, which is about twenty years after the fact.



## FROM THE ORAL HISTORY OF CLAUDE B. HUTCHISON

*The Claude B. Hutchison interview was conducted by Willa Klug Baum and published in 1961 in The College of Agriculture, University of California, 1922–1952 by the Regional Oral History Office of the Bancroft Library, UC Berkeley.*

PAGES 101–102

Hutchison: I don't know who made the proposal, whether it was his [Giannini's] own idea or not, but he finally decided to give that \$1.5 million to the Regents of the University of California to establish the Giannini Foundation of Agricultural Economics to study economic problems. . . . The gift was accepted by the university in February of 1928 and the university had the responsibility of setting up the organization. . . . Well, I came back to this country on my annual trip in April 1928. . . . I started out to make my annual trip around the country visiting various institutions, including California. When I reached Berkeley I heard about this Giannini Foundation of Agricultural Economics, a new thing. I talked with various people around the college—Dr. Merrill, Tom Tavernetti—and I guess it was Tom who said to me, “How would you like to be director of this Giannini Foundation?” Well, I laughed and said, “Well, Tom, you know I'm not an economist.” And we didn't talk very much more about it.

I finished my trip and was headed back to New York, was on the Santa Fe train some place between Los Angeles and Kansas City, when the conductor came in to deliver a telegram to me from Baldwin Woods, who was in President Campbell's office at that time. This telegram read something like this: “Will you go to Cedar Rapids at President Campbell's invitation to talk with him about the directorship of the Giannini Foundation?”

So I did and he made the proposal to me that I come home, as he said, and set up this new enterprise. He said, “We'll give you carte blanche to do with it as you will, to organize it on whatever pattern you think best.” Well, I listened to him carefully and we talked about the possibilities, etc. Finally I said to him, “But Dr. Campbell, that sounds like a job for an economist, and you know I'm not an economist.”

“Well,” he said, “you can get some, can't you?” So we talked on and finally the idea was developed that if I came home to do this I would “get some economists.” . . . So I came back to organize the Foundation and got some of these economists that President Campbell thought I could.



## EARLY RECOLLECTIONS ABOUT A.P. GIANNINI AND ORGANIZATION OF THE GIANNINI FOUNDATION OF AGRICULTURAL ECONOMICS

FROM THE ORAL HISTORY OF CLAUDE B. HUTCHISON

*The Claude B. Hutchison interview was conducted by Willa Klug Baum and published in 1961 in The College of Agriculture, University of California, 1922-1952 by the Regional Oral History Office of the Bancroft Library, UC Berkeley.*

ON A.P. GIANNINI'S PORTRAIT IN THE FOYER OF GIANNINI HALL  
PAGES 103-104

Hutchison: When we designed the building a niche was left in the foyer, the lower part of it at the main entrance. I thought it would be a nice thing to have an oil portrait of Mr. Giannini to place in that niche. So I got in touch with some of his immediate associates in the Bank of America and asked if they would not like to have a portrait painted of Mr. Giannini and give it to the university. Word came back that Mr. Giannini would not agree to it. But he autographed and sent to me personally that photograph of him on the wall there. I waited until his death and then I renewed my request to the directors of the Bank of America. I was invited to their main building on Montgomery Street in San Francisco, to the board room of the bank, and given my choice of two portraits of Mr. Giannini that hung in that building. I chose the one that was painted about the time that that photograph was taken, and about the time that his generous gift was made to the university. . . . He was a younger man, you know, when he made this gift to the university, and that portrait is an excellent likeness of him at that time. From my point of view that niche was designed to be used for such a portrait, but his modesty delayed it.

ON A.P. GIANNINI'S INTEREST IN THE ACTIVITIES OF THE FOUNDATION  
PAGES 104-106

Baum: Did Mr. Giannini have any ideas to offer as to what he thought you ought to go into?

Hutchison: No. He watched it with a great deal of interest... Wait a minute, he did. He, or maybe one of his associates, asked us to make one study, and that's all. They wanted a study made of the economic and marketing status of the artichoke industry. Why? Some of his Italian friends were engaged in it and he as a produce man was familiar with it. But I think that is absolutely the only request made of us, and I'm not certain that he made even that one. As I said, maybe it was some of his associates in the Bank of America.

But there was never any attempt to dictate, or even suggest. At the time we were making a series of marketing studies of California fruit and vegetable industries. Artichokes being nominal in total value here was



pretty well down on the list. We moved it up and gave it a little higher priority. To the best of my knowledge that's the only request that either he or any of his associates in the Bank of America ever made to us.

But he was interested, always interested. At meetings frequently he would ask how things were going, what we were doing, and all that.

Baum: Would he ever come over and look around?

Hutchison: No, I don't think so. I can't remember him ever being in my office, even after he became a regent.

Baum: That's funny. You'd think he'd want to come over and sort of look around his building and see what was going on. . . . I suppose he thought that would look like pressure.

Hutchison: He might have placed that interpretation on it. But, after all, he was a modest man, I think a great man, but a modest man. And I was quite fond of him. When he became a regent and a member of the agriculture committee—he knew a lot about agriculture and his judgments were sound—whenever the president would ask me to present some important project to the committee, when I saw Mr. Giannini's head begin to nod, I stopped talking, because I knew he had accepted it and would carry the ball, if necessary, from there on. . . . I well remember one time in a meeting in Los Angeles. . . . I had four important projects to present. . . . [T]he president asked me to make the presentation to the agricultural committee. They were all approved. After it was over, Mr. Giannini came around and said, "Well, I'm glad to see you've been at work." He, like myself, believed in work.

Baum: In other words, he had a lot of influence on the committee.

Hutchison: Everyone had great respect for him. Yes, if you want to call it influence, but it was respect and admiration and confidence, because he was a successful business man and he knew agriculture. He was a good supporter of the college.

#### ON THE INITIAL ORGANIZATION OF THE GIANNINI FOUNDATION PAGES 106–107

Baum: How did you go about setting up this new organization?

Hutchison: I think I said to you that President Campbell gave me *carte blanche* to organize the Foundation, set it up as I thought best. He said, "If you want to make it an independent agency within the university here, that's all right. If you want to make it a part of the College of Agriculture, that's all right. So I might have set it up at that time as a small affair with an income in those days of, let us say, \$60,000 from the million-dollar endowment because the regents were able to invest endowments in those days that would return 6%. But \$60,000 would provide a small budget for something independent and important—as we hoped to make this undertaking. We were already expending in the College of Agriculture from public funds, state and federal appropriations, perhaps twice that amount in the field of agricultural economics.

So, I hit upon the scheme of making the Giannini Foundation first of all a large umbrella under which we would bring together a number of things that



were going on in this field in the College of Agriculture. I therefore said to the president, finally, “I would like to make this enterprise a part of the College of Agriculture, and I as director of the Giannini Foundation wish to report to and through the dean of the College of Agriculture.” So we set it up that way.

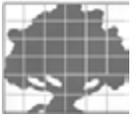
Now at that time there was considerable agricultural economics work going on in the Division of Agricultural Economics, and quite a group had been built up in the Agricultural Extension Service dealing with agricultural economics with farmers over the state. Some economic work had been started also in forestry, and there was some connected with irrigation—all of which were in the College of Agriculture, you see. So it didn’t seem to me wise to set up another small group of people working independently in agricultural economics. The wise thing it seemed to me to do would be to capitalize on this name, Giannini, for public interest and public support, and develop our organization that I have characterized as an umbrella, the umbrella being the Giannini Foundation of Agricultural Economics, and with appropriate academic titles given to all of the people in the Division of Agricultural Economics and the title of associate to some people in forestry, in irrigation, and the group in Agricultural Extension. So ultimately that came to be our Giannini Foundation of Agricultural Economics.

Baum: You made a far more significant thing out of it.

Hutchison: Yes, and a far more significant thing than could have been done by itself. It helped us gain public support for the work which was financed elsewhere in the budget in the name of the Giannini Foundation of Agricultural Economics.

Baum: It sounds like Giannini got quite a substantial return for his one and a half million dollars that way.

Hutchison: That’s right. There’s no question about that. Some people might say that Mr. Giannini got more credit than was due from this relatively small gift, but that doesn’t bother me at all. The university has gained, by the use of that name, public support in the field of agriculture without any doubt. In those days—I’m talking about 1930, thirty years ago—we certainly didn’t have as strong support from the state in the field of economics as we have today.



## CHANGES IN ORGANIZATIONAL STRUCTURE

FROM THE ORAL HISTORY OF HARRY R. WELLMAN

*The Harry R. Wellman interview was conducted by Malca Chall and published in 1976 in Teaching, Research, and Administration, University of California 1925–1968 by the Regional Oral History Office of the Bancroft Library at UC Berkeley. Harry Wellman was director of the Giannini Foundation and chair of the Department of Agricultural Economics from 1942 to 1952.*

PAGES 53 AND 58–59

Chall: Now we should talk about your decade as director of the Giannini Foundation.

Wellman: Okay. First, however, I should make it clear . . . that the director of the Giannini Foundation had, beginning with Tolley's term, also been the chairman of the Department of Agricultural Economics. Thus, he had responsibility for teaching as well as for research and, in addition, had some responsibility for Extension programs in agricultural economics although not for personnel. That arrangement, at least while I was active in the area, worked out well. It facilitated coordination of research and teaching and, to some extent, Extension. All Extension specialists in agricultural economics received appointments without salary as associates on the Giannini Foundation.

The Giannini Foundation of Agricultural Economics and the Department of Agricultural Economics were administered as a joint unit, with the Foundation funds being used for research and extension and the department funds being used for teaching as well as for research and extension. The terms of the Giannini Foundation gift clearly implied that Foundation funds should be used for research and extension in agricultural economics, but not for teaching.

For convenience, I suggest[ed] that this joint unit be called the foundation-department, and that its head be called the director-chairman.

Chall: Were you also responsible for teaching agricultural economics on the Davis campus?

Wellman: Yes, at that time there was one Department of Agricultural Economics with responsibilities on three campuses of the university—Berkeley, Davis, and Los Angeles. In 1966 the Davis department was separated from the Berkeley department and the work at Los Angeles was discontinued around that time.

The problem of fulfilling our teaching responsibilities on the Davis campus after the war was substantial. That campus had been entirely closed to undergraduate instruction during the war, and our prewar teaching staff in agricultural economics (all but one of whom were temporary appointees) had left.



Our goal at Davis was to recruit a highly qualified faculty equal in all respects to those at Berkeley but with a greater leaning toward undergraduate teaching. That could not, of course, be accomplished overnight. For several years, we had to fill in with temporary appointees. Gradually, we built a first-rate faculty fully capable of offering an undergraduate major in agricultural economics. Graduate offerings came later. . . . By the time I left the foundation-department in July 1952, the agricultural economics staff at Davis consisted of eight faculty members, five nonacademic staff members, and two teaching assistants. That staff was larger than the staff of the Department of Agricultural Economics at Berkeley before the advent of the Giannini Foundation.



## FROM THE ORAL HISTORY OF JAMES B. KENDRICK, JR.

*The James B. Kendrick, Jr. interview was conducted by Ann Lage and published in 1989 in From Plant Pathologist to Vice President for Agriculture and Natural Resources, University of California 1947–1986 by the Regional Oral History Office of the Bancroft Library at UC Berkeley. Kendrick was vice president of the Division of Agriculture and Natural Resources from 1968 to 1986.*

ON THE ORIGINAL GRANT AND ORGANIZATION  
PAGES 226–229

**Kendrick:** The Experiment Station in 1968, under Director Clarence Kelly, was certainly not performing unimportant research, but it was having some trouble managing its meager resources in order to meet all the defined problems of commercial agriculture. The most vocal concern expressed by the clients, so to speak, the commercial agricultural interests, was that we were not paying enough attention to marketing and economic problems. That was laid at the feet of the Giannini Foundation's not performing in a manner that the commercial agricultural interests of the state had been accustomed to, in dealing with the Giannini Foundation. And that was due in large part to the personnel of the Giannini Foundation.

Let me describe the Giannini Foundation because that's one of the units we were going to discuss today. [It's] a unit within the Experiment Station. It has a long history because it goes back to an original grant from A.P. Giannini, when he was president of the Bank of Italy, which was the predecessor of the Bank of America. He gave the university \$1.5 million, from which they built Giannini Hall on the Berkeley campus and had a residue left over, for which there was a trust statement as to how that could be used. It was to support agricultural research, aimed at improving the economic status of a whole array of things. The charge would almost include anything you wanted to do in the Agricultural Experiment Station, but it became predominantly an economics research institute.

The unique thing that the Giannini Foundation did in its operation was to have fellows appointed in the Giannini Foundation as a distinct appointment, in addition to an Experiment Station appointment or a professorial appointment.

**Lage:** You mean one person would hold the three titles.

**Kendrick:** One person could be listed as a fellow [member] in the Giannini Foundation, as well as, say, an agricultural economist in the Experiment Station. In those days they started as a junior agricultural economist, and went to an assistant agricultural economist, next an associate agricultural economist, and then just agricultural economist. That was the series within the Experiment Station, and then of course the parallel faculty series was instructor, then an assistant professor, an associate professor, and full professor. Each one of those steps were ranks, and they constituted a promotion, from one rank to another.

A fellow [member] in the Giannini Foundation did not have any rank, in those steps. You were just given the courtesy title as fellow [member] in the Giannini Foundation. The only qualification for being a fellow



[member] in the Giannini Foundation was being appointed as a regular faculty member in the Department of Agricultural Economics. Originally, the only Department of Agricultural Economics was on the Berkeley campus, so the Giannini Foundation was centered, in its early years, on the Berkeley campus.

The director was also the chairman of the department at Berkeley. In its early years, it addressed specifically economic problems and market evaluations for particular commodities of California's agricultural crops. It was highly regarded by commercial agriculture as an organization within the university that was really helping a lot in marketing the commodities successfully. Some of the individuals who helped guide the Giannini Foundation were Claude Hutchison, Harry Wellman, George Mehren, Ray [Raymond] Bressler, David Clarke [Jr.], and Loy Sammet. . . [T]hose were the people who paid a lot of attention to the agriculture's economic stresses and strains.

Well, as I indicated, the only requirement for being a fellow [member] of the Giannini Foundation was being appointed to the faculty of the Departments of Agricultural Economics at Davis or Berkeley. And associate fellows were those who were agricultural economists in forestry at Berkeley or economists in the soils and environmental sciences at Riverside and all of the agricultural economists in Cooperative Extension. To help the director in the governance of the Foundation, there was what was called an executive committee composed of representatives from Davis, Berkeley, and Cooperative Extension.

The Foundation also supported a rather comprehensive graduate library. Over time, it has developed into one of the more complete libraries of agricultural economics that I'm aware of—so it has a good reputation.

Lage: Did the fellow [member] get an extra stipend?

Kendrick: No. It's a courtesy title. All of the university's agricultural economists published under the logo of the Giannini Foundation, and so the Giannini Foundation for Agricultural Economics has a reputation far exceeding the amount of money that goes into supporting the programs. Most of what was left from the original \$1.5 million grant after building Giannini Hall, which has been increased by its investment value, essentially supports the Giannini Library. There was a small amount to support the administration of the Foundation—the director's stipend, a few graduate fellowships, and a few dollars for specific research programs. The truth is that the main support for agricultural economic research was the regular university funding, plus grant funds that these individuals obtained from other sources.

But since nearly all the research was published with the acknowledgment of the Giannini Foundation, it's easy to see why the reputation of the Giannini Foundation was really gained by the total activity of all the university's agricultural economists pursuing their regular research programs within the University of California. So it had a reputation far beyond its financial resources. It was always a problem for me to respond to the nostalgic memories of people who said, "The Giannini Foundation is no longer addressing the needs of agriculture. The faculty seemed to be more concerned with their own professional advancement, and they publish stuff we can't understand." Agricultural economics was moving into



econometrics and complex mathematical analyses, which wasn't being translated into language and operations that the commercial agricultural people understood. So it was perceived that the Giannini Foundation no longer was really addressing problems of agriculture.

Also, some of the things that the commercial representatives were interested in were not really academic research. As the pressure for academic advancement continued to exist, assistant professors and assistants in the Experiment Station realized that their future depended upon their ability to produce research that had quality in the eyes of their peers. They sort of drifted with the academic current, and often those kinds of research problems were somewhat remote and abstract as far as commercial needs were concerned.

Lage: That answer probably didn't satisfy your agricultural constituency.

Kendrick: No, it certainly didn't

ON RESTRUCTURING TO MEET THE PRACTICAL NEEDS OF COMMERCIAL AGRICULTURE  
PAGES 229–233

Kendrick: So we went through a number of changes of administration to try to construct a Giannini Foundation that would be able to address the problems of commercial agriculture a little bit differently.

One of the first things I did to address that problem, after receiving some administrative advice from the executive committee, was to decouple the directorship of the Giannini Foundation from the chairman of the department at Berkeley. There was also some degree of rivalry between the Berkeley Department of Agricultural Economics and the Davis Department of Agricultural Economics. The Davis department felt that they were getting only what was left over from the meager funds of the Giannini Foundation and that they were not being treated favorably, relative to their ability to address some of these problems and in the support of a library of their own. That friendly academic rivalry exists today, and probably will always exist because it's the nature of academic competition.

Lage: And of the relationship between Davis and Berkeley.

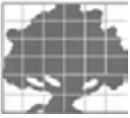
Kendrick: Yes, it comes to play there.

One of the things we tried in the early 1970s before separating the department chair from the directorship was to appoint an active associate director of the Giannini Foundation, who was given the responsibility of trying to develop a program within the Giannini Foundation with what resources it had, and also with the expectation that it would obtain outside grant money to support particular kinds of research problems.

Lage: To focus on more practical needs?

Kendrick: Yes. And that was done but not forced upon the director. The executive committee of the Foundation was willing to try whatever would reduce the climate of criticism as far as the external community was concerned.

The man whom I asked to become this associate director of the Giannini Foundation, and work with the chair, was Dr. Ken Farrell. (He is now my successor as



vice president.) Ken operated with a level of frustration for several years trying to persuade the faculty to address some of the problems. But it was a frustrating experience for him. He then had an opportunity to go to Washington D.C., in the United States Department of Agriculture, as the deputy administrator of the Economic Research Service. And that is where he went. I won't describe his career because he can do that later.

Lage: He'll have his turn, maybe in twenty years. [laughter]

Kendrick: But that was his last official association with us. He was, at the time I asked him to assume the role of associate director of the Giannini Foundation, an Extension agricultural economist with Cooperative Extension. So he was a known quantity with a good reputation as an agricultural economist, even then.

Lage: It almost seems as if this kind of research belongs more in extension. It's very practically oriented.

Kendrick: Well, it probably does now, with a redefinition of what Extension's mission is, and with more emphasis on practical research in extension than exists in the Experiment Station. But at that time, that kind of work was the prerogative of the Experiment Station, and it was protected very much by the Experiment Station. The attitude, even when I was in the early years of the vice presidency, was that Extension was incapable of doing research. And it took quite a while to neutralize that attitude and the feeling that Cooperative Extension didn't have adequately trained personnel to pursue research. There was a certain justification in that attitude, because initially the training of many individual members of Extension was short of doctoral and master's degree education. They didn't have an exposure to the experimental method, and statistical analysis of the results was not widely practiced.

So there was some justification in believing that the personnel in Extension, in those early days, was not a trained research staff. But as the educational requirements for appointments, particularly the specialists, was increased and ultimately held to be the same for Extension specialists as it was for initial appointments in the Experiment Station, there has been less criticism of that differential now, and I think quite rightly so.

Well, the next attempt to reorganize the Giannini Foundation so it could stand on its own was to separate the directorship from the chair at Berkeley. With the help of Chet McCorkle, who at that time was the vice president of the university, we were able to generate a half of an FTE [full-time equivalent] to go with the half-FTE which the Giannini Foundation resources supported, and we created a new FTE, a full-time-equivalent position, for a director. We went recruiting for a director, and found Del (B. Delworth) Gardner at Utah State University. He was a full professor, who had a good reputation in the field, and we persuaded Del to come and be the director of the Giannini Foundation. We arranged for him to be appointed to the Davis Department of Agricultural Economics, but indicated that the headquarters of the Giannini Foundation would continue to exist in Berkeley, due to the fact that the library was there. It also seemed to us that this arrangement would facilitate cooperation between the members of the departments at Davis and Berkeley. Riverside didn't really have enough personnel to contribute



much to the Foundation's program. It was always a source of disappointment to the Riverside administration that Riverside was not able to have a department of agricultural economics, but that goes back prior to my time. I think it was due to Harry Wellman's view that we didn't need any more [laughing] agricultural economists in the University of California. I may be jumping to a conclusion that's unwarranted, but I'm not so sure that that's off the mark.

At any rate, the agricultural economics activity was centered on the Berkeley and Davis campuses. Del continued to function as the director of the Giannini Foundation and did a pretty good job of elevating the visibility of the Foundation. But I think he had, over the course of his five or six years' tenure in that role, increasing difficulties persuading his colleagues on the faculty to address some of the more practical problems that were surfacing. It was a period when I was sort of relaxed about the Foundation because I had a director, and any inquiry I received which needed attention I just sent on to the director and asked if he could take care of it.

Del wound up taking care of it but he wound up taking care of most requests pretty much on his own. He really wasn't able to obtain the commitment of the broad array of the agricultural economists who existed in the two departments in the program. So it was kind of a frustrating experience for him.

When Lowell Lewis came to my staff, we were still having frustrations with the Giannini Foundation, and I turned the problem over to him as the director of the Experiment Station. He and the executive committee subsequently designed another way to handle the Giannini Foundation. Del resigned from the directorship and became a full professor of agricultural economics in the Davis department.

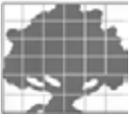
The next iteration for managing the Giannini Foundation was to use the executive committee, chaired by the director of the Experiment Station. So for a while, Lowell Lewis was the director of this governing board for the Giannini Foundation. The executive group consisted of the chairs of the departments at Berkeley and Davis and the group leader in Extension for the Extension agricultural economists, plus an additional representative from the two departments, and there may have been an additional Extension component also. I'm not sure.

Lage: It sounds as if the Foundation had no leverage to apply to counteract the academic direction.

Kendrick: I think you're quite right. The Foundation doesn't have any leverage because it doesn't have very much money for programs and research. If I were to characterize leverage as far as my own responsibility for the total program was concerned, I would say my leverage was money and persuasion. And I found that money was the biggest persuader that I had.

Lage: [laughs] That sums it up, probably, for a lot of your programs.

Kendrick: Well, I think that is very true. And the reason I say that is because, as we will subsequently describe in some of these programs within the Experiment Station, the lack of leverage was due to the lack of flexible money to allocate to people to conduct particular programs of timely importance.



Lage: So if you had flexible money to support research, and you could define a particular research problem, you could find someone to carry out the research.

Kendrick: That's right. What I really needed was a big fund for grant money, where we could define the terms of the grant in such a way that you could make short-term grants of one, two, three, four, five years, and at the end of that period you would have the money returned to you and you could redirect it to something else.

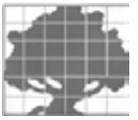
Lage: Did you approach the agricultural community who were asking for these changes in the Foundation?

Kendrick: Yes, I suggested that we should establish an agricultural research foundation and make grants from it. But I was always reminded that, "Well, the state already appropriates \$60 million to you. Why can't you find flexibility in that \$60 million?" I'd go through the standard explanation, "Yes, I have all that money, but I don't have control over most of it because it's already supporting people who have tenure and who are regular members of the faculty. And I also have an agricultural field station that I could close, but that doesn't seem the way to manage a program. So I'm left with less than a million dollars of flexible money." These are the kinds of things you have to consider when you're trying to administer a program and keep your resources flexible enough so that you can direct them to current problems.

Well, the Giannini Foundation, as I understand it, to now operate—it was when I left office—has an executive committee but instead of the director of the Experiment Station being the chair, they elect a chair. Or, if they don't elect a chair, it alternates periodically between the chairman of the department of Berkeley and the chairman of the department at Davis. The committee administers the program of the Giannini Library. They have a few fellowships that they can grant from the fund, and they make research grants to applicants for particular kinds of defined programs. So the Giannini Foundation, with what money it does now have that's flexible, operates as a granting agency.

Lage: And are they committed to try to grant research funds for these more practical problems, or . . . ?

Kendrick: I think they tend to grant them into short-term definable programs that lead into what the executive committee regards as important current economic issues as far as agriculture is concerned.



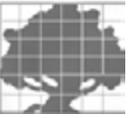
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