

Mid-Term Report
NCR-194 Research on Cooperatives
October 1, 1998 to September 30, 2002

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December, 2000

Agriculture continues to change rapidly creating challenges for farmers and residents of rural communities. Farm and population numbers are falling in rural America and concentration in all sub-sectors of agriculture is increasing. Cooperatives continue to be an important means by which producers can remain competitive in an increasingly industrialized agricultural economy, by allowing producers to maintain ownership and voice in the decision-making process.

The loss of business in rural communities was identified as another important issue when this committee was organized in 1998 and remains an important issue today. Cooperatives have and continue to serve as major input suppliers and first handlers of farm products for producers. They are also an important component of the rural infrastructure in areas, like credit and utilities.

Across the United States and Canada, many university faculty and government researchers identify cooperatives to be their primary responsibility and area of interest. These individuals have good working relationships with cooperatives, a fact that enhances the relevance and the quick dissemination and application of their work. The role of the NCR 194 is to facilitate and enhance these efforts by improving coordination among its members. The remainder of this report focuses on the achievements of the committee during the past two years. In what follows, we outline progress made towards each of the originally stated objectives and procedures of the committee.

Objective 1.

The first objective of the NCR-194 is to promote and coordinate timely research on cooperatively owned business organizations for agricultural marketing, agricultural input supply, vertical coordination through value added processing, and rural services.

During the late summer of 2000, an email survey was sent to committee members in order to get an accurate picture of work involving research, education, and outreach related to cooperatives during the past two years. In an attempt to get as many members as possible to respond, follow-up emails were sent and in some cases, phone calls were made to encourage completion of the survey. We received 36 responses.

Demographics:

Tables 1-4 provide a summary of the demographics of committee members. As evidenced by tables 1 and 2, in addition to academic members, we also have representation from both government and industry. Respondents represent 24 states as well as Canada. Tables 3 and 4 summarize job responsibilities and areas of work for members. Many of the respondents, that are university faculty, have three-way appointments and incorporate the results of their research on cooperatives into the courses they teach and their extension programs.

Table 1 Breakdown of respondents by Type of Work and Rank

Location of Work/Rank	Number of Respondents
University	
Assistant Professor	6
Associate Professor	7
Professor	16
Total University	29
Industry	3
Government	4
Total Responding to Survey	36

*Of the respondents from universities 3 were directors of a cooperative center and 2 were department heads

Table 2 States and Countries Represented by Respondents

Arizona	Arkansas	Saskatchewan, Canada
California	Colorado	Texas
D.C.	Georgia	Washington
Idaho	Illinois	Michigan
Indiana	Iowa	South Carolina
Kansas	Kentucky	Virginia
Massachusetts	Minnesota	Wisconsin
Mississippi	Nebraska	New Jersey
North Dakota		

Table 3 Job Responsibilities of Respondents

Responsibility	Number of Respondents
Research	30
Teaching	26
Extension	15
Administrative	8

Table 4 Area of Work of Respondents

Area of Work	Number of Respondents
Agricultural Economist/Agribusiness Economist	28
Rural Economist/Rural Sociologist	3
Economist/Industrial Organization	5

Teaching and Output:

Table 5 summarizes teaching activity related to cooperatives. Just over half of the respondents who are university faculty (14 of the 29) are teaching a specific course on cooperatives while many others are incorporating a section about cooperatives in another course. Respondents have also been actively involved in research and extension activities (Table 6) producing 22 theses or dissertations, over 40 presentations at professional meetings, over 35 refereed articles, 29 research grants, numerous case studies and book chapters, and over 50 extension presentations.

Table 5 Teaching of Courses on Cooperatives as reported by Respondents

Teaching of Cooperatives	Number of Respondents
Specific Cooperatives Course at your institution	14
Section on Cooperatives in other Courses	18

Table 6 Output as reported by NCR 194 Members

Type of Output	Number
Graduate Student Thesis/Dissertation	22 theses or dissertations
Presentations at Professional Meetings	Over 40 presentations
Articles in Refereed Journals	Over 35 articles
Staff Papers and Reports	Over 50 publications
Book Chapters	6 book chapters
Case Studies	13 case studies
Research Grants Funded	29 research grants funded
Collaborative Activity across states/regions	Over half of the respondents
Extension Presentations	Over 50 presentations

Interaction amongst NCR 194 Members:

The establishment of NCR 194 has greatly facilitated collaboration and interaction amongst NCR 194 members. Specific numbers, with respect to joint research activity, highlight this interaction. Cooperative Services, USDA entered into 32 cooperative agreements in fiscal 1998, 15 in fiscal 1999, and 11 in fiscal 2000. These cooperative agreements are, by definition, research work to be done on a cooperating basis between USDA, Cooperative Services and the institutions. The extent of cooperation and interaction goes beyond Cooperative Services, USDA and the lead institution on the agreement. Eight of these agreements involved direct collaboration of faculty from 16 different universities. In addition, over half of the individuals who responded to the email survey indicated that they were involved in collaborative activities that crossed state and regional boundaries, both formal and informal.

Communication:

NCR 194 members are making excellent use of the committee's infrastructure to communicate the results of their research to each other. Three successful annual meetings have now been held where members shared research results through selected paper presentations. Members are also making use of the NCR 194 web page and the list serve (described in more detail below) to communicate with each other. Members are actively communicating the results of their research beyond the committee. As noted in Table 6 NCR 195 members presented research results at over 40 professional meetings and over 50 extension presentations.

Objective 2.

Our second objective is to serve as a forum for industry and government decision makers in management and staff research positions to interact with land grant researchers and extension specialists to share research results and discuss implications for cooperative business organizations, their producer members, farm structure, efficiencies in food production and distribution, the environment and economic well being of rural communities.

As shown in Table 7 following Procedure 1, we not only have representation at the meetings from academics but there has also been a good presence from both industry and government. This has enabled strong and positive interaction between academics and others. The results of this objective are discussed further in the Procedures Section below.

Procedures:

- 1. Provide annual forum for interaction between academics, cooperative management, cooperative boards of directors, and government researchers by:**
 - a. *Conducting an annual two-day forum involving participation from academics, upper and middle management personnel from cooperatives, directors from cooperatives, and cooperative researchers in government. The forum will focus on ongoing research on cooperatives, identifying research issues, and organizing research teams among the participants.*

There have been three two-day annual forums. These forums have included industry and government representatives (See Table 7 below) as well as representatives from universities. Industry representatives from Farmland Industries, Cenex Harvest States, Land O’Lakes, and the National Council of Farmer Cooperatives have attended each of the conferences and Randall Torgerson and Thomas Stafford have represented the government sector at each of the meetings. Two of the meetings included university faculty from western Canadian provinces providing international linkages in today’s global market place. Additionally, one of our members, Chris Petersen, serves on the board of directors for CoBank.

Table 7. Attendance at NCR 194 Annual Meetings

	1998	1999	2000
University	28	30	30
Government	4	4	6
Industry	4	5	4
Total	32	39	40

- b. *Adopting an interdisciplinary approach to research by involving agricultural economists rural sociologists and faculty from Business Schools.*

The NCR-194 has adopted an interdisciplinary approach and will continue to promote interdisciplinary activities. For example, the following individuals are not agricultural economists but are members of NCR 194:

- James Baarda – The Ackerson Group (Lawyer)
- Gary Goreham – North Dakota State University (Rural Sociologist)
- Bill Heffernan – University of Missouri (Rural Sociologist)
- David Swanson – Doherty Rumble & Butler (Lawyer)

- c. *Developing and maintaining a Web page and an electronic list server to promote active communication and coordination among participants.*

NCR 194 has developed a web page that serves as an important vehicle for communication among the members. NCR 194 members, as well as others interested in cooperatives, can access the selected papers presented at the 1999 and 2000 meetings from the web page which can be found at:

<http://www.agecon.ksu.edu/accc/ncr194/Default.htm>

We have also developed a List Server to help maintain good communication among members. Participants can send a message to **ncr194-net@macc.wisc.edu**. Messages sent to this address are forwarded to all participants. Additions, changes and deletions to the list are sent to Anne Reynolds at *reynolds@ae.wisc.edu*.

2. *The second procedure involves linking with other national research projects and complementary groups such as WCC-72, NE-165. The National Institute on Cooperative Education, Cooperative Economists and Planners.*

The three forums discussed in Procedure 1 above have been held in conjunction with Farmers' Cooperatives 2000 ensuring interaction between academics and industry. Additionally the NCR 194 conferences have resulted in cooperative research that was reported at 4 different organized symposia at the 1999 and 2000 American Agricultural Economics Association annual meetings as well as part of the program of the 1999 and 2000 National Institute on Cooperative Education conferences.

As a result of the research developed at the NCR 194 meetings, there have also been meetings with other trade organizations and industry such as the Colorado Cooperative Council Annual Meetings held in Colorado Springs in February 1999 and 2000.

To date, no specific joint meetings have been held with other research project groups but this collaboration is expected to occur in the future. Committee members felt that it was first necessary for this committee to develop its own identify ensuring NCR 194's success before meeting with other research committees.

Conclusion

The NCR 194 continues to be an important way for individuals of diverse backgrounds from across North America to meet and explore ways in which research, education and outreach activities can enhance the development and survival of rural cooperatives. As discussed above, excellent progress has been made.